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LIMITED MOTOR VEHICLE PRODUCTION

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HEARING
BEFORE THE
SUBCOMMITTEE ON COMMERCE AND FINANCE
OF THE
COMMITTEE ON
INTERSTATE AND FOREIGN COMMERCE
HOUSE OF REPRESENTATIVES
NINETIETH CONGRESS
SECOND SESSION
ON
H.R. 8457, S. 2029
BILLS TO AMEND THE NATIONAL TRAFFIC MOTOR VEHICLE SAFETY ACT OF 1966 RELATING TO THE APPLICATION OF CERTAIN STANDARDS TO VEHICLES PRODUCED BY SMALL MANUFACTURERS

JANUARY 30, 1968

Serial No. 90-24

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LIMITED MOTOR VEHICLE PRODUCTION

TUESDAY, JANUARY 30, 1968

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON COMMERCE AND FINANCE,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 2322, Rayburn House Office Building, Hon. John M. Murphy presiding (Hon. John E. Moss, chairman).

Mr. MURPHY. This meeting of the Subcommittee on Commerce and Finance will come to order for the consideration of the bills S. 2029 and H.R. 8457.

A number of small or limited production motor vehicle manufacturers have contacted this committee and indicated that they cannot comply with all of the motor vehicle safety standards. We will certainly want to hear more about this today and also more about the position of the Department of Transportation.

We will be pleased to receive the testimony of any manufacturers who feel that present or prospective standards will preclude their production of motor vehicles. We also look forward with interest to the testimony of the Department of Transportation on this subject, particularly with respect to their construction of the basic law and the duration of time which may be recommended with respect to any proposed exemption from indefinite or permanent standards.

Copies of the proposed legislation and appropriate agency comments will be placed in the record at this point.

(The bills referred to, and departmental reports thereon, follow:)

[H.R. 8457, 90th Cong., first sess.]

A BILL To amend the National Traffic Motor Vehicle Safety Act of 1966 relating to the application of certain standards to vehicles produced by small manufacturers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That subsection (h) of section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 (Public Law 89-563) is amended by striking out the period at the end of the last sentence of such subsection and inserting in lieu thereof a comma and the following: "except that no such new and revised Federal motor vehicle safety standard shall apply to any motor vehicle which was manufactured before January 31, 1969, by a manufacturer whose total production of new motor vehicles during the calendar year 1966 did not exceed 10,000."

[S. 2029, 90th Cong., first sess.]

AN ACT To amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to motor vehicles produced in quantities of less than five hundred

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title I of the National Traffic and Motor

Vehicle Safety Act of 1966 is amended by adding at the end thereof the following new section:

"SEC. 123. (a) Upon application made by a manufacturer at such time, in such manner, and containing such information as the Secretary shall prescribe, he may temporarily exempt a limited production motor vehicle from any motor vehicle safety standard established under this title if he finds that compliance would cause such manufacturer substantial economic hardship and that such temporary exemption would not result in undue hazard to the public.

"(b) A manufacturer granted a temporary exemption shall, affix to the window of any motor vehicle for which temporary exemption has been granted a label containing a statement that the motor vehicle does not comply with the appropriate standard, and the manner in which such vehicle does not comply. The Secretary shall prescribe the form and content of such label. The provisions of section 114 of this title shall otherwise apply as to those standards for which no temporary exemption has been granted.

"(c) The Secretary shall require in such manner as he deems appropriate, the notification of the dealer and of the first purchaser of a limited production motor vehicle (not including the dealer of such manufacturer) that such vehicle has not been tested for compliance with the standards from which it has been exempted.

"(d) In order to avoid undue economic hardship, where technically feasible and consistent with the public interest and the objectives of this Act, the Secretary shall have the authority to prescribe alternative procedures for demonstrating compliance with the standards applying to limited production motor vehicles.

"(e) For the purposes of this section 'limited production motor vehicles' means a motor vehicle, produced by a manufacturer whose total motor vehicle production, as determined by the Secretary, does not exceed 500 annually.

"(f) The authority of the Secretary under this section shall terminate two years after the date of enactment of this Act, and no exemption granted under this section shall remain in effect after two years after such date."

Passed the Senate November 6, 1967.

Attest:

FRANCIS R. VALEO,
Secretary.

OFFICE OF THE SECRETARY OF TRANSPORTATION,
Washington, D.C., January 30, 1968.

HON. HARLEY O. STAGGERS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reply to your request for the views of this Department concerning S. 2029, a bill "To amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to motor vehicles produced in quantities of less than five hundred."

This bill would amend title I of the Act by adding at the end thereof a new section, section 123.

Subsection (a) of proposed section 123 would permit the Secretary of Transportation, upon application made by a manufacturer, to temporarily exempt limited production motor vehicles from any Federal motor vehicle safety standard established under title I upon a showing that compliance would cause the manufacturer of such vehicle substantial economic hardship and that such temporary exemption would not result in undue hazard to the public.

Subsection (b) authorizes the Secretary to prescribe the form and content of a label which a manufacturer of a temporarily exempted vehicle shall affix to the window of any exempted vehicle. The label shall state the standard with which, and the manner in which, the vehicle does not comply. Certification in the form and manner prescribed by section 114 of the Act is required, any temporary exemption notwithstanding.

Under subsection (c) the Secretary shall require the notification of the dealer and first purchaser other than a dealer, of a limited production motor vehicle, that the vehicle has not been tested for compliance with standards from which it has been exempted.

Subsection (d) authorizes the Secretary to prescribe alternative test procedures by which a limited production motor vehicle manufacturer may demonstrate compliance with standards applicable to such vehicles, in order to avoid

undue economic hardship and where this is technically feasible and consistent with the public interest and the objectives of the Act.

Subsection (e) defines "limited production motor vehicle" as a motor vehicle the manufacturer of which, as determined by the Secretary, does not produce more than 500 motor vehicles annually.

Subsection (f) terminates the Secretary's authority under section 123 two years after date of enactment of the bill, and provides that no temporary exemption shall remain in effect longer than two years subsequent to such date.

The Department is in favor of the enactment of S. 2029 subject to the following comments. Specifically, the Department favors the enactment without change of proposed subsections (a), (b), (c), (e) and (f) of proposed section 123.

With regard to proposed subsection (d), the Department wishes to point out that section 102(2) of the National Traffic and Motor Vehicle Safety Act of 1966 defines the "motor vehicle safety standards" which the Secretary is required to establish as minimum standards for motor vehicle performance. A performance standard is logically defined by the tests which are used, as specified, to determine whether compliance has been achieved. Consequently, it is a logical contradiction to suggest, as in the case with proposed subsection (d), that alternative procedures for demonstrating compliance with the standards may be prescribed. For this reason the Department proposes that subsection (d) be deleted from the bill.

The Department wishes to make clear that under S. 2029 a manufacturer of limited production motor vehicles seeking exemption from any motor vehicle safety standard must establish both that his compliance would cause substantial economic hardship and that such temporary exemption would not result in undue hazard to the public. Thus if the Secretary finds that granting an exemption would result in undue hazard to the public, even though a manufacturer has made a showing that compliance would cause him substantial economic hardship, the exemption may not be granted and the manufacturer must comply with the standard.

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report for the consideration of the Committee.

Sincerely yours,

JOHN L. SWEENEY,
Assistant Secretary for Public Affairs.

GENERAL COUNSEL OF THE DEPARTMENT OF COMMERCE,
Washington, D. C., February 1, 1968.

HON. HARLEY O. STAGGERS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in further reply to your request for the views of this Department with respect to S. 2029, an Act "To amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to motor vehicles produced in quantities of less than five hundred."

S. 2029 would for a period of two years following its enactment authorize the Secretary of Transportation to grant temporary exemptions to manufacturers of limited-production motor vehicles (under 500 annually) from the application of the motor vehicle safety standards of the National Traffic and Motor Vehicle Safety Act for a period not to exceed two years. Two conditions must be fulfilled for the application of this exemption: (1) compliance with the motor vehicle safety standards would cause the manufacturer substantial economic hardship, and (2) the temporary exemption would not result in undue hazard to the public. The Secretary would also be authorized to prescribe alternative testing procedures for demonstrating compliance with the safety standards by manufacturers of limited-production motor vehicles if such action is technically feasible and consistent with the public interest and objectives of this Act.

There are eleven known manufacturers of limited-production motor vehicles in the United States, each producing less than five hundred cars annually. At the present time none of these eleven manufacturers is producing more than three hundred cars annually. If these manufacturers were required to meet all of the safety standards prescribed under the National Traffic and Motor Vehicle Safety Act of 1966, several would face financial difficulty and others would have to cease operations. These manufacturers usually purchase chassis and other components from the large established companies, which they then modify and

assemble to produce a distinctive type special vehicle marketed under their own names. Most duplicate very old models; others are sport cars or small special purpose cars. In order to reduce costs these small independents buy in quantity and often have in stock a sufficient quantity of a particular part to meet their production needs for several years. Unfortunately, some of these parts do not meet prescribed safety standards. For example, the producers of Avanti have on hand about one-thousand rigid steering columns which do not meet these standards. While any one of the major automobile manufacturers could absorb the loss involved in scrapping such parts, it is clear that this action would cause a small company substantial economic hardship.

The most burdensome expense, however, for these manufacturers would be incurred in meeting those testing requirement of the Act which are intended to insure that a motor vehicle meets standards designed to protect the occupants of the vehicle. The small manufacturer does not have the facilities to conduct these tests. Even more important, however, is the fact that compliance with these tests would require the destruction of from two to four vehicles in the testing process. It is quite likely that a manufacturer of a very limited number of vehicles which they sell for \$12,000 and up could not absorb the additional costs which this would involve.

S. 2029 was passed by the Senate November 6, 1967. The Department of Commerce recommends favorable action by the House of Representatives.

We note that the Secretary of Transportation can prescribe the form and content of labels on exempt vehicles. We would assume that such labels would be fairly permanent in nature to assure that subsequent purchasers from the original purchaser would be appraised of the vehicles non-conformance to generally applicable standards.

We have been advised by the Bureau of the Budget that there would be no objection to the submission of our report to the Congress from the standpoint of the Administration's program.

Sincerely,

BURT W. ROPER,
for General Counsel.

DEPARTMENT OF STATE,
Washington D.C., January 31, 1968.

HON. HARLEY O. STAGGERS,
*Chairman, Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: The Department of State has learned that the Committee on Interstate and Foreign Commerce is considering S. 2029 a bill to amend the National Training and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to motor vehicles produced in quantities of less than five hundred.

The proposed bill would authorize the Secretary of Transportation to temporarily exempt certain motor vehicles from safety standards if compliance would cause substantial economic hardships to the manufacturer and the exemption would not result in undue hazard to the public. Only vehicles produced by a manufacturer with a total production of not more than 500 motor vehicles annually could be exempted.

Thus foreign producers of more than 500 vehicles a year would not qualify for any relief, even though their exports to the United States might be less than 500 a year. Yet foreign companies with relatively few exports to the United States are those being hurt most by the safety standards. They must either go to great expense in order to make their relatively few exports conform to our standards, or be forced out of the U.S. market. Their problem is similar to that faced by small domestic manufacturers.

If exceptions are to be allowed from safety standards in order to alleviate economic hardship faced by a small domestic manufacturer, the Department of State believes that consideration should be given to making small exporters to the United States eligible to apply for the same exemptions for the same reason.

We defer to the judgment of the Department of Transportation as to the desirability and practicability of authorizing exceptions to Federal motor vehicle safety standards.

The Bureau of the Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

Sincerely yours,

WILLIAM B. MACOMBER, JR.,
Assistant Secretary for Congressional Relations.

Mr. MURPHY. As our first witness we welcome Dr. William Haddon, Administrator of the National Traffic Safety Bureau.

STATEMENT OF DR. WILLIAM HADDON, JR., DIRECTOR, NATIONAL HIGHWAY SAFETY BUREAU, DEPARTMENT OF TRANSPORTATION; ACCOMPANIED BY ROBERT M. O'MAHONEY, ASSISTANT CHIEF COUNSEL, FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

Dr. HADDON. Mr. Chairman and members of the committee, S. 2029 as passed by the Senate and introduced in the House would amend the National Traffic and Motor Vehicle Safety Act of 1966 by adding a new section, section 123.

Subsection (a) would provide that on application by a manufacturer, the Secretary of Transportation may exempt limited production motor vehicles from compliance with any motor vehicle safety standard if he determines that compliance would cause the manufacturer substantial economic hardship and that temporary exemption would not result in undue hazard to the public.

Subsection (b) would require a manufacturer granted a temporary exemption to affix to the window of any motor vehicle which does not comply with an applicable, otherwise effective standard, a label containing a statement that the vehicle does not comply, and the manner in which it does not comply.

Subsection (c) would provide that the Secretary require notification of the dealer and of the first purchaser of a limited production motor vehicle that such vehicle has not been tested for compliance with standards from which it has been exempted.

Subsection (d) would provide the Secretary with authority to prescribe alternative procedures for demonstrating compliance with the standards applying to limited production motor vehicles.

In subsection (e), the bill defines a "limited production motor vehicle" as one produced by a manufacturer whose total production, as determined by the Secretary, does not exceed 500 annually.

Subsection (f) would terminate the Secretary's authority under this bill 2 years after the date of its enactment, and would also provide that no exemption granted under this section would remain in effect after 2 years beyond such date.

The Department supports the general objectives of S. 2029. A problem clearly exists and a mechanism should be provided under which the Secretary is given the discretion to grant administrative relief to small-volume manufacturers, both domestic and foreign.

The Department believes that the clear legislative history and the wording of the law now prevent the granting of exemptions to such manufacturers despite the fact that they may be unable, because of their economic position in the marketplace and their limited resources, to meet some of the individual Federal motor vehicle safety standards which the Secretary is required by law to issue. Under the present wording of the statute all manufacturers must comply with the initial motor vehicle safety standards by their effective date, which in most cases is January 1, 1968.

Specifically, the Department favors the enactment, without change, of proposed subsections (a), (b), (c), (e), and (f) of proposed section 123.

With regard to proposed subsection (d), we wish to point out that section 102(2) of the National Traffic and Motor Vehicle Safety Act of 1966 defines the "motor vehicle safety standards" which the Secretary is required to establish as minimum standards for motor vehicle performance.

A performance standard is logically defined by the tests which are used, as specified, to determine whether compliance has been achieved. Consequently, it is contradictory to suggest that alternative procedures for demonstrating compliance with the standards may be prescribed. For this reason, the Department proposes that subsection (d) be deleted from the bill.

The Department wishes to make clear that under S. 2029 a manufacturer of limited production motor vehicles seeking exemption from any motor vehicle safety standard must establish both that his compliance would cause substantial economic hardship and that such temporary exemption would not result in undue hazard to the public. Thus, if the Secretary finds that granting an exemption would result in undue hazard to the public, even though a manufacturer has made a showing that compliance would cause him substantial economic hardship, the exemption may not be granted and the manufacturer must comply with the standard.

The committee also is considering H.R. 8457. We believe that S. 2029, with the deletion of subsection (d) for the reasons I have already discussed, would adequately meet the objectives of H.R. 3457.

