

AUTO INDUSTRY DIVISION

Colorado's Lemon Law For Consumers & Dealers



STATE OF COLORADO
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Colorado's Lemon Law covers only **new** self-propelled vehicles, including pickups and vans. Motor homes and motorcycles are excluded from the Lemon Law.

When a consumer purchases a new vehicle, it usually comes with a warranty. Most of these warranties state that the manufacturer will repair or replace defective parts in accordance with the terms of the warranty. This does not mean that the manufacturer will automatically replace the vehicle or refund money. The warranty is simply a promise to do certain things.

When a new vehicle has been purchased with a manufacturer's warranty and it has a defect that substantially impairs its use and market value within one year of purchase and that defect is not repaired after a "reasonable number of attempts", the consumer may have recourse under Colorado's Lemon Law. A court may order the manufacturer to replace the vehicle or refund the purchase price minus a reasonable allowance for use of the vehicle.

Under the law, a "reasonable number of attempts" to repair a defect applies when the **same** defect remains after it has been subject to repair four (4) or more times within the first year after the date of original delivery. It also applies when the vehicle is out of service for repairs for a cumulative total of thirty (30) or more business days during the warranty term or one year after original delivery, whichever comes first.

Defects, such as rattles or squeaks, which do not substantially impair the use or market value of the vehicle are not covered. Neither are defects resulting from abuse, neglect, or unauthorized modifications or alterations of the vehicle by a consumer.

Prior to suing a manufacturer for a refund or replacement vehicle, the consumer must first send a written notice of defect by certified mail to the manufacturer. The consumer must give them a chance to repair the vehicle and go through the manufacturer's informal dispute settlement procedure, if one exists.

The owner/warranty manual should contain a form with the manufacturer's name and business address. Contact the local, state, or regional office of the manufacturer if unable to locate their address in the manual. Also, the Better Business Bureau has an Auto Line at 1-800-955-5100. The Better Business Bureau offers an arbitration or manufacturer's warranty dispute program for many of the manufacturers or can give the consumer the name and number of the organization that would handle the complaint. The Colorado Attorney General has a Consumer Line at (303) 866-5189, (303) 866-5230, or 1-800-332-2071.

For advice and assistance in specific cases, the services of an attorney or other professional advisor should be obtained. This publication is provided by the Auto Industry Division (AID) to give general information based on Sections 42-10-101 through 42-10-107 of the Colorado Revised Statutes.

The AID has an Internet site at www.mv.state.co.us/dlr/dealer.html where consumers and dealers may access information. There are also links to other agencies and organizations in the motor vehicle industry.