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P.L. 2003, CHAPTER 304, *approved January 14, 2004*
Assembly, No. 3568 (*First Reprint*)

1 **AN ACT** establishing right of person engaged in military service for
2 more than 90 days to cancel a motor vehicle lease without penalty,
3 amending P.L.1979, c.317.

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

7
8 1. Section 15 of P.L.1979, c.317 (C.38:23C-15) is amended to
9 read as follows:

10 15. a. (1) No person who has received, or whose assignor has
11 received, under a contract for the purchase of real or personal
12 property, or of lease or bailment with a view to purchase of such
13 property, a deposit or installment of the purchase price or a deposit
14 or installment under the contract, lease or bailment from a person or
15 from the assignor of a person who, after the date of payment of such
16 deposit or installment, has entered military service, shall exercise any
17 right or option under such contract to rescind or terminate the
18 contract or resume possession of the property for nonpayment of any
19 installment thereunder due or for any other breach of the terms thereof
20 occurring prior to or during the period of such military service, except
21 by action in a court of competent jurisdiction; provided, that nothing
22 contained in this section shall prevent the modification, termination,
23 or cancellation or any such contract, or prevent the repossession,
24 retention, foreclosure, sale or taking possession of property purchased
25 or received or which is security for any obligation under such contract,
26 pursuant to a mutual agreement of the parties thereto, or their
27 assignees, if such agreement is executed in writing subsequent to the
28 making of such contract and during or after the period of military
29 service of the person concerned.

30 (2) Any person who has entered military service for a period of
31 more than 90 consecutive days, who prior to such entry leased a ¹non-
32 commercial¹ motor vehicle ¹for personal use¹, whether with or
33 without a view to purchase, may cancel the lease by giving written
34 notice of cancellation to the lessor or the lessor's assignor at any time
35 following the date of receipt of the order to enter such military service.
36 Cancellation of a lease providing for monthly lease payments shall not
37 be effective (1) until the last day of the month following the month in
38 which notice of cancellation is made, or (2) when the leased motor
39 vehicle is returned to the lessor or the lessor's assignor, whichever is
40 later. Upon cancellation of the lease, the former lessee and any co-

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 Senate SLP committee amendments adopted June 9, 2003.

1 signer shall have no further liability to the lessor or the lessor's
2 assignor, except that the lessee and any co-signer shall be obligated to
3 the lessor or assignor for any damages to the motor vehicle and excess
4 mileage over the pro rata amount permitted as of the date of
5 cancellation of the lease. The lessor or lessor's assignor shall not
6 impose any penalty or charge upon the lessee or any co-signer on the
7 lease for early cancellation of the lease. This paragraph shall apply
8 whether or not the person is the sole signatory of the lease.

9 b. Any person who shall knowingly resume possession of property
10 which is the subject of this section ~~[otherwise]~~ other than as
11 provided in paragraph a. of this section ~~,~~ or attempt so to do, shall be
12 adjudged a disorderly person and shall be punished by imprisonment
13 not to exceed 6 months, or by fine not to exceed ~~[\$1,000.00]~~ \$1,000,
14 or both.

15 c. Upon the hearing of such action ~~,~~ the court may order the
16 repayment of prior installments or deposits or any part thereof, as a
17 condition of terminating the contract and resuming possession of the
18 property, or may, in its discretion, on its own motion, and shall, except
19 as provided in section 17 of this act, on application to it by such
20 person in military service or some person on his behalf, order a stay of
21 proceedings as provided in this act except that such stay under this
22 section may be ordered for the period of military service and 6 months
23 thereafter or any part of such period, unless, in the opinion of the
24 court, the ability of the defendant to comply with the terms of the
25 contract is not materially affected by reason of such service; or it may
26 make such other disposition of the case as may be equitable to
27 conserve the interests of all parties.

28 (cf: P.L.1979, c.317, s.15)

29

30 2. This act shall take effect immediately.

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35 Establishes right of person engaged in military service for more than
36 90 days to cancel motor vehicle lease without penalty.

