

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 359

STATE OF NEW JERSEY

DATED: OCTOBER 7, 2024

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 359.

This bill requires an official motor vehicle inspection facility, or licensed private inspection facility, to provide written notice to the owner of a motor vehicle being inspected of all open recalls applicable to the motor vehicle at the time the motor vehicle is inspected. The recall notice is required to describe each open recall and state that each open recall may be repaired by certain motor vehicle dealers at no cost to the owner, except in certain circumstances.

The bill also requires the New Jersey Motor Vehicle Commission (commission) to provide written notice to the owner of a motor vehicle, at the time a vehicle is registered or upon mailing a motor vehicle's registration renewal notice, of all open recalls applicable to the motor vehicle. The recall notice is required to describe each open recall and state that each open recall may be repaired by certain motor vehicle dealers at no cost to the owner, except in certain circumstances.

Nothing in the bill alters the liability under common law of any motor vehicle manufacturer or motor vehicle dealer approved by a manufacturer to repair an open recall. The bill limits the liability of the Chief Administrator of the commission and employees of the commission for acts or omissions related to open recall notices provided pursuant to the provisions of the bill, except in cases of gross negligence.

FISCAL IMPACT:

The Office of Legislative Services (OLS) concludes that the New Jersey Motor Vehicle Commission will incur an indeterminate increase in annual expenditures to provide notice of open recalls to owners of motor vehicles that are being inspected or registered. The OLS is unable to quantify the increase in State costs because it is unclear whether the commission will need to hire additional staff or make changes to its computer programming or technology to check information provided by the National Highway Traffic Safety Administration concerning open recalls and to provide written notice of such recalls.