



National Programs

BBB AUTO LINE®

Oregon Lemon Law Summary

EXECUTIVE SUMMARY	
TIME PERIOD FOR FILING CLAIMS	One year following the earlier of (1) 24,000 miles, (2) two years following original delivery to the consumer or (3) any extension of these periods for war, invasion, strike, fire, flood or other natural disaster.
ELIGIBLE VEHICLE	Any vehicle that is self-propelled or designed for self-propulsion, including used vehicles. The motor vehicle must be purchased/leased in Oregon or purchased outside Oregon but registered in Oregon
ELIGIBLE CONSUMER	Purchaser or lessee , other than for purposes of resale, of a new motor vehicle normally used for personal, family or household purposes, any person to whom a new motor vehicle used for personal, family or household purposes is transferred for the same purposes during the duration of an applicable express warranty, or any other person who is entitled by the terms of the express warranty to enforce its obligations.
TIME PERIOD FOR FIRST OCCURRENCE OR NOTICE	Earlier of two years following original delivery to the consumer or 24,000 miles.
TIME PERIOD FOR REASONABLE NUMBER OF ATTEMPTS TO REPAIR	Not specified.
PRESUMPTION OR DEFINITION	Presumption During 2 years following original delivery to consumer or 24,000 miles, whichever period ends first, either (1) three or more repair attempts, (2) out of service for 30 or more calendar days, or (3) one attempt plus a final attempt to a serious safety defect.
NOTICE TO MANUFACTURER	For remedies to apply; direct written notification from or on behalf of the consumer and an opportunity to repair.
FINAL OPPORTUNITY TO REPAIR	For remedies to apply.
REASONABLE ALLOWANCE	Applies to Refund only. An amount of money equal to the vehicle's miles at time of vehicle's return to manufacturer, minus 10 miles for mileage that the motor vehicle traveled during any period in which the consumer did not have use of the motor vehicle because the manufacturer or an agent or authorized dealer of the manufacturer was repairing the motor vehicle,

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	multiplied by cash/lease price divided by 120,000.
DISPUTE RESOLUTION	If manufacturer has an informal dispute settlement procedure that complies with 16 C.F.R. Part 703 and handles lemon law claims, and manufacturer causes the consumer to be notified of the procedure, then refund or replacement does not apply unless the consumer has first resorted to the procedure.
DISCLOSURE TO SUBSEQUENT PURCHASER	Yes.
TITLE BRANDING	Yes.

OREGON LEMON LAW SUMMARY	
1. Citation	Oregon Rev. Stat. §§ 646A.400 to 646A.418; §§ 646A.325 to 646A.327.
2. Motor vehicle covered	Covers any passenger motor vehicle, including used vehicles. Motor vehicles must be purchased/leased in Oregon or must be registered in Oregon.
3. Consumer covered	(1) The purchaser or lessee, other than for purposes of resale, of a new motor vehicle normally used for personal, family or household purposes, any person to whom a new motor vehicle used for personal, family or household purposes is transferred for the same purposes during the duration of an express warranty applicable to the motor vehicle, or any person who is entitled by the terms of the express warranty to enforce its obligations.
4. Nonconformity defined	Not defined. Any defect or condition that (1) does not conform to the applicable manufacturer's express warranty and (2) substantially impairs the use, market value or safety of the vehicle to the consumer is referred to as a <i>nonconformity</i> .
5. Warranty defined	Not defined.
6. Lemon law rights period	Not defined.
7. Manufacturer's obligation to repair	No separate repair obligation specified.

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<p>8. Manufacturer's obligation to repurchase or replace</p>	<p>If a vehicle purchased/leased does not conform to the applicable manufacturer's express warranty, the consumer must report the nonconformity for the purpose of repair or correction to the manufacturer, its agent or its authorized dealer, during the two-year period following the date of the motor vehicle's original delivery to the consumer or during the period ending when the motor vehicle mileage reaches 24,000 miles, whichever period ends first.</p> <p>If the manufacturer or its agents or authorized dealers are unable to conform the vehicle to the applicable manufacturer's express warranty by repairing or correcting any nonconformity after a reasonable number of attempts, the manufacturer must replace or repurchase the vehicle.</p>
<p>9. Criteria for reasonable number of repair attempts</p>	<p>It is presumed that a reasonable number of repair attempts have been undertaken if either of the following events has occurred during the two-year period following the date of the motor vehicle's original delivery to the consumer or during the period ending when the vehicle mileage reaches 24,000 miles, whichever period ends first:</p> <ol style="list-style-type: none"> (1) The manufacturer, its agent or authorized dealer has subjected the nonconformity to repair or correction three or more times and has had an opportunity to cure the nonconformity, but the nonconformity continues to exist; or (2) The motor vehicle is out of service by reason of repair or correction for a cumulative total of 30 or more calendar days or 60 or more calendar days for a motor home; or (3) The manufacturer, its agent or authorized dealer has subjected a nonconformity that is likely to cause death or serious bodily injury to repair or correction at least one time and has made a final attempt to repair or correct the nonconformity, but the nonconformity continues to exist. <p>The two-year period, the 24,000 miles period and the 30-day period are extended by any period of time during which repair services are not available to the consumer because of a war, invasion, strike, fire, flood or other natural disaster.</p> <p>The presumption does not apply against a manufacturer unless the manufacturer has received prior written notification from or on behalf of the consumer and has had an opportunity to cure the alleged defect.</p>
<p>10. Notice of nonconformity and final opportunity to repair</p>	<p>The remedies provided by the lemon law are not available to a consumer unless the manufacturer has received direct written notification from or on behalf of the consumer and has had an opportunity to correct the alleged defect. Courts have held that oral notice is not sufficient. A request by the consumer to an informal dispute settlement procedure such as BBB AUTO LINE satisfies this notice requirement.</p>
<p>11. Affirmative defenses</p>	<p>It is an affirmative defense that</p> <ol style="list-style-type: none"> (1) The alleged nonconformity does not substantially impair the use, market value or safety; or (2) The nonconformity is the result of abuse, neglect or unauthorized modifications or alterations of the motor vehicle.

