

NEW JERSEY LEMON LAW SUMMARY

For more information about the lemon law, or to obtain a copy of “New Jersey Motor Vehicle Lemon Law- Your Road to Relief,” consumers may call the New Jersey Division of Consumer Affairs, Lemon Law Unit at (973) 504 -6226, or visit <http://www.njconsumeraffairs.gov/News/Brochures/Lemon-Law-Road-to-Relief-Brochure.pdf>

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	<p>Not specified. Assuming UCC statute of limitations applies, claim must be filed within four years from the date the alleged defect is discovered.</p> <p>Please note that certain actions must be taken within specified time frames when filing a lemon law claim with BBB AUTO LINE or when seeking a hearing with the Division of Consumer Affairs’ Automotive Dispute Resolution Program.</p>
ELIGIBLE VEHICLE	<p>A passenger automobile or motorcycle purchased, leased or registered in New Jersey. Excludes the living facilities of motor homes and vehicles registered for commercial use.</p> <p>Covers used vehicles.</p>
ELIGIBLE CONSUMER	<p>(1) Buyer or lessee, other than for purposes of resale or sublease, of a motor vehicle; (2) any person to whom a motor vehicle is transferred during the duration of a warranty applicable to the motor vehicle; and (3) any other person entitled by the terms of the warranty to enforce the obligations of the warranty.</p>
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	<p>Earlier of 24,000 miles or two years following original delivery to a consumer.</p>
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	<p>Earlier of 24,000 miles or two years following original delivery to a consumer.</p>
PRESUMPTION OR DEFINITION	<p>Presumption: within earlier of 24,000 miles or two years following original delivery to the consumer if (1) three or more repair attempts, (2) out of service for 20 or more calendar days (45 for motorhome), or (3) one repair attempt or examination to serious safety nonconformity.</p>
NOTICE TO MANUFACTURER	<p>Required for presumption to apply. Written notice, by certified mail return receipt requested, after two or more repair attempts to same nonconformity or out of service for 20/45 or more calendar days, or one attempt to serious safety nonconformity.</p>
FINAL OPPORTUNITY TO REPAIR	<p>Required for presumption to apply; must repair within 10 calendar days following receipt of consumer’s written notice.</p>

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REASONABLE ALLOWANCE	Refund only: mileage at time consumer first presents vehicle to dealer or manufacturer for correction of nonconformity, divided by 100,000, multiplied by purchase or lease price.
DISPUTE RESOLUTION	Consumer may submit dispute to manufacturer's procedure or state-operated arbitration program.
DISCLOSURE TO SUBSEQUENT PURCHASER	Yes.
TITLE BRANDING	Yes.

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1. Citation	N.J. Stat. Ann. §§ 56:12-29 through 56:1 2 -49; N.J. Admin. Code §§ 13:45A -26.1 through 13:45A-26.15. For more information about the lemon law, or to obtain a copy of “New Jersey Motor Vehicle Lemon Law- Your Road to Relief,” consumers may call the New Jersey Division of Consumer Affairs, Lemon Law Unit at (973) 504 -6226, or visit http://www.njconsumeraffairs.gov/News/Brochures/Lemon-Law-Road-to-Relief-Brochure.pdf
2. Motor vehicle covered	Covers a passenger automobile (all automobiles used and designed for the transportation of passengers, other than omnibuses and school buses) and motorcycle that is purchased, leased or registered in New Jersey. Covers used vehicles, but excludes the living facilities of motor homes. The New Jersey Attorney General’s Office has indicated that the lemon law does not cover vehicles with a commercial registration.
3. Consumer covered	(1) The buyer or lessee, other than for purposes of resale or sublease, of a motor vehicle; (2) Any person to whom a motor vehicle is transferred during the duration of a warranty applicable to the motor vehicle; or (3) Any other person entitled by the terms of the warranty to enforce the obligations of the warranty.
4. Nonconformity defined	A defect or condition that substantially impairs the use, value or safety of a motor vehicle.
5. Warranty defined	“Manufacturer’s warranty” or “warranty” means any express or implied warranty of the manufacturer, of a new motor vehicle of its condition and fitness for use, including any terms or conditions precedent to the enforcement of obligations under the warranty.
6. Lemon law rights period	Not specified. Please note that certain actions must be taken within specified time frames when filing a lemon law claim with BBB AUTO LINE or when seeking a hearing with the Division of Consumer Affairs’ Automotive Dispute Resolution Program.
7. Manufacturer’s obligation to repair	If a consumer reports a nonconformity to the manufacturer or its dealer during the first 24,000 miles of operation or during the period of two years following the date of the motor vehicle’s original delivery to a consumer, whichever is earlier, then the manufacturer must make or arrange within a reasonable time all repairs necessary to correct the nonconformity.
8. Manufacturer’s obligation to repurchase or replace	If the manufacturer or its dealer is unable to repair or correct a nonconformity within a reasonable time during the first 24,000 miles of operation or during the period of two years following the date of the motor vehicle’s original delivery to a consumer, whichever is earlier, then the manufacturer must repurchase or replace the motor vehicle.
9. Criteria for reasonable number of repair attempts	Presumed if, within the first 24,000miles of operation or during two years following the date of the motor vehicle’s original delivery to a consumer, whichever is earlier, one of the following occurs: (1) Substantially the same nonconformity (not likely to cause death or serious bodily injury if the vehicle is driven) has been subject to repair three or more times by the manufacturer or its dealer and the nonconformity continues to exist;

