

KENTUCKY LEMON LAW SUMMARY

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	Two years following original delivery to a consumer. Warranty disputes may be filed if the subject of the dispute occurred during earlier of two years or 25,000 miles.
ELIGIBLE VEHICLE	<p>Motor vehicle that (1) is intended primarily for use and operation on public highways; (2) is required to be registered or licensed in Kentucky; (3) has been finally and completely assembled and is in the possession of a manufacturer, factory branch, distributor, wholesaler, or an authorized motor vehicle dealer; and (4) is in fact new and on which the original title has not previously been issued.</p> <p>Excludes motor homes, motorcycles, mopeds, farm tractors and other farm machines, vehicles with more than 2 axles, and any vehicle substantially altered after the initial sale from a dealer to an individual.</p> <p>Does not cover used vehicles.</p>
ELIGIBLE CONSUMER	Any resident person who buys or contracts to buy a new motor vehicle in Kentucky; and any resident person who leases a new motor vehicle in Kentucky after July 15, 1998.
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	Earlier of 12,000 miles of operation or 12 months following delivery.
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	Earlier of 12,000 miles of operation or 12 months following delivery.
PRESUMPTION OR DEFINITION	Presumption: during earlier of 12,000 miles of operation or 12 months following delivery, (1) four or more attempts or (2) out of service for 30 days.
NOTICE TO MANUFACTURER	Written notice to the manufacturer after a reasonable number of attempts within 12,000 miles of operation or 12 months following delivery.
FINAL OPPORTUNITY TO REPAIR	Not specified.
REASONABLE ALLOWANCE	Refund only: Amount directly attributable to a consumer's use of the motor vehicle other than those time periods when the vehicle is out of service due to the nonconformity.
DISPUTE RESOLUTION	Manufacturer must offer program for lemon law disputes and warranty disputes occurring during the earlier of two years or 25,000 miles. Consumer must resort to manufacturer's program before seeking judicial relief under lemon law.
DISCLOSURE TO SUBSEQUENT PURCHASER	No.
TITLE BRANDING	No.

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1. Citation	Kentucky Revised Statutes §§ 367.840 through 367.846 (Lemon Law) and §§ 367.860 through 367.870 (Informal Dispute Resolution System).
2. Motor vehicle covered	<p>Covers a motor vehicle that:</p> <ol style="list-style-type: none"> (1) Is intended primarily for use and operation on the public highways; (2) Is required to be registered or licensed in Kentucky prior to such use or operation; (3) Has been finally and completely assembled and is in the possession of a manufacturer, factory branch, distributor, wholesaler, or an authorized motor vehicle dealer; and (4) Is in fact new and on which the original title has not previously been issued. <p>Excludes motor homes, motorcycles, mopeds, farm tractors and other farm machines, vehicles with more than 2 axles, and any vehicle substantially altered after the initial sale from a dealer to an individual.</p> <p>A “new motor vehicle” means a motor vehicle that:</p> <ol style="list-style-type: none"> (1) Has been finally and completely assembled; (2) Is in the possession of a manufacturer, factory branch, distributor, or authorized dealer; and (3) Is in fact new and on which the original title has never been issued.
3. Consumer covered	Covers any resident person who buys or contracts to buy a new motor vehicle in Kentucky; and any resident person who leases a new motor vehicle in Kentucky after July 15, 1998.
4. Nonconformity defined	A failure to conform with an express warranty in a manner that substantially impairs the use, value, or safety of the motor vehicle.
5. Warranty defined	“Express warranty” or “warranty” means the written warranty, so labeled, of the manufacturer of a new automobile, including any terms or conditions precedent to the enforcement of obligations under the warranty.
6. Lemon law rights period	Not defined.
7. Manufacturer’s obligation to repair	Not specified.
8. Manufacturer’s obligation to repurchase or replace	<p>If the manufacturer or its agents are unable to repair a nonconformity to the express warranty after a reasonable number of attempts during the first 12,000 miles of operation or during the first 12 months following the date of delivery to the consumer, whichever is the earlier date, then the consumer must report the nonconformity in writing to the manufacturer.</p> <p>If, after a reasonable number of attempts within the 12 months/12,000 mile time period, the manufacturer or its agents are unable to repair or correct any nonconformity or defect that substantially impairs the use, value or safety of the motor vehicle, then the manufacturer must replace or repurchase the motor vehicle, at the option of the consumer.</p>
9. Criteria for reasonable number of repair attempts	<p>Presumed if, during the first 12,000 miles of operation or during the first 12 months following the date of delivery to the consumer, whichever is the earlier date, either of the following occurs:</p> <ol style="list-style-type: none"> (1) The same nonconformity, defect, or condition has been subject to repair four or more times by the manufacturer, but the nonconformity, defect, or condition continues to exist; or (2) The motor vehicle is out of service/use by reason of repair of the same nonconformity, defect, or condition for a cumulative total of at least 30 calendar days.
10. Notice of nonconformity and final opportunity to repair	If the manufacturer or its agents are unable to repair a nonconformity to the express warranty after a reasonable number of attempts during the first 12,000 miles of operation or during the first 12 months following the date of delivery to the consumer, whichever is the earlier date, then the consumer must report the nonconformity in writing to the manufacturer.

