

56:12-30

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 56:12-30

(Lemon law--
leased vehicles)

LAWS OF: 1991

CHAPTER: 130

Bill No: S2582

Sponsor(s): Russo & O'Connor

Date Introduced: April 26, 1990

Committee: Assembly: -----

Senate: Labor

Amended during passage: No

Date of Passage: Assembly: March 21, 1991

Senate: November 19, 1990

Date of Approval: May 6, 1991

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: No

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

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P.L.1991, CHAPTER 130, approved May 6, 1991

1990 Senate No. 2582

1 AN ACT concerning certain new motor vehicle warranties and
2 amending P.L.1988, c.123.

3
4 BE IT ENACTED by the Senate and General Assembly of the
5 State of New Jersey:

6 1. Section 2 of P.L.1988, c.123 (C.56:12-30) is amended to
7 read as follows:

8 2. As used in this act:

9 "Consumer" means a buyer or lessee, other than for purposes
10 of resale or sublease, of a motor vehicle; a person to whom a
11 motor vehicle is transferred during the duration of a warranty
12 applicable to the motor vehicle; or any other person entitled by
13 the terms of the warranty to enforce the obligations of the
14 warranty.

15 "Dealer" means a person who is actively engaged in the
16 business of buying, selling or exchanging motor vehicles at retail
17 and who has an established place of business.

18 "Director" means the Director of the Division of Consumer
19 Affairs in the Department of Law and Public Safety, or his
20 designee.

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

23 "Lease agreement" means a contract or other written
24 agreement in the form of a lease for the use of a motor vehicle
25 by a person for a period of time exceeding 60 days, whether or
26 not the lessee has the option to purchase or otherwise become the
27 owner of the motor vehicle at the expiration of the lease.

28 "Lessee" means a person who leases a motor vehicle pursuant
29 to a lease agreement which provides that the lessee is responsible
30 for repairs to the motor vehicle.

31 "Lessor" means a person who holds title to a motor vehicle
32 leased to a lessee under a lease agreement or who holds the
33 lessor's rights under such an agreement.

34 "Lien" means a security interest in a motor vehicle.

35 "Lienholder" means a person with a security interest in a
36 motor vehicle pursuant to a lien.

37 "Manufacturer" means a person engaged in the business of
38 manufacturing, assembling or distributing motor vehicles, who
39 will, under normal business conditions during the year,
40 manufacture, assemble or distribute to dealers at least 10 new

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.

1 motor vehicles.

2 "Manufacturer's informal dispute settlement procedure"
3 means an arbitration process or procedure by which the
4 manufacturer attempts to resolve disputes with consumers
5 regarding motor vehicle nonconformities and repairs that arise
6 during the vehicle's warranty period.

7 "Manufacturer's warranty" or "warranty" means any warranty,
8 whether express or implied of the manufacturer, of a new motor
9 vehicle of its condition and fitness for use, including any terms or
10 conditions precedent to the enforcement of obligations under the
11 warranty.

12 "Motor vehicle" means a passenger automobile or motorcycle
13 as defined in R.S.39:1-1 which is purchased or leased in the State
14 of New Jersey or which is registered by the Division of Motor
15 Vehicles in the Department of Law and Public Safety, except the
16 living facilities of motor homes.

17 "Nonconformity" means a defect or condition which
18 substantially impairs the use, value or safety of a motor vehicle.

19 "Reasonable allowance for vehicle use" means the mileage at
20 the time the consumer first presents the motor vehicle to the
21 dealer or manufacturer for correction of a nonconformity times
22 the purchase price, or the lease price if applicable, of the
23 vehicle, divided by one hundred thousand miles.

24 (cf: P.L.1988, c.123, s.2)

25 2. This act shall take effect on the 90th day following
26 enactment and shall apply to all new motor vehicles purchased or
27 leased on or after that date.

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STATEMENT

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32 Currently, only persons owning or leasing motor vehicles which
33 are registered by the Division of Motor Vehicles in the State are
34 afforded consumer protections under the "lemon law,"
35 N.J.S.A.56:12-29 et seq. This bill amends that law to provide
36 that a motor vehicle purchased or leased in this State is covered
37 under the "lemon law" without regard to where the vehicle is
38 registered. This amendment will afford protection to the New
39 Jersey resident who purchases or leases a motor vehicle in this
40 State and subsequently moves out of the State. In addition, the
41 amendment will allow an out-of-state resident who purchases or
42 leases a motor vehicle in this State to proceed under the "lemon
43 law."

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CONSUMER AFFAIRS

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48 Amends definition of motor vehicle under "lemon law" to include
49 motor vehicle purchased or leased in the State.

SENATE, No. 2582

STATE OF NEW JERSEY

INTRODUCED APRIL 26, 1990

By Senators RUSSO and O'CONNOR

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SENATE LABOR, INDUSTRY AND PROFESSIONS COMMITTEE

STATEMENT TO

SENATE, No. 2582

STATE OF NEW JERSEY

DATED: OCTOBER 15, 1990

The Senate Labor, Industry and Professions Committee reports favorably Senate, No. 2582.

This bill amends the "lemon law," P.L.1988, c.123 (C.56:12-29 et seq.), to provide that a new automobile or motorcycle purchased or leased in this State would be covered by the "lemon law" without regard to where the vehicle is registered. Currently, the "lemon law" applies to new automobiles or motorcycles that are registered by the Division of Motor Vehicles.

This bill expands the coverage of the "lemon law" to include new automobiles and motorcycles of those New Jersey residents who move out-of-state and no longer have their vehicles registered with the Division of Motor Vehicles and of out-of-state residents who purchase or lease their new automobiles and motorcycles in New Jersey.