ASSEMBLY, No. 3568

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED MAY 8, 2003

Sponsored by:

Assemblyman JEFF VAN DREW

District 1 (Cape May, Atlantic and Cumberland)

Assemblywoman LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

Co-Sponsored by:

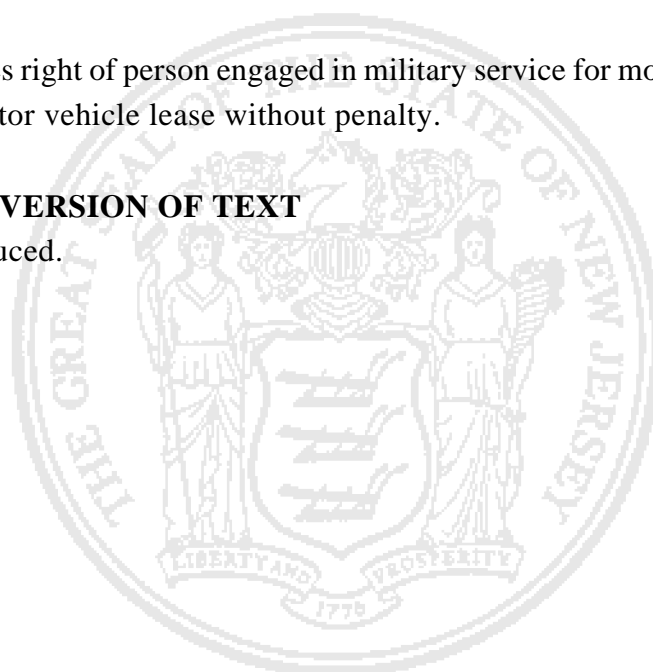
Assemblymen Ahearn, Azzolina, Eagler, Assemblywoman Previte, Assemblymen Barnes, Burzichelli, Caraballo, Chivukula, Conaway, Conners, Cryan, Diegnan, Doria, Egan, Fisher, Green, Guear, Hackett, Impreveduto, Johnson, McKeon, Payne, Assemblywomen Perez-Cinciarelli, Quigley, Assemblymen Sarlo, Stanley, Steele and Wisniewski

SYNOPSIS

Establishes right of person engaged in military service for more than 90 days to cancel motor vehicle lease without penalty.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/16/2003)

1 AN ACT establishing right of person engaged in military service for
2 more than 90 days to cancel a motor vehicle lease without penalty,
3 amending P.L.1979, c.317.

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

7
8 1. Section 15 of P.L.1979, c.317 (C.38:23C-15) is amended to
9 read as follows:

10 15. a. (1) No person who has received, or whose assignor has
11 received, under a contract for the purchase of real or personal
12 property, or of lease or bailment with a view to purchase of such
13 property, a deposit or installment of the purchase price or a deposit
14 or installment under the contract, lease or bailment from a person or
15 from the assignor of a person who, after the date of payment of such
16 deposit or installment, has entered military service, shall exercise any
17 right or option under such contract to rescind or terminate the
18 contract or resume possession of the property for nonpayment of any
19 installment thereunder due or for any other breach of the terms thereof
20 occurring prior to or during the period of such military service, except
21 by action in a court of competent jurisdiction; provided, that nothing
22 contained in this section shall prevent the modification, termination, or
23 cancellation or any such contract, or prevent the repossession,
24 retention, foreclosure, sale or taking possession of property purchased
25 or received or which is security for any obligation under such contract,
26 pursuant to a mutual agreement of the parties thereto, or their
27 assignees, if such agreement is executed in writing subsequent to the
28 making of such contract and during or after the period of military
29 service of the person concerned.

30 (2) Any person who has entered military service for a period of
31 more than 90 consecutive days, who prior to such entry leased a motor
32 vehicle, whether with or without a view to purchase, may cancel the
33 lease by giving written notice of cancellation to the lessor or the
34 lessor's assignor at any time following the date of receipt of the order
35 to enter such military service. Cancellation of a lease providing for
36 monthly lease payments shall not be effective (1) until the last day of
37 the month following the month in which notice of cancellation is made,
38 or (2) when the leased motor vehicle is returned to the lessor or the
39 lessor's assignor, whichever is later. Upon cancellation of the lease,
40 the former lessee and any co-signer shall have no further liability to the
41 lessor or the lessor's assignor, except that the lessee and any co-signer
42 shall be obligated to the lessor or assignor for any damages to the
43 motor vehicle and excess mileage over the pro rata amount permitted

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 as of the date of cancellation of the lease. The lessor or lessor's
2 assignor shall not impose any penalty or charge upon the lessee or any
3 co-signer on the lease for early cancellation of the lease. This
4 paragraph shall apply whether or not the person is the sole signatory
5 of the lease.

6 b. Any person who shall knowingly resume possession of property
7 which is the subject of this section [~~otherwise~~] other than as provided
8 in paragraph a. of this section and attempt so to do, shall be adjudged
9 a disorderly person and shall be punished by imprisonment not to
10 exceed 6 months, or by fine not to exceed [~~\$1,000.00~~] \$1,000, or
11 both.

