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Recent Legislative Activity

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Automobile Part Labeling

The Senate is currently considering a bill which would require all automobile manufacturers to disclose, through the use of labels on automobiles, the following: (1) the percentage of equipment on the car that originated in the United States; (2) the percentage of labor performed by U.S. workers in assembling the automobile; and (3) the name of the foreign country where at least one-third of the parts originated.

The American Automobile Labeling Act is meant to ensure that consumers are accurately informed about the manufacture and origins of the automobiles they purchase. The provisions of the legislation are to be administered by the Department of Transportation and the Department of Commerce. Both foreign and domestic automobile manufacturers would be required to follow the provisions of the Act for any model year after 1992. Violators would be subject to penalties up to \$1,000 for each automobile lacking the required label. S. 2232, 102d Cong., 2d Sess. (1992).

Federal Health Care Insurance

In an effort to address the growing national concern over health care insurance, the House of Representatives continued to consider the **Universal Health Care Act** of 1991. The Act, originally introduced last spring, would amend the Social Security Act. The current version of the Act would provide a comprehensive health insurance program for all U.S. citizens and lawful resident aliens. The new program would pay for inpatient hospital services, nursing facility services, home health services, hospice care, physician services, prescription drugs, and preventive health services, including prenatal

and postnatal care for children.

There are, however, certain limits set on the length of mental health care services received by an individual. For example, inpatient hospital care for mental disorders would be limited to 45 days, with some exceptions. Outpatient psychotherapy and counseling would be limited to 20 visits per year.

Payment for hospital and nursing facility services would be based on an annual budget developed by the Secretary for Health and Human Services and approved by Congress. Payment for physicians' and other professional services would be based on a fee schedule set by the program.

A National Health Trust Fund would be established for funding the new program. Monies would come from: (1) taxes with respect to wages and self-employment; (2) state funds; and (3) long-term health care premiums. H.R. 1300, 102d Cong., 2d Sess. (1991).

Cable Television Price Protection

The House of Representatives has introduced the **Cable Protection Act** of 1991, which would amend the Cable Communications Policy Act of 1984, in an attempt to protect consumers against unreasonable cable television rates and to foster competition between cable companies. The Act would stimulate competition in the marketplace by authorizing the Federal Communications Commission ("FCC") or a certified cable authority to regulate the rates for basic cable service, thus ensuring access to multiple cable distributors. Any cable system which has effective competition would not be subject to regulation under the Act.

Although the 1984 Act intended to foster competition in the cable communications industry, competition has failed to develop significantly. As a result, cable subscrib-

ers are prevented from choosing between cable systems and cable operators have undue market power.

Since 1986, cable subscribers have been hurt by cable service price increases. Between December 1986 and April 1991, the monthly price for cable service has increased over 56 percent. During the same period, the Consumer Price Index increased only 18 percent. About half of these price increases were due to the market power of cable operators.

Currently, cable television is available to 70 million of the 90 million households with televisions. Over 58 percent of all households with televisions subscribe to cable. As a result of the growth in the cable industry, cable television has become a dominant nationwide video medium. The pending legislation is intended to increase competition in the marketplace and to encourage multichannel video programming. H.R. 3560, 102d Cong., 2d Sess. (1991).

Boat Tax Repeal

The Senate is currently considering legislation that would repeal the recreational boat user fee imposed by the 1990 Budget Act. The bill provides for a phased repeal of the tax, going into effect on October 1, 1992, for boats 21 feet or less; on October 1, 1993, for boats 37 feet or less; and on September 30, 1994, for all other recreational vessels.

To offset the revenues lost by repeal of the boat user fee, the legislation establishes a fee for ac-

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cess to the Federal Maritime Commission's new Automated Tariff Filing and Information System ("ATFI"). Individuals who electronically receive ATFI data would be charged \$0.46 per minute of access. S. 2702, 102d Cong., 2d Sess. (1992).

Bike Helmet Requirements

New Jersey law now requires bicycle riders and passengers under fourteen years of age to wear bicycle helmets. Additionally, the Act requires helmets to be rented or sold with every bicycle that is rented or sold to a rider or passenger under fourteen years of age.

