

**Consumer Federation of America
Consumer Reports
Consumers for Auto Reliability and Safety
Latino Action Network
Latino Action Network Foundation
New Jersey Alliance for Immigrant Justice
New Jersey Citizen Action
Salvation and Social Justice**

October 4, 2022

Senator Patrick D. Diegnan, Jr.
Assembly Member Herb Conaway, Jr.
Assembly Member Daniel R. Benson
Assembly Member Shama Haider
State Capitol
125 W. State Street
Trenton, NJ 08608

Re: S.2004 / A.2019: OPPOSE UNLESS AMENDED

Dear Senator Diegnan and Assembly Members Conaway, Benson and Haider:

On behalf of the organizations who are signatories to this letter, we write in opposition to S.2004 and A.2019, unless they are amended to remove provisions that would unfairly penalize owners of vehicles with unrepaired safety recalls.¹ The need to amend these measures is an important consumer protection and social justice issue for New Jersey motorists and their families.

We strongly support improving compliance with auto safety recalls. However, these bills are fundamentally flawed, and would unfairly penalize owners of recalled vehicles by withholding vehicle registrations, making it illegal for them to drive their own vehicles pending obtaining recall repairs, while failing to achieve full compliance with safety recalls. No other state has adopted this punitive approach to compelling compliance with auto safety recalls.

If the bills are amended to remove the provisions regarding withholding registrations, and to focus solely on the proven, positive approach adopted by other states, of notifying owners of recalled vehicles that their vehicle is subject to a safety recall, how dangerous recalled vehicles are, and how to obtain repairs, we would support these measures.

However, as the official fiscal analysis projects, the bills would lead to more unregistered vehicles being operated on New Jersey roads. New Jersey vehicle owners who do not have current registrations are subject to being pulled over by the police, ticketed, fined, and potentially having their vehicles impounded, leaving them and their families and other passengers stranded by the side of the road and without transportation to access work, daycare or school, medical care, groceries, and other

¹ Specifically, those harmful provisions are: Sections 2 (b)(3), 2(c), and 2(d).

necessities of life.

This draconian approach unnecessarily poses inherent risks, particularly for communities of color, recent immigrants, and low-income consumers, who – according to letters submitted by the auto manufacturers, car dealers, and insurers in support of these measures – are more likely to own unrepaired recalled vehicles.

To be clear, we do support those provisions of the bills that would take a more positive approach and provide information about safety recalls to owners of recalled vehicles with their vehicle registrations and as part of the vehicle inspection process. Such programs have demonstrated their effectiveness in other states, dramatically increasing compliance with vehicle safety recalls without penalizing owners of recalled vehicles. Some of the signatories to this letter have a long history of advocating for such programs.

Another major flaw: As the representative for Stellantis testified in favor of passage of S.2004, approximately 1.2 million vehicles currently registered in New Jersey have unrepaired safety recalls. Yet the bills fail to provide any additional funding to the Motor Vehicle Department in order to handle the influx of requests for exemptions, or to set any standards or criteria for the Department to determine when sufficient repair parts are not available, or hardships exist. This is a recipe for confusion, frustration, and discrimination.

Perhaps worst of all, instead of addressing the barriers many vehicle owners face in obtaining safety recall repairs, such as the lack of adequate repair parts, the huge shortage of qualified auto technicians, and car dealers' failure to provide flexible hours for obtaining recall repairs, the bills unfairly shift the burden onto vulnerable New Jersey consumers.

Among those who would be adversely impacted: people who live in rural areas, where they may have to travel a long distance to the nearest manufacturer-authorized new vehicle dealership where safety recall repairs would be available; and people who lack alternative transportation.

Even if owners of recalled vehicles manage to navigate the system that the bills contemplate at the Motor Vehicle Department, and are granted an exemption, that is hardly a desirable outcome. Instead of providing other options pending recall repairs, such as safe loaner vehicles, the bills would leave vehicles owners who obtain exemptions in danger, continuing to drive vehicles with lethal safety defects, endangering them, their families and other passengers, and others who share the roads. This is contrary to public safety and the stated purpose of the bills.

