



**Legal Aid  
Society of  
Hawai`i**

## **“Lemon Law”**

### **Rights for the Consumer: Used and New Vehicles**

This brochure may be helpful if:

- You have purchased a used or new vehicle with a chronic pattern of malfunctions, OR
- The Dealer fails to afford you your rights.

*If you purchased a used vehicle, go to SECTION 1 of this brochure.*

*If you purchased a new vehicle, go to SECTION 2 of this brochure.*

For additional information & other helpful links, please visit Legal Aid's website at [www.legalaidhawaii.org](http://www.legalaidhawaii.org)

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## **SECTION 1: For A Used Vehicle**

Does my used vehicle qualify as a “Lemon”?

Your used vehicle may qualify as a “Lemon” if it:

- costs more than \$1500,
- has less than 75,000 miles (at the time of purchase),
- is less than five (5) years old,
- is not custom built or modified, AND
- is within warranty periods.

Your vehicle must meet ALL of the above requirements to be considered a “lemon.”

What is the warranty period for my used vehicle?

The warranty period for your used vehicle is:

- 90 days or 5000 miles (whichever occurs first), if your vehicle has less than 25,000 miles at time of purchase.
- 60 days or 3000 miles (whichever occurs first), if your vehicle has more than 25,000 miles but less than 50,000 miles at time of purchase.
- 30 days or 1000 miles (whichever occurs first), if your vehicle has more than 50,000 miles but less than 75,000 miles at time of purchase.

How do I compel the dealer to act?

Return the vehicle to the dealer, and provide **WRITTEN NOTICE** of the defect, asking the dealer to fix the problem. Send your request by certified mail, return receipt requested. (If you cannot afford the cost of certified mail, you may also hand-deliver the notice and ask the dealer to sign a copy of your notice for proof.)

If your vehicle is inoperable and you can not transport the vehicle back to the dealer, give the

dealer **WRITTEN NOTICE** about the vehicle’s condition. Remember to send your notice by certified mail, return receipt requested. After receiving your notice, the dealer will be responsible for towing your vehicle, up to 15 miles away, to obtain repairs.

You may be entitled to a refund or a comparably priced replacement vehicle, IF:

- The dealer fails to fix the **same** problem within three (3) attempts, OR
- The vehicle is out of service for more than a **cumulative total** of ten (10) business days.

What are my rights, as a consumer, when I purchase a used vehicle?

As a consumer, you have the following rights:

- The dealer must disclose in writing all major mechanical defects that he/she knows about.
- The dealer must disclose whether the vehicle has been inspected previously for defects.
- The dealer must furnish a written warranty covering the costs necessary (including parts and labor) to repair a malfunction or defect to major parts that impair the vehicle’s use or safety.
  - Specifically: Engine, transmission, drive axle (excluding 4-wheel drive), brakes, radiator, steering, and alternator (excluding the battery).
- If no warranty is actually given, one will be deemed given as a matter of law.

However, you may be liable for all repairs to the vehicle for a **specific** defect if you signed a waiver for that particular defect or malfunction at the time of purchase. The waiver must:

- (1) Be in writing,
- (2) Be conspicuous and in plain language,
- (3) Identify the particular defect or malfunction waived, and
- (4) Be signed by both the consumer and dealer prior to the sale.

You should also be aware that you may become responsible for **all** repairs after the car is sold if you purchase the vehicle subject to an “As Is” disclaimer.

### What is an “As Is” disclaimer?

An “As Is” disclaimer **waives all implied warranties**, placing the consumer liable for all repairs needed after the sale. However, an “As Is” disclaimer will not waive express promise or warranties relied upon by the consumer at the time of purchase. This includes any promises or warranties in writing or made verbally.

A consumer must have signed below the “As Is” disclaimer in order for the disclaimer to be valid and enforceable.

### Are there any other options?

Please refer to the gray box on the last page of this brochure for some helpful numbers to call.

