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Motorists Get Help From Legislature and Governor with Passage of Vehicle Warranty Rights Notification Bill

New law requires car manufacturers to inform customer of their rights under the federal Magnuson-Moss Warranty Act regarding vehicle warranty coverage

On January 9, 2020, Governor Murphy signed legislation requiring car manufacturers to provide a written statement informing car buyers of their rights for warranty coverage associated with the vehicle in terms of service at independent repair shops. With the signing of this legislation, motorists no longer have to be afraid to bring their vehicle for service at their favorite local neighborhood repair shop.

Though this has been the case since the passage in 1975 of the federal Magnuson-Moss Warranty Act; throughout the years the language car manufacturers have used when creating promotional materials for new car buyers has too often been misleading and has created doubt and fear in motorists’ minds around bringing their vehicle into their trusted neighborhood mechanic for service. Many motorists prefer to take their vehicle to an independent shop due to convenience and cost factors, in addition to personal relationships that they have established with their favorite mechanics. Repeat customers of auto repair shops trust that their technician has the proper training and skills to maintain and fix their cars. These personal relationships are essential to independent repair shops in order to maintain excellent reputations and generate more repeat customers.

Thanks particularly to the efforts of Senator Beach, Assemblywoman Lampitt, and Assemblywoman Chaparro, for sponsoring this bill and to Governor Murphy for signing; motorists must now be informed of their rights in writing within 90 days of purchasing their
vehicle. Car manufacturers and service writers may not intimidate or mislead motorists in any way with warranty violations should they bring their car in to another technician for service. This is a victory for thousands of small businesses across the state.

The legislation, S-1712, states that within 90 days after the purchase or lease of a new motor vehicle, the manufacturer is required to provide a new vehicle buyer or lessee with a written statement as well as provide a copy inside the vehicle manufacturer's owner's manual, which includes:

“The Magnuson-Moss Warranty Act, 15 U.S.C. s.2301 et seq., makes it illegal for motor vehicle manufacturers to void a motor vehicle warranty or deny warranty coverage solely because an aftermarket or recycled part has been used to repair the vehicle or someone other than the authorized service provider performed service on the vehicle. This provision does not apply to a new motor vehicle purchased solely for commercial or industrial use.”

Failure to comply with the notification provisions set under this statute is considered an unlawful practice under the consumer fraud act.

NJGCA Executive Director Sal Risalvato remarked “I have been in this business for over 40 years and there have been countless instances where my members have complained their customer’s stopped bringing in their new cars to them for service because they feared losing their warranty. I remember when I was operating my own repair shop, my customers relayed their apprehensions enough that even I started to have doubts about fixing their cars for fear of voiding a warranty. I always knew it was not true, but was cautious about starting a problem because of a technicality. Now that this law has been passed, NJGCA will embark on an educational campaign to ensure all repair shops have information to give to their customers so they understand their warranty will not be voided simply by bringing their car to their trusted neighborhood garage.”

NJGCA worked closely with the Auto Care Association, who were their partners in the automotive aftermarket that helped get S-1712 passed. The Auto Care Association provided additional data and stories from around the country showing how motorists have been misinformed either intentionally or unintentionally by the very words of the car manufacturers themselves.

“This is another positive step toward educating consumers nationwide on their warranty rights and their ability to get their car serviced at the facility of their choice,” said Tom Tucker, Director, State Government Affairs, Auto Care Association. “We will continue to work in the legislative and regulatory arenas to promote the MMWA and what it means for consumers.”

Risalvato concluded, “Obviously the legislature found this to be important for the protection of consumers as much as it is a protection for small businesses, since the Senate voted 31-0, and
the Assembly voted 74-0 to pass this law. Not one legislator who was present voted against this measure. How often do you see that level of total agreement in the legislature?”

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