



# THE COMMONWEALTH OF MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL

ONE ASHBURTON PLACE  
BOSTON, MASSACHUSETTS 02108-1598

MAURA HEALEY  
ATTORNEY GENERAL

(617) 727-2200  
[www.ma.gov/ago](http://www.ma.gov/ago)

## **Attorney General Advisory on Remote Automobile Sales During the COVID-19 Emergency**

The Office of the Attorney General (AGO) issues this advisory to alert consumers and automobile dealerships about their rights and obligations relating to remote automobile sales during the COVID-19 crisis. This advisory relates to the AGO's enforcement of the Massachusetts Consumer Protection Act, G.L. c. 93A, § 2 and the regulations promulgated thereunder in 940 CMR 3.00 *et. seq.* and 940 CMR 5.00 *et. seq.*

### **COVID-19 Restrictions:**

Due to orders issued in connection with the COVID-19 State of Emergency, all automobile dealerships in Massachusetts are presently closed for in-person sales. Automobile dealerships may continue to sell cars through online transactions or by telephone. *See* COVID-19 Order Nos. 13, 21 & 30, Orders Assuring Continued Operation of Essential Services (the COVID-19 Orders); and the [Executive Office of Housing and Economic Development COVID-19 Essential Services FAQs, Transportation and Logistics](#).

In particular, the COVID-19 Orders and restrictions on in-person sales, automobile sales transactions have changed in two important ways that implicate consumer protection concerns.

1. Test drives are limited to one individual in the car. Prior to May 24<sup>th</sup> test drives were prohibited.
2. All paperwork related to the automobile sales transaction must be completed electronically, to the maximum extent feasible.

Purchasing a car is one of the largest consumer transactions and for many consumers it is a necessary expense. Test drives are a critical component of the car purchasing process. They provide consumers the opportunity to view the interior and exterior of the car, to preliminarily ensure that the vehicle drives correctly, safely and does not have any defects. Consumers rely on test drives, often bringing a knowledgeable friend or family member to help them compare cars and to evaluate the drivability, safety and reliability of the car prior to purchasing. Likewise, the automobile sales transaction requires consumers to review and sign important paperwork and contracts, often containing complex financial and other terms. The current prohibition on in-person transactions, while necessary to protect the public's health, increases the risk to consumers that their legal rights will be violated.

**In light of these concerns, the Attorney General's Office reminds automobile dealerships of their legal obligations in sales transactions. These include, without limitation:**

- It is an unfair or deceptive act or practice for seller of automobiles to fail to disclose to a buyer any fact that, if known, would influence the buyer not to complete the purchase. *See* 940 CMR 3.16(2)
- Automobile dealerships must provide a complete copy of all sales and financing paperwork to the consumer at the time they execute the documents. *See* 940 CMR 5.04(1) and 940 CMR 5.04(4).
- It is an unfair or deceptive practice for an automobile dealership to make any representation or statement of fact in an advertisement, including oral statements to potential purchasers, if the dealer knows or should know that the representation or statement is false or misleading or if the dealer does not have sufficient information to believe that the representation or statement is true. *See* 940 CMR 5.02(9). Failure to disclose defects or conditions of a car may be considered a false or misleading statement under this regulation, and the Consumer Protection Act.
- Automobile dealerships must comply with existing statutes, rules, regulations or laws, meant for the protection of the public's health, safety or welfare that is intended to provide protection to consumers. *See* 940 CMR 3.16(3). This includes the Commonwealth's Lemon Laws. *See* [G.L. c. 90 § 7N](#), [G.L. c. 90 § 71/4N](#) and [G.L. c. 90 § 71/2N](#)

**In addition, automobile dealerships completing sales transactions in consumers' homes are required to provide consumers with a three day right to cancel, as specified in [G.L. c. 93 § 48](#). Failure to include the cancellation disclosure in the contract, as specified in the statute, allows the consumer a right to cancel the contract until such time as the omitted disclosure is provided or the copy of the agreement containing the disclosure is delivered to the consumer.**