CHAPTER 32

Motor Vehicle Damage Disclosure Act

**SECTION 56‑32‑10.** Application to new motor vehicles.

This chapter applies to new motor vehicles as defined in Section 56‑28‑10(5).

HISTORY: 1995 Act No. 51, Section 1.

**SECTION 56‑32‑20.** Motor vehicle damage disclosure.

(A) A motor vehicle manufacturer shall disclose, in writing to a motor vehicle dealer at the time of delivery of a new motor vehicle, damage and repair to the new motor vehicle that occurred while the vehicle was in the possession or under the control of the manufacturer if the damage exceeds three percent of the manufacturer’s suggested retail price as calculated at the rate of the dealer’s authorized warranty rate for labor and parts. A manufacturer is not required to disclose to a dealer that the glass, tires, bumper, or in‑dash equipment of or in a motor vehicle was damaged if the damaged item has been replaced with original or comparable new equipment.

(B) A motor vehicle dealer shall disclose, in writing to a purchaser of a new motor vehicle before entering into a sales contract, any damage and repair to the new motor vehicle if the cost of the damage exceeds three percent of the manufacturer’s suggested retail price calculated at the rate of the dealer’s authorized warranty rate for labor and parts. A dealer is not required to disclose to a purchaser that the glass, tires, bumper, or in‑dash equipment of or in a new motor vehicle was damaged if the equipment or item has been replaced with original or comparable new equipment.

(C) If disclosure is not required under this section, a purchaser may not revoke or rescind a sales contract nor bring a civil action based solely upon the fact that the new motor vehicle was damaged and repaired before completion of the sale.

(D) For purposes of this section, “manufacturer’s suggested retail price” means the retail price of the new motor vehicle suggested by the manufacturer including the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment physically attached to the new motor vehicle at the time of delivery to the motor vehicle dealer.

HISTORY: 1995 Act No. 51, Section 1, eff May 17, 1995.