



**Testimony of the U.S. Tire Manufacturers Association
Senate Bill 223
Ohio House Government Accountability and Oversight Committee
January 29, 2018**

Thank you, Chairman Blessing, Vice Chairman Reineke, Ranking Member Clyde and members of the Committee for the opportunity to discuss Senate Bill 223, a measure to limit the sale of unsafe used tires in Ohio.

The U.S. Tire Manufacturers Association (USTMA) supports SB 223 and is thankful to Senator LaRose for sponsoring this legislation.

USTMA is the national trade association that represents 11 major tire manufacturers with manufacturing operations in the United States. USTMA's members include: Bridgestone Americas Inc., Continental Tire the Americas, LLC; Cooper Tire & Rubber Company; The Goodyear Tire & Rubber Company; Hankook Tire America Corp.; Kumho Tire USA; Michelin North America, Inc.; Pirelli Tire North America; Sumitomo Rubber North America, Inc.; Toyo Tire Holdings of Americas Inc.; and Yokohama Tire Corporation.

USTMA members account for more than 80 percent of the nearly 316 million tires expected to be sold in the U.S. in 2017. Collectively, USTMA members employ more than 100,000 workers in the U.S. and generate sales of more than \$27 billion annually.

Safety is Tire Manufacturers' #1 Priority

Safety is the tire industry's highest priority. Tires are among the most highly engineered safety components on vehicles and are directly involved in all aspects of a vehicle's movement – acceleration, deceleration, braking, cornering, turning and handling. While they may still look very similar to tires made decades ago, numerous technological and engineering changes are made constantly to enhance tire performance affecting traction, rolling resistance and tread wear, among others.

Additionally, new tires sold in the United States comply with the strictest government safety standards in the world.

Motorists are at significant risk when their tires are not in good working condition. That is why USTMA members' concern with safety extends beyond the factory to help consumers understand how to maintain their tires.

In addition to their own tire safety education efforts, USTMA members fund and support a national consumer education program through our organization called Be Tire Smart – Play Your PART, to educate motorists about proper tire care. This effort includes sponsoring National Tire Safety Week each

June, which includes vigorous media outreach and distribution of tire care materials to more than 21,000 tire dealer, auto dealer, auto repair, AAA clubs and other outlets.

USTMA also makes an effort to keep tire service professionals educated about important care and service issues. Periodically, USTMA distributes tire care and service information to more than 220,000 tire and automotive service and repair locations nationwide. This information includes a number of industry standards on several tire service topics. These materials also are available on our web site and are used by tire manufacturers and tire dealers as the basis for tire technician training across the country.

USTMA also advocates for improved tire safety regulation. In the most recent federal highway legislation enacted last year, USTMA successfully advocated for a change to how tires are registered with manufacturers at point of sale to make it possible to reach more consumers in the event of a tire recall. Additionally, we advocated that Congress require the National Highway Traffic Safety Administration to create an online tire recall search tool to help consumers identify recalled tires on their vehicles. Until NHTSA creates that lookup tool, USTMA has created its own for our members' tire recalls.

Millions of Used Tires Are Available

SB 223 is aimed to improve highway and motorist safety in Ohio by addressing the installation of unsafe-used tires. Before I continue, please note that under current Ohio law, if a motorist is caught driving with unsafe tires (Ohio Administrative Code 4501:2-1-06) they can be subject to a penalty. If Ohioans can't drive on tires with these conditions, why should a business be allowed to install those same tires?

We estimate that 30-35 million used tires enter the market each year in the U.S. What we don't know is how many are unsafe. But it doesn't take long to find them. Unsafe used tires are readily available and unfortunately easy to come by.

Consumers always should approach a used tire purchase decision with caution. No consumer can possibly know the storage, maintenance and service history of any tire. Tires driven under inflated over time; suffered impact damage by hitting a pothole or curb; exhibit uneven tread wear due to poor vehicle alignment or have been repaired improperly can increase the risk of tire failure.

The legislation defines an "unsafe tire" as tires with the following characteristics:

- Worn-out tires (tread depth measurers 2/32nds inch or less).
- Damage that exposes a tire's inner components such as body plies or the steel belts.
- Inner liner damage – the component of the tire that holds air to keep it inflated.
- Tires with:
 - Sidewall repairs
 - Repairs to the belt-edge area of the tire
 - Repairs made to punctures larger than ¼ inch
 - Repairs that do not seal a puncture from the inside of the tire through to the outside

-Damaged tires treated with a tire sealant but not subsequently repaired to industry standards.

Under SB 223, violations can be subject to a fine of no more than \$1,000 per violation. Additionally, installation of an unsafe-used tire would also violate the Consumer Sales Practice Act (Sec. 1345.03).

SB 223 is Common Sense Regulation of Used Tires

The installation of used tires is not subject to any regulations. SB 223 seeks to weed out those tires that every tire professional can and should know poses an unreasonable risk to motorist safety. Simply put, if you're in the business of selling tires, you should know not to sell tires that match the conditions listed in this legislation.

Requiring automotive service professionals to be appropriately accountable when they return used tires back to road service is a simple, reasonable attempt to protect consumers. Consumers want and expect that the tires installed on their vehicles are safe.

USTMA members, like any business, face regulatory and legislative requirements on many facets of their operations. Our members do not advocate new regulations without careful consideration and an understanding of what burdens may be placed on sellers of used tires. The approach in SB 223 lists a number of conditions that we believe that those in the tire business can and should follow.

USTMA and the Sponsors of SB 223 have worked hard since the bills introduction to meet and communicate with many interested parties. Through that effort we're pleased to receive the support of many key organizations; including:

- The Ohio Chamber of Commerce
- Ohio Manufacturers Association
- Ohio Tire and Auto Association
- Ohio Conference of AAA Clubs
- Bridgestone Americas, Inc.
- Continental Tire the America's, LLC
- Cooper Tire & Rubber Company
- The Goodyear Tire & Rubber Company
- Hankook Tire America Corp.
- Kumho Tire USA
- Michelin North America, Inc.
- Pirelli Tire North America
- Sumitomo Rubber North America, Inc.
- Toyo Tire Holdings of Americas Inc.
- Yokohama Tire Corporation
- Tire Industry Association
- Property Casualty Insurance Association of America

SB223 was voted out of the Ohio Senate on December 13th with a favorable vote of 31-1.

USTMA appreciates this opportunity to discuss SB 223. We support this bill and urge the committee to approve this measure.

Respectfully Submitted,

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