Mr. MURPHY. Thank you, Dr. Haddon, and the committee, I know, has quite a few questions, and I have some I would like to start with.

How many limited production motor vehicle manufacturers are there and how many have expressed concern with the present standards?

Dr. HADDON. The simple answer is that no one knows how many limited production manufacturers there are. First of all, on the international scene and including the United States, there are many small companies, particularly in other countries, that at one time or another have advertised either that they would or were producing various passenger cars, in particular in small volume, but concerning how many we have been unable to obtain any specific information.

In the United States there have been a number of companies that have come and gone, and this seems to vary for some of them almost by the month, depending on their financial and other prospects. Some of these have proposed and advertised that production of specific vehicles only to find, for example, that they lack the engineering resources to overcome certain standard problems dealing with vehicle design and manufacture.

However, in the United States at present there are roughly 10 companies that are more or less active, some of these on a prospective basis, others are actually producing small numbers of passenger cars at the present time.

Mr. MURPHY. Actually, anybody with a garage could be considered a manufacturer: couldn't he?

Dr. HADDON. Yes; and quite a few people with garages have said that they were to manufacture cars and so considered themselves. On the other hand, some of these have more substantial resources as the record, I think, already shows, from the Senate testimony.

Mr. MURPHY. But this could be a pretty broad field? Application across this country?

Dr. HADDON. I'm afraid I don't understand quite the—

Mr. MURPHY. We might not just be dealing with 10 active companies. We might be dealing with hundreds of firms.

Dr. HADDON. Yes; and this is something concerning which we would have no specific information at the present time.

Mr. MURPHY. Could you say how many vehicles could possibly be manufactured by these companies in the next 3 years?

Dr. HADDON. Well, under the wording of the Senate bill, S. 2029, one could anticipate, although I think the number would be definitely a high upper limit, one could anticipate 499 or 500 vehicles produced by each one of these companies, and some, in fact, I believe have said they would, if permitted, produce 500 cars. Others, of course, would have much smaller production. But if one were talking about 10 companies at the maximum amount of production, this would add up to 5,000 cars from domestic sources.

There are probably at least that many and probably several times as many foreign companies that would be eligible under the proposed exemption if they could meet the requirements specified and this could, in turn, result in several thousand more cars reaching the United States, although in that case these other companies don't entirely import into the United States, so the number is substantially indeterminate at this point.

Mr. MURPHY. Actually, then, with the expiration of this act, should it become law, these companies would just have to shut down when this mandatory period was reached if they didn't comply with the national standards?

Dr. HADDON. If they did not comply and if, in fact, they had all produced in the meantime.

Mr. MURPHY. It would probably preclude other companies from either starting up or trying to get into the automobile manufacturing business?

Dr. HADDON. I suppose that's entirely possible for companies that would not have sufficient resources to compete in that marketplace. On the other hand, I think it entirely possible that companies with larger resources might choose to do so.

Mr. MURPHY. Could you provide exemptions under the proposed legislation which will allow the manufacturers more latitude on the interior of the motor vehicle without compromising safety standards which concern other motor vehicles and their users? That is, what you might describe as accident prevention standards where matters such as steering, braking, lighting are of major importance.

Dr. HADDON. This subject was discussed extensively in the Senate hearings and we took the position that a distinction between the standards that tend to reduce the likelihood of other people being hurt as well as those in the vehicle themselves with respect to lighting and braking and so forth which you have mentioned, and those concerned with protecting the innocent passengers as well as the driver involved, and subsequent purchasers of the vehicles themselves was not a reasonable distinction and that it was not one we could support.

For example, if one of these cars were to be produced with the steering shaft of the design that has been customary in years past and

which is just now prohibited under our new standards, which on front-end impact tends to be driven back through the chest of the driver. This might be known to the first purchaser if he were sufficiently sophisticated and be informed of this, but it would not certainly be known to subsequent purchasers if the car were resold. Nor would it be known to persons to whom he might lend the car, and we think that the protection of the public, particularly with respect to this better packaging of people who do get into crashes as tens of thousands of people do every day in the country, that this protection is necessary and that it is just as important as the measures which tend to reduce the rate with which cars themselves runoff the road or crash into other cars.

So, again, we do not support that distinction as far as this proposed legislation is concerned.

Mr. MURPHY. Will you furnish for the committee the precise portions of the statute which preclude latitude which you and the limited production manufacturers claim is needed and will you also have prepared and submit a legal memorandum which explains in detail just how this latitude is lacking under existing legislation, in the departmental regulations and how this latitude will be created by this legislation which you sponsor today?

Dr. HADDON. We will be happy to do so, and, Mr. Chairman, I should have mentioned I have sitting with me Robert O'Mahoney, who is an assistant chief counsel of the Federal Highway Administration.

We will see that those items are submitted for the record.

(The information requested and subsequent correspondence thereon, follows:)

DEPARTMENT OF TRANSPORTATION MEMORANDUM OF LAW ON S. 2029

The House Committee on Interstate and Foreign Commerce presently has pending before it S. 2029, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to motor vehicles produced in quantities of less than five hundred. This bill, if enacted, would provide a procedure by which manufacturers of vehicles produced in limited numbers could apply for relief from compliance with those Federal motor vehicle safety standards causing such manufacturers substantial economic hardship, provided the granting of such relief would not result in undue hazard to the public.

The Committee has asked the Department for a legal memorandum in support of the Department's stated view that the Secretary of Transportation currently lacks authority to grant exemptions from compliance with established safety standards on the basis of the circumstances of or economic hardship to particular vehicle manufacturers. This memorandum is submitted pursuant to that request.

The authority for the Secretary to issue standards is contained in Section 103 of the Act. Section 103(a) directs the Secretary to "establish by order appropriate Federal motor vehicle safety standards". Section 103(f)(3) makes clear that "appropriate" standards are those "appropriate for the particular type of motor vehicle" covered. Standards are thus to be issued based upon vehicle types.

The Congress plainly intended "type" to be the basis for standards. Thus, for example, the Senate Commerce Committee stated in its Report—

"* * * it is not intended that standards will be set which will eliminate or necessarily be the same for small cars or such widely accepted models as convertibles and sports cars, so long as all motor vehicles meet basic minimum standards." (S. Rep. No. 1301, at p. 6.)

Similarly, Representative Dingell stated—

"I must say that this bill is not going to authorize the manufacturer of the one-cylinder car selling for \$750 to market an unsafe automobile any more than

it is going to authorize the manufacturer of a large, luxury-type motor vehicle selling for \$5,000 or \$6,000 to manufacture an unsafe vehicle. But because of the difference in weight and because of the difference in speed and because of the different potential use for that type of vehicle I would say that the safety standards would not necessarily be as comprehensive or as onerous, for that type of vehicle as they might be on the larger, heavier weight vehicle.

"But this is a matter of judgment that the Secretary will have to exercise. He will still be required by this legislation to market a vehicle that would be safe under any reasonable standards or occasions of use." (Cong. Record, August 17, 1966, at p. 17894.)

Representative Dingell thus illustrated the word "type" with reference to vehicles of different weight, speed, and potential use. The Senate Commerce Committee Report quoted above refers to possible differences in standards applicable to such vehicle types as "small cars", "convertibles" and "sport cars." Indeed, the Report was explicit in stating that "such differences [in applicable standards], of course, would be based upon the type of vehicle rather than its place of origin or any special circumstances of its manufacturer." (S. Rep. No. 1301 at p. 6)

Thus, while the power to classify vehicle types permits the Secretary to apply different standards to different types of vehicles, it does not give the Secretary the power to create a category such as that contemplated by S. 2029 based upon the circumstances of the manufacture.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
Washington, D.C., February 26, 1968.

DR. WILLIAM J. HADDON, Jr.,
*Director, National Highway Safety Bureau,
Department of Transportation, Washington, D.C.*

DEAR DR. HADDON: This will acknowledge your letter of February 20 concerning H.R. 8457 and S. 2029, which would amend the National Traffic and Motor Vehicle Safety Act of 1966 with respect to the application of certain standards to vehicles produced by small manufacturers. The Subcommittee on Commerce and Finance meets in executive session on February 27 to consider this proposed legislation.

In reviewing the material that you have recently sent over I find that the Memorandum of Law which was requested in the course of the hearing lacks an author. Also, it is suggested that you and your attorney advisers may wish to pursue this matter further inasmuch as the Memorandum relies on the first sentence in section 103(a) of the National Traffic and Motor Vehicle Safety Act but fails to deal with the second sentence which requires:

"Each such Federal motor vehicle safety standard shall be practicable, shall meet the need for motor vehicle safety, and shall be stated in objective terms."

In this connection, you may wish to refer to House Report No. 1776 of the 89th Congress, 2d session, page 16, where section 103(a) is discussed and where it is explained that the Secretary in conforming to the requirement that a standard be practicable would be required to consider "all relevant factors including technological ability to achieve the goal of a particular standard as well as consideration of economic factors." Since the Memorandum mentioned part of section 103(a) of the Act and the Senate report, I was somewhat surprised that the remainder of section 103(a) and the House report were overlooked.

Sincerely yours,

JOHN E. MOSS, M.C.,
Chairman, Subcommittee on Commerce and Finance.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., March 5, 1968.

HON. JOHN E. MOSS,
Chairman, Subcommittee on Commerce and Finance Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your letter of February 26 concerning the Memorandum of Law, enclosed in my letter of February 20 to you,

and submitted in support of the position of the Department that the National Traffic and Motor Vehicle Safety Act of 1966 does not permit the Secretary to exempt a manufacturer of motor vehicles from compliance with the Federal motor vehicle safety standards.

You express your belief that full consideration of the issue requires reference to the second sentence of section 103(a) of the Act which states in part that a safety standard shall be "practicable," and that, as explained by page 16 of House Report No. 1776, practicability requires "consideration of all relevant factors, including technological ability to achieve the goal of a particular standard as well as consideration of economic factors." I assure you that consideration was given to these matters.

It is our view, however, that the "technological" and "economic" factors mentioned by House Report No. 1776, and to be considered in determining practicability, are those generally applicable to the industry as a whole and not those uniquely applicable to a particular manufacturer. We find support for this view in the language of the Act as a whole and in its legislative history. For example, this view is supported by statements in the attached copy of pp. 18793-794 of the Congressional Record for August 17, 1966, in a colloquy between Representatives Staggers and Dingell.

The memorandum you received reflects the opinion of the General Counsel of the Department of Transportation.

Sincerely,

WILLIAM HADDON, Jr., M.D., *Director.*

CONCLUSION

The Act gives the Secretary neither express nor implied power to exempt vehicles made by any particular manufacturer from compliance with applicable safety standards. While the Secretary has broad power under his authority to prescribe minimum performance standards and to classify vehicles to which differing standards would apply, he does not have power to establish a category of "limited production motor vehicle" which would be a type based upon a special circumstance of its manufacturer.

Mr. MURPHY. Will you describe in detail or furnish for the record the cost of this proposed legislation and we would like to have this broken down by both personnel and functions required, and in general the budgetary analysis?

Dr. HADDON. We will be happy to do that, although I would point out that managing a program to accomplish the purposes intended by this legislation will be expensive and would tie up staff that, in our opinion, could be far more effectively used on the main issues with which we are concerned.

(The information requested follows:)

DEPARTMENT OF TRANSPORTATION BUDGETARY ANALYSIS, LIMITED-PRODUCTION MOTOR VEHICLE PROGRAM, 1968-69

Pending legislation introduced as Senate bill 2029 will amend the National Traffic Motor Vehicle Safety Act of 1966. It will authorize the Secretary to exempt limited-production motor vehicle manufacturers from meeting performance standards which are not accident-prevention standards.

Assuming the enactment of this legislation during the current session with an effective date of April 1, 1968, the cost of administering this program in FY 1968 would total \$177,000. The FY 1969 cost would amount to \$550,000.

The following breakdown illustrates object class distribution by fiscal year:

	Fiscal year 1968	Fiscal year 1969	Total
40 positions:			
Personnel compensation.....	\$112, 000	\$430, 200	\$542, 200
Benefits.....	8, 500	35, 400	43, 900
Personnel compensation and benefits subtotal.....	120, 500	465, 600	586, 100
Travel.....	20, 000	52, 000	72, 000
Rent, communications, and utilities.....	15, 000	30, 000	45, 000
Supplies and materials.....	1, 500	2, 400	3, 900
Equipment.....	20, 000	-----	20, 000
Subtotal.....	56, 500	84, 400	140, 900
Grand total.....	177, 000	550, 000	727, 000

Mr. MURPHY. Doctor, can you give us any reason why, say, Jeeps and certain types of minibuses are only required to meet, say, 11 safety standards whereas other motor vehicles are required to meet about 22?

Dr. HADDON. There are several good reasons, particularly in the early stages of this program as it develops, why these distinctions were made. These were designed for substantially different purposes in the economy and for their uses. Jeeps, as you know, are rugged vehicles originally developed for military use which are used by many farmers for off-the-road activities as well as on-the-road activities of a type not customary for routine passenger vehicles.

In addition to this, as a practical matter, since the statute requires us to be reasonable and practical, it was far more difficult on the almost impossibly short timetable specified by the statute for such vehicles to meet standards which could be met by the bulk of the vehicles carrying passengers on the highways.

For these and related reasons we made the distinction so that we could buy the most safety in the most vehicles for the largest fraction of the public on the shortest possible timetable. This does not imply, however, that for the future that the standards in our opinion for things like Jeeps and other—as we call them, multipurpose passenger vehicles, we also call them interface vehicles because they are intermediate between passenger and trucks, for example—such standards should be identical and being identical would serve the public interest.

These will continue to have special functions and these should be applied for in any standards that should apply.

Mr. MURPHY. The standards for bringing that type of vehicle under all 22 standards would be a departmental decision?

Dr. HADDON. That is correct, but it would not exempt specific companies from meeting such requirements since these apply as the statute requires uniformly to vehicles of any particular class. That is, as the statute and the legislative history as we read it would require.

Mr. MURPHY. Who prescribes the standards for highway equipment or for new vehicles?

Dr. HADDON. Under the statutes, the Secretary of Transportation.

Mr. MURPHY. But actually you do for the Secretary?

Mr. HADDON. No; these are developed at several levels and in several parts of the Department in the National Highway Safety Bureau, in the Federal Highway Administration, and in consultation with the Secretary and his staff.

Mr. MURPHY. Does the Department have adequate testing technology and research programs to do an adequate job of this?

Dr. HADDON. There are several comments along that line. First of all, one of the two acts requires a report which is well along toward completion of the needs of the Department to carry out the act for test and research facilities. It was in recognition of the fact that the Department, first the Department of Commerce and later the Department of Transportation, would not have such capability, but that requirement for a statutory report was put into the act.

In addition to this, it takes in the experience of many in years past, about 2 years to set up a fully functioning new Federal agency starting from scratch and we as a result are still in the startup phases substantially, although we have been meeting statutory deadlines and getting a great deal done.

