

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 1198

with committee amendments

STATE OF NEW JERSEY

DATED: JULY 23, 2020

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 1198.

This bill expands the definition of “motor vehicle ancillary protection product” to include motor vehicle key fobs that have become lost or stolen, leased motor vehicle excess wear and use protection, and other services that may be approved by the director. The bill defines leased motor vehicle excess wear and use protection as the repair, replacement, or maintenance of property, or indemnification for repair, replacement, or maintenance, due to excess wear and use; damage for items such as tires, paint cracks or chips, interior stains, rips or scratches, exterior dents or scratches, windshield cracks or chips, missing interior or exterior parts or excess mileage that results in a lease-end charge; or any other charge for damage that is deemed as excess wear and use by a lessor under a motor vehicle lease.

The bill provides that in the case of a service contract that covers leased motor vehicle excess wear and use protection, a payment under the contract shall not exceed the purchase price of the vehicle.

COMMITTEE AMENDMENTS:

The committee amended the bill to make the effective date the first day of the third month following enactment. As introduced, the bill would be effective immediately.

The committee also amended the bill to make certain technical changes.