

## Used Car Lemon Law

The Motor Vehicle Quality Assurance Act, more commonly known as the "Lemon Law," was amended to include used motor vehicle sales beginning on January 1, 2004. The "Used Car Lemon Law" applies to all used motor vehicles sold to any consumer by any New Mexico dealership.

Key points of the "Used Car Lemon Law" are as follows:

- Used motor vehicles can no longer be sold "AS IS."
- **All** used motor vehicle dealers are required by law to provide at least a 15-day/500-mile warranty on **all** used motor vehicles sold to consumers.
- The 15-day/500-mile warranty period ends after the 15<sup>th</sup> day, or after 500 miles, **whichever occurs first**. In regards to time, the warranty period begins the day **after** you take possession of the vehicle and ends at midnight on the 15<sup>th</sup> calendar day after you took possession of the vehicle. Any day on which the vehicle fails to operate properly is excluded from the 15-day warranty period. In regards to miles, any miles driven to or from the dealership in connection with any repair, servicing or testing of the vehicle are excluded from the 500-mile warranty period.
- If a problem that significantly limits the use of the vehicle occurs within the 15-day/500-mile warranty period, you need to inform the dealer within 30 days after the problem occurred.
- If a problem that significantly limits the use of the vehicle occurs, you have to give the vehicle to the dealership you bought it from before any attempts to repair the vehicle are made. If you have the vehicle serviced by anyone but the dealership before the dealership has the opportunity to repair the problem, the dealership is no longer obligated to you under the "Used Car Lemon Law" for that problem.
- If a used motor vehicle experiences a problem that significantly limits the use of that vehicle during the 15-day/500-mile warranty period, the dealer shall have the first opportunity to make a reasonable attempt to repair the vehicle. The dealer can charge up to \$25.00 for each of the first two repairs required to bring the vehicle back into compliance with the law.
- If the contract you entered into with the dealership does not include the "Used Car Lemon Law" disclosure in writing as required by law, you can cancel the contract, return the vehicle and get your money back. If you traded in your vehicle, you are entitled to get your trade in back as well.
- If a problem arises in the 15-day/500-mile warranty period and the dealer refuses to honor the warranty as provided by the law, you can cancel the contract, return the vehicle and get your money back. If you traded in your vehicle, you are entitled to get your trade in back as well.

- If you have given the dealer a reasonable opportunity to repair the vehicle and the dealer is not able to repair the vehicle, you may cancel the contract, return the vehicle and get your money back. If you traded in your vehicle, you are entitled to get your trade in back as well.
- If a used motor vehicle has been previously repurchased by an automobile manufacturer under the Motor Vehicle Quality Assurance Act's "New Car Lemon Law," written notice informing you that it was a "New Car Lemon Law" buyback must be given by the dealership to you before the sale is completed.
- Generally, the "Used Car Lemon Law" only applies to cars, pickup trucks, vans, or motorcycles, which have a gross weight under 10,000 pounds and which are sold by a dealer to a consumer for personal use.
- The "Used Car Lemon Law" **does not** cover damage caused by the consumer to the vehicle, if the damage can be shown to be the result of: (1) off-road use; (2) racing; (3) towing; (4) abuse; (5) misuse; (6) neglect; (7) failure to perform routine maintenance; or (8) failure to maintain adequate oil, coolant or other required fluids or lubricants.

A dealership can sell a used motor vehicle which has certain defects or mechanical problems, **but only if those defects are disclosed to you, orally and in writing**, before the sale is completed. Therefore, you may waive the 15-day/500-mile warranty, but only for the defects disclosed to you and **only if all of the following conditions are met:**

- The dealer fully and accurately discloses to you that the used motor vehicle has particular defect(s).
- You agree to purchase the vehicle after **full** disclosure of the particular defect(s)
- Before the sale is completed, you sign and date a written disclosure statement that discloses the particular defect(s).

To ensure that you are protected by the "Used Car Lemon Law," it is best to keep track of the mileage and date(s) when any problem(s) occur and the date that you contacted the dealer to notify them of the problem.