So, the simple answer is that we do not have at present and will not have for some time all of the resources that we need to do this job properly. At the same time, again, we are developing increasingly a very competent staff and a very carefully selected one.

Mr. MURPHY. But I hope during the period that this staff is being put together, that the Department is reaching its responsibility under the act that the development of the motor vehicle industry is not inhibited by it.

Dr. HADDON. No; we have been quite pleased with the response of many manufacturers in providing safety features as required. In fact, as far as we know, all of the vehicles now being produced are meeting standards as issued a year ago and we are considering additional standards on the basis of other procedures under the Administrative Procedure Act.

Mr. MURPHY. Have you closed the door to the smaller manufacturer because the Department does not have the scientific or technical personnel to approve their vehicles or their systems?

Dr. HADDON. The Congress did not, as far as I am aware, provide for a subsidy to small manufacturers under which the Government would pay for or itself provide the testing and related work to keep them in business. As far as I know, that wasn't the intent as we read the legislative history.

The modern motor vehicle is an extremely complicated item and it does require for its production a certain amount of capital assets as well as engineering know-how and so forth.

Mr. MURPHY. Let's get away from modern automobiles for a moment. Would you address yourself to the people who seem to be in business nowadays duplicating, say, antique cars or cars of a previous vintage?

Dr. HADDON. Yes. This relates to our activity in several ways. First of all, we have discussed at some length with the antique car associations the implications of the activity under both acts, both safety acts, in relation to their situation. As far as the genuine antiques are concerned, there are no problems that we are aware of. These people take very good care of their vehicles. They keep them off the road, off the superhighways for the most part. They add safety glass to the window shields to correct the old problems with lacerations with the old glass. They have worked out acceptable arrangements, I believe, in most States, that permit them to have their meets and, moreover, they have extremely low accident rates because of the special care and responsibility.

ity involved, and this is reflected, incidentally, in the very exceptionally low insurance premiums which they pay.

As far as these so-called reproductions are concerned, I believe we would have no objection if museum pieces were being produced that were exact reproductions in that they would not, I believe, come under the authority of the act which relates to vehicles which are for use predominantly on the public highway.

On the other hand, as you correctly point out, some of these that we are concerned with here today are reproductions, for example, of 35-year-old or so cars not exactly reproduced, but souped up and with various things changed, including even the scales involved.

These, as a group, were not safe as the statistics from prior years show, when they were on the roads at that time. We don't see why we should lean overboard to favor their introduction at present.

Inherently their design is not completely suitable to many of the things that are now considered absolutely minimum from a safety standpoint. For example, adequate provision for passenger impact with the steering shaft and the other interior parts of the car.

Mr. MURPHY. Do you require manufacturers to have crash impact tests?

Dr. HADDON. We require—I think I will refer that question to Mr. O'Mahoney.

Mr. O'MAHONEY. That standards, Mr. Chairman, do not require tests, per se. What they do is set up demonstration procedures under which the manufacturer of the vehicle may ascertain for himself whether or not his vehicle complies. As a practical matter for many of the standards, the only way he can satisfy himself that it complies is to go through crash tests, although the standards do not say, you will test the vehicle by crashing it against a barrier.

Mr. MURPHY. Does the Department require it?

Mr. O'MAHONEY. No.

Mr. MURPHY. I'm thinking of the limited manufacturer, whether it's an antique car or, let's say, a less-than-500 manufacturer and take the Chevrolet manufacturer. For the Chevrolet manufacturer to crash one car certainly does not have the economic impact on that company as the limited manufacturer who may be just breaking into the business, who has to destroy a significant investment.

Mr. O'MAHONEY. The requirement of the energy-absorbing steering column is that a manufacturer must ascertain in some fashion whether or not his column meets the standard. And the demonstration procedure is a crash barrier test, and as a practical matter I don't think any manufacturer could be certain his vehicle did meet the standard unless he went through the test.

Mr. MURPHY. So they all would have to crack a piece of equipment up in order to satisfy the Department?

Mr. O'MAHONEY. That's the result.

Dr. HADDON. I would like to amend that, if I may, Mr. Chairman. There is no assurance unless his design is a safe one as specified by the standards, that conducting such a test would enable him to meet those standards.

If he is producing an inherently unsafe vehicle in that respect, the mere fact of testing would merely confirm the fact and would not give him relief from a requirement that he produce a safe vehicle.

Mr. MURPHY. Has the Department encouraged or emphasized the development of electric cars, and if you would address yourself to the air pollution legislation that we had in relation to this particular matter?

Dr. HADDON. As you know, the air pollution legislation refers that authority to the Department of Health, Education, and Welfare. At the same time, we are quite aware of the urgency of solutions and a better approach to air pollution by limiting vehicle emissions, particularly emissions of certain types, and we have had already discussions with one company concerned with the possible production of an electric vehicle.

The discussions, of course, are centering on the safety aspects of that vehicle.

Our position is that any new vehicle utilizing a new power source, such as battery power or what-have-you, fuel cells or some others, should be designed, will be designed in any event, if done properly, from scratch, and that this offers an opportunity on the part of the manufacturer to do an exceptionally fine job of building a much safer vehicle than is sometimes possible in the case of companies who have huge capital investments and machinery and so forth that cannot be adapted to produce radically new vehicles on short notice, so we regard this as a requirement, rather as an opportunity for such companies to do an especially fine job and we are not sympathetic if the approach is to do, in fact, a very poor job by adapting golfcarts or other vehicles that are inherently unsuited for competing on the highways that we have today.

Mr. MURPHY. Thank you.

Mr. Keith?

Mr. KEITH. Thank you, Mr. Chairman.

What special arrangements are being made for the manufacturers of fire engines?

Dr. HADDON. Could you clarify that, Mr. Keith?

Mr. KEITH. Yes; I have a letter from the Maxim Motor Co., manufacturers of fire apparatus in my old district, in which they point out the difficulties of complying with your law. In reply to them, we added, I believe after discussions with your office, that it is possible for the National Highway Safety Bureau to create a special classification for fire engines with different standards applicable to them.

Dr. HADDON. Mr. O'Mahoney will answer that.

Mr. O'MAHONEY. Well, the answer is, it is possible to set up a special category of emergency vehicles whether they be fire engines or some other type. We have had very little correspondence, this one letter, I think, and perhaps one or two other letters either expressing problems with manufacturers or requesting such a change or such a special classification.

But it's possible, certainly, under the act to set up a type of vehicle such as you mentioned and adopt standards, special standards for that type of vehicle.

Dr. HADDON. I would like to add with respect to that, that we think that vehicles used in an emergency situation should perform from a safety standpoint especially well because of the hazards to the public that their normal rush operations involve.

Mr. KEITH. I am sure that all of us would agree with that, but there are probably some respects in which they couldn't comply with the same regulations with reference to passenger vehicles.

Dr. HADDON. And those, of course, we would take into very careful consideration as we go through the rather involved steps required by the Administrative Procedure Act in working out standards before they are issued in final form.

Mr. KEITH. I am going to suggest to the fire apparatus manufacturers association that they establish a more extensive interface with your agency than has apparently been done.

Dr. HADDON. We would welcome this, because we need this sort of information.

Mr. KEITH. You mentioned in your discussions with the chairman that were considering additional standards. Could you alert the committee as to what additional standards you have in mind?

Dr. HADDON. The list, Mr. Keith, is a very long one. There are some almost 50 items now under Federal rulemaking procedures and I would be happy if you agree to submit that for the record.

Mr. KEITH. Could you just informally tell us those that you consider the most significant?

Dr. HADDON. If you will permit, I will read a portion of the press release which we put out on October 13 listing some of these and I will submit this also for the record.

Mr. KEITH. Inasmuch as you have a press release on this and it is a fairly comprehensive press release, it won't be necessary to read it because what I was concerned about was alerting the public what you had in mind both for their safety and for the advice of the manufacturers.

Dr. HADDON. As a few examples—

Mr. MURPHY. It is not necessary. It will be in the record and you have made a press release on that.

(Document referred to follows:)

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
Washington, D.C.

News Release, October 13, 1967

Secretary of Transportation Alan S. Boyd today announced 47 proposals for broadening existing Federal motor vehicle safety standards and for development of new safety standards for 1969 and subsequent years.

Boyd said the new proposals represent another step "in the continuing effort to protect the public against unreasonable risk of accidents resulting from design or performance of motor vehicles.

"The new cars coming out this year are safer than those of past years," Boyd said. "This reflects, in part, new Federal safety standards which we issued earlier this year. Resulting safety improvements will unquestionably save thousands of lives and prevent or reduce the seriousness of tens of thousands of injuries.

"We want next year's new vehicles to be even safer. We believe they will be. Today's notices indicate the areas in which we will require improvements, both in the 1969 models and in subsequent years. The standards now being developed for 1969 and later will contribute to improvement of safety.

"We don't expect miracles overnight. The development, improvement and implementation of sound motor vehicle safety standards is a difficult task requiring a maximum cooperative effort between the government, the auto industry, the academic scientific and engineering communities, and all persons interested in safety.

"We are engaged in that effort to the best of our resources. And we will continue to work toward the goal of better and safer cars, buses, trucks and other vehicles."

Federal Highway Administrator Lowell K. Bridwell said the new proposals will be published in the Federal Register as "advance notices" of proposed rule making on October 14, 1967.

Bridwell said this will provide all interested parties an opportunity to offer comment or suggestions to the National Highway Safety Bureau before final standards or amended standards become effective.

The proposals include:

Ten proposals which will form a basis for new motor vehicle safety standards to become effective Jan. 1, 1969.

Eight proposals for amending or broadening the coverage of existing standards, also to be effective Jan. 1, 1969.

Twenty-nine proposals for new standards or amendments to existing standards which may become effective after Jan. 1, 1969.

The 47 proposals would affect brakes, tires, lights, windshields, child protection, impact protection, occupant protection, pedestrian protection, speed control, locks and latches, energy absorbing features, fuel tanks and lines, fire retardant interiors, and non-operational safety and emergency features.

Dr. William Haddon, Jr., Director of the NHTSB, said that the 10 proposals for new standards to become effective on Jan. 1, 1969 include:

New systems for protective restraint of small children in car crashes.

Performance requirements for brake linings on cars, trucks, buses, motorcycles, and trailers.

Performance criteria to eliminate damaging features of exterior protrusions on vehicles.

Protective features on motorcycles, such as roll bars, foot rests, and exhaust system protection.

Warning devices for vehicles stopped in emergencies.

Mounting of windshields to prevent their dislodging in auto crashes, thus protecting occupants from being thrown through windshield openings.

Requirements to preclude inadvertent opening of auto hoods.

Safe-to-open pressure radiator caps.

Requirements for "fail-safe" reliability of head lamp covers, movable head lamps, and similar devices.

Specification of visibility requirements for vehicle identification numbers on passenger cars, to facilitate quick identification.

In addition to these standards, the National Highway Safety Bureau now is processing eight additional actions through the final stages of legally-required rule making.

Six of these eight are planned to become effective on Jan. 1, 1969. They include two affecting lighting and others affecting defrosting systems, head restraints (head rests), door locks and windshield wiping and washing. Two affecting passenger car tires and rims will become effective early in 1968.

The National Traffic and Motor Vehicle Safety Act of 1966 requires issuance of new and revised standards by Jan. 31, 1968.

The Act calls for the Secretary of Transportation to establish appropriate Federal motor vehicle safety standards for all vehicles produced for sale in the United States.

Safety standards, announced earlier this year and which will be incorporated into vehicles manufactured on or after Jan. 1, 1968, include the collapsible steering system, seat and torso safety belts, dual braking systems and other occupant protection requirements.

Mr. KEITH. You mentioned electrically powered vehicles and in my view one of the most serious causes of accidents is the so-called mope—do you know what I refer to?

Dr. HADDON. I know exactly what you refer to and I agree.

Mr. KEITH. Will these electrically powered vehicles have sufficient speed to be accommodating on the highway?

Dr. HADDON. Well, since, as you refer to them, these electrically powered vehicles have not progressed as far as I am aware much beyond the earliest of prototype stages, that is a question that I think will not be answerable until someone produces one to compete actually on the highways of today.

Mr. KEITH. Would you perhaps have standards for minimum speed capabilities?

Dr. HADDON. First of all, as you know, a number of States already have standards for high performance roads, that is, requirements which prohibit operation under certain speeds, such as 40 miles an hour on divided, limited-access highways.

As to whether it will be practical to do this from the standpoint of the original design and performance of the vehicle, I couldn't say. It is an excellent question. It is one that we have not yet given priority to, but it is one that we will be considering in the months ahead.

Mr. KEITH. In the final session of the hearings before this committee which brought about this legislation, there was an individual who showed us pictures of a car that he had remodeled in a way that the front bumper was connected by means of hydraulic apparatus with the front seat of the car and as that car crashed into a barrier, the hydraulic system absorbed the crash and at the same time tipped the front seat up this way and back this way, so that it was impossible for him to crash into the dashboard or at least made it much less likely.

Has there been any recognition of this mechanism by automotive designers and builders?

Dr. HADDON. Well, first of all, I am personally quite familiar with the history of this and while I was with the State government in New York on one occasion visited what I believe was the original group, small plant, seeking to produce this commercially. I think actually producing it as optional equipment one year for certain cars.

It subsequently evolved somewhat and those involved in this have moved, I believe, from Tonawanda, N.Y., to the west coast. At the time we originally looked at this, it was clear that in our opinion that it did not offer the retarding force, the restraint to the person who was sitting in the seat which might be so tipped that we needed to get adequate restraint. With the subsequent variations we do not feel that this has been achieved either and also that there are a number of related problems, such as the relationship between the driver's legs, if he is suddenly tilted backward and the lower portion of the steering wheel. So in short, on the basis of the information available to us, and we have looked at descriptions of this, this particular design directed at passenger and driver restraint is not one that we regard as suitable for what needs to be accomplished.

Mr. KEITH. There is also I believe a modification of that in that you use the basic principle with reference to the bumper so that there would be a cushioning effect with the bumper absorbing the shock but not causing the seat to tip.

Dr. HADDON. Well, there is a good deal of work going on aside from the seat aspects of that, on not only bumper design, but more properly the overall system by which energy is absorbed on impact and this has to include everything between the driver, for example, actually between about the firewall and the front of the car. And cars are now being designed so that that entire structure deforms at a predetermined preformed rate, and the bumper system has to be considered part of that system.

In fact, for some purposes such as the pedestrian impacts, since we know these occur, one wants a less rigid bumper than one needs for other purposes, and this involves tradeoffs in engineering choice, per-

formance choice, as to which way the designer should go since he often can't go in two opposite directions at the same time.

Mr. KEITH. I note that in your testimony you said that the Secretary of Transportation *may* exempt, if he determines that compliance would cause the manufacturer substantial economic hardship and that the temporary exemption would not result in undue hazard to the public.

Why should he not have to exempt if he determines that compliance would cause the manufacturer substantial economic hazard and that temporary exemption would not result in undue hazard to the public?

Dr. HADDON. This may be a question of wording. The intent in our recommendation was that, first of all, that economic hardship, per se, should not be a sufficient justification for permitting a hazardous vehicle on the road, but that——

Mr. KEITH. You have that in your clause here, you have two separate conditions. It has to cause a manufacturer substantial economic hardship and not result in undue hazard.

