

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

Senate Bill 634 (Senator Van Hollen)

Judicial Proceedings

Judiciary

Automotive Warranty Enforcement Act - Jurisdiction

This bill provides that the District Court and the circuit courts have concurrent jurisdiction in a proceeding for a replacement vehicle under the Automotive Warranty Enforcement Act.

Fiscal Summary

State Effect: The bill's changes could be handled by the District Court using existing budgeted resources.

Local Effect: The bill would not have a significant impact on circuit court operations or finances.

Small Business Effect: Minimal.

Analysis

Current Law: With certain exceptions, the District Court does not have equity jurisdiction and may not order equitable relief.

The Automotive Warranty Enforcement Act ("lemon law") provides that if a new motor vehicle does not conform to all applicable warranties and, during the warranty period, the manufacturer or factory branch, its agent, or its authorized dealer is unable to repair or correct any defect or condition that substantially impairs the use and market value of the motor vehicle to the consumer after a reasonable number of attempts, the manufacturer or factory branch, at the option of the consumer, must:

- replace the motor vehicle with a comparable motor vehicle acceptable to the consumer; or
- accept return of the motor vehicle from the consumer and refund to the consumer the full purchase price less a reasonable allowance for the consumer's use of the vehicle and a reasonable allowance for damage not attributable to normal wear and tear.

State Fiscal Effect: The bill could result in a shift in cases from the circuit courts to the District Court. Currently, a consumer who wishes to file suit under the lemon law for a replacement vehicle must do so in circuit court. Information regarding the prevalence of this type of case is not readily available. However, it is expected that the District Court could handle any additional workload generated by this bill using existing budgeted resources.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts, District Court of Maryland), Department of Legislative Services

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