



July 31, 2018

The Honorable Phil Murphy, Governor
State of New Jersey
Office of the Governor
PO Box 001
Trenton, NJ 08625

Dear Governor Murphy,

The Center for Auto Safety, co-founded in 1970 by Ralph Nader and Consumers Union, is an independent, non-profit consumer advocacy organization dedicated to improving vehicle safety, quality, and fuel economy for our members and all drivers, passengers, and pedestrians nationwide.

The Center for Auto Safety writes today to request that you **Veto** Assembly Bill (A) 4292 (Greenwald)/Senate Bill (S) 2740 (Beach) if either reaches your desk as currently written. Both bills include a provision allowing dealers to sell used cars with unrepaired recalls, despite the significant dangers presented by vehicles with unrepaired safety recalls. The bills, as passed, do not require the recalls be fixed, no matter how deadly, but merely that a consumer be notified about the unrepaired defect instead of fixing it. Why would any state encourage such behavior?

Further, both bills would also give car dealers a special-interest carveout, exempting them from New Jersey's anti-fraud statutes, and radically restrict attorney's fees. This clause, instead of protecting consumers, would make it prohibitively expensive for individuals to act on their own behalf, or even for New Jersey's Attorney General to act on behalf of your citizens, regardless how egregious or widespread, harmful, and fraudulent a car dealer's practices were. Again, we must ask, why is New Jersey going out of its way to undermine consumer rights?

Further, the timing of these bills could not be worse when it comes to consumer safety. Today, according to the National Highway Traffic Safety Administration there are close to 60 million unrepaired recalled cars in the U.S., after recent years breaking records for recalls. These recalls include 19 million vehicles with exploding Takata airbag inflators which have resulted in at least 23 deaths worldwide, GM ignition switch failures which have resulted in at least 170 deaths in the U.S., and hundreds of other defects posing significant threats to public safety.

A pillar of federal and state recall authority is the ability to remove unsafe products from the stream of commerce. For example, it is illegal to sell recalled food, recalled pharmaceuticals, or recalled children's toys. Federal law currently prohibits the sale of new vehicles subject to an unrepaired recall. It is also illegal for rental car companies to rent a vehicle with unrepaired recalls. Conversely, A.4292/S.2740 pave the way for defective and dangerous products to be unleashed onto New Jersey roads. Unlike many other products, a defective automobile is especially dangerous because the risks are not limited to the direct consumer, but to all persons on the road.

More than twice as many used cars as new cars are sold every year in the US. Critically, New Jersey residents with limited economic resources are the most likely purchasers of used cars. These consumers are in the absolute worst position to have the time to get these repairs on these dangerous vehicles. Rather, New Jersey should insist that dealers, who can repair recalled vehicles at no cost (because recall repairs are free of charge under federal law) be required to ensure that their used cars are in a safe condition prior to sale.

The purchase of a second-hand car should not mean that the buyer, and everyone else on the road, deserves second rate safety protections. Thank you for your consideration,

Jason Levine
Executive Director