12 c. Upon the hearing of such action and the court may order the
13 repayment of prior installments or deposits or any part thereof, as a
14 condition of terminating the contract and resuming possession of the
15 property, or may, in its discretion, on its own motion, and shall, except
16 as provided in section 17 of this act, on application to it by such
17 person in military service or some person on his behalf, order a stay of
18 proceedings as provided in this act except that such stay under this
19 section may be ordered for the period of military service and 6 months
20 thereafter or any part of such period, unless, in the opinion of the
21 court, the ability of the defendant to comply with the terms of the
22 contract is not materially affected by reason of such service; or it may
23 make such other disposition of the case as may be equitable to
24 conserve the interests of all parties.
25 (cf: P.L.1979, c.317, s.15)

26

27 2. This act shall take effect immediately.

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STATEMENT

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32 This bill establishes the right of a person engaged in military service
33 for more than 90 days to cancel a lease on a motor vehicle without
34 penalty. Upon cancellation of the lease, the former lessee will not be
35 obligated to the lessor except for any damages to the motor vehicle
36 and for excess mileage over the pro rata amount permitted under the
37 lease as of the date of cancellation.

ASSEMBLY MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3568

STATE OF NEW JERSEY

DATED: MAY 8, 2003

The Assembly Military and Veterans' Affairs Committee reports favorably Assembly, No. 3568.

This bill establishes the right of a person engaged in military service for more than 90 days to cancel a lease on a motor vehicle without penalty. Upon cancellation of the lease, the former lessee will not be obligated to the lessor except for any damages to the motor vehicle and for excess mileage over the pro rata amount permitted under the lease as of the date of cancellation.

SENATE LAW AND PUBLIC SAFETY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3568

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 9, 2003

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably and with committee amendments Assembly Bill No. 3568.

This bill establishes the right of a person engaged in military service for more than 90 days to cancel a lease on a motor vehicle without penalty. Upon cancellation of the lease, the former lessee will not be obligated to the lessor except for any damages to the motor vehicle and for excess mileage over the pro rata amount permitted under the lease as of the date of cancellation.

The committee amended the bill to provide that its provisions would be applicable only to non-commercial vehicles for personal use. As amended and reported by the committee, this bill is identical to Senate Bill No. 2510, which also was reported by the committee on this same date.

SENATE, No. 2510

STATE OF NEW JERSEY 210th LEGISLATURE

INTRODUCED MAY 15, 2003

Sponsored by:

Senator JOHN A. GIRGENTI
District 35 (Bergen and Passaic)
Senator JOSEPH CONIGLIO
District 38 (Bergen)

Co-Sponsored by:

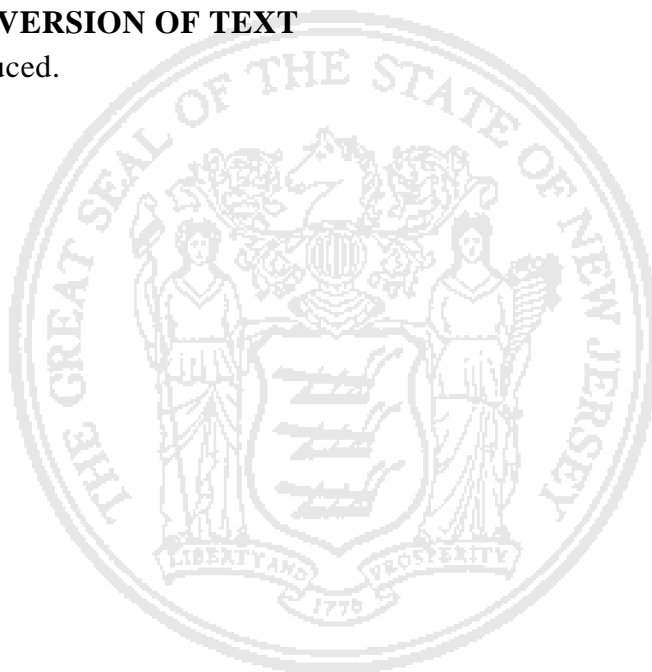
Senators Sweeney and Cardinale

SYNOPSIS

Establishes right of person engaged in military service for more than 90 days to cancel motor vehicle lease without penalty.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/25/2003)

1 AN ACT establishing right of person engaged in military service for
2 more than 90 days to cancel a motor vehicle lease without penalty,
3 amending P.L.1979, c.317.

