

(June 30, 1953, ch. 164, §17, as added Pub. L. 97-35, title XII, §1207(d), Aug. 13, 1981, 95 Stat. 719; amended Pub. L. 110-314, title II, §204(c)(2)(C), (H), Aug. 14, 2008, 122 Stat. 3042, 3043.)

REFERENCES IN TEXT

The Flammable Fabrics Act, referred to in subsec. (b), is act June 30, 1953, ch. 164, 67 Stat. 111, as amended, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1191 of this title and Tables.

PRIOR PROVISIONS

A prior section 1204, act June 30, 1953, ch. 164, §17, as added Dec. 14, 1967, Pub. L. 90-189, §10, 81 Stat. 574; amended May 11, 1976, Pub. L. 94-284, §19, 90 Stat. 514, related to the National Advisory Committee for Flammable Fabrics Act, prior to repeal by Pub. L. 97-35, title XII, §1205(b), Aug. 13, 1981, 95 Stat. 716, eff. Aug. 13, 1981.

AMENDMENTS

2008—Pub. L. 110-314, §204(c)(2)(H), which directed substitution of “Commission” for “Consumer Product Safety Commission” in this section, was executed by making the substitution in subsec. (a) before “shall transmit”, but not in subsec. (b)(1), to reflect the probable intent of Congress.

Subsec. (a). Pub. L. 110-314, §204(c)(2)(C), which directed substitution of “Commission” for “Secretary” wherever appearing in the Flammable Fabrics Act, classified to this chapter, was not executed in subsec. (a) of this section, where “Secretary” precedes “of the Senate”, to reflect the probable intent of Congress. Amendment was part of a series of conforming amendments to change references to the “Secretary” of Commerce to “Commission”.

EFFECTIVE DATE

Section applicable with respect to consumer product safety rules under chapter 47 of this title and regulations under this chapter and chapter 30 of this title promulgated after Aug. 13, 1981, see section 1215 of Pub. L. 97-35, set out as an Effective Date of 1981 Amendment note under section 2052 of this title.

CHAPTER 26—HOUSEHOLD REFRIGERATORS

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| Sec. | |
| 1211. | Prohibition against transportation of refrigerators without safety devices. |
| 1212. | Violations; misdemeanor; penalties. |
| 1213. | Publication of safety standards in Federal Register. |
| 1214. | “Interstate commerce” defined. |

§ 1211. Prohibition against transportation of refrigerators without safety devices

It shall be unlawful for any person to introduce or deliver for introduction into interstate commerce any household refrigerator manufactured on or after the date this section takes effect unless it is equipped with a device, enabling the door thereof to be opened from the inside, which conforms with standards prescribed pursuant to section 1213 of this title.

(Aug. 2, 1956, ch. 890, §1, 70 Stat. 953.)

REFERENCES IN TEXT

For date this section takes effect, referred to in text, see Effective Date note below.

EFFECTIVE DATE

Section 5 of act Aug. 2, 1956, provided that: “This Act [this chapter] shall take effect on the date of its enact-

ment [Aug. 2, 1956], except that the first section of this Act [this section] shall take effect one year and 90 days after the date of publication of commercial standards first established under section 3 of this Act [section 1213 of this title]. In the event of a change in said commercial standards first established, a like period shall be allowed for compliance with said change in commercial standards.”

TRANSFER OF FUNCTIONS

Functions of Secretary of Commerce and Federal Trade Commission under this chapter transferred to Consumer Product Safety Commission, see section 2079 of this title.

§ 1212. Violations; misdemeanor; penalties

Any person who violates section 1211 of this title shall be guilty of a misdemeanor and shall, upon conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than \$1,000, or both.

(Aug. 2, 1956, ch. 890, §2, 70 Stat. 953.)

TRANSFER OF FUNCTIONS

Functions of Secretary of Commerce and Federal Trade Commission under this chapter transferred to Consumer Product Safety Commission, see section 2079 of this title.

§ 1213. Publication of safety standards in Federal Register

The Consumer Product Safety Commission shall prescribe and publish in the Federal Register commercial standards for devices which, when used in or on household refrigerators, will enable the doors thereof to be opened easily from the inside; and the standards first established under this section shall be so prescribed and published not later than one year after August 2, 1956.

