

# ASSEMBLY, No. 3468

## STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED NOVEMBER 8, 2010

**Sponsored by:**

**Assemblyman MATTHEW W. MILAM**

**District 1 (Cape May, Atlantic and Cumberland)**

**Assemblyman NELSON T. ALBANO**

**District 1 (Cape May, Atlantic and Cumberland)**

**Assemblyman JOHN J. BURZICHELLI**

**District 3 (Salem, Cumberland and Gloucester)**

**Assemblywoman CELESTE M. RILEY**

**District 3 (Salem, Cumberland and Gloucester)**

**Co-Sponsored by:**

**Assemblymen Mainor and Conners**

**SYNOPSIS**

Extends protections of the new vehicle “lemon law” to new motor vehicle farm equipment purchased or leased in New Jersey.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/18/2011)**

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

3

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

6

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

9 2. As used in this act:

10 "Co-manufacturer" means, solely with respect to an authorized  
11 emergency vehicle as defined in R.S.39:1-1, any person that  
12 fabricates the authorized emergency vehicle utilizing a component  
13 or components of a new motor vehicle made by a manufacturer,  
14 other than modifying an existing standard model of a vehicle  
15 manufactured by a manufacturer, which component or components  
16 are obtained by the co-manufacturer from the manufacturer to  
17 fabricate the vehicle for use as an authorized emergency vehicle  
18 prior to an initial retail sale or lease of the emergency vehicle.

19 "Consumer" means a buyer or lessee, other than for purposes of  
20 resale or sublease, of a motor vehicle; a person to whom a motor  
21 vehicle is transferred during the duration of a warranty applicable to  
22 the motor vehicle; or any other person entitled by the terms of the  
23 warranty to enforce the obligations of the warranty.

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

27 "Director" means the Director of the Division of Consumer  
28 Affairs in the Department of Law and Public Safety, or his  
29 designee.

30 "Division" means the Division of Consumer Affairs in the  
31 Department of Law and Public Safety.

32 "Informal dispute settlement procedure" means an arbitration  
33 process or procedure by which the manufacturer, or, in the case of  
34 an authorized emergency vehicle, the manufacturer, co-  
35 manufacturer, or post-manufacturing modifier, attempts to resolve  
36 disputes with consumers regarding motor vehicle nonconformities  
37 and repairs that arise during the vehicle's warranty period.

38 "Lease agreement" means a contract or other written agreement  
39 in the form of a lease for the use of a motor vehicle by a person for  
40 a period of time exceeding 60 days, whether or not the lessee has  
41 the option to purchase or otherwise become the owner of the motor  
42 vehicle at the expiration of the lease.

43 "Lessee" means a person who leases a motor vehicle pursuant to  
44 a lease agreement.

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

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

5 "Lienholder" means a person with a security interest in a motor  
6 vehicle pursuant to a lien.

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

11 "Motor vehicle" means a passenger automobile, farm tractor,  
12 authorized emergency vehicle, or motorcycle as defined in  
13 R.S.39:1-1 which is purchased or leased in the State of New Jersey  
14 or which is registered by the New Jersey Motor Vehicle  
15 Commission, except the living facilities of motor homes.

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

18 "Post-manufacturing modifier" means, solely with respect to an  
19 authorized emergency vehicle as defined in R.S.39:1-1, any person  
20 who modifies the configuration of an existing standard model of a  
21 motor vehicle purchased from a manufacturer to adapt the vehicle  
22 for use as an authorized emergency vehicle prior to an initial retail  
23 sale or lease of the vehicle.

24 "Reasonable allowance for vehicle use" means the mileage at the  
25 time the consumer first presents the motor vehicle to the dealer,  
26 distributor, manufacturer, co-manufacturer, or post-manufacturing  
27 modifier for correction of a nonconformity times the purchase price,  
28 or the lease price if applicable, of the vehicle, divided by one  
29 hundred thousand miles.

30 "Warranty" means any warranty, whether express or implied of  
31 the manufacturer of a new motor vehicle, or, in the case of a new  
32 motor vehicle that is an authorized emergency vehicle, of the  
33 manufacturer, co-manufacturer or post-manufacturing modifier, of  
34 the vehicle's condition and fitness for use, including any terms or  
35 conditions precedent to the enforcement of obligations under the  
36 warranty.

37 (cf: P.L.2009, c.324, s.2)

38  
39 2. This act shall take effect on the 180th day following  
40 enactment.

#### 41 42 43 STATEMENT 44

45 This bill amends the new vehicle "lemon law," P.L.1988, c.123  
46 (C.56:12-29 et seq.), to extend the protections of the new vehicle  
47 "lemon law" to new motor vehicle farm equipment purchased or  
48 leased in New Jersey. More specifically, the bill includes farm

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1 tractors under the types of motor vehicles covered under the terms  
2 of the “lemon law,” along with the existing categories of passenger  
3 automobiles, authorized emergency vehicles and motorcycles. The  
4 bill references the definition of “farm tractor” used in R.S.39:1-1,  
5 which definition is “every motor vehicle designed and used  
6 primarily as a farm implement for drawing plows, mowing  
7 machines, and other implements of husbandry.”