"Consumer Protection Leasing Act"

NJSA: 39:10-19

LAWS OF: 1994 CHAPTER: 190

BILL NO: A2277

SPONSOR(S): Moran and Impreveduto

DATE INTRODUCED: November 14, 1994

COMMITTEE: ASSEMBLY: Commerce

SENATE: ---

AMENDED DURING PASSAGE: Yes Amendments during passage denoted by superscript numbers

Second reprint enacted

DATE OF PASSAGE: ASSEMBLY: December 5, 1994

SENATE: December 19, 1994

DATE OF APPROVAL: December 23, 1994

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

See newspaper clipping--attached:
"Vicious dog...car-leasing..." 12-24-94, Asbury Park Press.

KRG:pp

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. (New section) This Sections 1 through 8 and sections 11 through 15 of this act shall be known and may be cited as the "Consumer Protection Leasing Act."

2. (New section) As used in sections 1 through 8 and sections 11 through 14 of this act:

   "Adjusted capitalized cost" means the agreed upon amount which serves as the basis for determining the periodic lease payment and a portion of the lessee's early termination liability, computed by subtracting from the gross capitalized cost any capitalized cost reduction.

   "Business day" means every day other than a Saturday, a Sunday, or a day on which State-chartered banks in New Jersey are required to be closed.

   "Dealer" means a person who, in the ordinary course of business, is engaged in the leasing of motor vehicles or who in the course of any 12-month period offers more than three motor vehicles for lease. The term "dealer" shall not include a person to whom a lease is assigned by a dealer.

   "Capitalized cost" means the price paid by the lessor for the vehicle plus optional equipment, taxes, title, license fees, lease acquisition fees and any insurance or warranty charges.

   "Capitalized cost reduction" means any payment made by cash, check, rebates or similar means that are in the nature of down payments made by the lessee and any net trade-in allowance granted by the lessor at the inception of the lease for the purpose of reducing the gross capitalized cost but does not include any periodic lease payments due at the inception of the lease or all of the periodic lease payments if they are paid at the inception of the lease.

   "Director" means the Director of the Division of Consumer Affairs in the Department of Law and Public Safety. "Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

   "Fleet lease" means a contract or other agreement between a lessor and a lessee entered into after the effective date of this act.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter. Matter enclosed in superscript numerals has been adopted as follows:

1 Assembly ACP committee amendments adopted November 14, 1994.
2 Assembly floor amendments adopted December 1, 1994.
A2277 [2R]

2

act 2[for the use 1[or contemplated use]1 of more than 1[five] 

one1 motor 1[vehicles at the same time by the lessee and] 

vehicle,1 and2 in which the vehicles are to be used primarily for 

business or commercial purposes 2[1], and where the contract 

states the lessee’s option to lease more than one motor vehicle 

under the terms of the lease1) that is either: a written 

agreement for the use of at least two vehicles that includes an 

agreement for an option to use at least one additional motor 

vehicle; or a written agreement for the lease of five or more 

vehicles2.

2"Gross capitalized cost" means the amount, which, when 

reduced by the amount of the capitalized cost reduction, equals 

the adjusted capitalized cost. The gross capitalized cost shall 

include, the cost of the vehicle and, without limitation, taxes, 

registration, license, acquisition, assignment and other fees and 

charges for insurance, for a waiver of the contractual obligation 

to pay certain liability in the event the motor vehicle is damaged, 

stolen or otherwise lost, for accessories and their installation, for 

delivering, serving, repairing or improving the motor vehicle and 

for other services and benefits incidental to the lease. It may 

also include, with respect to a vehicle or other property traded-in 

in connection with a lease, the unpaid balance of any amount 

financed under an outstanding vehicle loan agreement or vehicle 

retail installment contract or the unpaid portion of the early 

termination obligation under any other obligation of the lessee.2

"Lease" means a contract or other agreement between a lessor 

and a lessee, other than a fleet lease, entered into after the 
effective date of this act for the use of a motor vehicle by the 
lessee for a period of time exceeding 120 days, whether or not 
the lessee has the option to purchase or otherwise become the 
owner of the motor vehicle at the expiration of the lease. 2A 

A lease shall not be deemed to be a retail installment contract, as 
defined in subsection (b) of section 1 of P.L.1960, c.40 
(C.17:16C-1), unless the lessee, for no or for a nominal 
consideration, becomes the owner, or has the option of becoming 
the owner, of the motor vehicle at the end of the term of the 
lease.2

1"Leasing dealer" means a person who, in the ordinary course 
of business, 2[is engaged in the leasing of motor vehicles] offers 
or enters into motor vehicle leases2 or who in the course of any 
12-month period offers 2or enters into2 more than three motor 
2[vehicles for lease] vehicle leases2. The term "leasing dealer" 
shall not include a person to whom a lease is assigned by a leasing 
dealer.1

"Lessee" means a person who leases a motor vehicle under a 
lease.