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11. Affirmative defenses	It is an affirmative defense that: (1) The nonconformity, defect, or condition does not substantially impair the use, value, or safety of the motor vehicle; or (2) The nonconformity, defect, or condition is the result of abuse, neglect, or unauthorized modification or alteration of the motor vehicle by the consumer or lessor.
12. Refund	Refund consists of: (1) The full purchase price paid for the motor vehicle, (2) Finance charge, (3) All sales tax, (4) License fee, (5) Registration fee, (6) Any similar governmental charges, and (7) All collateral charges, (8) Less a reasonable allowance for the consumer's use of the vehicle.
13. Replacement	Replacement is a comparable motor vehicle.
14. Reasonable allowance	Applies to a refund but not to a replacement. The reasonable allowance for the consumer's use of the motor vehicle is defined as the amount directly attributable to a consumer's use of the motor vehicle other than those time periods when the vehicle is out of service due to the nonconformity.
15. Refund of sales tax	Manufacturer refunds sales tax to the consumer. No provision for the manufacturer to obtain a refund of sales tax from the state.
16. Enhanced damages	Not specified.
17. Attorney's fees	A court may award reasonable attorney's fees to a prevailing plaintiff.
18. Statute of limitations	An action must be commenced within two years after the date of the motor vehicle's original delivery to the consumer. Warranty disputes may be submitted to BBB AUTO LINE if the subject of the dispute occurred during the first two years or 25,000 miles, whichever comes first, of the consumer's ownership of the vehicle.
19. Manufacturer-sponsored arbitration	Disputes arising under the lemon law provisions requiring repurchase or replacement must be resolved through the required dispute resolution system, prior to seeking any judicial relief. Each manufacturer transacting business in Kentucky must offer to consumers a comprehensive informal dispute resolution system that accepts warranty disputes occurring during the earlier of the first two years or 25,000 miles of the consumer's or lessor's ownership of the motor vehicle. Note that this requirement is independent of the lemon law provisions, and requires arbitration of certain warranty disputes that might not be covered by the lemon law. Guidance from the Attorney General indicates that the dispute resolution provisions apply to any new motor vehicle that that would <i>normally</i> be used for personal, family or household purposes, regardless of how the individual buyer uses the particular vehicle that is the subject of the dispute. Any vehicle falling within the lemon law's definition of motor vehicle is covered by the dispute resolution provisions.
20. State-sponsored arbitration	Not specified.
21. Dealer liability	Nothing in the lemon law may be construed as imposing any liability on a dealer or creating a cause of action by a consumer against a dealer. The manufacturer must not directly or indirectly, by any means or methods, expose or attempt to expose any franchised dealer to liability.
22. Restrictions on resale of returned vehicles	Not specified.

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23. Point of sale notice of lemon law rights	Not specified.
24. Limitation on waiver	Any agreement entered into by a consumer for the purchase of a new motor vehicle, that waives, limits, or disclaims the rights set forth in the lemon law are void as contrary to public policy.

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