



# Ohio Legislative Service Commission

*Tynita M. White*

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## Fiscal Note & Local Impact Statement

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**Bill:** [S.B. 289 of the 130th G.A.](#)

**Date:** April 2, 2014

**Status:** As Introduced

**Sponsor:** Sen. Patton

**Local Impact Statement Procedure Required:** No

**Contents:** Requires suppliers of certain types of used tires to follow disclosure and notice requirements and allows for violations to be prosecuted under the Consumer Sales Practices Act

### State Fiscal Highlights

- Under the bill, failing to provide certain information about used tires is a violation of the Consumer Sales Practices Act. As a result, the Attorney General could incur new costs for pursuing these cases, which would be handled by the Consumer Protection Section of that office. The Consumer Protection Section is supported by civil penalties that are deposited into the Consumer Protection Enforcement Fund (Fund 6310).

### Local Fiscal Highlights

- The bill allows for the Attorney General to request a court to impose a civil penalty or to bring a class action suit against a supplier if any of the prohibitions are violated. Any additional costs that a court incurs for hearing these cases could be offset by court costs and fees that are applied in these cases.

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## Detailed Fiscal Analysis

This bill requires that tire suppliers who sell used or reconditioned tires for use on passenger vehicles or motorcycles to disclose the age and history of the purchased tire and provide a notice indicating that the tires are not new. More specifically, the bill prohibits a supplier from selling a tire as new if the tire is retreaded, previously used, recycled, or was manufactured more than three years before the date of sale to the consumer unless the supplier gives a buyer the required notice. The bill allows for consumers to pursue damages and other relief from the supplier under the Consumer Sales Practices Act (CSPA). This would also allow the Attorney General to request a court to impose a civil penalty, bring a class action against the supplier, or seek other relief to restrain the unfair or deceptive act or practice. In addition to these actions, the bill requires a supplier who violates the bill's prohibitions to be subject to a fine of up to \$250 for each violation. Finally, the bill states that a supplier's failure to comply with this notification requirement of the bill cannot be considered evidence of negligence or contributory fault and is inadmissible in a civil action for damages involving injury, death, or harm to person or property.

As a consequence of the bill, there could be additional costs for the Attorney General to investigate consumer claims related to the sale of used tires without the required disclosure and notice. If the Attorney General were involved, these cases would be handled by the Consumer Protection Section within that office. The Consumer Protection Section is funded by certain amounts of civil penalties that are deposited into the Consumer Protection Enforcement Fund (Fund 6310). On the local level, any court costs associated could possibly be offset by fees.