Now, you have made it a government of agreement when you say "may," you make it a government of laws when you say "will."

Dr. HADDON. Mr. Keith, completely aside from exact phrasing of that, what we intended to convey was that two criteria should be met in our opinion; namely, that there was economic hardship and that in addition that an exemption, such a temporary exemption would not result in undue hazard to the public.

I regret if there is an ambiguity in the phrasing.

Mr. KEITH. You don't give the man any recourse in court, as I understand it. I am not an attorney, but it seems to me you have to establish a procedure whereby maybe he will and maybe he won't. If a manufacturer meets both criteria, why not say he shall exempt?

Dr. HADDON. We felt that the Secretary of Transportation should have secretarial discretion to approach this issue on the basis of the most careful review of the issue——

Mr. KEITH. He can still resolve the question as to whether or not there is really substantial economic hardship and he can still look into the question as to whether or not there is undue hazard, but if he finds those two things, then he should exempt, it would seem to me.

Mr. O'MAHONEY. I think, Mr. Keith, that probably the legislation as worded certainly puts a duty on the Secretary to exempt in the event those two conditions are met.

I agree, it is discretionary.

Mr. KEITH. Then you can say, they will say it anyway, that "He's got too much discretion, too much power, he doesn't like me." Why not say he will exempt if he finds those two conditions to be present? Would you have any objections to that?

Dr. HADDON. We would be happy to submit a comment for the record on that point? I think it is an excellent point and one we would like to study a bit further.

(The information requested was subsequently submitted in the following letter:)

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., February 20, 1968.

HON. JOHN E. MOSS,
*Chairman, Subcommittee, on Commerce and Finance,
Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: In response to the Subcommittee's requests made when I appeared before it on January 30 to present the Department of Transportation's comments upon H.R. 8457 and S. 2029, bills to amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to vehicles produced by small manufacturers, I am pleased to transmit the following items for the record:

1. A legal memorandum giving the reasons why the Department believes that the Act does not provide the Secretary with authority to exempt a motor vehicle manufacturer from compliance with the Federal motor vehicle safety standards. (See p. 8.)

2. Cost analysis of implementation of a limited production motor vehicle program for fiscal years 1968 and 1969. (See p. 10.)

3. Press Release of October 13, 1967, announcing 47 proposals for broadening existing Federal motor vehicle safety standards and for development of new safety standards for 1969 and subsequent years. (See p. 15.)

4. Notice of Ruling Regarding Chassis-Cabs and related amendment of 23 C.F.R. Part 255. (See pp. 30-33.)

During the hearing Mr. Keith raised a question with regard to proposed section 123 which, in pertinent part, reads as follows:

"(a) Upon application made by a manufacturer at such time in such manner, and containing such information as the Secretary shall prescribe, he *may* temporarily exempt a limited production motor vehicle from any motor vehicle safety standard established under this title if he finds that compliance would cause such manufacturer substantial economic hardships and that such temporary exemption would not result in undue hazards to the public." (Emphasis supplied.)

Mr. Keith stated his view that whenever the Secretary finds both the existence of a substantial economic hardship and the absence of an undue hazard to the public that he should grant appropriate relief, and that the use of the word "may," rather than use of the word "shall," does not obligate the Secretary to provide such relief if the two conditions are in fact met. Mr. Keith's point is well taken, that generally the use of the word "may" implies a course of action based upon discretion while use of the word "shall" implies a course of action mandated by the existence of objective criteria. Under the terms of section 123(a) of S. 2029, however, the Secretary's discretion would be exercised, not in deciding whether to grant relief, but in determining whether or not the objective criteria of substantial economic hardship and lack of undue hazard to the public had been met. Once met the Secretary would have no reason not to grant relief. Consequently, I see no difference in the end result of proposed section 123(a) no matter which word, "may" or "shall," is used, and there would be no objection to a committee amendment of this nature if it is so inclined.

I have also been asked to comment upon ambulances, fire apparatus, and emergency type vehicles. Currently for purposes of the motor vehicle safety standard these vehicles are either "trucks," or "passenger cars" depending upon whether fire apparatus or ambulances are involved. As far as we are aware no special problems have arisen because of this classification. A meeting is planned before the end of the month with Mr. Koepenick of the Fire Apparatus Manufacturer's Association who also appeared before the subcommittee. Any manufacturer of emergency equipment, of course, would be eligible for the exemption procedure which S. 2029 would provide, if it manufactures 500 or less motor vehicles per year.

Comments were also requested on Mr. Brown's recommendation that subsection (f) of proposed section 123 be deleted, and these will be supplied you shortly.

I hope this letter and its enclosures are of assistance to you.

Sincerely,

WILLIAM HADDON, Jr., M.D.,
Director.

Mr. KEITH. Thank you, very much.

Mr. MURPHY. Mr. Blanton?

Mr. BLANTON. Thank you, Mr. Chairman.

Dr. Haddon, wouldn't it be possible under the present law under section 103(a) for the Secretary to make such an exemption that is required in this amendment?

Dr. HADDON. Mr. Blanton, I would like Mr. O'Mahoney to comment on the legal issue.

Mr. O'MAHONEY. The answer is, "No"; that is how we have construed the act and how the Senate has construed the act, Mr. Blanton, in considering this legislation and passing it as to S. 2029. This question came up prior to the introduction of the bill by Senator Bayh. It was pointed out that the legislative history of the act at page 6 of Senate Report No. 1301, 89th Congress, second session, which accompanies S. 3005, the Senate said in that report that—

It is not intended that the standards be set which will eliminate or necessarily be the same for small cars or such widely accepted models as convertibles or sportscars, so long as all motor vehicles meet the basic minimum standards.

And it went on to say—

Such differences, of course, would be based on the type of vehicle rather than its place of origin or any special circumstances of its manufacture.

And that is the rub here. We are talking about a group of manufacturers that manufacture a wide variety of vehicles, not really readily identifiable as a type or category.

The question is a good one, Mr. Blanton, and it's not totally clear; but, on consideration, our conclusion was that certainly it was reasonable to say that the Congress intended that we not distinguish on the basis of the circumstances of the manufacturer and we so responded when the Senate inquired of us. The Senate considered this question and decided to pass S. 2029.

Mr. BLANTON. You don't have any court testimony on this, this is just a hearing report?

Mr. O'MAHONEY. No; it has never been court tested.

Mr. BLANTON. I understand that Senator Hartke who submitted the report thinks it is possible to exempt under the present law, as far as the law statement itself.

Mr. O'MAHONEY. He expressed some doubt on the question. He chaired the Senate hearings on S. 2029. I don't think he made any categorical statement that he felt that there was discretion in the act as it now exists.

Mr. BLANTON. But you're making exemptions under types, as you say, rather than the position of the manufacturer.

Mr. O'MAHONEY. Not exemptions, Mr. Blanton; it's necessary to have different standards for different types of vehicles, simply as a practical matter, because you cannot make standards apply to a passenger car, the same standards in all respects that would apply to trucks, to put it in very simple terms.

Mr. BLANTON. I kind of disagree with you. I believe that in a court trial the Secretary would have under section 103 the prerogative of making the exemption, but—that's all the questions I have, Mr. Chairman.

Mr. MURPHY. Mr. Watkins?

Mr. WATKINS. Mr. Chairman, thank you.

Do I understand that this bill would exempt foreign cars?

Dr. HADDON. Mr. Watkins, this bill would not exempt anyone but would provide the opportunity, the discretion to the Secretary, to give temporary exemptions in the case of cars produced by manufacturers whose total production was under the specified volume. This would apply equally to domestic and foreign manufacturers.

Mr. WATKINS. What do you consider the specified number of cars, manufacturer, how many—10,000?

Dr. HADDON. S. 2029 cites 500.

Mr. WATKINS. 500. That's a pretty small manufacturer?

Dr. HADDON. That is correct.

Mr. WATKINS. But it would, your answer is, it would exempt foreign cars if they came under this category of foreign cars?

Dr. HADDON. No, sir; my answer is that the Secretary would be provided the discretion under the criteria listed of economic hardship and safety to give temporary exemption to cars manufactured by such companies.

Mr. WATKINS. More than 500?

Dr. HADDON. No; 500 or less.

Mr. WATKINS. 500 or less.

Mr. Chairman, I have no further questions. I made no study of this. Perhaps I will have more to say later on.

Mr. MURPHY. Thank you, Mr. Watkins.

Dr. Haddon, when Congressman Keith was asking you about electric cars, you also addressed yourself to golf carts.

I recall just a few years ago that there were many hundreds of trucks that the Railway Express Agency used in the city of New York that were all electric, and they seemed to move about pretty well. The question in my mind is whether manufacturers of golf carts or other vehicular equipment are not able and capable of making an electric vehicle that will be able to meet the standards.

Dr. HADDON. I have no doubt that if a proper powerplant or motor is developed, that anybody could incorporate that in a vehicle which was not only safe but which performed accordingly and properly on the highway.

Now, the issue, it seems to us, is not whether this can be accomplished, but whether such present vehicles as golf carts should be allowed on the highway and we don't think that they should.

We think the fact that they have a particular form of motive power should not be used to justify a public hazard.

Mr. MURPHY. But if a vehicle does meet certain standards and specifications, the fact that it is an electric vehicle would not prejudice before the Department?

Dr. HADDON. It would be completely irrelevant from our standpoint since these are standards by choice of vehicle and not by source of power.

We do, however feel strongly that anyone starting to build a vehicle again completely from scratch should avail himself of the opportunity this presents to build an exceptionally safe vehicle incorporating all that is known at present about vehicle safety.

Mr. MURPHY. Doctor, can you assure this committee that the legislation, S. 2029, is limited strictly to limited production manufac-

turers and that it will continue to be so limited, or does it open a Pandora's box for general exemptions for other manufacturers?

Dr. HADDON. Well, if by opening a door you mean that the Congress might subsequently extend the area to be covered by such legislation by changing, for example, the numbers of cars that could be produced by manufacturers in whatever category it was defined, I suppose that is a possibility. We would not like to see that happen.

Mr. MURPHY. Are there any further questions?

Dr. Haddon, why was the 2-year figure written into the legislation?

Dr. HADDON. That came in the Senate, Mr. Chairman, and I don't have any particular feeling for it one way or the other.

Mr. MURPHY. In other words, it makes it just a temporary piece of legislation?

Mr. O'MAHONEY. That is correct, by its own terms it is definitely temporary, a 2-year period from the date of enactment. I think I might add that the language of that particular section is somewhat ambiguous, the ambiguity being it is not clear whether or not the power to exempt extends 2 years from the date of enactment or 2 years from the date of exemption. We believe it was the intent of the Senate when it inserted this language to limit the authority of the section to 2 years from the date of enactment so that vehicles manufactured after the 2-year period after the date of enactment—

Mr. WATKINS. Enactment of this bill?

Mr. O'MAHONEY. Enactment of this bill, yes—no longer would be exempt.

Mr. MURPHY. It would be restrictive to anyone in the small manufacture area 2 years hence?

Dr. HADDON. As we read it, that is correct.

Mr. MURPHY. Do we have a question, in as complicated a mechanism as a vehicle, that perhaps 2 years is just, say, the prototype stage? When we had testimony on the original act, we tried to get the major manufacturers to say whether it would take, 3, 4, 5, or 6 years to give the manufacturer enough leadtime from his drawing board to the time the car came out and I recall one witness who was a former president of American Motors couldn't answer the question.

Dr. HADDON. I think there is no question but that the problems of getting the job done quickly are usually, if not invariably, much tougher for such companies with limited resources as they are for large companies. We see this particularly in limited ability of some of the companies importing into the United States, the smaller companies importing, to respond as quickly to some of the standards as some of the larger international and domestic companies.

Mr. MURPHY. Thank you very much, Dr. Haddon.

Dr. HADDON. Thank you, Mr. Chairman.

Mr. MURPHY. Our next witness will be the Honorable Garry Brown, a Representative in Congress from the State of Michigan, who has introduced H.R. 8457, and it will be a pleasure to hear our colleague, Representative Brown.

STATEMENT OF HON. GARRY BROWN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. BROWN. Thank you, Mr. Chairman and distinguished members of the subcommittee.

At the outset, let me admit the provincialism or "districtism" that prompts my appearance before you here today and caused me to introduce the bill to which I will direct my attention.

I would like, as prefatory remarks to my statement, to say that probably today I will speak more in support of S. 2029 than my bill, H.R. 8457. Checker Motors Corp. is located in my congressional district in Kalamazoo, and it was this firm that originally brought the problem to my attention.

I think I should also point out that when we are talking about the numbers game, 500 or whatever figure it shall be, determinative of the question as to which manufacturers the temporary exemption would apply, by moving from a 500-unit limitation to a 10,000-unit limitation, we are talking about adding probably two manufacturers at most, and possibly only one, and that one is Checker Motors. I don't believe there are any manufacturers between 10,000 units and the so-called Big Three or Four.

I am pleased to note and advise the subcommittee this morning that Checker Motors has informed me that they have overcome the problem of compliance to which H.R. 8457 was originally directed. We are now more concerned about the future and the inflexibility within the existing law; that is, assuming as the chairman pointed out, the Bureau's legal interpretation of the law is correct.

On April 12, 1967, I introduced H.R. 8457, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966, relating to the application of certain standards to vehicles produced by small manufacturers. While I am not wedded to the specific language of that bill and, in fact, will suggest some changes in language, I am deeply committed to the principle of giving assistance to small business enterprises when they would otherwise be forced out of existence because of actions of the Congress.

When Congress passed the National Traffic and Motor Vehicle Safety Act in 1966, we provided that all automobile manufacturers must comply with the initial motor vehicle safety standards by their effective date, which in most cases was January 1, 1968. Unfortunately, several low-volume manufacturers were not in an economic or technical position to comply immediately with all of the individual safety standards which the Secretary of Transportation was required to issue.

The essential reasons, I believe, are as follows:

1. In most instances, the small-volume manufacturer does not have at his disposal facilities to perform the testing necessary even with his model changeovers. They especially do not have the facilities (or the surplus vehicles which must be demolished) for the significant changes which are required by the new motor vehicle safety standards and, of even more potential importance, such presently unknown new standards as may be instituted in the future.
2. The small-volume manufacturer does not ordinarily have an annual model changeover. He frequently utilizes the same basic design for several years running. He must purchase parts in quantities sufficient to obtain the lowest possible per-unit price. To order quantities sufficient only for his annual production could increase the cost of his product on the market to a prohibitive point.

3. These manufacturers do not have engineering departments large enough to engage in "crash" research and development programs. Moreover, they could not absorb the cost of such an endeavor, whereas the larger manufacturers, both domestic and foreign, if they do not permanently retain such staffs could unquestionably absorb the cost which changes in the standards might impose. It is economically impractical, and probably impossible, for the low-volume manufacturer to retain permanent personnel. In most cases, he would have to engage the services of automotive engineers specifically for the purpose of making design changes necessary to comply with a new standard.

