

Home » News & Events » Press Releases » FTC Approves Final Changes to Used Car Rule

FTC Approves Final Changes to Used Car Rule

FOR YOUR INFORMATION

November 10, 2016

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The Federal Trade Commission has announced final amendments to its Used Car Rule.

The FTC has sought public comments on a series of proposed changes to the Rule (formally known as the Used Motor Vehicle Trade Regulation Rule), which requires car dealers to display a window sticker, or "Buyers Guide," on used cars offered for sale. The Guide discloses whether the dealer is offering to sell a used car "as is" (without a warranty), or with a warranty. If the sale is with a warranty, the Guide discloses the terms and conditions, including the duration of coverage, the percentage of total repair costs the dealer will pay, and the vehicle systems the warranty covers. In states that do not permit "as is" used car sales, dealers must use an alternative Guide that discloses whether the sale is with a warranty or with implied warranties only.

In December 2012, the FTC sought public comments on proposed changes to the Buyers Guide as part of its systematic review of all of the agency's rules and guides. In response to comments received, the agency sought comments on additional proposed changes to the Used Car Rule and invited comments on alternative approaches that public commenters proposed for the vehicle history disclosure and the "As Is" statement.

As announced today, the Commission is revising the Buyers Guide by:



Related Actions

16 CFR Part 455: Used Motor Vehicle Trade Regulation Rule; Final Rule

For Businesses

Blog: FTC approves final changes to the Used Car Rule

Media Resources

Our Media Resources library provides one-stop collections of materials on numerous issues in which the FTC has been actively engaged. These pages are especially useful for members of the media.

- changing the description of an "As Is" sale;
- placing boxes on the face of the Buyers Guide that dealers can check to indicate whether a vehicle is covered by a third-party warranty and whether a service contract may be available;
- providing a box that dealers can check to indicate that an unexpired manufacturer's warranty applies;
- adding air bags and catalytic converters to the Buyers Guide's list of major defects that may occur in used vehicles;
- adding a statement that directs consumers to obtain a vehicle history report and to check for open recalls. The statement also instructs consumers to:
 - visit ftc.gov/usedcars for information on how to obtain a vehicle history report; and
 - visit safercar.gov to check for open safety recalls;
- adding a statement, in Spanish, to the English-language Buyers Guide, advising Spanish-speaking consumers to ask for the Buyers Guide in Spanish if the dealer is conducting the sale in Spanish; and
- providing a Spanish translation of the statement that dealers may use to obtain a consumer's acknowledgement of receipt of the Buyers Guide.

The amended Rule permits dealers to use their remaining stock of Buyers Guides for one year after the effective date of the amended Rule.

For more information about the Used Car Rule, read *Buying a Used Car*. For used car dealers, the FTC offers *A Dealer's Guide to the Used Car Rule*. "Fillable" versions of the Buyers Guide in English and Spanish are available at FTC.gov.

The Commission vote to publish the Notice of Final Rule in the Federal Register was 3-0.

The Federal Trade Commission works to promote competition, and protect and educate consumers. You can learn more about consumer topics and file a consumer complaint online or by calling 1-877-FTC-HELP (382-4357). Like the FTC on Facebook, follow us on Twitter, read our blogs and subscribe to press releases for the latest FTC news and resources.

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