The helmet requirement applies in any public area used for walking or driving. However, a municipality may exempt a qualified area from the helmet requirement, such as a road closed to traffic or a trail, route, or path set aside for the use of bicycles. If the bike path is adjacent to a road there must be a sufficient barrier between the biker and the traffic before the area can be exempted from the helmet requirement.

If a child violates the Act, he or she will receive a warning. The parent or legal guardian, however, may be fined up to \$25 for the child's first offense and up to \$100 for any subsequent offense provided it can be shown that the parent failed to exercise reasonable supervision or control over the child. The penalties can be waived if the parent proves that an approved helmet was owned at the time of the violation or has since been purchased. All of the fine money will go into a "Bicycle Safety Fund" to provide educational programs devoted to safety. 1990 NJ A.B. 3655.

Condom Effectiveness Warning Signs

The California Assembly has recently approved legislation designed to amend the state's Health and Safety Code to require every person or entity who operates an establishment where there is offered, or there are vending

machines offering, natural lambskin membrane condoms, to conspicuously post a sign that warns of the degree of protection against AIDS, Hepatitis B and herpes viruses offered by nonlatex condoms versus latex condoms. Specifically, the warning must state that latex condoms provide greater protection against sexually transmitted diseases than natural lambskin condoms.

The Food and Drug Administration's research showed that unlike latex condoms, natural or nonlatex condoms do not prevent the passage of some viruses. Additionally, manufacturers of nonlatex condoms will also have to place this warning on the packages of all nonlatex condoms. The bill is currently pending in the California Senate's Committee on Health and Human Services. 1991 CA A.B. 3099.

Emission Repair Cost Protection

Florida law now protects consumers from being charged more than once by an auto repair shop for vehicle emissions repairs.

Under the Act, when a driver brings his car into a shop and the shop makes any repairs it deems necessary to pass a vehicle emissions test, yet the car fails the test after the repairs, the driver requires the shop to repair the car. The auto repair shop may charge the consumer only for any additional car parts and not for the labor. However, to qualify under the Act, the driver must return to the shop within two weeks of inspection in order to have any additional necessary repairs made. The driver also cannot take his car to another shop for the additional repairs.

The Act also requires a car repair shop to inform a consumer of the maximum cost of repairs needed to pass the emissions test before the consumer can become eligible for a one year waiver on meeting the emission standards. Violations of the Act constitute first-degree misdemeanors. 1992 FL H.B. 275.

Illinois Health Care Plan

Like the United States House of

Representatives, the Illinois House of Representatives is concerned about the lack of affordable health care. The ambitious Universal Health Care Act would provide all Illinois residents with a universal health care plan, and would relieve employers of providing health insurance to their employees.

The Act would pay for the services of physicians and other licensed health care professionals, prescription drugs, substance abuse treatment, long term care, inpatient and outpatient services, and reconstructive surgery. Cosmetic surgery would not be covered. The Act would also allow the participants their choice of physicians, hospitals and other health care services.

The Act is a response to the growing number of persons without access to health care and the rising cost of health care services, currently well above the inflation rate. Furthermore, businesses of all sizes have been hurt by the significant increase in health care costs that they must pay for the benefit of their employees. This is likely to result in a decline of the health services that employers will offer.

If the Act is passed, all health care providers covered by the Plan would be reimbursed by the Plan and not by other insurance policies or any other type of plan. The Act would prohibit insurance companies, HMO's and other health contractors from providing services covered under the Plan to Illinois residents. Those insurance companies would be allowed to provide benefits that are not covered under the plan.

Funding for the new health care plan would come from federal sources and state tax revenues as follows: (1) 31 percent from monies currently spent by the federal government for health care of Illinois residents; (2) 13 percent from state monies spent on health care; (3) 3 percent from state taxes on tobacco and alcohol; (4) 34 percent from state taxes on employers to replace the amount currently spent by employers on health care for their employees; and (5) 19 percent from state income tax collected for that purpose. 1991 IL H.B. 2774.