

S.410 (Thomas)/A.2226 (Gunther)

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BILL S.410 (Thomas)/A.2226 (Gunther)
SUBJECT Lemon Law Protections for Commercial and Business Vehicles
DATE March 20, 2023
OPPOSE

The Business Council of New York State opposes S.410 (Thomas) / A.2226 (Gunther), which adds vehicles that are used primarily for commercial or business purposes to the list of vehicles that are covered by the State's new and used Lemon Car Law.

The New York Lemon Law provides legal protections for consumers who buy or lease a car that does not meet the advertised quality or usefulness. Under the law, dealers are required to give a written warranty under those terms and must repair, free of charge, any defects in covered parts or reimburse a customer for the reasonable costs of repairs. If the dealer is not able to repair the car after a "reasonable" number of attempts, they must offer a full refund of the purchase price. Additionally, car dealers may agree as part of the sale or lease to give more warranty protection than the law requires, as the Lemon Law warranty only sets minimum obligations for dealers.

Commercial vehicles are excluded from the Lemon Law, although warranty protections, provided by automakers, are in place. Most commercial vehicles are subjected to high usage, idling, and wear and tear that ranges from mileage accumulation to consistent stopping and breaking in urban areas. Additionally, they are also subject to the maintenance that was performed by the company in possession. When examining the numerous challenges that can occur in these scenarios which can be related to the lack of care on a vehicle ranging from neglect and improper upkeep, the legislation proposed would be inclusive of a new subset of vehicles that are not are excluded from the Lemon Law for good reason.

Applying broad based policy like the Lemon Law without the consideration of the unique circumstances that make commercial vehicles different from their personal-use counterparts opens the door to legal claims instead of working with dealers to resolve product concerns. Many businesses regularly negotiate special pricing when selling their vehicles since their usage is usually severe leading to enhanced wear on those vehicles.

For the reasons above, The Business Council of New York State, Inc. opposes S.410 (Thomas) / A.2226 (Gunther).