

**Letitia James**

New York State Attorney General

Attorney General James Reaches Multistate Agreement with CarMax to Protect Drivers' Safety

December 1, 2022

CarMax Failed to Tell Consumers about Safety Recalls on Their Vehicles

New Industry Standard Will Require Used Car Dealers to Inform Drivers of Open Safety Recalls Prior to Selling Used Vehicles

NEW YORK – New York Attorney General Letitia James and a multistate coalition of 35 attorneys general today [secured \\$1 million from CarMax for failing to disclose open safety recalls on their used vehicles to consumers before sales](#). CarMax did not provide consumers with information about safety recalls on critical vehicle parts, such as brakes and fuel pumps, before selling vehicles. Today's agreement will set a new industry standard for used car dealers to disclose open safety recalls to customers before they make a purchase. New York will receive an estimated \$53,772.49 of the total settlement funds.

“When someone buys a car, they need to know that it will keep them safe,” said **Attorney General James**. “CarMax put New Yorkers at risk by allowing drivers to get on the road without warning them that their newly purchased vehicles had open safety recalls. This agreement will protect New Yorkers and ensure that consumers are aware of any safety recall before they start driving. As Attorney General, I will continue to ensure that companies that bypass the law are held to account and that New Yorkers are protected.”

A multistate investigation found that CarMax, a nationwide used car dealer, misled consumers by failing to disclose needed repairs on vehicles with open safety recalls. CarMax classified those vehicles as “safe” despite there being open recalls for parts, including airbags and other critical safety features.

Today's agreement requires CarMax to stop these improper practices and changes overall industry standards in the used car market to protect consumers. Customers of used car dealerships will now be able to access information about any open safety recalls for any vehicles available for purchase. Under the agreement, CarMax is required to provide digital links for vehicles advertised online and QR codes for vehicles available on their lots which will allow consumers to access this information as they shop.

In addition, CarMax will present customers with documentation on any open safety recalls and obtain their signature to confirm proper disclosure before presenting the with any sales paperwork. The company will pay \$1 million in penalties, of which an estimated \$53,772.49 will go to New York.

CarMax will continue to use the National Highway Traffic and Safety Administration's vehicle identification number tool to provide important safety information, including open recalls, to consumers. To check for any open recalls on their vehicle, [consumers can use this online tool](#).

Joining Attorney General James in today's agreement are the attorneys general of Alabama, Arizona, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin.

This agreement was led by Deputy Assistant Attorney General in Charge of the Rochester Regional Office Benjamin Bruce and Consumer Frauds Bureau Chief Jane Azia. The Rochester Regional Office is a part of the Division of Regional Affairs, which is led by Deputy Attorney General Jill Faber. The Consumer Frauds Bureau is a part of the Division of Economic Justice and is led by Chief Deputy Attorney General Chris D'Angelo. The Division of Regional Affairs and the Division of Economic Justice are overseen by First Deputy Attorney General Jennifer Levy.