<p style="text-align: center;"><b>SECTION 2: For A New Vehicle</b></p>
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### Does my new vehicle qualify as a “Lemon”?

Your new vehicle may qualify as a “lemon” if it:

- Weighs less than 10,000 pounds, **and**
- Does not conform to the express warranties given or promised by the **manufacturer**. OR Has a defect, which substantially impairs the use, market value, or safety of the vehicle, **and**
- Is within the “lemon law” rights period.

Your vehicle is **not** a “lemon” if the defect is the result of abuse, neglect, or unauthorized modification by you, the consumer.

*(Section 2 continued . . .)*

### How do I know if my vehicle is within the “lemon law” rights period?

The “lemon law” rights period can be one of the following, depending on **whichever ends first**:

- The term of the manufacturer’s express warranty;
- Two years after the date of original delivery of the vehicle to the consumer; **or**
- Anytime before the vehicle reaches 24,000 miles;

### How do I compel the manufacturer to act?

You must tell the manufacturer, distributor, or authorized dealer **in writing** exactly what is wrong with your vehicle. You must mention the specific condition or defect that you are concerned about.

Your report **must** be made during the “lemon law” rights period. This preserves your rights allowing repairs to be made after the rights period has expired. If you have questions about whether or not you are within the period, please check the section above.

You may be entitled to a replacement vehicle, or refund of the purchase price (minus reasonable consumer offset for consumer’s use) IF:

- The manufacturer, distributor, or authorized dealer fails to fix the problem within three (3) attempts;
- The problem or defect is likely to cause death or serious bodily injury and was examined or repaired at least once, and continued to exist; **or**
- The car is out of service for repair for more than a total of thirty (30) business days (excluding weekends and/or holidays).

*(Continued on next page . . .)*

How do I compel the dealer to act?

If the dealer refuses to refund or replace the vehicle in question, the consumer may invoke the state certified arbitration program. Arbitration can be either binding or non-binding.

- **Binding Arbitration**

If you choose binding arbitration, this means that all parties involved will be bound by the arbitrator's decision. You will have **no right** to trial if you choose this option, even if you disagree with the arbitrator's decision.

- **Non-Binding Arbitration**

Non-binding arbitration does **not** limit the right of either party to a later trial. In other words, if you choose this option, you are **not bound** by the arbitrator's decision. However, **you must demand trial within thirty days after service of the arbitration award, or else the award will become final.** Also, if you choose to go to trial, you will become liable for attorney's fees if the award you win is not at least **25%** higher than the arbitrator's award.

You should continue to make payments on your vehicle during the arbitration process. If you fail to make payments, this may result in repossession and will affect your "lemon law" rights.

No new repair attempts are to be allowed on the vehicle during this process. However, you (the consumer), must allow the dealer or their agent(s) to inspect the vehicle.

You should document the problem(s) with your vehicle as much as possible, and possibly even make a list of expert witnesses to call if you decide to go to trial. For example, you may call a mechanic as a witness.

What are some other options besides arbitration?

You may also try to call any of the numbers listed in the box below.

**Useful Names & Numbers**

**Legal Aid Society of Hawai'i:**

Oahu (808) 536-4302

Neighbor Islands (800) 499-4302

Call Mon-Fri, 9-11:30 am. & 1-3:30 pm

**Regulated Industries Complaints Office (RICO):**

Oahu (808) 587-3222

Neighbor Islands (800) 468-2644,

ext. 73222

**Office of Consumer Protection:**

Oahu (808) 586-2630

Maui (808) 984-8244

Big Island (808) 933-4433

Kaua'i: (808) 274-3141 + 62630

Moloka'i/Lana'i: (800) 468-4644 +  
62630

**AUTOCAP (808) 593-0031**

An informal complaint process offered by the auto sales trade association

**Lawyers Referral Service (LRS)**

(808) 537-9140

A private attorney may be willing to take your case on a contingency basis. LRS can provide you with a list of private attorneys who may be able to assist you.