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9. Criteria for reasonable number of repair attempts (cont'd).	<p>(2) The vehicle is out of service due to repair for one or more nonconformities for a cumulative total of 20 or more calendar days (45 or more calendar days for a motorhome) since the original delivery of the motor vehicle and a nonconformity continues to exist; or</p> <p>(3) A nonconformity that is likely to cause death or serious bodily injury if the vehicle is driven has been subject to examination or repair at least once by the manufacturer or its dealer and the nonconformity continues to exist.</p> <p>In addition, the presumption shall apply against a manufacturer only if:</p> <p>(1) The manufacturer has received written notification, by or on behalf of the consumer, by certified mail return receipt requested, of a potential claim pursuant to the provisions of this act <u>and</u></p> <p>(2) Manufacturer has had one opportunity to repair or correct the defect or condition within 10 calendar days following receipt of the notification.</p> <p>The two year term, 20-day period, and 45-day period specified in this section are extended by any period of time during which repair services are not available to the consumer because of war, invasion or strike, or a fire, flood or other natural disaster.</p> <p>For motorhomes, if the consumer presented the motorhome to a repair facility that is not authorized by the manufacturer to provide service on that motorhome, it will not be considered an examination or repair attempt. If the consumer presents the motorhome to an authorized repair facility and, rather than wait for repairs to the nonconformity, the consumer decides to continue traveling and to seek repair of the same nonconformity at another authorized repair facility, it will be considered as one examination or repair attempt.</p> <p>Each time a consumer's motor vehicle is returned from being examined or repaired during the specified time/mileage period, the manufacturer through its dealer must provide to the consumer an itemized, legible statement of repair which indicates any diagnosis made and all work performed on the vehicle and provides information including but not limited to:</p> <p>(1) A general description or identification of the problem reported by the consumer or an identification of the defect or condition;</p> <p>(2) The amount charged for parts and the amount charged for labor, if paid by the consumer; and</p> <p>(3) The date and odometer reading when the vehicle was submitted for repair and when the vehicle was made available to the consumer.</p>
10. Notice of nonconformity and final opportunity to repair	<p>The presumption applies against the manufacturer only if</p> <p>(1) The consumer or someone on the consumer's behalf notifies the manufacturer in writing, by certified mail return receipt requested, of a potential claim; and</p> <p>(2) The manufacturer has had one opportunity to repair or correct the defect or condition within ten calendar days following receipt of this notification.</p> <p>Notification by the consumer must take place any time after:</p> <p>(1) substantially the same nonconformity was subject to repair two or more times;</p> <p>(2) the vehicle has been out of service by reason of repair for a cumulative of 20 or more calendar days (45 or more calendar days for a motor home); or</p> <p>(3) with respect to a nonconformity that is likely to cause death or serious bodily injury if the vehicle is driven, the vehicle was subject to examination or repair at least once by the manufacturer or its dealer and the nonconformity continues to exist.</p>
11. Affirmative defenses	<p>It is an affirmative defense that:</p> <p>(1) The alleged nonconformity does not substantially impair the use, value, or safety of the new motor vehicle, or</p> <p>(2) The nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of the motor vehicle by anyone other than the manufacturer or its dealer.</p>

