



National Association of Consumer Advocates

April 16, 2015

Assembly Member Mike Gatto, Chairperson
Assembly Committee on Privacy and Consumer Protection
California State Assembly
Sacramento, CA 95814

Re: AB 287 (Gordon)

Position: OPPOSE

Dear Chairperson Gatto:

The National Association of Consumer Advocates (NACA) is a national non-profit organization of more than 1,600 attorneys, law professors, and legal aid attorneys who represent consumers victimized by fraudulent, abusive and predatory business practices.

NACA opposes AB 287 because it would decimate longstanding consumer protections in California aimed at protecting the entire public from the sales of unsafe vehicles with lethal safety defects that have led to federal vehicle safety recalls. Instead of improving protections against unsafe used cars, this bill would actually legalize harmful practices that are currently illegal under existing law. It would protect car dealers, not consumers.

Contrary to what the sponsors and the author claim, there is a whole array of California and federal statutes that currently prohibit dealers from selling unsafe, recalled used cars to consumers. The existing laws are broad in their application, and they offer significant protections that would be lost if AB 287 were enacted. Those laws, in the Civil Code, Vehicle Code, and Business and Professions Code, prohibit dealers from committing fraud, or engaging in unfair and deceptive acts and practices, anti-competitive acts, or false advertising, and also prohibit dealers from violating express or implied warranties under state and federal law. In addition, there is a body of case law that prohibits dealers from selling vehicles in an unsafe condition to the public.

If this bill passes, California would have the worst law in the nation regarding the sales of unsafe, recalled used cars to consumers. That is because this bill would create a new "safe harbor" for unscrupulous dealers to sell cars with lethal safety defects, shifting the responsibility for repairs and the risk and liability onto consumers. Its passage would actually encourage dealers to purchase unsafe, recalled used cars from out-of-state and ship them to California, where they would be able to sell them with impunity.

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NACA strongly urges your “NO” vote on this profoundly anti-consumer bill. Thank you for your consideration of our views.

Sincerely,

Ira Rheingold
Executive Director

cc: Members, Assembly Committee on Privacy and Consumer Protection
Hank Dempsey, Chief Consultant, Assembly Committee on Privacy and Consumer Protection