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SENATE

REPORT
113–144

A BILL TO AMEND THE CLEAN AIR ACT TO REMOVE THE REQUIREMENT FOR DEALER CERTIFICATION OF NEW LIGHT-DUTY MOTOR VEHICLES

APRIL 1, 2014.—Ordered to be printed

Mrs. BOXER, from the Committee on Environment and Public Works, submitted the following

R E P O R T

[To accompany H.R. 724]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred the bill (H.R. 724) to amend the Clean Air Act to remove the requirement for dealer certification of new light-duty motor vehicles, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

GENERAL STATEMENT AND BACKGROUND

H.R. 724 would repeal a requirement under the Clean Air Act that automobile dealers provide purchasers of new light-duty motor vehicles with a certificate that indicates the vehicle conforms to federal emissions standards.

H.R. 724 strikes section 207(h)(1) of the Clean Air Act (42 U.S.C.7541(h)), which requires auto dealers, upon sale of each new light duty motor vehicle, to furnish to the purchaser a certificate that such motor vehicle conforms to the emissions standards issued pursuant to section 202 (42 U.S.C. 7521) and notice of the purchaser's right to have the manufacturer remedy any non-conformity to section 202 emissions standards at the cost of the manufacturer during the warranty period.

The certification requirement was added to the Clean Air Act in the 1977 Amendments. At that time, catalytic converters for pollution control were often installed at the dealership, and the certification requirement was intended to hold the dealers responsible for

making sure that the pollution controls were installed and working. Now, pollution controls are built into the vehicles by the manufacturers, who are fully responsible for the functioning of the pollution control equipment.

In addition, the warranty information on the certificate is now outdated, and current warranty information is available to consumers elsewhere. Further, the Environmental Protection Agency no longer enforces this requirement. No other provisions of the Clean Air Act are changed by H.R. 724.

OBJECTIVES OF THE LEGISLATION

The goal of the legislation is to remove an unnecessary and outdated paperwork requirement applicable to new motor vehicle purchases.

SECTION-BY-SECTION ANALYSIS

Section 1

Section 1 strikes paragraph 1 of section 207(h) of the Clean Air Act (42 U.S.C. 7541(h)), which provides that "[u]pon the sale of each new light-duty motor vehicle by a dealer, the dealer shall furnish to the purchaser a certificate that such motor vehicle conforms to the applicable regulations under section 7521 of this title, including notice of the purchaser's rights under [this subsection]."

The section also includes a technical correction, re-designating current paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

LEGISLATIVE HISTORY

On February 14, 2013, H.R. 724 was introduced by Rep. Latta (R–OH) and Rep. Peters (D–MI) and referred to the House Committee on Energy and Commerce. On December 10 and 11, 2013, the House Committee on Energy and Commerce met in open mark-up session and ordered H.R. 724 reported to the House, without amendment, by voice vote (H. Rept. 113–320). On January 8, 2014, the House suspended the rules and passed H.R. 724 by a vote of 405–0. On January 9, 2013 the bill was received in the Senate and referred to the Committee on Environment and Public Works. On February 6, 2014, the Committee on Environment and Public Works met to consider H.R. 724. The bill was ordered to be reported without amendment favorably.

HEARINGS

No committee hearings were held on H.R 724.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider H.R. 724 on February 6, 2014. The bill was ordered favorably reported by voice vote. No roll call votes were taken.

REGULATORY IMPACT STATEMENT

In compliance with section 11(b) of rule XXVI of the Standing Rules of the Senate, the committee finds that H.R. 724 does not

create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104–4), the committee notes that the Congressional Budget Office found, "H.R. 724 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments."

FEBRUARY 12, 2014.

Hon. BARBARA BOXER,
Chairman, Committee on Environment and Public Works,
U.S. Senate, Washington, DC.

DEAR MADAM CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 724, an act to amend the Clean Air Act to remove the requirement for dealer certification of new light-duty motor vehicles.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Susanne S. Mehlman.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 724—An act to amend the Clean Air Act to remove the requirement for dealer certification of new light-duty motor vehicles

H.R. 724 would repeal a requirement under the Clean Air Act (CAA) that automobile dealers provide purchasers of new light-duty motor vehicles with a certificate that indicates the vehicle conforms to federal emissions standards. The certificate also indicates the purchaser's right to have the manufacturer fix the vehicle if it does not comply with emission standards.

According to the Environmental Protection Agency, other provisions of the CAA ensure that all new vehicles offered for sale comply with the act. Thus, CBO estimates that repealing this requirement would have no impact on the federal budget. Enacting H.R. 724 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 724 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

On December 19, 2013, CBO transmitted a cost estimate for H.R. 724, as ordered reported by the House Committee on Energy and Commerce on December 11, 2013. The two versions of the legislation are identical, and the CBO cost estimates are the same.

The CBO staff contact for this estimate is Susanne S. Mehlman. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

In compliance with section 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows: Existing law proposed to be omitted is en-

closed in [black brackets], new matter is printed in italic, existing law in which no change is proposed is shown in roman:

CLEAN AIR ACT

* * * * * * *

SEC. 101. (a) The Congress finds—

(1)* * *

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SEC. 207. (a)* * *

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(h)[(1) Upon the sale of each new light-duty motor vehicle by a dealer, the dealer shall furnish to the purchaser a certificate that such motor vehicle conforms to the applicable regulations under section 202, including notice of the purchaser's rights under paragraph (2).]

[(2)] *(1)* If at any time during the period for which the warranty applies under subsection (b), a motor vehicle fails to conform to the applicable regulations under section 202 as determined under subsection (b) of this section such nonconformity shall be remedied by the manufacturer at the cost of the manufacturer pursuant to such warranty as provided in section 207(b)(2) (without regard to subparagraph (C) thereof).

[(3)] *(2)* Nothing in section 209(a) shall be construed to prohibit a State from testing, or requiring testing of, a motor vehicle after the date of sale of such vehicle to the ultimate purchaser (except that no new motor vehicle manufacturer or dealer may be required to conduct testing under this paragraph).

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