

105TH CONGRESS  
2D SESSION

# H. R. 2691

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IN THE SENATE OF THE UNITED STATES

APRIL 22, 1998

Received; read twice and referred to the Committee on Commerce, Science,  
and Transportation

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## AN ACT

To reauthorize and improve the operations of the National  
Highway Traffic Safety Administration.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Highway  
3 Traffic Safety Administration Reauthorization Act of  
4 1998”.

5 **SEC. 2. AUTHORIZATIONS OF APPROPRIATIONS.**

6 (a) MOTOR VEHICLE SAFETY ACTIVITIES.—Section  
7 30104 of title 49, United States Code, is amended to read  
8 as follows:

9 **“§ 30104. Authorization of appropriations**

10 “There is authorized to be appropriated to the Sec-  
11 retary \$81,200,000 for the National Highway Traffic  
12 Safety Administration to carry out this part in each fiscal  
13 year beginning in fiscal year 1999 and ending in fiscal  
14 year 2001.”.

15 (b) MOTOR VEHICLE INFORMATION ACTIVITIES.—  
16 Section 32102 of title 49, United States Code, is amended  
17 to read as follows:

18 **“§ 32102. Authorization of appropriations**

19 “There is authorized to be appropriated to the Sec-  
20 retary \$6,200,000 for the National Highway Traffic Safe-  
21 ty Administration to carry out this part in each fiscal year  
22 beginning in fiscal year 1999 and ending in fiscal year  
23 2001.”.

1 **SEC. 3. RESTRICTIONS ON LOBBYING ACTIVITIES.**

2 (a) AMENDMENT.—Subchapter I of chapter 301 of  
3 title 49, United States Code, is amended by adding at the  
4 end the following:

5 **“§ 30105. Restriction on lobbying activities**

6 “No funds appropriated to the Secretary pursuant to  
7 section 30104 or 32102 may be available for any activity  
8 specifically designed to urge a State or local legislator to  
9 favor or oppose the adoption of any specific legislative pro-  
10 posal pending before any State or local legislature.”.

11 (b) CLERICAL AMENDMENT.—The table of contents  
12 in subchapter I of chapter 301 of title 49, United States  
13 Code, is amended by adding at the end the following:

“30105. Restriction on lobbying activities.”.

14 **SEC. 4. RISK AND BENEFIT DISCLOSURE.**

15 (a) IN GENERAL.—Within one year of the date of the  
16 enactment of this Act, the Secretary of Transportation  
17 shall communicate to the public information regarding the  
18 reasonable risks and benefits of any major device or ele-  
19 ment of design to be installed on or in a motor vehicle  
20 or motor vehicle equipment in compliance with a motor  
21 vehicle safety standard issued under section 30111 of title  
22 49, United States Code, determined by the Secretary to  
23 be important to the protection of motor vehicle occupants.

24 (b) NOTICE AND COMMENT.—In carrying out sub-  
25 section (a), the Secretary of Transportation shall provide

1 notice that the Secretary is considering the means for car-  
2 rying out subsection (a) and shall provide opportunity for  
3 comment on—

4 (1) the extent to which the information to be  
5 communicated under subsection (a) can be commu-  
6 nicated in a manner which is scientifically objective  
7 and which relies upon scientific findings; and

8 (2) the extent to which such information can be  
9 made available to consumers in a clear and easily  
10 understandable format through the Internet, public  
11 libraries, and such other means as the Secretary  
12 may deem appropriate.

13 (c) NO REQUIREMENT.—Unless the Secretary of  
14 Transportation determines that it is essential to ensuring  
15 motor vehicle safety, the Secretary may not require a man-  
16 ufacturer or distributor to distribute any statement of rea-  
17 sonable risks and benefits which the Secretary is to com-  
18 municate under subsection (a).

19 **SEC. 5. OCCUPANT PROTECTION PREFERENCES.**

20 Section 30111 of title 49, United States Code, is  
21 amended by inserting after subsection (e) the following:

22 “(f) SPECIAL CONSIDERATIONS RELATING TO OCCU-  
23 PANT PROTECTION.—When prescribing or revising a  
24 motor vehicle safety standard under this section or section  
25 30127 relating to the protection of motor vehicle occu-

1 pants under this chapter, the Secretary shall, to the extent  
2 relevant and practicable, design such standard to protect  
3 improperly restrained and positioned occupants only to the  
4 extent that such a design would not substantially increase  
5 the risk of injury to properly restrained and positioned oc-  
6 cupants.”.