(Aug. 2, 1956, ch. 890, §3, 70 Stat. 953; Pub. L. 92-573, §30(c), Oct. 27, 1972, 86 Stat. 1231.)

TRANSFER OF FUNCTIONS

“Consumer Product Safety Commission” substituted for “Secretary of Commerce” pursuant to section 30(c) of Pub. L. 92-573, which is classified to section 2079(c) of this title and which transferred functions of Secretary of Commerce and Federal Trade Commission under this chapter to Consumer Product Safety Commission.

§ 1214. “Interstate commerce” defined

As used in this chapter, the term “interstate commerce” includes commerce between one State, Territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico and another State, Territory, possession, the District of Columbia, or the Commonwealth of Puerto Rico.

(Aug. 2, 1956, ch. 890, §4, 70 Stat. 953.)

TRANSFER OF FUNCTIONS

Functions of Secretary of Commerce and Federal Trade Commission under this chapter transferred to Consumer Product Safety Commission, see section 2079 of this title.

CHAPTER 27—AUTOMOBILE DEALER SUITS AGAINST MANUFACTURERS

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| Sec. | |
| 1221. | Definitions. |

Sec.	
1222.	Authorization of suits against manufacturers; amount of recovery; defenses.
1223.	Limitations.
1224.	Antitrust laws as affected.
1225.	State laws as affected.
1226.	Motor vehicle franchise contract dispute resolution process.

§ 1221. Definitions

As used in this chapter—

(a) The term “automobile manufacturer” shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, or station wagons, including any person, partnership, or corporation which acts for and is under the control of such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term “franchise” shall mean the written agreement or contract between any automobile manufacturer engaged in commerce and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement or contract.

(c) The term “automobile dealer” shall mean any person, partnership, corporation, association, or other form of business enterprise resident in the United States or in any Territory thereof or in the District of Columbia operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, or station wagons.

(d) The term “commerce” shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term “good faith” shall mean the duty of each party to any franchise, and all officers, employees, or agents thereof to act in a fair and equitable manner toward each other so as to guarantee the one party freedom from coercion, intimidation, or threats of coercion or intimidation from the other party: *Provided*, That recommendation, endorsement, exposition, persuasion, urging or argument shall not be deemed to constitute a lack of good faith.

(Aug. 8, 1956, ch. 1038, §1, 70 Stat. 1125.)

§ 1222. Authorization of suits against manufacturers; amount of recovery; defenses

An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover the damages by him sustained and the cost of suit by reason of the failure of said automobile manufacturer from and after August 8, 1956, to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer: *Provided*, That in any such suit the manufacturer shall not be barred from asserting in defense of

any such action the failure of the dealer to act in good faith.

(Aug. 8, 1956, ch. 1038, §2, 70 Stat. 1125.)

§ 1223. Limitations

Any action brought pursuant to this chapter shall be forever barred unless commenced within three years after the cause of action shall have accrued.

(Aug. 8, 1956, ch. 1038, §3, 70 Stat. 1125.)

§ 1224. Antitrust laws as affected

No provision of this chapter shall repeal, modify, or supersede, directly or indirectly, any provision of the antitrust laws of the United States.

(Aug. 8, 1956, ch. 1038, §4, 70 Stat. 1125.)

§ 1225. State laws as affected

This chapter shall not invalidate any provision of the laws of any State except insofar as there is a direct conflict between an express provision of this chapter and an express provision of State law which can not¹ be reconciled.

(Aug. 8, 1956, ch. 1038, §5, 70 Stat. 1126.)

§ 1226. Motor vehicle franchise contract dispute resolution process

(a) Election of arbitration

(1) Definitions

For purposes of this subsection—

(A) the term “motor vehicle” has the meaning given such term in section 30102(6) of title 49; and

(B) the term “motor vehicle franchise contract” means a contract under which a motor vehicle manufacturer, importer, or distributor sells motor vehicles to any other person for resale to an ultimate purchaser and authorizes such other person to repair and service the manufacturer’s motor vehicles.

(2) Consent required

Notwithstanding any other provision of law, whenever a motor vehicle franchise contract provides for the use of arbitration to resolve a controversy arising out of or relating to such contract, arbitration may be used to settle such controversy only if after such controversy arises all parties to such controversy consent in writing to use arbitration to settle such controversy.