4. More directly related to my position, in the case of Checker Motors Corp., in Kalamazoo, Mich., we have an example of a manufacturer who historically has been a leader in safety design and equipment. Checker has been producing, and I trust will continue to produce, passenger automobiles which have emphasized safety and utility as distinguished from fashion and esthetic considerations. So that manufacturer, at least, has always recognized the importance of safety and has been working in that direction, but it cannot handle without great hardship the imposition of different and more stringent standards.

It should be recognized that S. 2029 does not seek to exempt these manufactures from compliance with all the standards, nor does the legislation seek to postpone for any particular length of time compliance with any particular standard. Rather, the legislation is intended to provide discretion within the Department of Transportation to provide more time for compliance by the smaller manufacturer with respect to any particular standard. This provision also reflects my present thinking in this area.

In this way, standards that can be met without special hardship to the smaller manufacturer can be required presently or at such time as they become generally applicable, whereas other standards, which through testing and for other reasons will take more time, can be given more time for implementation. What I am emphasizing at this point is my belief that the authority granted by this bill should be permanent in nature, but not with respect to any particular exemption.

Last year the Senate held hearings on S. 2029, which was subsequently amended and passed by the Senate. These hearings clearly demonstrated that because of the limited working capital resources of a few low-volume automobile manufacturers, both domestic and foreign, they will face extreme hardships because of the extensive and expensive testing which is required to prove compliance with the standards.

So, it has been clear to me for some time that some action is required to give assistance to these small businesses. Our Nation is committed to fostering the prosperity of small business enterprises. There is no reason to single out one particular type of small business and through legislative action tell them that we do not wish their presence in the marketplace.

But neither should we say that only "specialty" automobiles—such as replicas of earlier vehicles—should enjoy an opportunity for exemption from the standards. I believe the maximum number of units produced by the manufacturer in the Senate-passed bill—that is

to say, 500 per year—should be increased to a figure in the vicinity of 10,000. That figure, after all, represents only slightly more than one-tenth of 1 percent of this year's anticipated domestic production. It seems to me that a company with only one-tenth of 1 percent of the market is manifestly a small business and should be given an opportunity for relief if it can show that undue economic and technical hardship would result from the imposition of new standards.

Among the domestic producers, my research establishes that a maximum production figure of 10,000 would result in the additional inclusion for protection of only Checker Motors—and possibly Shelby-American—already mentioned as a leader in safety design.

Based on my comments above, I would respectfully suggest that instead of attempting to consider and amend my bill, H.R. 8457, this subcommittee give consideration to amending S. 2029 in the following manner:

At page 2, strike "any motor vehicle safety standard" and insert instead "any specific motor vehicle safety standard or standards".

At page 3, strike "500" and insert instead "10,000".

At page 4, delete subsection (f) which relates to the 2-year limitation, discussed by the subcommittee earlier, thereby making the authority to exempt a permanent provision. I would point out once again that this legislation will provide the discretionary authority to exempt in the Department rather than provide a definite exemption.

I would add that I think the point was well taken in the earlier committee discussion that there should be mandatory exemption for a manufacturer for a limited time when undue hardship and absence of a hazard is found by the Department.

I appreciate the opportunity to appear before you this morning. Thank you, Mr. Chairman.

Mr. MURPHY. I would like to congratulate my colleague on his statement and for also being here to represent his district so well. Though that manufacturer may be in Kalamazoo, his biggest customer is in New York. I think every New Yorker knows the Checker Motor Corp. from his frequent use of our taxis. In fact, those vehicles are being used and purchased by us as private automobiles now because of their abilities.

Does Checker comply with the 22 standards now?

Mr. BROWN. It is my understanding, having talked with them as recently as yesterday, that they are complying or are able to comply. They intend to or are complying with the standards applicable to them.

Mr. MURPHY. Congressman Blanton?

Mr. BLANTON. I have no questions, Mr. Chairman.

Mr. BROWN. The problem Checker points out, and the reason I don't understand the Senate amendment calling for the 2-year limitation, is that motor vehicle equipment safety is certainly not something that starts and ends in 2 years. It seems to me there are many things that may come up in the future, new technology and all, that will make it desirable to have further safety standards.

I think this discretion and flexibility for temporarily exempting the low-volume manufacturer needs to be in the Department. It should be remembered: (1) Until the person exercising the discretion is satisfied that the two conditions have been met, there is no temporary

exemption; and, (2) even at that point the official still has the further control of determining how long the exemption shall be for.

If the legal opinion of the Department is correct, they don't have the authority now. And I do not wish to debate that opinion.

Mr. MURPHY. Technology is not going to end 2 years from now?

Mr. BROWN. That's right.

Mr. MURPHY. Congressman Watkins?

Mr. WATKINS. I would like to compliment my colleague, Congressman Brown, for coming in here and I see your point of view. I agree with you, I don't understand what 500-car manufacturers are myself.

Mr. BROWN. Well, they are basically specialty manufacturers.

Mr. WATKINS. In other words, what, hotrods?

Mr. BROWN. Well, there are numerous ones, of course.

Mr. WATKINS. I know about Checker.

Mr. BROWN. Checker does not make a hotrod. Much to the contrary.

Mr. WATKINS. That's right. I want to thank the gentleman for coming in, representing his district well.

Mr. BROWN. Thank you very much, sir.

Mr. MURPHY. Would Dr. Haddon please have the Department address itself to the recommendation of Representative Brown as far as subparagraph (f) is concerned; that is, the elimination of that 2-year period?

Dr. HADDON. We will be happy to submit something for the record.

Mr. MURPHY. And if you would address it for a longer time frame, we will make it indefinite; address your comment both ways.

Dr. HADDON. Mr. Chairman, we will be happy to submit a comment on that.

(Information requested follows:)

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., February 26, 1968.

HON. JOHN MOSS,

Chairman, Subcommittee on Commerce and Finance,
Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to the request of the Subcommittee made when I appeared before it on January 30 to present the Department of Transportation's comments upon H.R. 8457 and S. 2029, bills to amend the National Traffic and Motor Vehicle Safety Act of 1966 relating to the application of certain standards to vehicles produced by small manufacturers.

In his statement before the Subcommittee, Mr. Brown, who introduced H.R. 8457, recommended deletion of S. 2029's proposed subsection (f) which reads:

"The authority of the Secretary under this section shall terminate two years after the date of enactment of this Act, and no exemption granted under this section shall remain in effect after two years after such date."

The Department has been asked to comment upon Mr. Brown's recommendation.

The expiration provision was apparently added as a limitation on the word "temporary" and to insure that such exemptions did not become a permanent excuse for nonconformance. The Senate Committee did not intend to foreclose the possibility of new legislative relief after two years. It recognized "that limited production manufacturers may experience difficulty in complying with all the requirements of the National Traffic and Motor Vehicle Safety Act of 1966 after this two year period. The Committee will, therefore, closely review the progress of limited production manufacturers during the next two years" (S. Report No. 712, p. 2).

The Committee went on to say that it intended the Secretary to study the status and capabilities of limited production companies and, if appropriate, forward additional recommendations to Congress. The Department believes that

this is a wise course of action and therefore favors retention of subsection (f). We have been advised by the Bureau of the Budget that there is no objection to the submission of this statement from the standpoint of the Administration's program.

Sincerely,

WILLIAM HADDON, JR., M.D., *Director.*

Mr. MURPHY. Thank you, Mr. Brown, we appreciate your testimony.

Mr. BROWN. Thank you very much, sir.

Mr. MURPHY. We shall hear next from another colleague, the Honorable Andrew Jacobs, of Indiana. Please proceed as you will, Mr. Jacobs.

**STATEMENT OF HON. ANDREW JACOBS, JR., A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF INDIANA**

Mr. JACOBS. My colleagues, my name is Andrew Jacobs, Jr., and I represent the 11th District of Indiana. In Indianapolis is the Duesenberg Corp., a company which is vitally interested in the committee's favorable action on S. 2029, a bill to amend the National Traffic and Motor Vehicle Safety Act of 1966.

This amendment is of utmost importance to this small business as it is to several others in the United States. S. 2029 as it is presently written would empower the Secretary of Transportation to grant a temporary exemption from a safety standard which the small companies have neither the time nor the resources to meet within the prescribed period. The Duesenberg Corp., has informed me that this amendment is most important to their operation. This company does not have the manpower or financial resources to meet the requirements established for the much larger manufacturers.

It is my understanding that the company plans to file a more lengthy statement concerning this amendment. I urge you to give this problem your most careful consideration and hope that the committee will recommend passage of this amendment so that small business can continue to be a part of this, our Nation's largest industry.

Thank you, Mr. Chairman.

Mr. MURPHY. Thank you for your concise statement, Mr. Jacobs.

The next witness is Mr. E. L. Koepenick, secretary-treasurer of the Fire Apparatus Manufacturers Association. We are happy to welcome you before the committee today.

**STATEMENT OF E. L. KOEPENICK, SECRETARY-TREASURER, FIRE
APPARATUS MANUFACTURERS ASSOCIATION, INC.; ACCOMPANIED BY FRANCIS X. McKENNA**

Mr. KOEPENICK. Thank you, Congressman Murphy, Congressman Watkins, and Mr. Blanton. I would like to point out Mr. Keith said one of the members of his district had written to him. The gentleman who had written to him was the new president of the corporation; that is, the Seagrave Corp. It was a family-owned company that was in that area.

Mr. MURPHY. There is a great affinity between New York and Massachusetts in the area of representation. That is probably why Mr. Keith handled it.

Mr. KOEPENICK. Mr. Chairman and other members of the committee, I wish to state that I am E. L. Koepenick, secretary-treasurer of the

Fire Apparatus Manufacturers Association, Inc., 7979 Old Georgetown Road, Washington, D.C. 20014, and am appearing on behalf of our members and others in the industry who are subject to the Federal motor vehicles safety standards which became effective January 1, 1968. We are advised that S. 2029 passed the Senate and that H.R. 8457 is almost similar in context.

It is our understanding that the purpose of the Senate bill and the House bill under discussion is to exempt small manufacturers from a large number of prohibitive testing procedures and research required by the Federal motor vehicle safety standards, more generally known as the National Traffic Motor Vehicle Safety Act of 1966. Fire apparatus is a specialty product, and submitted herewith is a copy of the 1966 motorized fire apparatus survey, which indicates the total production in this industry.

I think if you will look at the last page of our prepared statement, it shows this statement. It shows there are some 45 manufacturers producing approximately 2,500 units. It would seem in the automotive industry many manufacturers in a single day can produce more automotive equipment than this industry does in the number of units in an entire year.

(The document referred to follows:)

PRODUCTION OF MOTORIZED FIRE APPARATUS: 1966 AND 1965

[Number of units]

Class of apparatus	1966 ¹			1965 ²		
	Total	Produced chassis	Purchased chassis	Total	Produced chassis	Purchased chassis
Total.....	2,516	959	1,557	2,502	854	1,648
Pumpers, total.....	2,185	782	1,403	2,086	603	1,483
High pressure only (600 p.s.i. and over).....	94	(³)	(³)	103	(³)	(³)
Other than high pressure, total.....	2,091	(³)	(³)	1,983	(³)	(³)
Under 500 g.p.h.....	159	(³)	(³)	173	(³)	(³)
500-600 g.p.h.....	362	(³)	(³)	365	(³)	(³)
750 g.p.h.....	779	195	584	746	124	622
1,000 g.p.h.....	625	431	194	535	328	207
1,250 g.p.h. and over.....	166	137	29	164	139	25
Aerial ladder trucks.....	120	93	27	140	122	18
Miscellaneous, total.....	211	84	127	276	129	147
Elevating towers.....	112	58	54	147	112	35
Airfield crash truck.....						
Other (including squad cars, hose cars, etc.).....						
	99	26	73	129	17	112

¹ Preliminary.

² Revised.

³ Withheld to avoid disclosing the figures of individual companies.

Note: Detail may not add to totals due to independent rounding.

Source: The figures published in this report were compiled by the Bureau of the Census for the Business and Defense Services Administration from reports filed on Form BDSAF-504A, "Motorized Fire Apparatus Manufacturers' Production Report." Reports were received from 45 establishments representing all known manufacturers of motorized fire apparatus.

Mr. KOEPENICK. We have made various proposals to the Federal Highway Administrator asking for consideration for incomplete vehicles which realistically would be the chassis with the cab attached, but the chassis-cab producer does not indicate to the manufacturer of this chassis-cab what every end use will be.

I should comment here that I am talking actually about fire apparatus in two terms. One is an apparatus built on a commercial chassis which would be purchased from General Motors or Chrysler or someone else, and Warner-Swazey Co. makes the duplex unit. The custom chassis made by the Maxim Motor Co. and about five or six other companies start with a ground unit, nuts and bolts, and so forth, and then put them all together and they finally have an apparatus.

They do buy their engines, but the fire apparatus today has gone more toward the commercial chassis, but at the same time this is still a factor to the custom people, and I say that so that in my statement, in looking through it this morning, it might seem contrary to what I am saying, the end-use, because the commercial chassis comes with the cab and the sticker can be placed on that to the effect it complies with the standards, whereas the custom chassis does not have the cab placed on it until such time as it is finally completed and the pumps are inserted and everything else.

A number of automotive manufacturers produce the chassis cab for members of our association; that would be the commercial chassis. They are especially instructed to provide necessary carrying capacity and power to operate the fire pumps in a manner consistent with the necessities of the fire service. These units are built by a number of manufacturers, any one of whom will not build 500 yearly. These units are very sturdy, and among the safest which are built for use on the roads having large amounts of reserve power, having brakes and structures which are almost generally oversize and are a strong and reasonably safe machine.

If the terms of the Federal motor vehicle safety standards were applied to these manufacturers, none of them could afford the necessary facilities for destructive tests nor would they be able to perform the destructive test financially if they had a custom-built expensive piece of apparatus. The custom equipment costs much more than the commercial unit.

All manufacturers are not reluctant to comply with the lighting and reflector requirements of the standards. Mr. McKenna pointed out that was a double negative; actually, we are willing to comply. I don't mean it to be put otherwise.

The nature of the industry is one wherein a bid is advertised in some local paper, at which time representatives of several companies will ask for specifications for such bidding. After this bidding is completed, one manufacturer is chosen and the lag time from the time this bid is offered until actual delivery can be over a 1-year period.

On the basis of the comments previously submitted by the large automotive manufacturers and which were agreed upon by the Federal Highway Administrator issued in the Federal Register of December 29, 1967, it would be inappropriate to require persons who merely add to the chassis-cab a body or work-performing or load-carrying structure to certify and accept legal responsibility for the chassis-cab's conformance with all motor vehicle safety standards.

This would be the commercial chassis which has added a lot of weight and I don't think General Motors or any of them would certify this product was all right until they found out what the final product was.

Additionally, it is also stated that it appears inappropriate to consider bare chassis and similar assemblages of motor vehicles until they

reach the chassis-cab state at which time they are capable of meeting standards applicable to their principal end use. This would be the custom chassis which starts from the ground up and is accordingly built.

