

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1994, section 504.185, subdivision 1, is amended to read:

Subdivision 1. **DEFINITIONS.** For the purposes of this section, the following terms have the meanings given to them.

- (a) "Owner" has the meaning given to it in section 566.18, subdivision 3.
- (b) "Tenant" has the meaning given to it in section 566.18, subdivision 2.
- (c) "Building" has the meaning given to it in section 566.18, subdivision 7.

(d) "Single-metered residential building" means a multiunit rental building with one or more separate residential living units where the utility service measured through a single meter provides service to an individual unit and to all or parts of common areas or other units.

Sec. 2. Minnesota Statutes 1994, section 504.185, is amended by adding a subdivision to read:

Subd. 1a. SINGLE-METER UTILITY SERVICE PAYMENTS. In a residential leasehold contract entered into or renewed on or after August 1, 1995, the owner of a single-metered residential building shall be the bill payer responsible, and shall be the customer of record contracting with the utility for utility services. The owner must advise the utility provider that the utility services apply to a single-metered residential building. A failure by the owner to comply with this subdivision is a violation of sections 504.18, subdivision 1, clause (a), and 504.26. This subdivision may not be waived by contract or otherwise. This subdivision does not require an owner to contract and pay for utility service provided to each residential unit through a separate meter which accurately measures that unit's use only.

Presented to the governor May 17, 1995

Signed by the governor May 19, 1995, 2:33 p.m.

---

#### CHAPTER 193—H.F.No. 990

*An act relating to consumer protection; providing warranties for new assistive devices; providing enforcement procedures; proposing coding for new law in Minnesota Statutes, chapter 325G.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. [325G.203] **DEFINITIONS.**

New language is indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. TERMS. For purposes of sections 325G.203 to 325G.208, the terms in this section have the meanings given them.

Subd. 2. ASSISTIVE DEVICE. "Assistive device" is an item, piece of equipment, or product system that is designed and used to increase, maintain, or improve functional capabilities of individuals with disabilities in the areas of seeing, hearing, speaking, walking, breathing, performing manual tasks, learning, caring for oneself, or working. The term includes, but is not limited to: manual wheelchairs, motorized wheelchairs, motorized scooters, and other aids that enhance the mobility of an individual; hearing aids, assistive listening devices, and other aids that enhance an individual's ability to hear or communicate; voice-synthesized computer modules, optical scanners, talking software, Braille printers, large print materials, and other devices that enhance an individual's ability to access print or communicate; and other assistive devices such as environmental controls, adaptive transportation aids, communication boards, and modified environments. "Assistive device" does not include a transcutaneous electrical nerve stimulator, neuromuscular electrical stimulator, or dynamic range of motion splint, if the stimulator or splint is already covered by a warranty.

Subd. 3. ASSISTIVE DEVICE DEALER. "Assistive device dealer" means a person who is in the business of selling new assistive devices.

Subd. 4. ASSISTIVE DEVICE LESSOR. "Assistive device lessor" means a person who leases new assistive devices to consumers, or who holds the lessor's rights, under a written lease.

Subd. 5. COLLATERAL COSTS. "Collateral costs" means expenses incurred by a consumer in connection with the repair of a nonconformity, including the cost of sales tax and of obtaining an alternative assistive device.

Subd. 6. CONSUMER OR AGENCY. "Consumer" or "agency" means any of the following:

(1) the purchaser of an assistive device, if the assistive device was purchased from an assistive device dealer or manufacturer for purposes other than resale;

(2) a person to whom the assistive device is transferred for purposes other than resale, if the transfer occurs before the expiration of an express warranty applicable to the assistive device;

(3) a person who may enforce the warranty; or

(4) a person who leases an assistive device from an assistive device lessor under a written lease.

Subd. 7. DEMONSTRATOR. "Demonstrator" means an assistive device used primarily for the purpose of demonstration to the public.

Subd. 8. EARLY TERMINATION COST. "Early termination cost" means

New language is indicated by underline, deletions by ~~strikeout~~.

an expense or obligation that an assistive device lessor incurs as a result of both the termination of a written lease before the termination date set forth in that lease and the return of an assistive device to the manufacturer. The term includes a penalty for prepayment under a finance arrangement.

**Subd. 9. EARLY TERMINATION SAVINGS.** “Early termination savings” means an expense or obligation that an assistive device lessor avoids as a result of both the termination of a written lease before the termination date set forth in that lease and the return of an assistive device to a manufacturer. The term includes an interest charge that the assistive device lessor would have paid to finance the assistive device or, if the assistive device lessor does not finance the assistive device, the difference between the total period of the lease term remaining after the early termination and the present value of that amount at the date of the early termination.