"Lessee" means a 1leasing1 dealer who holds title to a motor 
vehicle leased to a lessee under a lease or a 1leasing1 dealer who 
holds the lessor’s rights under the lease or a person to whom a 
lease is assigned.

"Motor vehicle" or "vehicle" means a motor vehicle as defined 
in R.S.39:1-1, except the living facilities of motor homes.

"Purchase option price" means total cost to the 1[consumer] 
lessee1, excluding sales tax, to purchase the motor vehicle at the 
end of the lease term.
"Residual value" means the projected fair market value of the motor vehicle at the end of the lease term.

3. (New section) Every lease:

a. Shall be in writing and contain all of the terms and conditions of the lease agreement between the lessor and the lessee and shall be signed by the lessor and lessee;

b. Shall state the names and addresses of all parties, and the phone number of the leasing dealer. If the dealer knows the identity of the party to whom the leasing dealer intends to assign the lease, the dealer shall include in the lease the name, address and telephone number of the assignee. If the leasing dealer does not include the name, address and telephone number of the assignee in the lease, the dealer or the assignee shall, promptly upon assignment, mail or personally deliver to the lessee the name, address and telephone number of the assignee;

c. Shall state the dates when the lease is executed by the parties;

d. Shall identify the lease with the term "lease" in 14-point bold type and shall be in a style and format to be determined by the director by regulation;

e. Shall be completed in full without any blank spaces to be filled in after the lease is signed by the lessee;

f. Shall specify the periodic basis or intervals when the lease payments shall be payable;

g. Shall provide the following information concerning the conditions of the lease:

(1) Whether or not the lessee has the option to purchase the motor vehicle at the end of the lease term, and if so, either:

(a) the purchase option price, or

(b) the method for ascertaining the purchase option price. If the lease includes a method for determining the purchase option price, and that method is based upon an amount set forth in a publication, the identity of the publication and the classification contained within the publication to be used, shall be included. If the publication ceases to exist, the lessor shall immediately notify the lessee of that fact and inform the lessee of the identity of the comparable publication which will be utilized to ascertain the purchase option price. If a method for ascertaining the purchase option price not set forth in a publication is included in the lease, the lease shall set forth a good faith estimate of the amount, using that method;

(2) The total amount of all payments required at the inception of the lease term, including any refundable security deposit, any trade-in allowance and any nonrefundable payment such as a down payment or capitalized cost reduction, required at the beginning of the lease, or a statement that no payment is required at the beginning of the lease;

(3) The number of periodic payments to be paid during the term of the lease and the amount of each payment;

(4) A description of the standards to be used by the lessor in determining excessive wear or damage, and any liability the lease imposes upon the lessee at the end of the term of the lease, including any liability which may be imposed upon the lessee because of excessive wear or damage of the motor vehicle and
any disposition costs imposed upon the lessee;

(5) (a) If the lease contains a purchase option, the total cost of the lease, assuming there is no default, and that the lessee exercises the purchase option at the end of the term of the lease, which shall be the sum of: (i) the total amount of all payments required at the beginning of the lease; (ii) the total amount to be paid in periodic payments during the term of the lease; (iii) the amount of any ascertainable liability the lease imposes upon the lessee at the end of the term of the lease; and (iv) the purchase option price.

(b) Where the purchase option price is not set forth in the lease if the lease does not contain a purchase option or if the purchase option price is not set forth in the lease, the total fixed cost of the lease, which shall be the sum of (i), (ii) and (iii) of subparagraph (a) of this paragraph.

