

## **STANDARDS OF THE MISSISSIPPI LEMON LAW**

The following is a brief explanation of most relevant provisions of the Mississippi lemon law. The complete text of the lemon law can be found at Mississippi Code Ann. § 63-17-151 *et seq.*

### **VEHICLES COVERED**

The Mississippi lemon law covers motor vehicles that are sold in Mississippi, operated over Mississippi's public streets and highways, and used to transport persons or property. This includes demonstrator and lease-purchase vehicles if they were sold with a manufacturer's warranty.

The lemon law appears to cover used vehicles, but a leased vehicle unless acquired through a lease-purchase. The lemon law does not cover off-road vehicles, motorcycles, mopeds, or parts and components of a motor home that were added on and/or assembled by the manufacturer of the motor home.

### **CONSUMERS COVERED**

The lemon law covers the following consumers:

1. The purchaser, other than for purposes of resale, of a motor vehicle primarily used for personal, family, or household purposes;
2. Any person to who the motor vehicle is transferred for the same purposes during the express warranty; and
3. Any other person entitled by the terms of the warranty to enforce its obligations.

### **VEHICLE CONVERTERS**

The lemon law applies to vehicle converters.

### **PROBLEMS COVERED**

The lemon law covers any default or condition that impairs the use, market value, or safety of the motor vehicle to the consumer. The default or condition is referred to as a *nonconformity*.

The lemon law provides manufacturers with an affirmative defense if it can be shown that the nonconformity is the result of abuse, neglect, or unauthorized modifications or alterations of the vehicle by the consumer.

### **MANUFACTURER'S DUTY TO REPAIR**

If the consumer reports a nonconformity to the manufacturer or its agent within the term of the express warranty or within one year of the vehicle's original delivery to the

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consumer, whichever is earlier, then the manufacturer or its agent must make the necessary repairs to conform the motor vehicle to the warranty.

The necessary repairs must be made even after the expiration of the term of the express warranty or the one year period.

### **MANUFACTURER'S DUTY TO REPURCHASE OR REPLACE A VEHICLE**

If the manufacturer or its agent is unable to repair or correct a nonconformity after a *reasonable number of attempts*, then the manufacturer must, at the consumer's option, either repurchase or replace the motor vehicle.

### **REASONABLE NUMBER OF REPAIR ATTEMPTS**

The Mississippi lemon law creates a presumption that a manufacturer has had a reasonable number of repair attempts if, during the term of the express warranty or within one year of the motor vehicle's original delivery to a consumer, whichever is earlier, either of the following occurs:

1. Substantially the same nonconformity has been subject to repair three or more times by the manufacturer or its agent and such nonconformity continues to exist; or
2. The vehicle is out of service by reason of repair of the nonconformity by the manufacturer or its agent for a cumulative total of fifteen or more working days since delivery of the vehicle to the consumer.

The fifteen-day period is exclusive of downtime for routine maintenance as prescribed by the owner's manual, and may be extended by any period of time during which repair services are unavailable due to circumstances beyond the control of the manufacturer or its agent.

The terms of the express warranty, or the period of one year following original delivery of the vehicle to the consumer, may be extended if the consumer reports the vehicle nonconformity but the manufacturer or its agent is unable to repair it within the applicable time period.

### **NOTICE AND OPPORTUNITY TO REPAIR**

Before availing himself or herself of the provisions relating to repurchase or replacement, the consumer must give written notification to the manufacturer of the need for repair of a nonconformity, in order to allow the manufacturer an opportunity to cure the alleged defect. The manufacturer must immediately notify the consumer of a reasonably accessible repair facility. After the consumer delivers the motor vehicle to the designated repair facility, the manufacturer has ten working days to repair the alleged nonconformity.

## **DISPUTE RESOLUTION**

If the manufacturer has established an informal dispute settlement procedure that complies with 16 C.F.R. Part 703, then the provisions requiring refund or replacement do not apply unless the consumer has first resorted to the informal dispute settlement procedure. However, this prior resort is not required if the manufacturer failed to notify the consumer of the availability of the informal dispute settlement procedure.

## **TIME PERIOD FOR FILING CLAIMS**

An action must be commenced within the earlier of (1) one year following expiration of the express warranty, or (2) 18 months following the date of the vehicle's original delivery to a consumer. If a consumer resorts to an informal dispute settlement procedure, an action must be commenced within 90 days following the procedure's final action.

## REMEDIES UNDER THE MISSISSIPPI LEMON LAW

### REPURCHASE

The Mississippi lemon law provides that a manufacturer must pay the following amounts when it repurchases a vehicle under the lemon law:

1. The *full vehicle purchase price*, meaning the price that the consumer paid to the manufacturer to purchase the motor vehicle. In the case of a retail installment transaction, the purchase price is the price stated in the retail installment contract for which the vehicle would have been bought had the sale had been for cash instead of an installment transaction, including any taxes, registration, certificate of title, license and other fees, and charges for accessories and their installation, delivery, servicing, repairing or improving the vehicle; and
2. All reasonably incurred *collateral charges*, meaning those additional charges to a consumer that are not directly attributable to the manufacturer's suggested retail price label for the motor vehicle. These include but are not limited to charges for dealer preparation, undercoating, transportation, and title; and towing and replacement car rental costs;
3. Less a reasonable allowance for the consumer's use of the vehicle.

Refunds are made to the consumer and lienholder, if any, as their interests may appear.

A reasonable allowance for use is defined as 20 cents per mile multiplied by the number of miles driven by the consumer.

### REPLACEMENT

When replacing a vehicle under the Mississippi lemon law, the manufacturer must replace the vehicle with a comparable motor vehicle acceptable to the consumer. "Comparable motor vehicle" means an identical or reasonably equivalent motor vehicle.

The consumer must pay a reasonable allowance for use of a vehicle that is replaced. A reasonable allowance for use is defined as 20 cents per mile multiplied by the number of miles driven by the consumer.