

House Study Bill 79 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED ATTORNEY GENERAL
BILL)

A BILL FOR

1 An Act relating to defective motorcycles and autocycles
2 purchased or leased by consumers, making penalties
3 applicable, and including applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 322G.2, subsection 13, Code 2021, is
2 amended to read as follows:

3 13. "Motor vehicle" means a self-propelled vehicle purchased
4 or leased in this state, except as provided in section 322G.15,
5 and primarily designed for the transportation of persons or
6 property over public streets and highways, but does not include
7 mopeds, motorcycles, autocycles, motor homes, or vehicles over
8 fifteen thousand pounds gross vehicle weight rating.

9 Sec. 2. APPLICABILITY. This Act applies to motorcycles and
10 autocycles originally purchased or leased by consumers on or
11 after July 1, 2021.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 Code chapter 322G (defective motor vehicles — lemon law)
16 sets forth a consumer's right to obtain repairs to, replacement
17 of, or a refund on the purchase price of a defective motor
18 vehicle. The Code chapter also sets forth the duties of motor
19 vehicle manufacturers, informal dispute settlement procedures,
20 and certain other matters related to such rights. Under
21 current law, Code section 322G.2 defines "motor vehicle" to
22 exclude certain types of vehicles, including motorcycles and
23 autocycles. This bill strikes motorcycles and autocycles from
24 the exclusion, thereby making the provisions of Code chapter
25 322G applicable to motorcycles and autocycles.

26 Under current law, a violation by a manufacturer of Code
27 chapter 322G is an unfair or deceptive trade practice in
28 violation of Code section 714.16. Pursuant to Code section
29 714.16, the attorney general may investigate and commence
30 civil proceedings seeking restraining orders or injunctions
31 prohibiting persons from engaging in unlawful practices
32 or seeking termination of the business affairs of a person
33 engaging in unlawful practices. A civil penalty of up to
34 \$40,000 per violation may also be imposed by a court against
35 a person found to have committed an unlawful practice. By

1 operation of law, motorcycle and autocyte manufacturers would
2 be subject to Code section 714.16 for violations of Code
3 chapter 322G under the bill.

4 The bill applies to motorcycles and autocycles originally
5 purchased or leased by consumers on or after July 1, 2021.