(c) For purposes of calculating the total cost of the lease under subparagraph (a) of this paragraph or the total fixed cost of the lease under subparagraph (b) of this paragraph, the amount of the refundable security deposit and insurance shall be excluded:

(6) The formula which shall be used by the lessor to calculate the total liability of the lessee if the lease is terminated by the lessee at any time prior to the end of the term of the lease. The formula shall identify the particular payment allocation method used to determine the lease charge and depreciation portions of each periodic rental charge for purposes of calculating the early termination charge, together with a brief narrative description of the manner in which that method is used to determine the total cost to the lessee upon early termination;

(7) The residual value of the vehicle;

(8) The total number of miles or the number of miles per month or year which the vehicle may be driven without additional charge as permitted under the terms of the lease, and the charge per mile for the miles driven in excess of that permissible mileage;

(9) The liability of the lessee in the event the motor vehicle is damaged, stolen or otherwise lost. In the event the motor vehicle is damaged, stolen or lost and is deemed a total loss by the insurance company, and the lease contains a provision whereby the difference between the insurance proceeds and the amount due under the terms of the lease shall be waived if the lessor receives the insurance proceeds and if the lessee has otherwise complied with all other promises contained in the lease (including, where applicable, the requirement that the lessee pay the deductible under any insurance coverage), the lease shall disclose that the lessee shall have no further liability. Otherwise, the lease shall disclose the option on the part of the lessee to purchase from the lessor or from a third party, either insurance or damage waivers, if available, to indemnify him for the difference between the insurance proceeds and the amount due under the terms of the lease;

(10) The capitalized cost of the vehicle if it is in excess of the capitalized cost reduction and the adjusted
capitalized cost when the cost of the vehicle for the purpose of calculating the gross capitalized cost exceeds the manufacturer's suggested retail price; and 1

h. Shall provide the following information concerning the motor vehicle to be leased:

   (1) If the odometer reads in excess of 1,000 miles, an explanation of the prior use of the motor vehicle using the following terms, as applicable: personal, family or household, demonstrator, livery, daily rental, police, prior wreckage, unknown; provided that the lessor may insert "unknown" only if, in the exercise of reasonable diligence, the lessor does not know the prior use of the motor vehicle;

   (2) The odometer reading at the beginning of the lease term;

   (3) The make, model, and year;

   (4) The number of engine cylinders;

   (5) Whether the transmission is automatic or manual;

   (6) Whether the brakes and steering mechanism are power assisted or manual;

   (7) Whether or not the vehicle is air conditioned;

   (8) The vehicle identification number of the vehicle; and

   (9) If the vehicle is required to have a Monroney label, the manufacturer's suggested retail price as set forth on the Monroney label.

4. (New section) The disclosures required by subsections g. and h. of section 3 of this act may be made in the lease or in an addendum to the lease. If the required disclosures are made in an addendum to the lease, the addendum shall refer to the lease, and shall be separately signed by the lessee prior to signing the lease.

5. (New section) 1[a.] Compliance with the requirements of the federal Consumer Leasing Act, "Consumer Leasing Act of 1976," Pub. L. 94-240 (15 U.S.C. §1601 et al.) and Federal Reserve Board Regulation M, 12 CFR §213, to the extent that they are substantially similar to the requirements of this act, as the same may be amended from time to time, shall constitute compliance with subsections f. and g. of section 3 of this act.

   1[b. A violation of the federal Consumer Leasing Act, Pub. L. 94-240 (15 U.S.C. §1601 et al.) or Federal Reserve Board Regulation M, 12 CFR §213, as the same may be amended from time to time, shall be deemed a violation of this act.]

6. (New section) 2a. If a lessee is 15 days or more in default of the periodic payments due on the lease and the lessor wishes to declare a default and cancel or terminate the lease, the lessor shall personally deliver to the lessee or send by first class, certified mail at the lessee's last known address as shown on the records of the lessor, a notice of cancellation. A lessee who is in default under a lease solely for failure to make a payment required by the lease shall have the right to reinstate the lease, subject to the provisions of this section. If the lessee has the right to reinstate the lease, the notice of cancellation shall provide that the lessee has 15 days to reinstate the lease by paying all past due periodic payments, late fees and other amounts due under the lease, and, if the motor vehicle has been
repossessed, the cost to the lessor of repossessing, storing and transporting the motor vehicle. Such costs may include a reasonable attorney's fee and court costs, if actually incurred by the lessor and if provided for in the lease. Upon payment within the 15-day period to the lessor of the amounts due, the lessor shall reinstate the lease as if the lessee had not been in default of payment. The lessor shall not be required to reinstate a lease more than once during the term of the lease. The lessee has no right to reinstatement if the default is for any reason other than or in addition to the failure to make a payment required by the lease.