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12. Refund	<p>Purchased Vehicle</p> <p>Refund consists of:</p> <ol style="list-style-type: none"> (1) Purchase price of the original motor vehicle, including any stated credit or allowance for the consumer's used vehicle; (2) The cost of any options or other modifications arranged, installed, or made by the manufacturer or its dealer within 30 days after the date of original delivery; and (3) Any other charges or fees, including but not limited to sales tax, license and registration fees, finance charges, reimbursement for towing and reimbursement for actual expenses incurred by the consumer for the rental of a vehicle equivalent to the consumer's vehicle during the period during which the consumer's vehicle was out of service due to a nonconformity; (4) Less a reasonable allowance for vehicle use. <p>Leased Vehicle</p> <p><i>To the lessee:</i></p> <ol style="list-style-type: none"> (1) A full refund of the amount actually paid by the consumer under the lease agreement; and (2) Any other charges or fees actually paid by the consumer, including but not limited to sales tax, license and registration fees, finance charges, reimbursement for towing and reimbursement for actual expenses incurred by the consumer for the rental of a vehicle equivalent to the consumer's vehicle during the period during which the consumer's vehicle was out of service due to a nonconformity; (3) Less a reasonable use allowance for vehicle use. <p><i>To the lessor:</i></p> <ol style="list-style-type: none"> (1) A full refund of the vehicle's original purchase price plus any unrecovered interest expense; (2) Less the amount actually paid by the consumer under the lease agreement. <p>The consumer's lease agreement with the motor vehicle lessor is terminated and no penalty for early termination is assessed.</p>
13. Replacement	Replacement is not defined. It is the manufacturer's responsibility to insure that any lien on the returned vehicle is transferred to the replacement vehicle.
14. Reasonable allowance	<p>Applies to a refund but not to a replacement. The reasonable allowance for vehicle use is defined as:</p> $\frac{\text{Mileage at the time consumer first presents vehicle to dealer or manufacturer for correction of a nonconformity}}{100,000} \times \text{purchase or lease price}$
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	In an action by a consumer against a manufacturer, brought in court or state-operated arbitration, a prevailing consumer will be awarded reasonable attorney's fees, expert witness fees, and costs.
18. Statute of limitations	<p>Not specified. Assuming that the UCC statute of limitations applies, a claim must be filed within four years from the date the alleged defect is discovered.</p> <p>Please note that certain actions must be taken within specified time frames when filing a lemon law claim with BBB AUTO LINE or when seeking a hearing with the Division of Consumer Affairs' Automotive Dispute Resolution Program.</p>

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19. Private dispute resolution program	The consumer may submit a dispute to an informal dispute settlement procedure but need not before participating in the state-operated arbitration program or filing an action in court.
20. State-sponsored arbitration	The consumer has the option of submitting any dispute to the state-operated arbitration program. Although the consumer is not required to participate in the state program, a decision rendered by the state-operated arbitration program is binding on the consumer and manufacturer, subject to a right of appeal, and will preclude a court action under the lemon law.
21. Dealer liability	Nothing in the lemon law imposes any liability on a dealer, or creates a cause of action by a consumer or manufacturer against a dealer.
22. Restrictions on resale of returned vehicles	<p>Lemon Law</p> <p>If a motor vehicle is returned to the manufacturer under any state’s lemon law or as the result of a legal action or an informal dispute settlement procedure, it may not be resold or released in New Jersey unless:</p> <ol style="list-style-type: none"> (1) The manufacturer provides to the dealer or lessor, and the dealer or lessor provides to the consumer, the following written statement on a separate piece of paper in 10-point bold-face type: IMPORTANT: THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE MANUFACTURER’S WARRANTY AND THE NONCONFORMITY WAS NOT CORRECTED WITHIN A REASONABLE TIME AS PROVIDED BY LAW (2) The dealer or lessor obtains from the consumer a signed receipt certifying that the written statement has been provided. The dealer or lessor may fulfill this obligation by making the required notation in a conspicuous and understandable manner on the vehicle buyer order form accompanying the sale or lease; and (3) The dealer or lessor notifies the Division of Motor Vehicles of the sale or transfer of ownership of the motor vehicle. <p>Regulations</p> <p>If a motor vehicle is returned to the manufacturer under any state’s lemon law or as the result of a legal action or an informal dispute settlement procedure, it may not be resold or released in New Jersey unless:</p> <ol style="list-style-type: none"> (1) Upon receipt of the vehicle, the manufacturer, its agent or a dealer who accepts the vehicle must cause the words “R–RETURNED TO MANUFACTURER UNDER LEMON LAW OR OTHER PROCEEDING” to be clearly and conspicuously stamped on the face of the original certificate of title, the manufacturer’s statement of origin, or other evidence of ownership; (2) Within 10 days of receipt of the vehicle, the manufacturer, its agent or dealer must submit a copy of the stamped document to the Division of Motor Vehicles for permanent branding; (3) The manufacturer provides to the dealer or lessor, and the dealer or lessor provides to the consumer, the following written statement on a separate piece of paper in 10-point bold-face type: <p style="text-align: center;">NOTICE OF NONCONFORMITY</p> IMPORTANT: THIS VEHICLE WAS RETURNED TO THE MANUFACTURER BECAUSE IT DID NOT CONFORM TO THE MANUFACTURER’S WARRANTY AND THE NONCONFORMITY WAS NOT CORRECTED WITHIN A REASONABLE TIME AS PROVIDED BY LAW <p>(This notice is required under the New Jersey “Lemon Law”, N.J.S.A. 56:12-1 et seq., for vehicles that have been replaced or repurchased by the manufacturer as the result of any one of the following: a court judgment, or a final decision pursuant to a hearing or settlement by the Office of Administrative Law, or an arbitration proceeding between the manufacturer or its agent and a consumer.)</p>