If the auto manufacturers and car dealers supporting the bill wish to improve compliance with vehicle safety recalls, there are immediate steps they can take voluntarily to address the barriers to compliance, rather than seeking passage of legislation that would unfairly shift the burden onto vulnerable vehicle owners, such as:

Auto manufacturers

- Provide safety recall repairs at no cost to vehicle owners, regardless the age of the vehicle. Federal law requires auto manufacturers to provide recall repairs at no cost to vehicle owners for 15 years from when the vehicle was first sold. But the average age of vehicles on the roads today is over 12 years, so millions of recalled vehicles are over the 15-year threshold for federally mandated free repairs. As the manufacturers noted in their letters supporting passage of S2004, the older vehicles are, the less likely the recall repairs are performed, leaving owners of older vehicles at risk of serious injuries or death.

- Provide safety recall repairs during evening / nighttime / weekend / holiday hours, to accommodate the schedules of rural workers, shift workers, hourly wage workers, active duty military Servicemembers, and others who have difficulty getting time off from work to take their vehicles to an authorized franchised car dealership for repairs.
- Provide safe loaner vehicles and towing at no cost to consumers who face hardships, such as disabilities, or who live in rural areas or other parts of the state far from the authorized franchised car dealership for their particular vehicle make / model.
- Provide mobile auto repairs at the vehicle owners' homes, place of business, military base, or other work site, when such repairs are feasible on a mobile basis – for example, replacing airbags in vehicles with Takata airbags. Some manufacturers have already taken this step, and others should follow that example.
- Step up outreach and advertising in multiple languages and via multiple media, including TV and radio, warning consumers about the hazards of unrepaired recalled vehicles and offering to provide loaners, towing, and on-site repairs
- Offer to buy back vehicles that have unrepaired safety recalls, at a fair price that would allow the owners to afford a comparable, safe replacement vehicle. If the vehicles are economical to repair, perform the recall repairs, then offer the repaired vehicles for sale again. If the vehicles are not worth repairing, sell them for parts and retire the VINs.
- Prohibit “certification” of vehicles with unrepaired safety recall defects by franchised dealers of the same make.
- Invest adequate resources in training and hiring qualified automotive technicians, to help address the huge shortage of automotive technicians who perform safety recall repairs.

Car dealers:

- Stop selling unrepaired recalled vehicles to retail customers. Either obtain safety recall repairs prior to selling vehicles to the public for transportation, or sell the vehicles at wholesale. If car dealers claim that this would be too burdensome, how can they justify imposing this burden on individual consumers?
- Provide safety recall repairs during evening / nighttime / weekend / holiday hours, to accommodate the schedules of shift workers and hourly wage workers who have difficulty getting time off from work to take their vehicles to an authorized franchised car dealership for repairs.
- Hire more automotive technicians who are qualified to perform safety recall repairs.

The State of New Jersey could also apply for a grant to the National Highway Traffic Safety Administration to help support the cost for additional mailings and outreach to consumers to notify them about unrepaired safety recalls, as the states of Maryland, California, Ohio and Texas have done, significantly improving safety recall compliance without resorting to punitive measures.

Thank you for your consideration of our views. Should you or your staff have any questions regarding our position, please do not hesitate to contact us directly.

Sincerely,

Chuck Bell
Programs Director
Consumer Reports

Rosemary Shahan
President
Consumers for Auto Reliability and Safety

Erin Witte
Director of Consumer Protection
Consumer Federation of America

Beverly Brown Ruggia
Financial Justice Program Director
New Jersey Citizen Action

Laura Bustamante
Policy and Campaigns Director
New Jersey Alliance for Immigrant Justice

Cuqui Rivera
Founding Member
Latino Action Network

Dr. Jesselly DeLaCruz
Executive Director
Latino Action Network Foundation

Racquel Romans-Henry
Director of Policy
Salvation and Social Justice

Contact:

Chuck Bell, Programs Director
Consumer Reports
101 Truman Avenue
Yonkers, NY 10703