

ASSEMBLY, No. 1892

STATE OF NEW JERSEY 216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

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District 33 (Hudson)

SYNOPSIS

Provides that rental companies cannot rent, lease or sell unrepaired motor vehicles which are subject to safety recall.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 10/24/2014)

1 AN ACT concerning motor vehicle rentals and supplementing
2 P.L.1960, c.39 (C.56:8-1 et seq.).

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

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7 1. This act shall be known and may be cited as the "Safe Motor
8 Vehicle Rental Act."

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10 2. As used in this act:

11 "Rental motor vehicle" means a motor vehicle owned by a rental
12 company and rented to the general public on an hourly, daily, trip,
13 or other short-term basis.

14 "Rental company" means a person engaged in the business of
15 renting vehicles to the general public.

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17 3. a. It shall be unlawful for a rental company to rent, lease, or
18 sell a rental motor vehicle which contains a defect related to motor
19 vehicle safety or does not comply with an applicable motor vehicle
20 safety standard, unless the defect or noncompliance has been
21 remedied prior to rental, lease, or sale.

22 b. If, during the rental or lease period of a rental motor vehicle,
23 the rental company receives notification that the vehicle contains a
24 defect related to motor vehicle safety or does not comply with an
25 applicable motor vehicle safety standard, the rental company shall
26 immediately:

27 (1) contact the renter or lessee and any authorized driver for
28 whom the rental company has immediate contact information to
29 inform such renter, lessee and authorized driver of the defect or
30 noncompliance; and

31 (2) offer to provide such renter, lessee, or authorized driver a
32 comparable alternative vehicle, which has no defect and is in
33 compliance, at no additional cost to the renter, lessee or authorized
34 driver, until the defect or noncompliance has been remedied.

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36 4. A violation of the provisions of this act shall be an unlawful
37 practice and a violation of P.L.1960, c.39 (C.56:8-1 et seq.).

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39 5. This act shall take effect on the first day of the fourth month
40 following enactment.

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STATEMENT

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45 This bill, the "Safe Motor Vehicle Rental Act" provides that
46 rental companies cannot rent, lease or sell unrepaired motor
47 vehicles which are subject to safety recall.

1 Under the provisions of the bill, it is an unlawful practice under
2 P.L.1960, c.39 (C.56:8-1 et seq.), the Consumer Fraud Act, for a
3 rental company to rent, lease, or sell a rental motor vehicle which
4 contains a defect related to motor vehicle safety or does not comply
5 with an applicable motor vehicle safety standard, unless the defect
6 or noncompliance has been remedied prior to rental, lease or sale.
7 “Rental motor vehicle” is defined in the bill to include all motor
8 vehicles rented to the general public, including trucks.

9 The bill also provides that, if during the rental or lease period the
10 rental company receives notification that the vehicle becomes
11 subject to a safety recall, the rental company will immediately:

12 (1) contact the renter or lessee and any authorized driver for
13 whom the rental company has immediate contact information to
14 inform them of the noncompliance; and

15 (2) offer to provide the renter, lessee, or authorized driver a
16 comparable alternative vehicle, at no additional cost to the renter,
17 lessee or authorized driver, until the defect or noncompliance has
18 been remedied.

19 An unlawful practice under the Consumer Fraud Act is
20 punishable by a monetary penalty of not more than \$10,000 for a
21 first offense and not more than \$20,000 for any subsequent offense.
22 In addition, violations can result in cease and desist orders issued
23 by the Attorney General, the assessment of punitive damages, and
24 the awarding of treble damages and costs to the injured party.