STATE OF NEW YORK

9040

IN ASSEMBLY

February 5, 2024

Introduced by M. of A. FALL -- read once and referred to the Committee on Consumer Affairs and Protection

AN ACT to amend the general business law, in relation to enacting the "consumer protection and automotive transparency act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "consumer protection and automotive transparency act".

§ 2. Legislative purpose and intent. The purpose of this act is to mandate transparency in automotive labeling, ensuring consumers are accurately informed about the materials used in the interiors of automobiles. Consumers are often misled by the marketing of different types of materials used in making seating surfaces, steering wheels and gear shifters in the automotive industry. This misleading marketing can result in consumers paying more for products that are not what they were expecting or buying a product that they assume is a certain material and it is not. It is important to protect consumers (monetarily, ethically and health-related) by requiring automotive manufacturers to disclose the materials used in their interior products. This legislation aims to protect consumers from deceptive marketing practices and promote transparency across the automotive industry.

(a) The purpose of this legislation is to protect consumers in the automotive industry by ensuring transparency and accurate labeling of materials used in automobile interiors.

(b) This legislation aims to prevent misleading marketing practices and provide consumers with clear and understandable information about the content of automobile interiors.

(c) This legislation mandates transparency in the labeling of automotive interiors to protect consumers from misleading marketing practices related to leather, fabric and plastic materials.

(d) This legislation aims to ensure that consumers can make informed decisions about the materials used in automotive interiors.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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(e) This legislation seeks to establish clear and simple labeling requirements, avoiding unnecessary complexity and ensuring accessibility for consumers of all educational backgrounds.

§ 3. The general business law is amended by adding a new section 198-d to read as follows:

§ 198-d. Consumer protection and automotive transparency. (a) Definitions. For the purposes of this section, the following terms shall have the following meanings:

(1) "Leather" means any hide or skin products derived from animals that possess an intact original fibrous structure, obtained from hides tanned to prevent decay, that may have been split before or after tanning into layers or segments, and that may have a coating applied.

(2) "Fabric" means any cloth or material produced by weaving or knitting fibers.

(3) "Plastic and coated materials" means rolled goods, or sheets of woven, knit, or non-woven textiles to which a polymer or resin mixture is applied as a surface coating or layer and makes up the majority of the base material.

(4) "Label" means any tag, label, or other writing that is attached to or accompanies an automotive product.

(5) "Consumer protection division" means the consumer protection division established pursuant to section ninety-four-a of the executive law.

(b) Labeling requirements. (1) Automotive manufacturers shall clearly label the interior materials of vehicles using terms that are easily understandable to the average consumer at a level equivalent to a sixth grade reading comprehension. Automotive manufacturers shall provide transparent and accurate labeling on automobile interiors to ensure that all consumers, regardless of their level of education, can understand the material used in the automobile interior.

(2) The interior threshold required for defined labeling shall be based upon the percent of material used on the interactive interior surfaces of an automobile. Interactive interior surfaces shall mean seating surfaces in all rows of the vehicle, headrests, steering wheel, and gear shift. Interactive interior surfaces shall not include seating side and back panels and all other non-seating surfaces in the vehicle.

(i) If the interactive interior surface material is greater than seventy percent of a defined composition, then the entire label can be labeled as such.

(ii) If the interactive interior surface is composed of less than seventy percent of any of the defined materials, including leather, fabric, or plastic and coated materials, then there shall be a label defining the material used by percentage.

(3) The following terms shall be used to describe the materials used in automobile interiors: leather, fabric, plastic and coated materials, and any other material that accurately represents the nature of the interior.

(4) The interactive interior surfaces labels shall be clearly visible to the consumers, shall be prominently displayed on the product, and shall be easy to read. The material of the upholstery shall be listed in plain and easy-to-understand language.

(c) Prohibition of marketing names. The use of marketing names causing confusion, such as MBtex, ActiveX, Alcantera, Artico, NuLuxe, SansaTec, SofTex, Sophina, Ultrasuede, V-Tex or similar marketing names, is prohibited for labeling automobile interiors.

(d) Prohibition of deceptive practices. It is prohibited to sell, market, or advertise automobile interiors using terms such as "leather,"

"skin," "tanned skin," "coated leather," or any other terms defined in this section, its derivatives, or synonyms, as well as the other terms as a means of naming any other materials which do not comply with the characteristics defined in subdivision (a) of this section, either as a noun or as an adjective, even if entered as prefixes or suffixes in other words, regardless of the language used.

(e) Enforcement and penalties. (1) The consumer protection division shall enforce the provisions of this section.

(2) Violations of this section may result in penalties, fines, or other appropriate enforcement measures as determined by the consumer protection division.

(3) The consumer protection division may investigate any alleged violation of this section and may issue orders to cease and desist operations from any violation. The consumer protection division may also impose civil penalties for violations of this section.

§ 4. Severability. If any provision of this act is held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision of this act.

§ 5. This act shall take effect immediately.