

**SENATE BILL NO. 394  
(First Reprint)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 394 (First Reprint) with my recommendations for reconsideration.

By precluding the use of a waiver in the sale of a used vehicle, this bill would require that all used vehicles sold by dealers pass State inspection and have emission control equipment that is free from defect.

While I appreciate the bill's goal of expanding consumer protection, albeit modestly, the bill will negatively impact the market for used vehicles that, while currently below inspection standards, still have value for hobbyists, mechanics, and resellers. This legislation could unintentionally shutter that market. Before government restricts the free market, it should be certain that any potential benefit from such action outweighs the loss of economic activity. Current law includes substantial consumer protections and the very modest increase in protection this bill would afford does not merit restricting the market for used vehicles. Therefore, I recommend that the existing market for used vehicles remain free from excessive government interference and that existing disclosure requirements be strengthened to increase market transparency.

Accordingly, I herewith return Senate Bill No. 394 (First Reprint) and recommend that it be amended as follows:

Page 2, Section 1, Line 14:

After "that" insert  
"such"

Page 2, Section 1, Line 14:

Delete "not" and insert  
"include a brief  
description of known  
defects that may need to  
be resolved in order to  
obtain a"

Page 2, Section 1, Lines 15-16:

Delete in their entirety

Page 2, Section 1, Lines 18-19:

Delete "is a defect in  
the emissions control  
apparatus or related  
items in the motor  
vehicle"

[seal]

Respectfully,

/s/ Chris Christie

Governor

Attest:

/s/ Christopher S. Porrino

Chief Counsel to the Governor