# **Department of Legislative Services**

Maryland General Assembly 2013 Session

### FISCAL AND POLICY NOTE

House Bill 1110

(Delegate Kramer, et al.)

**Economic Matters** 

#### **Consumer Protection - Sales of Tires - Limitations and Required Notice**

This bill prohibits a merchant from selling a tire to a consumer in the State as a new tire if the tire (1) is a retreaded, previously used, or recycled tire or (2) was manufactured more than three years before the date of the sale to the consumer. The bill requires any merchant that sells a tire (that meets the aforementioned characteristics) to a consumer in the State to provide the consumer with a specified notice and disclosure.

A merchant who violates any of the bill's provisions is subject to a fine of \$250 for each violation. The failure of a merchant to comply with the bill's provisions (1) may not be considered evidence of negligence or contributory negligence and (2) is inadmissible in a civil action for damages involving personal injury. The bill's provisions may not be construed to affect or modify a tire manufacturer's tire warranty.

# **Fiscal Summary**

**State Effect:** The bill's imposition of penalty provisions does not have a material impact on State operations or finances.

Local Effect: None.

**Small Business Effect:** Minimal.

### **Analysis**

**Bill Summary:** For the purposes of the bill, "consumer" and "merchant" have the same definitions as in the Maryland Consumer Protection Act. The bill defines "tire" as a tire for use on a motor vehicle that is registrable in the State as a Class A (passenger) vehicle, Class D (motorcycle) vehicle, or Class M (multipurpose) vehicle.

A merchant who sells a tire described above to a consumer in the State must provide the consumer with (1) before installing the tire, a notice that states, in plain language and in at least 10-point boldface type, the month and year in which the tire was manufactured and (2) a written disclosure, in at least 10-point boldface type, that contains the following statement:

>NOTICE: This Tire Is Not New<

Tires deteriorate with age, even if they have never or seldom been used. As tires age, they are prone to sudden and catastrophic failure. This also applies to spare tires and tires that are stored for future use. Many automobile manufacturers recommend that tires be replaced after six years, regardless of the remaining tread depth. For your safety and the safety of others, inspect your tires regularly and maintain the proper inflation.

**Current Law:** There is no current requirement that merchants provide consumers with specified information related to the age of tires.

**Background:** According to the National Highway and Transportation Safety Administration (NHTSA), there are general guidelines for the length of time before a vehicle owner should replace the vehicle's tires. Some vehicle manufacturers recommend that tires be replaced every 6 years, whereas some tire manufacturers advise 10 years is the *maximum* service length. NHTSA also states that, while most tire failures only result in property damage, about 400 fatalities a year can be attributed to tire failures.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: None.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division), National Highway and Transportation Safety Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - March 11, 2013

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