Accordingly, in the Register, dated December 29, 1967, the regulation defines a chassis-cab as a vehicle and imposes the obligation of conforming to all standards applicable to its principal end use upon the manufacturer of the chassis-cab. That, of course, again is the custom manufacturer, which in our case would be a firetruck or apparatus.

To comply with the testing procedure would be very expensive inasmuch as the completed vehicle, according to most recent bids submitted for a 750-gallon fire apparatus pumper, would range from \$40,000 to \$60,000, and some pumpers have exceeded \$500,000 in final cost to the manufacturer. It is very possible that an order taken today might not be delivered for a 2-year period and a vehicle manufactured before January 1, 1968, could be used as a chassis-cab to the detriment of the end-manufacturer producing this equipment.

We recommend to this honorable committee that you approve H.R. 8457 and its sister bill, S. 2029, to amend the National Traffic Motor Vehicle Safety Act of 1966 or standards adopted thereunder.

I would like to, if Dr. Haddon is still here, see if he has any comment on this as to the fact that we would like to confer with his group, particularly as to fire apparatus only. We don't want to get into other vehicles. Is that agreeable, Dr. Haddon?

Dr. HADDON. May I comment, Mr. Chairman?

Mr. MURPHY. Yes; please do.

Dr. HADDON. We would be only too happy to sit down with you and explore the problems that you have been discussing, although I would point out for the record that we will be happy to submit, if the Chair permits, the notice issued with respect to chassis-cabs by the Federal Highway Administrator recently, which deals with several of the issues here being discussed.

Mr. MURPHY. Would you submit that for the record, Dr. Haddon?

Dr. HADDON. We will be happy to do that.

(The document referred to follows:)

[From Federal Register, Wednesday, Jan. 3, 1968]

TITLE 23—HIGHWAYS AND VEHICLES

CHAPTER II—VEHICLE AND HIGHWAY SAFETY

[Docket No. 21]

PART 255—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

CHASSIS-CABS

A proposal to amend Part 255, Initial Federal Motor Vehicle Safety Standards, by adding a definition of "incomplete motor vehicles" and specifying labeling requirements was published in the FEDERAL REGISTER on December 2, 1967 (32 F.R. 6531), inviting interested persons to comment.

The proposed amendment has been modified to take into account the numerous written and oral comments received. Under the proposed amendment an incomplete vehicle was considered a separable type of motor vehicle. Some of the comments noted that it was unrealistic to consider a bare chassis a motor vehicle since it was no more a motor vehicle and capable of being used on the public highways, than many other parts which are incorporated into a completed vehicle. Comments also indicated that the overwhelming majority of what was

called incomplete motor vehicles are in the form of a chassis with a cab attached. As such, chassis-cabs have the capability of conforming to the standards but the manufacturer of the chassis-cab cannot always tell what every end use will be.

Comments from body manufacturers and truck dealers indicated they did not have the expertise or the physical apparatus to independently test for all standards previously met by the manufacturer of the incomplete motor vehicle nor did they think they should have to certify that these standards have been met. The consensus of the comments indicated that a manufacturer or a dealer should only be responsible for that which he manufactures or effects in assembling the completed vehicle.

On the basis of the comments it appears inappropriate to require persons who merely add to a chassis-cab a body or work-performing or load-carrying structure to certify and to accept legal responsibility for the chassis-cab's conformance with all motor vehicle safety standards. Additionally, it appears inappropriate to consider bare chassis and similar assemblages motor vehicles until they reach the chassis-cab stage at which they are capable of meeting standards applicable to their principal end use. Accordingly, the regulation defines a chassis-cab as a vehicle and imposes the obligation of conforming to all standards applicable to its principal end use upon the manufacturer of the chassis-cab with a limited exception for the lighting standard.

Chassis-cabs, manufactured on or after January 1, 1968, are required to meet all motor vehicle safety standards applicable to the principal end use intended by its manufacturer, except that where the chassis-cab is equipped with only part and not all of the items of lighting equipment referred to in Standard 108, it need not meet such standard. The chassis-cab is required to meet Standard No. 108 whenever all of the items of lighting equipment referred to in Standard 108 are installed on the chassis-cab. Frequently the manufacturer of the chassis-cab will install only a part of the lighting equipment because he either will not know what end use will be made of the vehicle or because the body or other structure to be added to the chassis-cab will be required to bear the balance of the lighting equipment referred to in Standard No. 108.

In order to provide a means of identifying the chassis-cab, its date of production, the Federal motor vehicle safety standards to which it conforms and to insure that the person combining the chassis-cab with a body or other structure has adequate information with which to meet his statutory responsibilities, the regulation requires that chassis-cabs manufactured on or after January 1, 1968, have a label affixed which supplies this information.

Concurrent with the issuance of this amendment the Federal Highway Administration has issued an interpretation¹ describing the responsibility under the National Traffic and Motor Vehicle Safety Act of 1966 of persons who combine bodies or other structures with chassis-cabs and sell the same. In brief, the interpretation require that persons combining such a chassis-cab with a body or other like structure will be responsible for compliance with the lighting standard and for certification of such compliance under section 114 where such person sells the combined assemblage to another dealer. Additionally, under section 108(a) (1) the person combining the chassis-cab with a body or other like structure will be responsible for assuring that the completed assemblage complies with all applicable standards in effect on the date of manufacture of the chassis-cab, compliance with which has not been previously certified by the manufacturer of the chassis-cab and for assuring that compliance with standards previously met by the chassis-cab have not been adversely affected by reason of the addition of the body or like structure.

The interpretive ruling, however, does not require a truck, bus, or multipurpose vehicle consisting of a chassis-cab manufactured prior to January 1, 1968, and a body or like structure manufactured at any time, to meet any standard. For further details interested persons are referred to the text of the ruling.

It is recognized that the problems associated with the multistage manufacture of trucks, buses, and multipurpose passenger vehicles are various and complex. The following regulation and ruling represent the judgment of the Administrator on the basis of the record as developed in this proceeding. Requests for interpretations or modifications will be given appropriate consideration.

In consideration of the foregoing, Part 255, Initial Federal Motor Vehicle Safety Standards, is amended as follows:

1. Add the following definition to § 255.3(b) :
- § 255.3 Definitions.

* * * * *

¹ F.R. Doc. 67-15175, in Notices Section, *infra*.

*(b) Other definitions. * * **

"Chassis-cab" means a vehicle consisting of a chassis upon which is mounted a cab, capable of being driven, drawn, or self-propelled, or readily convertible to such capability by the addition of wheels or other items of running gear, that lacks a body (such as passenger or cargo-carrying structures) or work-performing or load-drawing structures and that with the addition of such structure will become a multipurpose passenger vehicle, truck, or bus.

2. Revise § 255.7(a) to read as follows and add the following new paragraph (a-1) to § 255.7 following paragraph (a) :

§ 255.7 Applicability.

(a) *General.* Except as provided in paragraphs (b) through (d) of this section, each standard set forth in Subpart B applies according to its terms to motorcycles and trailers regardless of weight and to all other motor vehicles over 1,000 pounds curb weight; or items of motor vehicle equipment, the manufacture of which is completed on or after the effective date of the standard.

(a-1) *Chassis-cabs.* Chassis-cabs, as defined in § 255.3(b), manufactured on or after January 1, 1968, shall meet all standards in effect on the date of manufacture of the chassis-cab as are applicable to the principal end use intended by its manufacturer except that where the chassis-cab is equipped with only part and not all of the items of lighting equipment referred to in Standard No. 108, it need not meet such standards.

* * * * *

3. Add the following new section following § 255.11 :

§ 255.13 Labeling of chassis-cabs.

Each chassis-cab manufactured on or after January 1, 1968, shall, at the time of sale, conspicuously display a label affixed by its manufacturer that—

- (a) Identifies it as a chassis-cab and shows the date of manufacture;
- (b) Identifies the Federal motor vehicle safety standards with which its manufacturer states the chassis-cab fully complied for the principal end uses of such vehicle; and
- (c) States in substance that the chassis-cab may be used on the public highways for the purpose of transit between its manufacturer and subsequent manufacturers (including distribution incidental thereto) and for no other purpose, until such time as the chassis-cab complies with all Federal motor vehicle safety standards applicable to any end use of such vehicle. This provision does not relieve the manufacturer or shipper from any applicable requirement imposed upon such chassis-cabs by Federal, State, or local authority.

Because the Motor Vehicle Safety Standards issued pursuant to the National Traffic and Motor Vehicle Safety Act of 1966 become effective January 1, 1968, it is found for good cause that this regulation becomes effective upon issuance.

(Secs. 103, 119, National Traffic and Motor Vehicle Safety Act of 1966; 15 U.S.C. 1392, 1407; delegation of authority of Mar. 31, 1967 (32 F.R. 6606), Apr. 6, 1967 (32 F.R. 6495), July 27, 1967 (32 F.R. 11276), and Oct 13, 1967 (32 F.R. 14277))

Issued in Washington, D.C., on December 29, 1967.

LOWELL K. BRIDWELL,
Federal Highway Administrator.

[F.R. Doc. 67-15174; Filed, Dec. 29, 1967; 3:21 p.m.]

[From Federal Register, Wednesday, Jan. 3, 1968]

DEPARTMENT OF TRANSPORTATION

FEDERAL HIGHWAY ADMINISTRATION—MOTOR VEHICLE SAFETY STANDARDS

NOTICE OF RULING REGARDING CHASSIS-CABS

Inquiry has been received from persons engaged in the sale of trucks, buses, and multipurpose vehicles regarding their legal responsibility under the National Traffic and Motor Vehicle Safety Act of 1966 for assuring that vehicles sold by them are in conformity with all applicable motor vehicle safety standards. Such persons commonly purchase chassis-cabs from manufacturers and bodies or work-performing and load-carrying structures from other manufacturers and then

combine the chassis-cab with the body or other structure. A regulation is being issued this date by the Federal Highway Administration defining the chassis-cab as a vehicle within the meaning of the Act, requiring that it meet all motor vehicle safety standards applicable on the date of manufacture of the chassis-cab.¹ Under this regulation the manufacturer of a chassis-cab manufactured subsequent to January 1, 1968, will have responsibility for compliance with all applicable motor vehicle safety standards as set forth therein and for certification of such compliance to distributors and dealers.

Section 101(5) of the National Traffic and Motor Vehicle Safety Act defines a "manufacturer" as any person engaged in the "assembling" of motor vehicles. Persons who combine chassis-cabs with bodies or similar structures are, therefore, manufacturers within the meaning of the Act. Inasmuch as the chassis-cab's manufacturer is responsible for compliance with standards under the regulation issued today, persons who add bodies or other structures to such chassis-cab are not considered manufacturers of the chassis-cab and, therefore, will not be responsible for the conformance of the chassis-cab to the standards certified by the manufacturer of the chassis-cab. In numerous instances the chassis-cab will not be capable of complying with motor vehicle safety standard 108 because it will not be equipped with all items of lighting equipment referred to in such standard. Where vendors combine a chassis-cab which has not been certified to be in conformance with standard 108, with a body or other like structure, such vendor will be responsible for compliance with the lighting standard, and where such vendor sells the combined assemblage to another vendor, certification of compliance with the lighting standard must accompany the vehicle.

We are advised that a substantial inventory of chassis-cabs manufactured prior to the effective date of the initial motor vehicle safety standards and hence not required to comply with the same will be held by manufacturers, distributors, and dealers on January 1, 1968. These vehicles may contain various items of lighting equipment manufactured prior to the effective date of the lighting standard or be designed to accept such equipment. Under these circumstances, it does not appear appropriate to require compliance with the lighting standard when such chassis-cabs, i.e., those manufactured prior to January 1, 1968, are combined with bodies or similar structures. Section 108(a)(1) of the Act also prohibits any person from manufacturing for sale or selling any motor vehicle manufactured "after the date any applicable Federal motor vehicle safety standard takes effect under this title unless it is in conformity with such standard * * *." Under this provision persons who combine the chassis-cab with a body or other structure will be responsible for (1) compliance of the combined assemblage with any motor vehicle safety standard applicable to the end use of the combined assemblage in effect on the date of manufacture of the chassis-cab, compliance with which has not already been certified by the chassis-cab manufacturer, and (2) compliance with all applicable standards in effect on the date of manufacture of the chassis-cab to the extent that the addition of a body or other structure to the chassis-cab affects the chassis-cab's previous conformance with applicable standards.

To insure that the person combining the chassis-cab with the body or other structure has adequate information to enable him to meet the conditions specified above, the regulation being issued concurrently with this ruling requires the chassis-cab manufacturer to affix a label to the chassis-cab which identifies the Federal motor vehicle safety standards with which the chassis-cab fully complies for the principal end uses of such chassis-cab.

Issued in Washington, D.C., on December 29, 1967.

LOWELL K. BRIDWELL,
Federal Highway Administrator.

[F.R. Doc. 67-15175; Filed, Dec. 29, 1967; 3:21 p.m.]

Mr. MURPHY. And in keeping with the comments here, will you not limit it just to fire apparatus or chassis cabs and also include some comments on, say, ambulances and that special type of equipment.

Dr. HADDON. If you would like comments that extensive, we will be happy to do so, although this may delay somewhat the speed with which we can get them in.

¹ See F.R. Doc. 67-15174, Title 23, in Rules and Regulations Section, *supra*.

(The information requested appears in letter dated February 20, 1968, p. —.)

Mr. KOEPENICK. We will furnish the committee with copies of correspondence we have had between our association and the U.S. Department of Transportation. One of these comments was to the effect that a piece of fire apparatus was a truck and had to comply with the standards. This is where we take issue.

It is our feeling that undue hardship is present and there is no real hazard to the public as you normally think of a vehicle. Fire apparatus is not a vehicle that is running around every day, and we have the weekend deaths and things like that in the paper and I have never seen any figures showing any great loss of life from fire trucks.

It does happen occasionally, but I don't think it's a hazard like the average motor vehicle or truck or interstate carrier.

(The correspondence referred to follows:)

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., January 3, 1967.

Dr. WILLIAM HADDON, Jr.,
Administrator, National Traffic Safety Agency,
Department of Commerce, Washington, D.C.

DEAR DR. HADDON: I respectfully request a ruling of your Agency as to whether fire trucks of the design and types commonly used by Fire Departments of the various communities in the United States are subject to the Motor Vehicles Safety Regulations as published in Federal Register of December 3, 1966; and specifically whether the manufacturer of the fire trucks must comply with the safety regulations as set forth.

Thank you for an early reply.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington D.C., January 25, 1967.

Dr. WILLIAM HADDON, Jr.,
Administrator, National Traffic Safety Agency, Department of Commerce,
Washington, D.C.

DEAR DR. HADDON: On January 3, 1967 I wrote you requesting a ruling as to whether or not newly manufactured fire trucks must comply with Vehicle Safety Regulations published in the Federal Register of December 3, 1966. I would appreciate an early reply to this inquiry.

Also, a manufacturer of fire trucks has requested the following:

1. Under Motor Vehicle Standard No. 102, Paragraph S3.2. On manual shifts on which there are five speeds forward and one reverse with what is normally called the H pattern, just what are they requiring? The paragraph reads as follows: Identification of shift lever positions on automatic and manual transmissions, excepting three forward speed manual transmission having the standard H pattern, shall be permanently displayed in view of the driver.

