

**SENATE**  
**STATE OF MINNESOTA**  
**NINETY-FIRST SESSION**

**S.F. No. 3883**

(SENATE AUTHORS: EKEN)

DATE  
03/02/2020

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Introduction and first reading  
 Referred to Transportation Finance and Policy

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to motor vehicles; requiring new and used motor vehicle dealers to disclose
- 1.3 recalls prior to sale; amending Minnesota Statutes 2018, sections 325F.662, by
- 1.4 adding a subdivision; 325F.664.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. Minnesota Statutes 2018, section 325F.662, is amended by adding a subdivision
- 1.7 to read:
- 1.8 Subd. 2a. **Disclosure of recalls.** Prior to the sale of a used motor vehicle, a used motor
- 1.9 vehicle dealer must disclose to a consumer in writing any (1) federal safety recall for a
- 1.10 defect or noncompliance, or (2) federal emissions recall, that has been performed or applies
- 1.11 to the vehicle.
- 1.12 Sec. 2. Minnesota Statutes 2018, section 325F.664, is amended to read:
- 1.13 **325F.664 NEW MOTOR VEHICLE ~~DAMAGE~~ DISCLOSURES.**
- 1.14 Subdivision 1. **Definition.** For the purposes of this section, the term "new motor vehicle"
- 1.15 means a motor vehicle as defined in section 80E.03, subdivision 7, including vehicles driven
- 1.16 for demonstration purposes.
- 1.17 Subd. 2. **Disclosure of damage exceeding four percent of retail price; federal**
- 1.18 **recalls.** (a) Before the sale of a new motor vehicle, a dealer must disclose and describe to
- 1.19 the buyer, in a clear and conspicuous written statement and orally in the course of the sales
- 1.20 presentation;

(1) any damage to the vehicle of which the dealer had actual knowledge, if the dealer's cost of repairs exceeded four percent of the manufacturer's suggested retail price, or \$500, whichever is greater; and

(2) any (i) federal safety recall for a defect or noncompliance, or (ii) federal emissions recall, that has been performed or applies to the new motor vehicle.

(b) A manufacturer, distributor, or importer must disclose and describe to its franchised dealers, in a clear and conspicuous written statement, any repaired damage exceeding four percent of the manufacturer's suggested retail price, or \$500, whichever is greater.

(c) Damaged or stolen glass, tires, wheels, bumpers, radios, and in-dash audio components are excluded from the disclosure requirements of this subdivision if the damaged or stolen parts are replaced with identical manufacturer's original equipment.

Sec. 3. **EFFECTIVE DATE.**

Sections 1 and 2 are effective August 1, 2020, and apply to sales of new and used motor vehicles on and after that date.