



The information contained in this brochure is intended to be generic and is not intended to be a comprehensive guide to the laws and requirements of any particular state, country or organization, or to any particular dispute resolution program. Persons seeking more detailed information about a particular state's Lemon Law, or a particular dispute resolution program should contact the applicable governmental or program authority.



Lemon Aid – Lemon Law Basics

State Lemon Laws generally apply to new vehicles sold or leased on a long-term basis. Many states have processes in place to protect consumers from being victimized by purchasing “lemons.” Information on consumers’ rights under a state’s Lemon Law can be found on the state’s website or by contacting the appropriate state agency. Usually these agencies are located in a state Attorney General’s Office, consumer affairs department, transportation or motor vehicle department.

Most state Lemon Laws require automobile manufacturers to make a reasonable number of repairs to remedy substantial defects in a motor vehicle. If the manufacturer fails to do so, it is required to buy back the lemon vehicle and either pay a refund to the consumer or provide a replacement vehicle. Consumers are protected under the Lemon Law for a specific period of time after the date of delivery of the vehicle. Anyone experiencing

problems with their new vehicle during that period should immediately take the vehicle to the manufacturer's authorized dealer.

State Lemon Laws offer different methods by which consumers can resolve disputes with motor vehicle manufacturers when such disputes cannot be resolved voluntarily. Among the various methods for obtaining relief are:

1. Filing a lawsuit in court as the means to resolve the dispute.
2. Administrative hearings of cases accepted and transmitted by the state agency that approves the Lemon Law applications.
3. State-certified, manufacturer-sponsored dispute resolution programs to conduct arbitration hearings in the state. Some states require you to first avail yourself of these programs and others give you the option of doing so.
4. National arbitration programs that may or may not be certified in the state.
5. State-run arbitration programs administered by government agencies, either in addition to certifying manufacturer-sponsored programs or instead of them.

The arbitration program may hold arbitration hearings throughout the state during which consumers and manufacturer representatives may appear and give testimony in an informal setting. The program's neutral arbitrator or arbitrator panel must then determine whether the consumer's vehicle meets the legal requirements to be declared a lemon.

The arbitration process is at nominal cost or may be free in some states. The process is fair and expeditious. In most states consumers are not required to be represented by attorneys to participate in the arbitration process, but may do so if they wish.

Some state lemon laws may not provide for an arbitration process. In these states, the consumer must either submit the claim to a formal administrative hearing process or file a lawsuit in court to obtain a remedy if the manufacturer does not agree to settle the dispute beforehand.

Keep in mind that Lemon Law eligibility criteria, coverage, deadlines and procedures vary from state to state. In general, every consumer who acquires a new motor vehicle, either through purchase or long-term lease, must be given some kind of notice or booklet by the dealer and/or manufacturer. This notice or booklet contains valuable information intended to assist consumers who may have to pursue their rights under a state's Lemon Law. Information about the Lemon Law also usually can be found on a state's web site. See, <http://www.ialla.net/links.htm> for links to some state web sites.

In Canada, while there is no "lemon law," there is a voluntary arbitration program for the resolution of motor vehicle warranty disputes. For information about the Canadian Motor Vehicle Arbitration Plan (CAMVAP), see, www.camvap.ca .