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

7
8 1. Section 15 of P.L.1979, c.317 (C.38:23C-15) is amended to
9 read as follows:

10 15. a. (1) No person who has received, or whose assignor has
11 received, under a contract for the purchase of real or personal
12 property, or of lease or bailment with a view to purchase of such
13 property, a deposit or installment of the purchase price or a deposit or
14 installment under the contract, lease or bailment from a person or from
15 the assignor of a person who, after the date of payment of such
16 deposit or installment, has entered military service, shall exercise any
17 right or option under such contract to rescind or terminate the
18 contract or resume possession of the property for nonpayment of any
19 installment thereunder due or for any other breach of the terms thereof
20 occurring prior to or during the period of such military service, except
21 by action in a court of competent jurisdiction; provided, that nothing
22 contained in this section shall prevent the modification, termination, or
23 cancellation or any such contract, or prevent the repossession,
24 retention, foreclosure, sale or taking possession of property purchased
25 or received or which is security for any obligation under such contract,
26 pursuant to a mutual agreement of the parties thereto, or their
27 assignees, if such agreement is executed in writing subsequent to the
28 making of such contract and during or after the period of military
29 service of the person concerned.

30 (2) Any person who has entered military service for a period of
31 more than 90 consecutive days, who prior to such entry leased a non-
32 commercial motor vehicle for personal use, whether with or without
33 a view to purchase, may cancel the lease by giving written notice of
34 cancellation to the lessor or the lessor's assignor at any time following
35 the date of receipt of the order to enter such military service.
36 Cancellation of a lease providing for monthly lease payments shall not
37 be effective (1) until the last day of the month following the month in
38 which notice of cancellation is made, or (2) when the leased motor
39 vehicle is returned to the lessor or the lessor's assignor, whichever is
40 later. Upon cancellation of the lease, the former lessee and any co-
41 signer shall have no further liability to the lessor or the lessor's
42 assignor, except that the lessee and any co-signer shall be obligated to
43 the lessor or assignor for any damages to the motor vehicle and excess

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Matter underlined thus is new matter.

1 mileage over the pro rata amount permitted as of the date of
2 cancellation of the lease. The lessor or lessor's assignor shall not
3 impose any penalty or charge upon the lessee or any co-signer on the
4 lease for early cancellation of the lease. This paragraph shall apply
5 whether or not the person is the sole signatory of the lease.

6 b. Any person who shall knowingly resume possession of property
7 which is the subject of this section ~~[otherwise]~~ other than as
8 provided in paragraph a. of this section ~~,~~ or attempt so to do, shall be
9 adjudged a disorderly person and shall be punished by imprisonment
10 not to exceed 6 months, or by fine not to exceed ~~[\$1,000.00]~~ \$1,000 ,
11 or both.

12 c. Upon the hearing of such action ~~,~~ the court may order the
13 repayment of prior installments or deposits or any part thereof, as a
14 condition of terminating the contract and resuming possession of the
15 property, or may, in its discretion, on its own motion, and shall, except
16 as provided in section 17 of this act, on application to it by such
17 person in military service or some person on his behalf, order a stay of
18 proceedings as provided in this act except that such stay under this
19 section may be ordered for the period of military service and 6 months
20 thereafter or any part of such period, unless, in the opinion of the
21 court, the ability of the defendant to comply with the terms of the
22 contract is not materially affected by reason of such service; or it may
23 make such other disposition of the case as may be equitable to
24 conserve the interests of all parties.

25 (cf: P.L.1979, c.317, s.15)

26

27 2. This act shall take effect immediately.

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STATEMENT

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32 This bill establishes the right of a person engaged in military service
33 for more than 90 days to cancel a lease on a motor vehicle without
34 penalty. Upon cancellation of the lease, the former lessee will not be
35 obligated to the lessor except for any damages to the motor vehicle
36 and for excess mileage over the pro rata amount permitted under the
37 lease as of the date of cancellation.

SENATE LAW AND PUBLIC SAFETY AND VETERANS'
AFFAIRS COMMITTEE

STATEMENT TO

SENATE, No. 2510

STATE OF NEW JERSEY

DATED: JUNE 9, 2003

The Senate Law and Public Safety and Veterans' Affairs Committee reports favorably Senate Bill No. 2510.

This bill establishes the right of a person engaged in military service for more than 90 days to cancel a lease on a non-commercial motor vehicle for personal use without penalty. Upon cancellation of the lease, the former lessee will not be obligated to the lessor except for any damages to the motor vehicle and for excess mileage over the pro rata amount permitted under the lease as of the date of cancellation.

As reported by the committee, this bill is identical to Assembly Bill No. 3568, which was amended and reported by the committee on this same date.