

1107 9th Street, Suite 625 • Sacramento, CA 95814 • (916) 498-9608 • mail@consumercal.org

April 21, 2015

Assemblymember Jim Frazier Chair, Assembly Transportation Committee California State Capitol, Room 3091 Sacramento, CA 95814

RE: AB 287 (Gordon) - Vehicle safety: recalls - Oppose

As Amended March 23, 2015 Assembly Transportation Committee - April 13, 2015

Dear Assemblymember Frazier:

The Consumer Federation of California (CFC) must regretfully oppose Assembly Bill 287, which would limit prohibitions against unscrupulous car dealers who sell recalled used cars to consumers.

AB 287 would permit auto dealers to sell recalled used cars to customers, if the dealers provide information about the safety recall to consumers at the time of the sale. This measure would also allow rental car companies to rent unrepaired vehicles to the public so long as there was a disclosure.

Under AB 287, the only exception to this would be for the minuscule number of safety recalls where an auto manufacturer elected to issue a warning (a "Stop Sale-Stop Drive" alert) to its customers not to drive their cars unless repaired. Whether or not a "Stop Sale-Stop Drive" designation is applied to a recalled car is left solely to the discretion of the auto manufacturer. Auto manufacturers are strongly disincentivized to designate a car recall as a "Stop Sale-Stop Drive" since it obligates them to provide loaner or rental cars to customers, and creates the potential for customer alarm.

This bill would allow California auto dealers to knowingly and deliberately sell vehicles with serious safety problems under a safe harbor provided by a consumer disclosure made during the already lengthy and confusing car buying process.

If you or your staff have any questions, please contact Aaron Lewis, CFC Legislative Advocate, at (916) 498-9616.

We urge your "No" vote on AB 287.

Richard Holober

Sincerely,

Richard Holober Executive Director

cc: Members and Committee Staff, Assembly Transportation Committee

Assemblymember Gordon