



## Regulated Industries Complaints Office

235 S. Beretania Street, Ninth Floor

Honolulu, Hawaii 96813

[cca.hawaii.gov/rico](http://cca.hawaii.gov/rico)

## Hawaii's New Car Lemon Law

The Lemon Law helps consumers resolve car warranty complaints with manufacturers. Under certain conditions, a consumer is entitled to receive a refund or replacement for a car that has a nonconformity.

**What is a nonconformity?** A nonconformity is a defect or condition that does not conform to the car's warranty and that substantially impairs the use, market value, or safety of the car. This does not include a defect or condition that results from an accident, abuse, neglect, or modification of the car by persons other than the manufacturer or its authorized dealer.

Substantially impairs means to make the car unfit, unreliable, or unsafe for warranted or normal use, or to greatly diminish the value of the car. An annoying rattle or vibration may not be serious enough to make your car a lemon.

**Is my car a "lemon"?** It may be if all the following are true:

- You purchased or leased or initially registered your car in Hawaii;
- You purchased or leased your car or the car was transferred to you while the warranty was still in effect;
- You use your car for personal, family, or household purposes;
- Your car has a warranty-related nonconformity that substantially impairs the use, value, or safety of the car;
- You notified the manufacturer in writing about the nonconformity during the period of the warranty and within two years after original delivery of the car to a consumer or within the first 24,000 miles of operation, whichever occurs first (this is called the **Lemon Law Rights Period**);
- At least one of the following happened within the **Lemon Law Rights Period**:
  - the same nonconformity was subject to exam or repair at least three times and the problem continued; or
  - the nonconformity was subject to exam or repair at least once but continued to be a nonconformity likely to cause death or serious bodily injury if the car is driven; or
  - the car was subject to examination or repair for one or more nonconformities for a total of 30 or more business days.

### What should I do if I think I have a lemon?

- Get a repair order every time you take your car in for repair even if the manufacturer's authorized repair dealership can't diagnose or fix the problem. The repair order should show the problem you reported, the odometer reading, the date when the car was brought in for repair, and the date when the car was ready for pickup.
- Keep your purchase contract, warranties, repair orders, letters, and notes from conversations with service personnel.
- Read over the Lemon Law Statement of Rights form that should have been given to you when you bought the car. Use the address given for the manufacturer's representative when you write to the manufacturer.

- Write to the manufacturer describe the defect, the name and address of the repair dealership, the number of times the car was brought in, the odometer reading, your name, address and phone number. Ask for a refund or replacement. Send the letter by certified mail, with a return receipt requested. Save the return receipt when it comes back.
- Although not required, it is reasonable to allow the manufacturer 10-14 days from the date it receives your notification to cure the problem.
- Continue to make your monthly payments on your financed or leased car.
- File a demand for arbitration with the State Certified Arbitration Program (SCAP) of the Department of Commerce and Consumer Affairs within one year after the Lemon Law Rights Period has expired, and pay the \$50 filing fee. You do not need a lawyer, but this is a self-help program and you must prepare and present your evidence to the neutral arbitrator to prove your case. The arbitrator then decides if the manufacturer must repurchase or replace the car. If you win your case, you get back your \$50 filing fee.

### **What does not qualify for lemon law arbitration?**

- Mopeds or motor scooters
- Cars over 10,000 lbs, gross vehicle weight rating (GVWR)
- A car owned or leased by a company which has purchased or leased more than one car per year even though the car is used for household use in addition to business use
- Sales disputes between consumers and dealers
- Service contract or extended warranty issues
- After-market parts
- Personal injury or loss of income claims
- Cases in litigation

For more information, contact the Consumer Resource Center at (808) 587-4272.

### **RESOURCES:**

The Department of Commerce and Consumer Affairs (DCCA), and its Regulated Industries Complaints Office (RICO), offer tools, tips, and services you can use to check out an individual or business. Information is available by calling (808) 587-4272 or online at [cca.hawaii.gov/business\\_online](http://cca.hawaii.gov/business_online).

For information about filing a complaint or to report unlicensed activity, call RICO's Consumer Resource Center at **(808) 587-4272** or visit us online at [cca.hawaii.gov/rico/](http://cca.hawaii.gov/rico/).

To call Oahu-RICO, dial the following toll free numbers: Kauai 274-3141, extension 74272; Maui 984-2400, extension 74272; Big Island 974-4000, extension 74272; Molokai and Lanai 1-800-468-4644, extension 74272, followed by the # sign.

RICO is the enforcement arm for over 45 professional boards, commissions, and programs that are administratively attached to the Department of Commerce and Consumer Affairs. RICO receives complaints, conducts investigations, and prosecutes licensing law violations. RICO also prosecutes unlicensed activity through the issuance of citations and by filing civil lawsuits in the Circuit Courts. RICO works to resolve consumer complaints where appropriate and provides consumer education about various issues relating to licensing and consumer protection. RICO also administers the [State Certified Arbitration Program \(SCAP\)](#) for "lemon" motor vehicle claims.

*This brochure is for informational purposes only and not intended for the purposes of providing legal advice. Information provided is subject to change. Printed material can be made available for individuals with special needs in Braille, large print or audio tape. Submit requests to the RICO Complaints and Enforcement Officer at 586-2666.*