

whatever kind that accrue to any official in his elected capacity shall be reported to the city council and paid monthly into the treasury of the city.

Subd. 4. **REPEALER.** Laws 1971, Chapter 473, is hereby repealed.

Subd. 5. **EFFECTIVE DATE.** This section takes effect when approved by a majority of the governing body of the city of St. Paul and upon compliance with Minnesota Statutes, Section 645.021; provided that notwithstanding the provisions of Minnesota Statutes, Section 645.021, Subdivision 1, relating to expiration of special laws, this section shall also take effect if approved at a special election by the voters of the city of St. Paul which election shall be held on the uniform municipal election day specified in Minnesota Statutes, Section 205.20, Subdivision 2, next following the presentation of a petition to the city clerk of the city of St. Paul signed by 2,000 or more qualified voters.

Approved May 24, 1973.

CHAPTER 692—S.F.No.462

[Coded]

An act relating to commerce; limiting the disclaimer of implied warranties; providing for the honoring of express warranties; providing remedies; amending Minnesota Statutes 1971, Chapter 325, by adding sections.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1971, Chapter 325, is amended by adding a section to read:

[325.951] SALES; WARRANTIES; DEFINITIONS. Subdivision 1. As used in this act, the terms defined in this section have the meanings given them.

Subd. 2. "Consumer sale" means a sale of new goods, or as regards an express warranty, any goods, purchased primarily for personal, family, or household purposes, and not for agricultural or business purposes.

Subd. 3. "Goods" are as defined in Minnesota Statutes, Section 325.94.

Changes or additions indicated by underline, deletions by ~~strikeout~~.

Subd. 4. "New goods" mean those goods which are purchased for the first time other than for purposes of resale.

Subd. 5. "Express warranty" means a written statement arising out of a consumer sale pursuant to which the manufacturer, distributor, or retailer undertakes (1) to preserve or maintain the utility or performance of the goods or provide compensation or replacement if there is a failure in utility or performance; or (2) declares that in the event of any sample or model, that the whole of the goods conforms to the sample or model. It is not necessary to the creation of an express warranty that formal words such as "warrant" or "guarantee" be used or that a specific intention to make a warranty be present, but an affirmation merely of the value of the goods or a statement purporting to be merely an opinion or commendation of the goods does not create a warranty.

Sec. 2. Minnesota Statutes 1971, Chapter 325, is amended by adding a section to read:

[325.952] IMPLIED WARRANTIES. Subdivision 1. Unless disclaimed in the manner prescribed in subdivision 2, every consumer sale in this state shall be accompanied by an implied warranty that the goods are merchantable, and, in a consumer sale where the seller has reason to know that the goods are required for a particular purpose and that the buyer is relying on the seller's skill or judgment to select or furnish suitable goods, an implied warranty of fitness. A seller may, however, limit damages or remedies for breach of implied warranties as provided in Minnesota Statutes, Chapter 336.

Subd. 2. DISCLAIMER. No consumer sale on an "as is" or "with all faults" basis shall be effective to disclaim the implied warranty of merchantability, or, where applicable, the implied warranty of fitness, unless a conspicuous writing clearly informs the buyer, prior to the sale, in simple and concise language each of the following:

(1) The goods are being sold on an "as is" or "with all faults" basis; and

(2) The entire risk as to the quality and performance of the goods is with the buyer.

In event of a consumer sale by means of a mail order catalog, the catalog may contain the required writing in lieu of the requirement of notification prior to the sale.

Sec. 3. Minnesota Statutes 1971, Chapter 325, is amended by adding a section to read:

Changes or additions indicated by underline, deletions by ~~strikeout~~.

[325.953] EXPRESS WARRANTIES. Subdivision 1. DISCLAIMERS. No express warranty arising out of a consumer sale of new goods shall disclaim implied warranties of merchantability, or, where applicable, of fitness.

Subd. 2. HONORING OF EXPRESS WARRANTIES. The maker of an express warranty arising out of a consumer sale in this state shall honor the terms of the express warranty. In a consumer sale, the manufacturer shall honor an express warranty made by the manufacturer; the distributor shall honor an express warranty made by the distributor; and the retail seller shall honor an express warranty made by the retail seller.

Subd. 3. LIABILITY OF MANUFACTURER TO RETAILER. Every manufacturer who makes an express warranty pursuant to a consumer sale, who authorizes a retail seller within this state to perform services or repairs under the terms of the express warranty shall be liable to the retail seller in an amount equal to that which is charged by the retail seller for like service or repairs rendered to retail consumers who are not entitled to warranty protection.

Sec. 4. Minnesota Statutes 1971, Chapter 325, is amended by adding a section to read:

[325.954] REMEDIES. A violation of this act shall be treated as a violation of Minnesota Statutes, Section 325.79. The remedies provided by this act are cumulative and shall not be construed as restricting any remedy that is otherwise available.

Sec. 5. This act shall be effective as to all consumer sales made on or after November 1, 1973.

Approved May 24, 1973.

CHAPTER 693—S.F.No.464

[Coded in Part]

An act relating to controlled substances; defining terms; scheduling substances and establishing rescheduling procedures; rights to prescribe and possess; penalties and forfeitures for illegal possession, sale, manufacture or distribution of prohibited drugs; amending Minnesota Statutes 1971, Sections 152.01, by adding a subdivision; 152.02, Subdivisions 11, 12, and 13; 152.09, Subdivision 2; 152.101, Subdivision 2; 152.11; 152.12, Subdivisions 1 and 4; 152.15,

Changes or additions indicated by underline, deletions by ~~strikeout~~.