

Odometer exception overturned

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A rule that exempted used-car dealers in the Rocky Mountain West from disclosing odometer readings to buyers of older cars has been struck down by the 10th U.S. Circuit Court of Appeals.

The court found that the National Highway Traffic Safety Administration lacked power in 1989 to exempt cars 10 years old or older from a law designed to prevent odometer fraud.

The case was filed in 1996 in Albuquerque U.S.

District Court by Norvin Lee and Bernita Garcia, who had bought a 1985 Chevy Blazer from Friendly Motors of Gallup.

Shortly after the couple bought it in December 1995, the Blazer developed "serious mechanical problems" and eventually stopped running altogether. At the time of sale, the odometer read 67,262 miles, but a title search later revealed it had 167,262 miles.

U.S. Magistrate William Deaton ruled the couple could not sue under the Vehicle Information and

Cost Savings Act, saying the Blazer was more than 10 years old and therefore exempt by NHTSA rule.

In its decision overturning that ruling, the 10th Circuit said that the law was intended to apply to all motor vehicles, said Richard Feferman, the couple's attorney.

The Feb. 9 ruling was consistent with decisions by the 9th and 7th U.S. circuits. Both courts struck down the NHTSA used-car disclosure rule, but the Gallup case was the first challenge to the NHTSA rule in this region.