2b. In the event of the death of a lessee before the expiration of a lease, there shall be no default if the lessee's surviving spouse continues to make payments to the lessor in accordance with the terms of the lease notwithstanding the death of the lessee.

7. (New section) a. Where the lessee is liable at early termination or at the end of the lease term for charges for excessive wear and damage to the motor vehicle, the lease (or the addendum) shall contain a statement that the lessee may obtain at the end of the lease term or at early termination, at the lessee's expense, a professional appraisal of the amount required to repair or replace parts or the amount which the excessive wear and damage reduces the value of the vehicle. This professional appraisal shall be performed by an independent third party agreed to by the lessee and the lessor, which appraisal shall be final and binding on the parties.

b. Within 10 business days of the return of the motor vehicle to the lessor, the lessor shall mail or deliver to the lessee an invoice for amounts claimed by the lessor for excess wear and damage. The invoice shall contain in 10 point bold face type a notice of the lessee's right under subsection a. of this section to obtain an independent appraisal of excess wear and damage. The notice shall also provide that: (i) the lessor must be advised in writing within seven business days following the earlier of the date of the mailing or delivery of the invoice if the lessee elects to obtain an independent appraisal; (ii) any such appraisal must be conducted within ten business days following the date that the lessor is notified of the lessee's election; and (iii) that if the lessee fails to notify the lessor within the time allotted that the lessee has elected an independent appraisal, the lessor's invoice will be deemed to be final and binding on the parties.

c. Within 15 business days after the lessee's obligations under the lease have been determined and satisfied, which shall include but not be limited to, the lessee's liability for excess wear and damage under this section, the lessor shall credit to the lessee's account or mail to the lessee any refund of any security deposit due to the lessee.

d. Nothing in this section shall limit the lessee's obligation for any charge for excess mileage as provided in the lease.

8. (New section) a. No leasing dealer may permit a prospective lessee to take possession of a motor vehicle subject to a lease if such lease is contingent upon the approval of the lessee's credit unless the lessee is provided with, and
acknowledges receipt of a notice on a separate page from any
other notice, term or condition of the lease, which provides
substantially the following: NOTICE: YOUR LEASE IS SUBJECT
to CREDIT APPROVAL. IF YOUR CREDIT IS NOT APPROVED
YOU MUST RETURN THE VEHICLE. The notice may contain
the name, address, phone number and logo of the leasing
dealer, and shall contain an acknowledgement by the lessee of the
receipt of the notice.

b. 2(1) No lease shall bind a lessee or lessor unless both the
lessee and lessor have had one business day to review the lease
contract before the signing of the contract.

(2) No leasing dealer may permit a prospective lessee to take
possession of a motor vehicle subject to a lease unless the lessee
is provided with a conspicuous notice which provides substantially
the following: NOTICE: THE LESSEE AND THE LESSOR SHALL
BE ENTITLED TO REVIEW THE CONTRACT FOR ONE
BUSINESS DAY BEFORE SIGNING THE CONTRACT
IMMEDIATELY ADJACENT TO THE SIGNATURE LINE OF THE
CONTRACT.

c. 2 The leasing dealer shall complete the credit check of the
prospective lessee within 2[15] 5 2 business days of both the
leasing dealer and lessee signing the lease.