2. With reference to Safety Standard 107 on Reflecting Surfaces and Safety Standard 108 on Lamps, it will take an explanation as to what is specifically required.

If the manufacturers of fire trucks must comply with Safety Regulations, I will appreciate your comments with respect to the question in Paragraph 2.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., March 7, 1967.

Dr. WILLIAM HADDON, Jr.,
Administrator, National Traffic Safety Agency, Department of Commerce,
Washington, D.C.

DEAR DR. HADDON: We have an inquiry from one of our members as to whether or not all of the lighting standards under the Initial Federal Motor Vehicle

Safety Standards as published in the Federal Register Volume 32, Number 23, Part II dated Friday, February 3, 1967 will apply to fire apparatus.

Will you please advise us on this matter so that we may inform our members.
Thank you for your prompt attention.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL TRAFFIC SAFETY BUREAU,
Washington, D.C., May 15, 1967.

Mr. E. L. KOEPENICK,
Secretary-Treasurer,
Fire Apparatus Manufacturers Association, Inc.,
Washington, D.C.

DEAR MR. KOEPENICK: Your March 7, 1967, letter to Dr. William Haddon, Jr., requested that you be advised regarding the applicability of lighting requirements, as specified in the Initial Motor Vehicle Safety Standards, to fire apparatus.

With exceptions as noted in Section 255.7, page 2409 of the *Federal Register*, Volume 32, Number 23, dated February 3, 1967, the lighting requirements will be applicable to fire apparatus. Initial Standard No. 108 covers lighting requirements for vehicles (as specified therein) that are 80 or more inches wide overall and becomes effective January 1, 1968. A Notice of Proposed Rule Making (see page 2418 of enclosed *Federal Register*) included a Proposed Amendment to Standard No. 108 and a Proposed Initial Standard No. 112, covering vehicles (as specified therein) that are less than 80 inches wide overall. It is anticipated that the proposed Amendment and Initial Standard No. 112 will also become effective on January 1, 1968.

Thank you for your interest in the Motor Vehicle Safety Standards.

Sincerely,

GEORGE C. NIELD,
Acting Director,
Motor Vehicle Safety Performance Service.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., May 8, 1967.

Dr. WILLIAM HADDON, Jr.,
Administrator,
National Traffic Safety Agency, Department of Commerce,
Washington, D.C.

DEAR DR. HADDON: Enclosed please find copy of letter we have received from one of our members.

We would appreciate your advice and comments on the various questions raised in Mr. Layden's letter.

Thank you for your assistance in this matter.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

PETER PIRSCH & SONS Co.,
Kenosha, Wis., May 4, 1967.

FIRE APPARATUS MANUFACTURERS ASSOCIATION,
Washington, D.C.
(Attention of Mr. E. L. Koepenick, Secretary-Treasurer).

DEAR ED: With reference to the "Motor Vehicle Safety Standards" issued by the Federal Government, we have the following questions as a result of our May 2, 1967 Technical Committee meeting.

1. Part 255:

- (a) Have any amendments been issued?
- (b) Is January 1, 1968 the effective date for the standards?

(c) If any amendments are issued, what means will be used to notify us?

2. Part 255.3: (a) Does the definition of "Truck" include a fire truck?

3. Part 108, Paragraph S3.4.5: On fire trucks, we frequently have a master switch that cuts out all lights on the truck and overrides all individual switches. Would it be acceptable to put the hazard switch through the master switch?

Part 108, Table I: We question the advisability of adding the identification lamps specified at the front and rear of the vehicle on a fire truck. It would appear that the added flashing red lights on the truck will dominate the lighting. This makes it important to get a review of this matter and the answer to question 2 above in the near future. The addition of these lights could cause serious problems on many of the fire trucks produced if not adequately planned. We also call to your attention that many fire trucks are produced with an open top cab and these lights would be fully exposed to the driver.

5. Part 108, Table II: On tractor drawn aerial ladder trucks, we do not provide break-a-part tractor-trailers since this is done only for major servicing. Under these conditions, would we be required to provide on rear of tractor, the red tail lamps, stop lamps, rear license plate holder and light, turn-signals in addition to those on the trailer?

6. With reference to Motor Vehicle Safety Standard No. 209, they say that seat belt assemblies shall meet the requirements of Department of Commerce Standards for seat belts for use in Motor Vehicles (15 CFR 9) (31 F.R. 11528). Since this requirement is effective March 1, 1967, we need this immediately.

7. With reference to Section 114 of public law 89-563, it states that a permanently attached label must be attached to each vehicle which shall contain a certification that the vehicle conforms to Federal Motor Vehicle Standards. What is meant by "Certification"? Does this mean a notarized statement or just what form is required?

We are cancelling all previous correspondence on this subject and are using this letter to bring all questions asked before all in one letter to review.

Very truly yours,

PETER PIRSCH & SONS Co.,
G. R. LAYDEN, Chief Engineer.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., June 13, 1967.

Mr. E. L. KOEPENICK,
Secretary-Treasurer,
Fire Apparatus Manufacturers Association, Inc.,
Washington, D.C.

DEAR MR. KOEPENICK: Thank you for your letter of May 8 to Dr. Haddon concerning the effect of Motor Vehicle Safety Standards on fire trucks.

With regard to the specific questions raised by Mr. G. R. Layden in his letter to you of May 4, the following information may be helpful:

1. (a) Several amendments to the Motor Vehicle Safety Standards have been issued and copies are enclosed.

(b) January 1, 1968, is the effective date for all of the standards with the exception of No. 209 which became effective on March 1, 1967.

(c) Any amendments issued are published in the *Federal Register* which may be procured from the Government Printing Office.

2. (a) The definition of "truck" does include "fire truck," if intended for use on the public streets, roads and highways.

3. The hazard light switch may be wired through the master switch providing that the light can be illuminated with the ignition turned off.

4. Identification lamps are required; however, reasonable judgment may be exercised in the location of the lamps on vehicles of special design.

5. Tractor-drawn aerial ladder trucks, which do not break apart except for major servicing, need not be equipped with tail lamps, stop lamps, rear license plate holder and light, and rear turn signals except on the rear of the trailer unit.

6. A copy of the *Federal Register*, Volume 31, No. 169, in which is published standards for seat belts for use in motor vehicles, is enclosed for your information.

7. Instructions regarding the preparation of a certification by the manufacturer that the vehicle conforms to the Federal Motor Vehicle Safety Standards are now being prepared and will be published in the *Federal Register*.

I appreciate your interest in the motor vehicle safety program of the National Highway Safety Bureau.

Sincerely,

GEORGE C. NIELD,
Acting Director,
Motor Vehicle Safety Performance Service.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., June 19, 1967.

Dr. WILLIAM HADDON, Jr.,
Administrator, National Traffic Safety Agency, Department of Commerce,
Washington, D.C.

DEAR DR. HADDON: Our concern is about Motor Vehicle Safety Standard No. 107. In it view, glare, brightness, and reflection is set forth. Is the use of chrome prohibited because of its reflective qualities either inside the vehicle or on the outside of the vehicle? As you are aware, fire trucks have a considerable amount of chrome in their make-up.

One further question would be as to the seat belt assembly requirements. It is our understanding that only the anchoring point is necessary to be installed in the equipment as of March 1, 1967. The actual installation of the seat belt itself is an optional piece of equipment.

May we hear from you?

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., August 17, 1967.

Mr. E. L. KOEPENICK,
Secretary-Treasurer, Fire Apparatus Manufacturers Association, Inc., Washington, D.C.

DEAR MR. KOEPENICK: Thank you for your letter addressed to Dr. Haddon, dated June 19, 1967, which has been referred to me for reply to your inquiry concerning the effect of Motor Vehicle Safety Standards on fire trucks.

The purpose of Standard No. 107 is to reduce the likelihood that unacceptable glare from reflecting surfaces in the driver's field of view will hinder the safe and normal operation of the motor vehicle. At present, paragraph S4, "Requirements," only covers windshield wiper arms and blades, inside windshield mouldings, horn ring and hub of the steering wheel, and inside rearview mirror frame and mounting bracket.

The initial Federal Motor Vehicle Safety Standards contain no mandatory requirement for seat belt installations or seat belt anchorages in trucks. However, if seat belts are installed in trucks they must conform to Motor Vehicle Safety Standard No. 209, effective March 1, 1967.

Sincerely,

GEORGE C. NIELD,
Acting Director,
Motor Vehicle Safety Performance Service.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., July 17, 1967.

GEORGE C. NIELD,
Acting Director, Motor Vehicle Safety Performance Service, U.S. Department of Transportation, Federal Highway Administration, National Highway Safety Bureau, Washington, D.C.

DEAR MR. NIELD: The Technical Committee of our Association has reviewed the requirements of "Initial Federal Motor Vehicle Safety Standards", Volume 32, Number 23, Federal Register of February 3, 1967. The following questions have arisen and we request clarification.

1. Standard 108, Par. S3.1.1.2, page 2411. Your paragraph refers to 30 ft. overall length. The industry builds many pumpers that are less than 30 ft.

length but occasionally the addition of a side mounted ladder will extend beyond the rear step and will increase the overall length beyond 30 ft. The Pirsch picture 5904 enclosed illustrates a ladder so mounted.

The question is—would this ladder addition be interpreted to mean a length greater than 30 ft.?

2. Standard 108, Par. S3.1.1.3, page 2411. Almost every fire truck will include a rotary type flashing red light and other flashing red lights which of necessity will impair the effectiveness of the front identification lights and would seemingly make these three lights useless. Will these three front identification lights be required on a fire truck? See Pirsch picture 6224 enclosed as illustration. Also please note Pirsch picture 6114 enclosed showing an open cab type which is commonly used and advise if identification lights would be required on this type.

3. Standard 108, page 2411, Tables I and II. The rear identification lights do not appear to be adaptable to fire trucks. As shown in picture 5904, a rear step is included on the average fire truck with men riding the rear step. As it is readily seen, there is no place for the three identification lights that could possibly be effective. We definitely feel that rear identification lights are not feasible on a fire truck.

4. The side clearance lights are specified to be mounted as near as possible to the upper right and left front edges and the upper right and left rear edges. Our pictures illustrate the problem of the extreme edges and we would like to know where lights should be placed on this type of vehicle.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., September 13, 1967.

GEORGE C. NIELD,

Acting Director, Motor Vehicle Safety Performance Service, U.S. Department of Transportation, Federal Highway Administration, National Highway Safety Bureau, Washington, D.C.

DEAR MR. NIELD: It is our understanding that you recently held a meeting on the Federal Motor Vehicle Safety Standards, notice of which we received too late to attend. We requested clarification of some of the Standards in our letter of July 17, 1967, copy of which is enclosed for your information, and to date we have not received a reply to our inquiry. If these matters were discussed at your meeting and some decision has been reached, we would appreciate being notified of same.

Our members are quite concerned over the fact that the effective date of the Standards, January 1, 1968, is fast approaching, and they are building trucks to be delivered in 1968 that do not comply with the specifications, and they will have much difficulty trying to collect for the increased cost of such additions to their contracts.

While we understand fire trucks are expected to comply, we feel it should be taken into consideration that fire trucks are different from commercial trucks, around which the Standards were written. For instance, the Standards call for five amber running lights to be mounted on the top forward edge of a cab roof. How would this apply to a semi-cab which has no roof? If you mount these five lights on top of the windshield, they would have to go alongside the usual large rotating Beacon Ray light, two pistol grip spotlights, two large red lights, and the possibility of a pair of air trumpet horns. This load would have to be supported by heavy bracing and probably some sort of a mounting shelf would have to be furnished.

We would appreciate an early answer to our questions and would like to have these matters included in the record of the meeting held last week.

Thank you for your attention to our request.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., September 21, 1967.

Mr. E. L. KOEPENICK,
Secretary-Treasurer,
Fire Apparatus Manufacturers Association, Inc.,
Washington, D.C.

DEAR MR. KOEPENICK: This is in reply to your letter of July 17, 1967, requesting clarification of several requirements specified in Motor Vehicle Safety Standard No. 108.

In answer to question No. 1 of your letter, the addition of a side mounted ladder would not be considered as an extension of the length of the vehicle.

Question No. 2 concerns the requirement for use of front identification lamps on open-cab fire trucks and trucks equipped with rotating red lights. We agree that the front identification lights might be slightly obscured while the emergency red lights are flashing. However, when these lights are not flashing, the identification lights would clearly identify a vehicle that is more than 80 inches in overall width. Therefore, identification lights will be required on the fire trucks which are depicted on the photographs enclosed with your letter.

With respect to question No. 3 regarding possible locations for rear identification lamps on fire trucks, it should be noted that Standard No. 108 does not specify a height requirement for location of these lamps. Therefore, a possible location for the lamps would be along the edge or under the edge of the rear step. In any event the problem of providing the lamps does not appear to be a major one.

Question No. 4 relates to possible locations for clearance lamps on the front and rear of fire trucks. Standard No. 108 requires that clearance lamps be mounted as near as *practicable* to the upper left and right extreme edges of the vehicle. A provision is also included for mounting the rear clearance lamps at an optional height, when the rear identification lamps are mounted at the extreme height of the vehicle. We note from your photographs that flood lamps are normally mounted at approximately the extreme edges of the vehicle. It appears that a similar arrangement could be provided for mounting the clearance lamps.

Thank you for your interest in the motor vehicle safety standards.

Sincerely,

GEORGE C. NIELD,
Acting Director,

Motor Vehicle Safety Performance Service.

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., October 9, 1967.

GEORGE C. NIELD,
Acting Director, Motor Vehicle Safety Performance Service, U.S. Department of Transportation, Federal Highway Administration, National Highway Safety Bureau, Washington, D.C.

DEAR MR. NIELD: One of our members has an inquiry concerning the method of certification that must be put on a truck. In the original Motor Vehicle Safety Act of 1966, it provided that an automotive manufacturer must certify that each vehicle and/or accessory conform to applicable standards. We would like to have a clarification of this as to what type of certification is called and how far it extends. Does each individual piece have to be certified, or does the truck have to be certified, and what form of certification is necessary?

When a component is purchased from a supplier and he says the article meets the requirements, does the truck manufacturer have to certify his requirements also?

We would appreciate an early reply to these inquiries.

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

DEPARTMENT OF TRANSPORTATION,
FEDERAL HIGHWAY ADMINISTRATION,
NATIONAL HIGHWAY SAFETY BUREAU,
Washington, D.C., December 12, 1967.

Mr. DEL BILYEU,
*Chairman, Technical Committee, Fire Apparatus Manufacturers Association,
Anderson, Ind.*

DEAR MR. BILYEU: This is in reply to your letter of November 28, 1967, to Mr. George C. Nield, requesting clarification of certain aspects of the vehicle labeling requirements under the Motor Vehicle Safety Act.

