

To Whom it May Concern:

This letter serves as a reminder of your legal obligations under N.J.S.A. 56:12-18.1. This law, which the Division of Consumer Affairs is responsible for enforcing, took effect in January 2024 and requires, among other things, all motor vehicle dealers in New Jersey to take certain actions to protect consumer privacy when accepting vehicles for resale or lease.

Namely, pursuant to N.J.S.A. 56:12-18.1(a):

Whenever a motor vehicle dealer takes possession of a motor vehicle from a consumer for the purpose of resale or lease, *the motor vehicle dealer shall offer to delete the consumer's personal information in the motor vehicle*, including, but not limited to, navigation history, paired phones, and garage door codes, by performing data clearing protocols in accordance with the Guidelines for Media Sanitization developed by the National Institute of Standards and Technology [(NIST)], using techniques specified by the vehicle manufacturer to overwrite data or by using a menu option to reset the device to original factory settings. (Emphasis added.)

Accordingly, you are reminded that you are obligated to offer to perform these data-deletion services for a consumer turning over possession of their vehicle to you. If, after offering these services to a consumer, the consumer requests that you delete their personal data stored in the vehicle, you must then perform appropriate data-clearing procedures prior to reselling to leasing the vehicle. You should follow all manufacturer specified techniques or perform a factory rest to ensure the data is deleted.

You are permitted, but not mandated, to charge a reasonable fee for these services but such fee must be disclosed to the consumer prior to performing the service and you must also advise the consumer that they may attempt to delete the personal information themselves or through another vendor. See N.J.S.A. 56:12-18.1(c).

#### **Enforcement and Penalties:**

Pursuant to N.J.S.A. 56:12-18.1(b) “[a] motor vehicle dealer who violates the provisions of this section shall be subject to a civil penalty of \$500 for a first offense, and \$1,000 for any subsequent offense,” which can be collected and enforced by the Director of the Division of Consumer Affairs in a summary proceeding pursuant to the Penalty Enforcement Law of 1999, P.L.1999, c.274 (N.J.S.A. 2A:58-10 et seq.).

No response to this letter is required, but if you need to make changes to your business practices to ensure compliance with the law, you should do so immediately. As noted above, the Division is empowered to take appropriate enforcement action for violations of this law, and you should be guided accordingly. If you have any questions regarding your responsibilities under the law, please feel free to contact me at [turnerg@dca.njoag.gov](mailto:turnerg@dca.njoag.gov).

Sincerely,

*Gregory K. Turner*

Gregory K. Turner

Assistant Deputy of Enforcement

New Jersey Division of Consumer Affairs