9. R.S.39:10-19 is amended to read as follows:

39:10-19. No person shall engage in the business of buying,
selling or dealing in motor vehicles in this State, nor shall a
person engage in leasing activity subject to the provisions of
that would qualify the person as a leasing dealer, as defined in
section 2 of P.L. , c. (C. ) (pending before the Legislature
as this bill), unless he is authorized to do so under the provisions
of this chapter. The director may, upon application in such form
as he prescribes, license any proper person as such dealer or
leasing dealer as defined in section 2 of P.L. , c. (C. ) (pending before the Legislature
as this bill). No person
who has been convicted of a crime, arising out of fraud or
misrepresentation in the sale or leasing or financing of a motor
vehicle, shall be eligible to receive a license [and each]. Each
applicant for a license shall at the time such license is issued
have established and maintained, or by said application shall
agree to establish and maintain, within 90 days after the issuance
thereof, a place of business consisting of a permanent building
not less than 1,000 square feet in floor space located in the State
of New Jersey to be used principally for the servicing and display
of motor vehicles with such equipment installed therein as shall
be requisite for the servicing of motor vehicles in such manner as
to make them comply with the laws of this State and with any
rules and regulations made by the director of motor vehicles
governing the equipment, use and operation of motor vehicles
within the State. However, a leasing dealer 2[as defined in section 2 of P.L. , c. (C. ) (pending before the
Legislature as this bill)]2, who is not engaged in the business of
buying, selling or dealing in motor vehicles in the State, shall not
be required to maintain a place of business with floor space
available for the servicing or display of motor vehicles or to have
an exterior sign at the lessor's place of business. A license fee
of \( [100.00] \) \$100 shall be paid by an applicant upon his initial
application for a license. The director may renew an applicant's
license from year to year, upon application for renewal on a form
prescribed by the director and accompanied each year by a
renewal fee of \( [100.00] \) \$100. Every license shall expire on
March 31 of each year terminating the period for which it is
issued. On and after February 1 of each year the director shall
issue licenses for the following yearly period to expire on March
31 of the following year.

For the purposes of this section, a leasing dealer or an
assignee of a leasing dealer whose leasing activities are limited
to buying motor vehicles for the purpose of leasing them and
selling motor vehicles at the termination of a lease shall not be
deemed to be engaged in the business of buying, selling or dealing
in motor vehicles in this State. 2

(cf: P.L.1963, c.34, s.5)

10. R.S.39:10-20 is amended to read as follows:
39:10-20. The director may suspend for a period less than the
unexpired term of a license or revoke a license, after hearing, for
a violation of any provision of this chapter or upon the final
conviction of the licensee of a crime, arising out of fraud or
misrepresentation in the sale, leasing or financing of a motor
vehicle, or upon proof of the failure of a licensee to make
payment of the amount of any final judgment, rendered by a
court of competent jurisdiction against such licensee and founded
upon a claim arising out of fraud or misrepresentation in the sale
or leasing of a motor vehicle, within 90 days after the same is
finally entered, or for final conviction of the licensee for
violating any provision of chapter 171 of Title 2A or of any
supplement thereof (Observance of Sabbath Days). The clerk of
the court in which any conviction is rendered, or the court where
it has no clerk, shall forward to the director, immediately upon
the entry thereof, a certified copy of the conviction or a
transcript thereof. The clerk of the court in which any judgment
founded upon fraud or misrepresentation is rendered, or the court
where it has no clerk, shall forward to the director, immediately
after the expiration of the 90 days, a certified copy of the
judgment, or a transcript thereof, showing it to have been
unsatisfied more than 90 days after it became final. The director
shall, before suspending or revoking the license, and at least 10
days prior to the date set for the hearing, notify the holder of the
license, in writing, of any charges made, and shall afford him an
opportunity to be heard in person or by counsel. The written
notice may be served either personally or by registered mail
addressed to the last-known address of the licensee. The director
may subpoena and bring before him any person in this State, or
take testimony by deposition, in the same manner as prescribed
by law in judicial proceedings in the courts of this State, and shall
also issue and deliver to the dealer such subpoenas as are
requested by him. The Appellate Division of the Superior Court
shall have power to review, by an appeal in lieu of prerogative
writ taken by an aggrieved person, a final determination of the
director.

(cf: P.L.1955, c.253, s.1)
211. (New section) The director shall implement a consumer awareness program which shall advise consumers of the requirements, protections and benefits provided by this act.  

2[11.] 212. (New section) The director shall promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as may be needed to effectuate the purposes of this act.  


2[13.] 214. (New section) It is an unlawful practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.) to violate any provision of this act.  

1[13.] 215. This act shall take effect on the 180th day following enactment, except that sections 11 and 12 of this act shall take effect immediately.  

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notice may be served either personally or by registered mail addressed to the last-known address of the licensee. The director may subpoena and bring before him any person in this State, or take testimony by deposition, in the same manner as prescribed by law in judicial proceedings in the courts of this State, and shall also issue and deliver to the dealer such subpoenas as are requested by him. The Appellate Division of the Superior Court shall have power to review, by an appeal in lieu of prerogative writ taken by an aggrieved person, a final determination of the director.