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	<p>(4) Upon delivery to the consumer of this statement, the dealer or lessor must obtain from the consumer a signed receipt on a separate piece of paper stating the following, in underlined 10-point bold-face type:</p> <p style="text-align: center;">I ACKNOWLEDGE RECEIPT OF NOTICE OF NONCONFORMITY OF THIS VEHICLE, VIN NO. _____ AS REQUIRED BY N.J.S.A. 56:12-35 (THE "LEMON LAW").</p> <p>Alternatively, the dealer or lessor may make the following notation in underlined bold-face type on the front page of the vehicle buyer order form or the lease form:</p> <p style="text-align: center;">NOTICE OF NONCONFORMITY OF THIS VEHICLE, FIN NO. _____, HAS BEEN PROVIDED TO THE PURCHASER OR LESSEE, AS REQUIRED BY N.J.S.A. 56:12-35 (THE "LEMON LAW").</p> <p>(5) The manufacturer, dealer or lessor must notify the Division of Motor Vehicles of the resale or release of the vehicle by requesting transfer of the branded title to the new owner or lessor, in writing.</p>
23. Point of sale notice of lemon law rights	<p>Lemon Law</p> <p>At the time of purchase or lease of a motor vehicle in New Jersey, the manufacturer through its dealer or the lessor must provide directly to the consumer a written statement prescribed by the Director of the Division of Consumer Affairs and providing information concerning a consumer's rights and remedies under the lemon law. The statement must be presented in a conspicuous and understandable manner on a separate piece of paper and printed in both English and Spanish, and must include a summary of the provisions of the lemon law pertaining to the miles of operation of a motor vehicle and time period within which the consumer may report a nonconformity and seek remedies; the manufacturer's obligations to a consumer based on the manufacturer's or dealer's inability to repair or correct a nonconformity; and any other provisions of the lemon law that the Director deems appropriate.</p> <p>Regulations</p> <p>At the time of purchase or lease of a motor vehicle in New Jersey, the manufacturer through its dealer or the lessor must provide directly to the consumer the following written statement on a separate piece of paper in 10-point bold-face type:</p> <p style="text-align: center;">IMPORTANT: IF THIS VEHICLE IS DEFECTIVE, YOU MAY BE ENTITLED UNDER NEW JERSEY LAW TO A REFUND OF THE PURCHASE PRICE OR YOUR LEASE PAYMENTS. FOR COMPLETE INFORMATION REGARDING YOUR RIGHTS AND REMEDIES UNDER THE RELEVANT LAW, CONTACT THE NEW JERSEY DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF CONSUMER AFFAIRS, LEMON LAW UNIT, AT POST OFFICE BOX 45026, NEWARK, NEW JERSEY 07101, TEL. NO. (973) 504-6226.</p> <p>The manufacturer, through its dealer or lessor, must maintain a record substantiating compliance with this requirement and make the record available to the Division upon request.</p>
24. Limitation on waiver	<p>Any agreement entered into by a consumer for the purchase or lease of a new motor vehicle that waives, limits or disclaims lemon law rights is void as contrary to public policy.</p>

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