



New Jersey Coalition of Automotive Retail
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June 8, 2022

The Honorable Patrick Diegnan, Jr.
908 Oak Tree Avenue, Unit P
South Plainfield, NJ 07080

The Honorable Gordon Johnson
545 Cedar Lane
Teaneck, New Jersey 07666

RE: SENATE BILL NO. 2004

Dear Senator Diegnan and Senator Johnson:

New Jersey's neighborhood franchise automobile and truck retailers thank you for introducing Senate Bill No. 2004 to address delays in repairs of motor vehicles that are subject to open recalls. The bill is scheduled for a hearing on Thursday, June 9, 2022, before the Senate Transportation Committee and we support it.

This legislation presents a significant opportunity to improve highway safety by boosting recall completion rates for vehicles operating on New Jersey roads and highways, and we applaud the sponsors for their leadership on this issue. The proposed legislation requires that open recall repairs be performed before a vehicles' next registration renewal. The bill also clarifies that it does not relate to defects or failure to comply with requirements relating to labeling or notification in a motor vehicle's owner's manual or recalls where the remedy is for the manufacturer to repurchase the motor vehicle or otherwise provide financial compensation to the owners of the motor vehicle. The bill further provides that the Chief Administrator of the Motor Vehicle Commission (*MVC*) shall not deny an application for registration renewal for a motor vehicle that has failed to receive repairs necessary to remedy an open recall if any of five exemptions apply: 1.) a remedy is not available; 2.) the replacements parts are not readily available; 3.) the remedy cannot apply until the owner makes paid repairs that are necessary; 4.) aftermarket modifications prevent the application of the remedy; or 5.) the MVC determines that there were circumstances beyond the control of the owners and undue hardship that prevented the owner from remedying the open recall.

Dealerships benefit from improved recall completion because New Jersey's motor vehicle franchise laws require automakers to pay dealers to perform warranty and recall

services. So dealers' interests are aligned with the consumer interest to get these unsafe cars fixed. Our members enthusiastically support the effort to improve highway safety by boosting the recall completion rate for vehicles operating on New Jersey roads and highways.

Thank you for introducing the bill and for this opportunity to provide feedback on an important issue for consumers and the local neighborhood dealership industry.

JAMES BRIAN APPLETON, PRESIDENT
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