(cf: P.L.1955, c.253. s.1)

11. (New section) The director shall promulgate rules and regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) as may be needed to effectuate the purposes of this act.


13. This act shall take effect on the 180th day following enactment.

This bill establishes standards regarding motor vehicle leases exceeding 120 days, which includes disclosure requirements. The bill supplements the Consumer Fraud Act. In addition, the bill repeals P.L.1993, c.328 (C.56:12-50 et seq.), which is known as the "Truth in Motor Vehicles Leasing Act."
The Assembly Commerce and Regulated Professions Committee reports favorably Assembly, No. 2277 with amendments.

This bill, as amended by the committee, sets standards regarding motor vehicle leases exceeding 120 days, other than leases involving the living facilities of motor homes. It includes requirements that each lease:

1. Be in writing and contain the entire agreement between the lessor and the lessee and be signed by the lessor and lessee;
2. Be completed in full without any blank spaces to be filled in after the lease is signed by the lessee;
3. Specify the periodic basis or intervals when the lease payments shall be payable; and
4. Disclose the following:
   a. whether the lessee has the option to purchase the motor vehicle at the end of the lease term, and if so, either the purchase option price or the method for ascertaining that price;
   b. the total cost of the lease, including the sum of the amount of all payments required at the consummation of the lease, the amount to be paid in periodic payments during the term of the lease, the amount of any liability the lease imposes upon the lessee at the end of the term of the lease and the purchase option price;
   c. the amount of any liability the lease imposes upon the lessee at the end of the lease, including a description of the standards which may be imposed on the lessee because of excessive wear or damage of the motor vehicle and any disposition costs imposed upon the lessee;
   d. the residual value of the motor vehicle;
   e. the formula that will be used by the lessor to calculate the total cost to the lessee if the lease is terminated by the lessee at any time prior to the end of the term of the lease;
   f. the number of miles per year that the leased motor vehicle may be driven without additional charge and the charge per mile if the lessee exceeds that limit;
   g. the liability of the lessee if the leased motor vehicle is damaged, stolen or lost and the option of the lessee to purchase insurance to cover the difference between the residual value of the vehicle and the amount due under the lease in that event;
   h. an explanation of the previous use made of the motor vehicle if the odometer reads in excess of 1,000 miles; the odometer reading at the beginning of the lease term; the model, year, make, and certain equipment of the motor vehicle; and, if the vehicle is required to have a Monroney label, the manufacturer's suggested retail price; and
   i. the capitalized cost of the motor vehicle if it is in excess of the manufacturer's suggested retail price.
The bill also amends R.S.39:10-19 to provide that no person engaged in leasing activity who is subject to the provisions of this bill shall do so unless licensed by the Director of the Division of Motor Vehicles. It further states that a leasing dealer shall not be required to maintain a place of business with floor space available for the servicing or display of motor vehicles or to have an exterior sign at the lessor's place of business.

This bill supplements the consumer fraud act, and the Division of Consumer Affairs will enforce its provisions. The bill also provides that it is an unlawful practice and a violation of the Consumer Fraud Act to violate any provision of the bill. The Consumer Fraud Act provides a penalty of not more than $7,500 for a first violation and not more than $15,000 for a subsequent violation, and provides injunctive relief, triple damages, and restitution.

This bill repeals P.L.1993. c.328 (C.56:12-50 et seq.), which is known as the "Truth in Motor Vehicles Leasing Act."

The committee amended the bill to:
1. require the disclosure of the capitalized cost of the vehicle when it is in excess of the manufacturer's suggested retail price;
2. remove the provision in the bill that makes a violation of federal law a violation of the bill;
3. specifically states in the bill that it is an unlawful practice and a violation of the Consumer Fraud Act to violate any provision of the bill;
4. change the definition of fleet lease to mean a contract for the use of more than one motor vehicle, instead of for the use of more than five motor vehicles, and to mean a contract which states the lessee's option to lease more than one motor vehicle;
5. require that the lease mention any trade in allowance;
6. require that if certain disclosures are made in an addendum to the lease, that the addendum be signed prior to the signing of the lease; and
7. provide that the section of the bill giving the Director of the Division of Consumer Affairs the authority to promulgate rules and regulations in order to effectuate the purposes of this bill and the section repealing P.L.1993. c.328 shall take effect immediately while the remaining sections of the bill shall take effect on the 180th day after enactment.