7 **SEC. 6. ODOMETERS.**

8 (a) TRANSFERS OF NEW MOTOR VEHICLES.—Sec-  
9 tion 32705(a) of title 49, United States Code, is amended  
10 by adding at the end the following:

11 “(4)(A) This subsection shall apply to all transfers  
12 of motor vehicles (unless otherwise exempted by the Sec-  
13 retary by regulation), except in the case of transfers of  
14 new motor vehicles from a vehicle manufacturer jointly to  
15 a dealer and a person engaged in the business of renting  
16 or leasing vehicles for a period of 30 days or less.

17 “(B) For purposes of subparagraph (A), the term  
18 ‘new motor vehicle’ means any motor vehicle driven with  
19 no more than the limited use necessary in moving, trans-  
20 porting, or road testing such vehicle prior to delivery from  
21 the vehicle manufacturer to a dealer, but in no event shall  
22 the odometer reading of such vehicle exceed 300 miles.”.

23 (b) EXEMPTED VEHICLES.—Section 32705(a) of title  
24 49, United States Code, as amended by subsection (a),

1 is amended by adding at the end the following new para-  
 2 graph:

3 “(5) The Secretary may exempt such classes or cat-  
 4 egories of vehicles as the Secretary deems appropriate  
 5 from these requirements. Until such time as the Secretary  
 6 amends or modifies the regulations set forth in 49 CFR  
 7 580.6, such regulations shall have full force and effect.”.

8 **SEC. 7. INTERNATIONAL HARMONIZATION.**

9 (a) AMENDMENT.—Subchapter III of chapter 301 of  
 10 title 49, United States Code, is amended by adding at the  
 11 end the following:

12 **“§ 30148. International motor vehicle safety outreach**

13 “(a) ACTIVITIES.—The Secretary is authorized, in  
 14 consultation with the Secretaries of State and Commerce  
 15 where appropriate, to engage in activities that improve  
 16 worldwide motor vehicle safety through appropriate activi-  
 17 ties. Such activities may include—

18 “(1) promoting the adoption of international  
 19 and national vehicle standards that are harmonized  
 20 with, functionally equivalent to, or compatible with  
 21 United States vehicle standards;

22 “(2) participating in efforts to foster an inter-  
 23 national acceptance of globally harmonized or func-  
 24 tionally equivalent or compatible motor vehicle regu-

1       lations and standards to otherwise improve inter-  
2       national highway and motor vehicle safety;

3               “(3) promoting international cooperative pro-  
4       grams for conducting research, development, dem-  
5       onstration projects, training, and other forms of  
6       technology transfer and exchange, including safety  
7       conferences, seminars, and expositions to enhance  
8       international motor vehicle safety; and

9               “(4) providing technical assistance to other  
10      countries relating to their adoption of United States  
11      vehicle regulations or standards functionally equiva-  
12      lent to United States vehicle standards.

13      “(b) COOPERATION.—The Secretary may carry out  
14      the authority granted by this section, in cooperation with  
15      appropriate United States Government agencies, any  
16      State or local agency, and any authority, association, insti-  
17      tution, corporation (profit or nonprofit), foreign govern-  
18      ment, multinational institution, or any other organization  
19      or person.

20      “(c) CONSIDERATION.—When engaging in activities  
21      to improve worldwide motor vehicle safety, the Secretary  
22      shall ensure that these activities maintain or improve the  
23      level of safety of motor vehicles and motor vehicle equip-  
24      ment sold in the United States.

1       “(d) PUBLIC MEETINGS AND INFORMATION.—To en-  
2       sure public awareness of, and opportunity to comment on,  
3       decision-making meetings concerning the adoption of a  
4       globally harmonized motor vehicle regulation or standard,  
5       described in subsection (a)(2), by an international body  
6       or representatives of any foreign nation the Secretary  
7       shall—

8               “(1) not less than quarterly, provide notice of,  
9       and hold a public meeting to receive comments on  
10      the subject matter of, any decision-making meetings  
11      scheduled to be held with an international body or  
12      representatives of any foreign nation before the next  
13      public meeting required to be held under this para-  
14      graph; and

15              “(2) make available to the public any relevant  
16      information and records, including any proposed  
17      text, concerning the matter of any decision-making  
18      meetings scheduled with an international body or  
19      representatives of any foreign nation as those mate-  
20      rials become available.”.