**Subd. 10. MANUFACTURER.** “Manufacturer” means a person who manufactures or assembles assistive devices and agents of that person, including an importer, a distributor, a factory branch, distributor branch, and a warrantor of the manufacturer’s assistive device. The term does not include an assistive device dealer or lessor.

**Subd. 11. NONCONFORMITY.** “Nonconformity” means a specific condition or generic defect or malfunction, or a defect or condition that substantially impairs the use, value, or safety of an assistive device, but does not include a condition or defect that is the result of abuse or unauthorized modification or alteration of the assistive device by the consumer.

**Subd. 12. REASONABLE ATTEMPT TO REPAIR.** “Reasonable attempt to repair” means any of the following occurring within the term of an express warranty applicable to a new assistive device:

(1) the manufacturer, assistive device lessor, or any of the manufacturer’s authorized assistive device dealers accepts return of the new assistive device for repair at least two times; or

(2) the assistive device is out of service for an aggregate of at least 30 cumulative days because of warranty nonconformities.

## Sec. 2. [325G.204] EXPRESS WARRANTIES.

**Subdivision 1. REQUIREMENT.** A manufacturer who sells or leases a new assistive device to a consumer, either directly or through an assistive device dealer or lessor, shall furnish the consumer with an express warranty to preserve or maintain the utility or performance of the assistive device. The duration of the express warranty must not be less than one year after first possession of the assistive device by the consumer. If a manufacturer fails to furnish an express warranty as required by this section, the assistive device shall be covered by an express warranty as if the manufacturer had furnished an express warranty to the consumer as required by this section.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 2. NONCONFORMING DEVICE. If a new assistive device does not conform to an applicable express warranty and the consumer reports the nonconformity to the manufacturer, the assistive device lessor, or any of the manufacturer's authorized assistive device dealers and makes the assistive device available for repair before one year after first possession of the device by the consumer, the nonconformity must be repaired or replaced.

**Sec. 3. [325G.205] ASSISTIVE DEVICE REPLACEMENT OR REFUND.**

Subdivision 1. REQUIREMENT. If, after a reasonable attempt to repair, the nonconformity is not repaired, the manufacturer shall carry out, at the option of the consumer, the requirements under paragraph (a) or (b), whichever is appropriate.

(a) To provide for refunds, at the request of the consumer, the manufacturer shall do one of the following:

(1) accept return of the assistive device and refund to the consumer and to a holder of a perfected security interest in the consumer's assistive device, as their interest may appear, the full purchase price plus any finance charge, amount paid by the consumer at the point of sale and collateral costs, less a reasonable allowance for use; or

(2) accept return of the assistive device, refund to the assistive device lessor and to a holder of a perfected security interest in the assistive device, as their interest may appear, the current value of the written lease and refund to the consumer the amount that the consumer paid under the written lease plus collateral costs, less a reasonable allowance for use.

(b) To receive a comparable new assistive device, a consumer shall offer to the manufacturer of the assistive device having the nonconformity to transfer possession of that assistive device to that manufacturer. No later than 30 days after that offer, the manufacturer shall provide the consumer with the comparable new assistive device or a refund. When the manufacturer provides the new assistive device or refund, the consumer shall return the assistive device having the nonconformity to the manufacturer, along with any endorsements necessary to transfer real possession to the manufacturer.

Subd. 2. REFUND. If, after a reasonable attempt to repair, the nonconformity is not repaired, an assistive device lessor shall receive a refund from the manufacturer. To receive a refund, the assistive device lessor shall offer to transfer possession of a nonconforming assistive device to its manufacturer. No later than 30 days after that offer, the manufacturer shall provide the refund to the assistive device lessor. When the manufacturer provides the refund, the assistive device lessor shall provide to the manufacturer any endorsements necessary to transfer legal possession to the manufacturer.

Subd. 3. CURRENT VALUE OF LEASE. Under this section, the current

New language is indicated by underline, deletions by ~~strikeout~~.

value of the written lease equals the total amount for which that lease obligates the consumer during the period of the lease remaining after its early termination, plus the assistive device dealer's early termination costs and the value of the assistive device at the lease expiration date if the lease sets forth that value, less the assistive device lessor's early termination savings.

