

HB95 ENGROSSED



1 HB95
2 SLLEX87-2
3 By Representative Sells
4 RFD: Commerce and Small Business
5 First Read: 04-Feb-25
6 PFD: 24-Jan-25



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A BILL
TO BE ENTITLED
AN ACT

Relating to consumer protection; to regulate the transfer of unexpired manufacturer's warranties on heating, ventilation, and air-conditioning systems with the associated real property.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) As used in this section, the following terms have the following meanings:

(1) HVAC SYSTEM. A heating, ventilation, and air conditioning system.

(2) MANUFACTURER'S WARRANTY. The original equipment manufacturer's unregistered, initial, or base term warranty to repair, service, or replace a component or a part of the HVAC system that automatically accompanies the HVAC system at the time of purchase, through no further action of the owner. The term does not include any coverage extended beyond the unregistered, initial term or base warranty.

(3) RESIDENTIAL REAL PROPERTY. Any of the following:

- a. A single-family house.
- b. A duplex, triplex, or quadraplex.
- c. A unit in a multi-unit residential structure in



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29 which title to an individual unit is transferred to the owner
30 of the unit under a condominium or cooperative system.

31 (b) If a residential real property that includes an
32 HVAC system as a fixture to the property is conveyed to a new
33 owner on or after October 1, 2025, a manufacturer's warranty
34 in effect on that system or a component of that system:

35 (1) Is automatically transferred to the new owner; and

36 (2) Continues in effect as if the new owner was the
37 original purchaser of such system or component, as applicable.

38 (c) A warrantor continues to be obligated under the
39 terms of a manufacturer's warranty agreement for a warranty
40 transferred under this section and may not charge a fee for
41 the transfer of the warranty.

42 (d) The transfer of a manufacturer's warranty under
43 this section does not extend the remaining term of the
44 warranty.

45 (e) This section applies if:

46 (1) A sale of a residential property that includes an
47 HVAC system as a fixture to the property occurs on or after
48 October 1, 2025;

49 (2) A manufacturer's warranty is still in effect on the
50 HVAC system or a component of the system; and

51 (3) A warranty agreement was entered into or renewed on
52 or after October 1, 2025. A warranty agreement entered into or
53 renewed before October 1, 2025, is governed by the law in
54 effect on the date the agreement was entered into or renewed,
55 and the former law is continued in effect for that purpose.

56 Section 2. This act shall become effective on October

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57 1, 2025.



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House of Representatives

Read for the first time and referred04-Feb-25
to the House of Representatives
committee on Commerce and Small
Business
Read for the second time and placed06-Mar-25
on the calendar:
0 amendments
Read for the third time and passed20-Mar-25
as amended
Yeas 103
Nays 0
Abstains 0

John Treadwell
Clerk