

POLICY & ACTION FROM CONSUMER REPORTS

April 2, 2015

Assembly Member Jim Frazier, Chair Assembly Transportation Committee California State Assembly 1020 N Street, Room 112 Sacramento, CA 95814

Dear Chair Frazier,

Consumers Union, the public policy and advocacy arm of Consumer Reports, opposes AB 287 (Gordon), the Consumer Automotive Recall Safety Act. While it is important to improve consumer awareness of auto recalls, and that dealers and rental car companies be required to check frequently whether cars they plan to offer to consumers have any open recalls, Consumers Union's position is that no car with a safety defect should be sold, leased, rented, or loaned without being fixed first.

Under AB 287, the only vehicles required to be fixed by rental car companies or independent used car dealers are those classified as "Stop Sale-Stop Drive," which is a very small share of recalled cars. For the bulk of recalled vehicles, dealers and rental companies could offer consumers potentially unsafe cars to drive, as long as consumers are informed of the defect.

In the case of rental cars, AB 287 would be a step back for the safety of most consumers. All major rental car companies and many smaller entities already voluntarily refrain from renting cars with outstanding defects until they are repaired.

This is not the case with used cars. Rather than continuing to allow the sale of unsafe used cars, we believe that lawmakers should prohibit dealers from selling, leasing, renting, or loaning any used car with an outstanding recall. This approach was proposed last session by Senator Hannah-Beth Jackson, in SB 686, which Consumers Union supported. We urge you to consider and advance similar legislation in the current session.

Sincerely,

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Elisa Odabashian, Director State Programs and West Coast Office Consumers Union

cc: Assembly Member Richard Gordon Assembly Transportation Committee