In response to your specific questions, please be advised as follows:

1. The proposed certification wording "This Vehicle complies with all applicable Federal Motor Vehicle Safety Standards in effect at the date of shipment," will meet the labeling requirement if on a label or tag permanently affixed to such motor vehicles.

2. The labeling requirement applies to all vehicles manufactured on or after January 1, 1968.

If there is any other information you would like, I hope you will let me know.

Sincerely,

ANDREW K. NESS,
*Acting Director,
Office of Performance Analysis.*

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., December 21, 1967.

Mr. LOWELL K. BRIDWELL,
*Federal Highway Administrator,
Department of Transportation,
Washington, D.C.*

DEAR MR. BRIDWELL: We represent the manufacturers of fire apparatus produced from (1) the custom-made chassis, and (2) the commercial chassis, all of which are incomplete vehicles until they are finally acceptable to the Fire Department for which they are being made.

We heartily endorse the amendment being considered under 23 CFR Part 255, which would add a definition on Incomplete Motor Vehicles and specifying labeling requirements for these vehicles. As you are probably aware, a bid is taken for fire apparatus, and sometimes a year elapses before final delivery is made. If this amendment is not made to Part 255, it would represent a substantial loss of revenue to all manufacturers in the fire apparatus industry.

We would appreciate your immediate reply so that we could advise our members before January 1 as to the status of this recommendation.

May we hear from you?

Very truly yours,

E. L. KOEPENICK, *Secretary-Treasurer.*

FIRE APPARATUS MANUFACTURERS ASSOCIATION, INC.,
Washington, D.C., January 26, 1968.

Dr. WILLIAM HADDON, Jr.,
*Director, National Highway Safety Bureau, Federal Highway Administration,
Department of Transportation, Washington, D.C.*

DEAR DR. HADDON: We have had considerable correspondence addressed to you and members of your staff pointing out the fact that we regard fire trucks in a separate category from those of other commercial vehicles.

We would appreciate your advising us when a conference could be held between you and members of this Association to discuss this problem more fully. As we have pointed out in previous letters and in a discussion held December 13, 14, and 15, 1967 with all commercial manufacturers, the fire truck industry has a long lag to contend with between receiving an order and making final delivery of the fire truck. This time can extend to over one year depending on the type of equipment set forth in the specifications.

So that we might be in compliance with the Federal Motor Vehicle Safety Performance Standards, we would have to request that you allow us until January 1, 1969 to comply with the subject Standards on our so-called "incomplete vehicles."

This would apply to manufacturers who use a commercial chassis and also those who build a custom chassis. As stated above, we would like to sit down with you and your staff to consider the reasons why we believe modifications must be considered for fire truck compliance with the Safety Standards.

May we hear from you?

Very truly yours,

E. L. KOEPENICK,
Secretary-Treasurer.

Mr. MURPHY. I noticed in this industrial report that the total vehicles, and I take it this is production of motorized fire apparatus, 1965 and 1966, was a total of 2,516.

Mr. KOEPENICK. Yes, sir.

Mr. MURPHY. That would be about 1,250 a year?

Mr. KOEPENICK. I think the 2 years are 2,516 for 1966 and 2,502 for 1965. I think they are listed separately, Congressman Murphy.

Mr. MURPHY. But under this act, wouldn't you want to amend this and agree to the 10,000 figure rather than the 500 annual figure?

Mr. KOEPENICK. I would say we would be in agreement with it; yes, sir. We would not disagree with that. And we would also like to take issue with the exemption of subsection (d) which would provide the Secretary with the authority to prescribe alternative procedures for demonstrating compliance.

The reason we point that out is that in the city of New York, Mack Truck made a vehicle that cost something like \$600,000 and I don't think you could expect those people to run one of those into the wall and then have the city of New York or someone absorb the cost.

This is what we are really driving at, and these vehicles today running around \$40,000 to \$60,000 are a pretty expensive piece of equipment. I should also like to point out that we have the International Association of Fire Chiefs with whom we meet constantly, and they are very conscious of the fact that they want to protect their own firemen.

We are members and actively engaged with the National Fire Protection Society which has definite specifications for fire equipment. We have five of our members on their motorized fire apparatus committee, which is constantly trying to improve the safety standards of the apparatus and I think we are somewhat ahead of the automotive industry as far as this is concerned, because very frankly, the fire chiefs are pretty insistent that they have all of the controls you can possibly put on them. It is not something they are behind on.

Mr. MURPHY. What about subparagraph (f)? That's the 2-year provision.

Mr. KOEPENICK. I would be in agreement. I mean, I would recommend that it be more than 2 years, because like this equipment in New York was some 5 years in building from the time we got from engineering stage and got it all the way through. I don't exactly know how the Department is going to put this stamp of approval on each apparatus, because if they stamp the engineering design, there could be a lot of mistakes made between the time that was put on and the time it was finished, and it could very likely lead to a period of 5 years with a big unit. This unit in New York, I believe, has the capacity of twelve 1,000 gallon units. This is a big unit.

Mr. MURPHY. Congressman Blanton?

Mr. BLANTON. I have no questions, Mr. Chairman.

Mr. MURPHY. Congressman Watkins?

Mr. WATKINS. Thank you, Mr. Chairman. I just wondered, it would not be a good idea; I would like to ask you about the chassis weight. Shouldn't there be some specification on fire trucks on their chassis weight?

Mr. KOEPENICK. On their weight?

Mr. WATKINS. Yes, because in some instances I am sure that some trucks are made with very light fire engines. I know the type you are speaking of, Mack and General Motors. That doesn't apply, but I just wondered if it would not be some specification on what a chassis weight that would be required so you keep away from these light vehicles.

Mr. KOEPENICK. The specifications are drawn by the city or municipality or a volunteer group and generally they know the laws of their own State and I think that is what they are guided by rather than what we might suggest.

Mr. WATKINS. In other words, you feel as though a State law requires a certain weight for a fire chassis?

Mr. KOEPENICK. A State law requires certain weights that can or cannot be used, but they must not exceed certain weights and I think that's what the specifications are generally geared to.

Mr. WATKINS. That is certainly worth checking into.

I certainly feel, Mr. Chairman, that some consideration should be given to this fire equipment. You and I both know it is special equipment.

Mr. MURPHY. Much of it is tailored to specifications for a particular purchaser.

Mr. KOEPENICK. It is done almost entirely to specifications.

Mr. WATKINS. I feel so. I believe the doctor is sympathetic with this, too.

Dr. HADDON. Yes; we are only too happy to discuss this in detail. I would point out, however, that with respect to one of the comments just made, that under the statute as originally passed, it is not the job of the Department of Transportation to, as I believe the witness stated, to put the Department of Transportation's seal of approval on a piece of equipment produced by a private company. It's a self-certification program under the statute as enacted.

Mr. KOEPENICK. But there must be that self-certification that they have complied with all the standards.

Dr. HADDON. We don't put it on the vehicle, the manufacturer does.

Mr. WATKINS. Thank you, Mr. Chairman, that is all.

Mr. MURPHY. Thank you very much, Mr. Koepenick, we appreciate your coming in and giving us the benefit of your testimony.

The record will be open for 2 weeks for the inclusion of statements by interested parties, and at this time the committee will adjourn.

(The following material was submitted for the record:)

STATEMENT OF NATHAN D. ALTMAN, PRESIDENT, AVANTI MOTOR CORP.,
SOUTH BEND, IND.

Gentlemen, because of a prior commitment, I am unable to testify before you today. I am most appreciative of the opportunity to submit this statement on a matter of particular importance to my company as well as many other small businesses who share this problem.

Specifically, the purpose of my statement is to advocate the passage of Senate bill S. 2029 which proposes to amend the National Traffic and Motor Vehicle Safety Act of 1966. As a very small business dealing in the manufacture of auto-

mobiles, we live in a world surrounded by giant corporations. While the enactment of Senate bill S. 2029 may be of no consequence to the major automobile manufacturers, it is, in its simplest form a matter of life and death to our corporation.

For the benefit of the committee, let me briefly detail the birth of the Avanti II. In 1962, the Studebaker Corp. made a last-ditch effort to remain in the automobile business, developed a new concept in motor cars—the last world in advancement and engineering—the Studebaker Avanti. This unique automobile was the first American-built automobile to have what is now accepted by the industry—caliper disc brakes, complete interior padding, recessed controls, a built-in steel roll bar. Just as important as these new innovations were the strongest and heaviest frame and heavy duty, expensive, front-end suspension—given this automobile the rigidity and stability unknown to the industry at that time.

Mr. Leo Newman, my business partner the last 32 years, and I felt that the production of the Avanti automobile should be continued. We felt that there was a market for such a unique American-made automobile, particularly if it could be hand-assembled by the highly skilled craftsmen which we have had and still have in South Bend. To this end, we purchased a portion of the plant formerly utilized by the Studebaker Corp., having a floor area in excess of 400,000 sq. ft. We also purchased the sophisticated tooling, dies, jigs, and fixtures and determined to put this car together by hand.

In this day and age of mass production and computers this program seemed somewhat out of place, except for the desire of a dedicated group to accept this challenge. A challenge that only in these great United States was a small group to have such an opportunity; a challenge that would encourage a gentleman of the stature of Mr. Eugene Hardig, who as vice president of engineering for the Studebaker Corp. resigned and at great personal sacrifice, dedicated this ingenuity, automotive engineering ability, to further this already fine automobile into the Avanti II.

The Avanti II was then an engineer's dream, and even more so today, because it offers the opportunity to design from "quality" rather than the usual cry to save money on every vehicle built. Every engineer and visitor who has seen our method of production has been very impressed. This method of production enables us to build this car by hand, carefully, patiently, and skillfully, without regard to the time schedules. For an example, in mass production a man may be allowed 2 or 3 minutes to hang a door—our employees will hang that door properly even if it takes an hour or all day.

We at present employ 55 people—many are the older Studebaker employees—whose average age is 62. These men, although skilled with many years of experience were too old to secure employment elsewhere, and we welcomed the opportunity to utilize their skills. Even though four of these men recently reached the age of 65 and retired, they soon returned to their jobs. They love their work. In the nearly three years we have been in business, we have not lost a day of operation. We have the unusual situation of a group of men of advanced years who take great pride in workmanship, and whose standards are not governed by speed or automation, but only by perfection.

I want to make myself absolutely clear—we are not seeking to eliminate incorporating more safety features in our car. This is far from the challenge that we accepted in 1965.

However, as I have told you a moment ago, the Avanti had most of the safety features long before they were accepted by the industry and certainly before there were any such Federal requirements.

Our problem is that the Act of 1966 requires each manufacturer, whether he produces one car a year or a million cars, to go through a certain testing procedure and effect certain changes for each model car produced. This takes us out of the race. Our company is in no position to completely comply with these requirements in a short period of time because we do not have the testing grounds, the laboratory facilities, the expensive equipment, or the manpower which they require.

It would be beneficial to the committee to ask the major corporations just how many dollars the requirements of the initial standards cost them and how many man hours were necessary to check the compliance of one particular model.

We need additional time to meet certain standards. Certain standards that require certification not only for the National Traffic Safety Agency but for our own satisfaction. Even after testing, changes may be required that we cannot possibly make immediately. It is not that we do not want to comply

with the standards. We do and we want to continue to produce the safest possible car. But the particular circumstances of being small business, without the benefit of thousands of employees, our own test facilities, and huge profits, prevent us from meeting a timetable set for major corporations.

In order to further emphasize this point, our anticipated car sales at 200 units this year will total slightly less than \$750,000. To spend an estimated \$200,000 or any related amount of money for these tests would be economically fatal. You can well realize what the reaction of our bankers, who are excellent businessmen, would be if we attempted to borrow monies for these tests. If this money were available—which it isn't—sound business practice would still prevent this type of expenditure.

I would like to call your attention to other matters which seriously compound the situation of the Avanti Motor Corp. and does not affect the large auto builders. We cannot, like the large concerns, afford to go into major model changes. Nor can we have our vendors and suppliers produce small quantities of parts at a time. You can understand that this would be uneconomical for our vendors, who would not even wish to fill such orders. Consequently, we are required to base our purchases on projections of our requirements for at least two to three years in advance, which creates a large investment in inventory. We are now in this situation. We have sufficient parts and supplies on hand to produce the Avanti II for the next two and possibly three years. We want to be in a position to continue to manufacture the Avanti. We feel there is a demand for a hand-crafted automobile such as the Avanti in the American market.

If only the major manufacturers with all their resources can be expected to effect changes in one year, then it is economically and technically unreasonable to expect a small company to do the same.

It would also be equally unrealistic to demand that the major manufacturers hand torque each bolt and nut, water-test, break-in and road test each car to effect the greatest safety which we find time to do.

Gentlemen, the timing of relief to small manufacturers is of utmost importance today. Therefore, we urge immediate passage of this amendment in order that small manufacturers can exist in this dynamic industry.

I assure you that every effort at the Avanti Motor Corp. is concentrated in building a better and safer vehicle.

We, at no time in our original planning, felt that Government regulations and poor public relations as the result of regulations would ever be a factor in our business. We always were in mortal fear of competition from the huge manufacturers—but felt that our simple desire of offering the public an exceptional product, built with meticulous care and hard work would permit us to survive—whereas much larger automotive firms had perished. We felt that the large companies did not have a monopoly on the desires or the brainpower which has always been an American freedom.

I realize as a very small producer, I should probably remain quiet, but I love this industry and I am proud of what the industry has done for the growth and welfare of this great country. We accepted the challenge of becoming a part of that industry, but now we find that we have been legislated out of business through an oversight that we believe and hope Congress will want to correct.

In conclusion, the Studebaker Corp. expended great sums of money to test and produce this advanced automobile. It was then, and still continues to be recognized as a car that is far advanced in safety—and we have greatly improved those characteristics through increased care and craftsmanship. We only wish that we could afford to re-prove the recognized qualities of our car.

The incontestable facts are that we can't comply with the testing and other requirements of the standards. To put it simply, the decision of whether a small manufacturer can continue to exist in this industry is up to the Congress, and we respectfully urge your most favorable consideration of S. 2029 as it is presently written.

[Telegram]

MODERN CLASSIC MOTORS,
Reno, Nev., February 14, 1968.

Senator HOWARD CANNON,
Senate Building, Washington, D.C.

DEAR SENATOR CANNON: With reference to bill S. 2029, if this bill passes as it is written, it will not affect the economy of two great nations, the United States

and Italy. However, it will create great hardships and probably close one small factory in Italy who employs less than 300 Italians. The Ferrari factory builds 850 automobiles each year and 50 percent of these cars are sold and imported into the United States. Without the American market the Ferrari factory cannot survive. This bill limits total production to 500 units.

This will eliminate one of the greatest racing machines of all times. Enzo Ferrari has won 19 world championships and over 4,000 victories.

Thru racing, safety devices are tested and proven before installation on passenger cars and Ferrari has contributed as much as any other manufacturer as you can see by his past record of performance. I beg of you to reword bill S. 2029 so this great, small factory can continue to warm and thrill the hearts of millions of American racing fans everywhere.

ROBERT B. SISTEE,
General Manager.

(Whereupon, at 11:45 a.m., the subcommittee adjourned.)