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<p>12. Refund</p> <p>646A.400.1</p>	<p>Refund of an owned/leased vehicle consists of:</p> <ol style="list-style-type: none"> (1) The full purchase or lease price paid; and (2) Collateral charges paid, defined as a charge fee or cost to the consumer related to the sale or lease of the motor vehicle, such as <ol style="list-style-type: none"> a. A sales, property or use tax; b. A license, registration or title fee; c. A finance charge; d. A prepayment penalty; e. A charge for undercoating, rustproofing or factory or dealer installed options; and f. The cost of an aftermarket item purchased within 20 days after delivery of the motor vehicle. (In lieu of refunding the cost of such an aftermarket item, the manufacturer may remove the aftermarket item from the motor vehicle if it can be removed without damage, and return the aftermarket item to the consumer); (3) Less a reasonable allowance for the consumer's use of the vehicle. <p>Refunds must be made to the consumer and lienholder, if any, as the interests of the consumer and lienholder may appear.</p>
<p>13. Replacement</p>	<p>Replacement is a new motor vehicle.</p>
<p>14. Reasonable allowance</p>	<p>Applies to a refund only.</p> <p>The reasonable allowance is the amount of money determined by the following formula:</p> $\frac{\text{the vehicle's mileage at the time the manufacturer accepts return of the vehicle, less 10 miles for mileage that the vehicle traveled during any period in which the consumer did not have use of the vehicle because the manufacturer, agent or authorized dealer was repairing the vehicle}}{120,000} \times \text{combined amount of the vehicle's cash price its or lease price plus any collateral charges paid by the consumer}$ <p>For a motorcycle, the formula is divided by 25,000. For a motor home, the formula is divided by 90,000.</p>
<p>15. Refund of sales tax</p>	<p>The manufacturer refunds sales, property or use tax to the consumer. No provision for the manufacturer to obtain a refund of sales tax from the state.</p>
<p>16. Enhanced damages</p>	<p>In an action in court under the lemon law, the court must award up to three times the amount of damages, up to \$50,000 over and above the lemon law remedy, if the court finds that the manufacturer did not act in good faith.</p>

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17. Attorney's fees	<p>The court may award reasonable attorney fees, expert witness fees, and costs to a consumer who prevails in an appeal or action. If a court finds that a consumer brought an action in bad faith or solely for purposes of harassment, the court may award a prevailing manufacturer reasonable attorney fees.</p> <p>In an action that involves a motor home, the court may award reasonable attorney fees, expert witness fees, and costs to the prevailing party in an appeal or action.</p>
18. Statute of limitations	<p>An action must be commenced within one year following the earlier of</p> <ol style="list-style-type: none"> (1) The period ending on the date on which the mileage on the vehicle reaches 24,000 miles; (2) The two-year period following the date of the motor vehicle's original delivery to the consumer; or (3) Any extension of these periods by any period of time during which repair services are not available to the consumer because of a war, invasion, strike, fire, flood or other natural disaster.
19. Private dispute resolution program	<p>If the manufacturer has or participates in an informal dispute settlement procedure that complies with 16 C.F.R. Part 703 and settles disputes that arise under the lemon law, and the manufacturer causes the consumer to be notified of the procedure, then the provisions requiring refund or replacement do not apply unless the consumer has first resorted to the informal dispute settlement procedure. A decision issued by the procedure is binding on the manufacturer but not on the consumer.</p>
20. State-sponsored arbitration	Not specified.
21. Dealer liability	<p>Except for the provisions relating to reacquired vehicle title branding and resale disclosures, nothing in the lemon law creates a cause of action by a consumer against a vehicle dealer. A manufacturer may not join a dealer in a proceeding under the lemon law, nor may the manufacturer try to collect from a dealer any damages assessed against the manufacturer in a proceeding brought under the lemon law.</p>
22. Restrictions on resale of returned vehicles	<p>A manufacturer that repurchases or replaces a vehicle under the lemon law must request the Department of Transportation to title the vehicle in the manufacturer's name and brand the title with the notation "lemon law buyback."</p> <p>A person that acquires a repurchased or replaced vehicle in order to sell, lease, or otherwise transfer it, and that knows or should have known that the manufacturer repurchased or replaced the vehicle under the lemon law or that the title has been branded, must</p> <ol style="list-style-type: none"> (1) Provide the prospective buyer, lessee or transferee with a notice that states: THIS VEHICLE WAS REPURCHASED BY ITS MANUFACTURER IN ACCORDANCE WITH OREGON'S CONSUMER WARRANTY LAW BECAUSE OF A DEFECT IN THE VEHICLE. THE TITLE TO THIS VEHICLE HAS BEEN PERMANENTLY INSCRIBED WITH THE NOTATION 'LEMON LAW BUYBACK.' (2) Obtain the signature of the buyer, lessee or transferee on the notice, under a statement in which the buyer, lessee or transferee acknowledges receiving and understanding the notice.

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	The Director of Transportation may adopt rules to prescribe the form and content of the required notice and to require the disclosure of other information.
23. Point of sale notice of lemon law rights	Not specified.
24. Limitation on waiver	Not specified.

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