

Proposed Changes to the Buyer's Guide
FTC Expected to Require Disclosure of Vehicle History Report
By ADR Staff

The Federal Trade Commission (FTC) may soon announce changes to the Buyers Guide that will include the requirement for dealers to indicate whether a history report has been run on a vehicle and, if so, to share that report with the consumer. As reported in the February and April 2013 *Dealers' Resource*, the FTC issued a Notice of Proposed Rule (NPR) in December 2012 that included three material changes and a number of minor modifications. In response to requests from consumer groups and state attorneys general, the FTC extended the comment period by thirty days to March 13, 2013.

In the December 2012 NPR, the FTC proposed adding a statement to the Buyers Guide encouraging customers to seek vehicle history information and directing consumers to an FTC website for more information about vehicle histories. Consumer groups, who were instrumental in the recent enactment of California legislation requiring used dealers to post history reports on vehicles offered for sale, were not satisfied. It is anticipated that pressure from these consumer groups and over 40 state attorneys general will result in the original benign reference to history reports being replaced with a more caustic requirement. **It is probable that a checkbox will be added to the Buyers Guide that a dealer will have to check if they pull a vehicle history report, and if they did pull the report, the dealer would be required to share a copy with the customer.**

The Used Car Rule, formally known as the Used Motor Vehicle Trade Regulation Rule, has been in effect since 1985 and requires car dealers to display a window sticker, known as a Buyers Guide, on the used cars they offer for sale. The Buyers Guide discloses whether the dealer offers a warranty and, if so, its terms and conditions, including the duration of the coverage, the percentage of total repair costs the dealer will pay, and which vehicle systems the warranty covers.

The following consumer groups are among those submitting comments regarding the FTC's proposed changes:

- Automobiles Working Group of the National Association of Attorneys General
- Consumers for Auto Reliability and Safety
- National Association of Consumer Advocates
- Katharine & George Alexander Community Law Center
- Santa Clara University School of Law
- National Vehicle Service