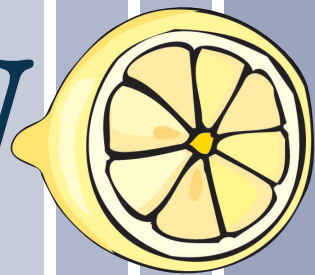


▶ Used Car Lemon Law

Your Road to Relief



consumer *brief*

With each passing day you're beginning to fear that you've got a lemon on your hands. Are you stuck with it? Maybe not. New Jersey's Used Car Lemon Law provides protection for those who buy used cars in New Jersey. If you think your vehicle may qualify after reading this Consumer Brief, please contact the Lemon Law Unit to get started on *your Road to Relief*.

WHY CHOOSE THE LEMON LAW UNIT?

- **It's much quicker!** – The Lemon Law process has special deadlines which must be met in order to ensure quicker handling of your case. Going to Superior Court could take considerably longer.
- **An attorney is not required** – You may represent yourself at the hearing. If you choose to retain an attorney, please be aware that attorney fees **will not** be part of your refund if the case is decided in your favor.
- **Cases are scheduled at your convenience** – Cases are scheduled at a date, time and location that is most convenient for you, whether it be Newark, Trenton or Atlantic City.
- **There is no filing fee** – Filing a claim under the Used Car Lemon Law is free. *However*, there is a \$200 filing fee when you file a case in Superior Court.
- **Lemon Law staff are ready to assist you** – While the Unit does not provide legal representation, staff are available by phone (973-504-6226) or e-mail (lemonlaw@dca.lps.state.nj.us) to answer your questions quickly.

WHAT IS COVERED BY THE LAW?

The law, which covers only used passenger motor vehicles purchased from licensed used car dealers, requires used car dealers to provide their customers with warranties.

The length of the warranty depends on the used motor vehicle's mileage. If:

- a motor vehicle has 24,000 miles or less on its odometer, the dealer must provide the customer with a warranty for 90 days or 3,000 miles, whichever comes first.
- a motor vehicle has more than 24,000 miles but less than 60,000 miles on its odometer, the dealer must provide the customer with a warranty for 60 days or 2,000 miles, whichever comes first.
- a motor vehicle has between 60,000 and 100,000 miles on its odometer, the dealer must provide the customer with a warranty for 30 days or 1,000 miles, whichever comes first.

Note: In negotiating a better price for the vehicle, consumers may waive their right to a warranty. The vehicle must have more than 60,000 miles on its odometer and the waiver must be in writing.

WHAT IS NOT COVERED BY THE LAW?

- Motor vehicles sold for less than \$3,000
- Motor vehicles which are more than seven (7) model years old
- Motor vehicles that have been declared a total loss by an insurance company
- Motor vehicles that have odometer readings of more than 100,000 miles
- Motor vehicles that were not purchased from a dealer
- Motor vehicles that were sold "As Is."

Continued

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www.NJConsumerAffairs.gov



WHAT PARTS ARE COVERED?

The statute requires a dealer to correct a material defect of a covered item of the used vehicle. The material defect must substantially impair the use, value or safety of the used vehicle. Covered items consist of:

- **The Engine** – All internal lubricated parts, timing chains, gears and cover, timing belt, pulleys and cover, oil pump and gears, water pump, valve covers, oil pan, manifolds, flywheel, harmonic balancer, engine mounts, seals and gaskets, and turbo-charger housing. (Housing, engine block and cylinder heads are covered only if they are damaged by the failure of an internal lubricated part.)
- **Transmission Automatic/Transfer Case** – All internal lubricated parts, torque converter, vacuum modulator, transmission mounts, seals and gaskets.
- **Transmission Manual/Transfer Case** – All internal lubricated parts, transmission mounts, seals and gaskets (excluding a manual clutch), pressure plate, throw-out bearings, clutch master or slave cylinders.
- **Front-Wheel Drive** – All internal lubricated parts, axle shafts, constant velocity joints, front hub bearings, seals and gaskets.
- **Rear-Wheel Drive** – All internal lubricated parts, propeller shafts, supports and U-joints, axle shafts and bearings, seals and gaskets.

WHAT MUST THE DEALER DO?

The warranty requires the dealer to correct a defective or malfunctioning part of a used motor vehicle which is covered by the warranty if the defect occurred during the applicable warranty period. The consumer is responsible for bringing the motor vehicle to the selling dealer and may be entitled to a refund of the used motor vehicle's full purchase price* if, during the dealer warranty period:

- the dealer has been unsuccessful at fixing the same material defect after at least three attempts; or
- the vehicle has been out of service for 20 cumulative days while the dealer is attempting to fix it.

The consumer must pay a \$50 deductible for each repair of a covered item. The Used Car Lemon Law does not apply to extended service contracts or any remaining manufacturer warranties.

Keep all of the documents pertaining to the motor vehicle's defects and repairs handy.

*Excluding all sales taxes, fees and deductions for excessive wear and tear and personal use of the vehicle.

IF YOUR CASE QUALIFIES, HERE IS WHAT YOU SHOULD EXPECT:

- Your Lemon Law application will be promptly reviewed by a Lemon Law staff member for completeness and to determine whether it meets all of the qualifications for a Lemon Law hearing.
- The application will be approved, rejected or sent back to you for edits.
- Once the application has been approved, the dealer is sent a copy of your application and an attempt is made to resolve the case.
- If the case cannot be resolved, you will then be contacted to set a hearing date, usually within **20 DAYS**, subject to the days the Office of Administrative Law (O.A.L.) has available. A copy of the application is then sent to the O.A.L.
- The administrative law judge's Initial Decision is issued within **20 DAYS** of the hearing.
- Within **15 DAYS** of receiving the Initial Decision, the Director of the Division of Consumer Affairs will issue a Final Decision. The Final Decision will either adopt, reject or modify the Initial Decision.



For more information, please contact the Lemon Law Unit by calling **973-504-6226**, or via e-mail at lemonlaw@dca.lps.state.nj.us.

Correspondence by mail may be sent to:

N.J. Division of Consumer Affairs
Lemon Law Unit
124 Halsey Street
P.O. Box 45026
Newark, NJ 07101

The New Jersey Division of Consumer Affairs can also be reached by calling **1-800-242-5846**.

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