**Subd. 4. REASONABLE ALLOWANCE.** Under this section, a reasonable allowance for use may not exceed the amount obtained by multiplying the total amount the consumer paid or for which the written lease obligates the consumer by a fraction, the denominator of which is 1,825 and the numerator of which is the number of days that the consumer used the assistive device before first reporting the nonconformity to the manufacturer, assistive device lessor, or assistive device dealer.

**Subd. 5. LIMIT ON ENFORCEMENT OF LEASE.** No person may enforce the lease against the consumer after the consumer receives a refund.

**Sec. 4. [325G.206] NONCONFORMITY DISCLOSURE REQUIREMENT.**

No assistive device returned by a consumer or assistive device lessor in this state or another state may be sold or leased in this state unless full disclosure of the reason for return is made to a prospective buyer or lessee.

**Sec. 5. [325G.207] OTHER REMEDIES.**

**Subdivision 1. OTHER RIGHTS AND REMEDIES AVAILABLE.** Sections 325G.203 to 325G.208 do not limit rights or remedies available under any other law.

**Subd. 2. WAIVER OF RIGHTS VOID.** A waiver of rights by a consumer under sections 325G.203 to 325G.208 is void.

**Subd. 3. PRIVATE RIGHT OF ACTION.** In addition to pursuing other remedies, a consumer may bring an action to recover damages caused by a violation of sections 325G.203 to 325G.208. The court shall award a consumer who prevails in the action, twice the amount of any pecuniary loss, together with costs, disbursements, and reasonable attorney fees, and any equitable relief that the court may determine is appropriate.

**Sec. 6. [325G.208] MANUFACTURER'S DUTY TO PROVIDE REIMBURSEMENT FOR TEMPORARY REPLACEMENT OF ASSISTIVE DEVICES; PENALTIES.**

**Subdivision 1. REQUIREMENT.** Whenever an assistive device covered by a manufacturer's express warranty is tendered by a consumer to the dealer from whom it was purchased or exchanged for the repair of a defect, malfunction, or nonconformity to which the warranty is applicable and at least one of the following conditions exists, the manufacturer shall provide directly to the consumer for the duration of the repair period, a replacement assistive device or a

New language is indicated by underline, deletions by ~~strikeout~~.

rental assistive device reimbursement to pay for the cost incurred by the consumer for renting a replacement assistive device. The applicable conditions are as follows:

(1) the repair period exceeds ten working days, including the day on which the device is tendered to the dealer for repair; or

(2) the defect, malfunction, or nonconformity is the same for which the assistive device has been tendered to the dealer for repair on at least two previous occasions.

Subd. 2. DURATION OF DUTY. This section applies for the period of the manufacturer's express warranty.

Presented to the governor May 17, 1995

Signed by the governor May 19, 1995, 2:34 p.m.

---

## CHAPTER 194—S.F.No. 732

*An act relating to commerce; enacting the revised article 8 of the uniform commercial code proposed by the national conference of commissioners on uniform state laws; regulating investment securities; amending Minnesota Statutes 1994, sections 336.1-105; 336.1-206; 336.4-104; 336.5-114; 336.9-103; 336.9-105; 336.9-106; 336.9-203; 336.9-301; 336.9-302; 336.9-304; 336.9-305; 336.9-306; 336.9-309; 336.9-312; and 336.10-104; proposing coding for new law in Minnesota Statutes, chapter 336; repealing Minnesota Statutes 1994, sections 336.8-101; 336.8-102; 336.8-103; 336.8-104; 336.8-105; 336.8-106; 336.8-107; 336.8-108; 336.8-201; 336.8-202; 336.8-203; 336.8-204; 336.8-205; 336.8-206; 336.8-207; 336.8-208; 336.8-301; 336.8-302; 336.8-303; 336.8-304; 336.8-305; 336.8-306; 336.8-307; 336.8-308; 336.8-309; 336.8-310; 336.8-311; 336.8-312; 336.8-313; 336.8-314; 336.8-315; 336.8-316; 336.8-317; 336.8-318; 336.8-319; 336.8-320; 336.8-321; 336.8-401; 336.8-402; 336.8-403; 336.8-404; 336.8-405; 336.8-406; 336.8-407; and 336.8-408.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

---

### ARTICLE 1

#### UNIFORM COMMERCIAL CODE

##### Revised Article 8

#### INVESTMENT SECURITIES

##### Part 1

#### SHORT TITLE AND GENERAL MATTERS

Section 1. **[336.8-101] SHORT TITLE.** This article may be cited as Uniform Commercial Code - Investment Securities.

New language is indicated by underline, deletions by ~~strikeout~~.