(3) Explanation required

Notwithstanding any other provision of law, whenever arbitration is elected to settle a dispute under a motor vehicle franchise contract, the arbitrator shall provide the parties to such contract with a written explanation of the factual and legal basis for the award.

(b) Application

Subsection (a) of this section shall apply to contracts entered into, amended, altered, modified, renewed, or extended after November 2, 2002.

¹ So in original. Should be “cannot”.

(Pub. L. 107-273, div. C, title I, §11028, Nov. 2, 2002, 116 Stat. 1835.)

CODIFICATION

Section was enacted as part of the 21st Century Department of Justice Appropriations Authorization Act, and not as part of act Aug. 8, 1956, ch. 1038, which comprises this chapter.

CHAPTER 28—DISCLOSURE OF AUTOMOBILE INFORMATION

Sec.	
1231.	Definitions.
1232.	Label and entry requirements.
1232a.	Repealed.
1233.	Violations and penalties.

§ 1231. Definitions

For purposes of this chapter—

(a) The term “manufacturer” shall mean any person engaged in the manufacturing or assembling of new automobiles, including any person importing new automobiles for resale and any person who acts for and is under the control of such manufacturer, assembler, or importer in connection with the distribution of new automobiles.

(b) The term “person” means an individual, partnership, corporation, business trust, or any organized group of persons.

(c) The term “automobile” includes any passenger car or station wagon.

(d) The term “new automobile” means an automobile the equitable or legal title to which has never been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

(e) The term “dealer” shall mean any person resident or located in the United States or any Territory thereof or in the District of Columbia engaged in the sale or the distribution of new automobiles to the ultimate purchaser.

(f) The term “final assembly point” means—

(1) in the case of a new automobile manufactured or assembled in the United States, or in any Territory of the United States, the plant, factory, or other place at which a new automobile is produced or assembled by a manufacturer and from which such automobile is delivered to a dealer in such a condition that all component parts necessary to the mechanical operation of such automobile are included with such automobile, whether or not such component parts are permanently installed in or on such automobile; and

(2) in the case of a new automobile imported into the United States, the port of importation.

(g) The term “ultimate purchaser” means, with respect to any new automobile, the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases such new automobile for purposes other than resale.

(h) The term “commerce” shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation. New auto-

mobiles delivered to, or for further delivery to, ultimate purchasers within the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, the Trust Territories of the Pacific, the Canal Zone, Wake Island, Midway Island, Kingman Reef, Johnson Island, or within any other place under the jurisdiction of the United States shall be deemed to have been distributed in commerce.

(Pub. L. 85-506, §2, July 7, 1958, 72 Stat. 325; Pub. L. 92-359, July 28, 1972, 86 Stat. 502.)

REFERENCES IN TEXT

For definition of Canal Zone, referred to in subsec. (h), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

AMENDMENTS

1972—Subsec. (h). Pub. L. 92-359 inserted provision that new automobiles delivered to ultimate purchasers within the United States and other enumerated areas shall be deemed to have been distributed in commerce.

EFFECTIVE DATE

Section 5 of Pub. L. 85-506 provided that: “This Act [enacting this chapter] shall take effect on the first day of October 1958 or on the first day of the introduction of any new model of automobile in any line of automobile beginning after the date of enactment of this Act [July 7, 1958], whichever date shall last occur.”

SHORT TITLE

Section 1 of Pub. L. 85-506 provided: “This Act [enacting this chapter] may be cited as the ‘Automobile Information Disclosure Act.’”

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

§ 1232. Label and entry requirements

Every manufacturer of new automobiles distributed in commerce shall, prior to the delivery of any new automobile to any dealer, or at or prior to the introduction date of new models delivered to a dealer prior to such introduction date, securely affix to the windshield, or side window of such automobile a label on which such manufacturer shall endorse clearly, distinctly and legibly true and correct entries disclosing the following information concerning such automobile—

(a) the make, model, and serial or identification number or numbers;

(b) the final assembly point;

(c) the name, and the location of the place of business, of the dealer to whom it is to be delivered;

(d) the name of the city or town at which it is to be delivered to such dealer;

(e) the method of transportation used in making delivery of such automobile, if driven or towed from final assembly point to place of delivery;

(f) the following information:

(1) the retail price of such automobile suggested by the manufacturer;

(2) the retail delivered price suggested by the manufacturer for each accessory or item