Closing the Pipeline of Dangerous Equipment

Removing noncompliant and defective motor vehicle equipment from online marketplaces









Defective and noncompliant motor vehicle equipment is flowing into the United States through online marketplaces. The National Consumers League is calling on Congress to close this pipeline of dangerous equipment by granting the National Highway Traffic Safety Administration (NHTSA) the authority to compel online marketplaces to remove postings of dangerous equipment and provide refunds or replacements to purchasers.

Market for Motor Vehicle Equipment

Online marketplaces have become significant platforms for the sale of motor vehicle equipment. In 2021, approximately <u>half</u> of all business-to-business automotive and equipment sales were conducted through online marketplaces. By the end of the century, the global online market for vehicles and equipment is projected to reach \$722.79 billion, far exceeding the \$237.93 billion market value in 2020.

Pipeline of Dangerous Equipment

Noncompliant and defective motor vehicle equipment is readily available for purchase on prominent online marketplaces, including eBay, Walmart.com, and Amazon. Such equipment endangers public safety and harms domestic manufacturers, who lose market share to noncompliant producers. Concerning product listings include:

- Car and booster seats— Fabric car and booster seats that may lack the structural integrity, anchorage, and harnessing to adequately secure an infant or toddler.
- Motorcycle helmets Plastic motorcycle helmets that are unlikely to meet federal requirements for impact absorption, penetration resistance, and strap retention.
- LED Headlamps Ultra-bright headlamps not permitted by NHTSA for installation.

NHTSA's Authorities

While NHTSA has the authority to compel manufacturers of motor vehicle equipment to perform recalls and remedies, it does not have the power to compel online marketplaces to take down product listings of defective equipment or remedy the danger. NHTSA has found it difficult to locate many international fly-by-night sellers who flood online marketplaces with defective products.

Recommendation

Congress should pass legislation:

- Removing posts Prohibit online marketplaces from facilitating the sale of defective or noncompliant motor vehicle equipment.
- Notifications Empower NHTSA to compel online marketplaces to notify first purchasers that motor vehicle equipment is defective or noncompliant.
- Remedies Authorize NHTSA to require online marketplaces to facilitate, including through third-party sellers, the refund or replacement of defective or noncompliant equipment.
- Reporting Require online marketplaces to submit to NHTSA recall reports detailing their practices for addressing a defect or noncompliance and recall effectiveness.