21      (b) CLERICAL AMENDMENT.—The table of contents  
22      in subchapter III of chapter 301 of title 49, United States  
23      Code, is amended by adding at the end the following:

“30148.   International motor vehicle safety outreach.”.



1 **SEC. 8. MISCELLANEOUS AMENDMENTS.**

2 (a) NOTIFICATION OF DEFECTS AND NONCOMPLI-  
3 ANCE.—Sections 30118(d) and 30120(h) of title 49,  
4 United States Code, are each amended by striking the sec-  
5 ond sentence.

6 (b) REMEDIES FOR DEFECTS AND NONCOMPLI-  
7 ANCE.—Section 30120(i)(1) of title 49, United States  
8 Code, is amended by inserting “(including retailers of  
9 motor vehicle equipment)” after “dealer” the first time  
10 it appears.

11 (c) TIRES.—Section 30123 of title 49, United States  
12 Code, is amended by striking subsections (a), (b), and (c)  
13 and by redesignating subsections (d), (e), and (f), as sub-  
14 sections (a), (b), and (c), respectively.

15 (d) AUTOMATIC OCCUPANT CRASH PROTECTION AND  
16 SEAT BELT USE.—Section 30127(g)(1) of title 49, United  
17 States Code, is amended by striking “every 6 months” and  
18 inserting “annually”.

19 (e) MISCELLANEOUS.—

20 (1) DEFINITIONS.—

21 (A) COUNTRY OF ORIGIN.—Section  
22 32304(a)(3)(B) of title 49, United States Code,  
23 is amended by inserting before the period the  
24 following: “, plus the assembly and labor costs  
25 incurred for the final assembly of such engines  
26 and transmissions”.

1 (B) FINAL ASSEMBLY PLACE.—Section  
2 32304(a)(5) of title 49, United States Code, is  
3 amended is amended by adding at the end the  
4 following: “Such term does not include facilities  
5 for engine and transmission fabrication and as-  
6 sembly and the facilities for fabrication of  
7 motor vehicle equipment component parts which  
8 are produced at the same final assembly place  
9 using forming processes such as stamping, ma-  
10 chining, or molding processes.”.

11 (C) OUTSIDE SUPPLIER CONTENT REPORT-  
12 ING.—Section 32304(a)(9)(A) of title 49,  
13 United States Code, is amended to read as fol-  
14 lows:

15 “(A) for an outside supplier—

16 “(i) the full purchase price of pas-  
17 senger motor vehicle equipment whose pur-  
18 chase price contains at least 70 percent  
19 value added in the United States and Can-  
20 ada; or

21 “(ii) that portion of the purchase  
22 price of passenger motor vehicle equipment  
23 containing less than 70 percent value  
24 added in the United States and Canada  
25 that is attributable to the percent value

1 added in the United States and Canada  
2 when such percent is expressed to the  
3 nearest 5 percent; and”.

4 (2) COUNTRY OF ASSEMBLY.—Section  
5 32304(d) of title 49, United States Code, is amend-  
6 ed by adding at the end the following; “A manufac-  
7 turer may add to the label required under subsection  
8 (b) a line stating the country in which vehicle assem-  
9 bly was completed.”.

10 (3) VEHICLE CONTENT PERCENTAGE BY AS-  
11 SEMBLY PLANT.—Section 32304 of title 49, United  
12 States Code, is amended by redesignating sub-  
13 sections (c) through (f) as subsections (f) through  
14 (i), respectively, and by adding after subsection (b)  
15 the following:

16 “(c) VEHICLE CONTENT PERCENTAGE BY ASSEMBLY  
17 PLANT.—A manufacturer may display separately on the  
18 label required by subsection (b) the domestic content of  
19 a vehicle based on the assembly plant. Such display shall  
20 occur after the matter required to be in the label by sub-  
21 section (b)(1)(A).”.

22 (4) SUPPLIERS FAILING TO REPORT.—Section  
23 32304 of title 49, United States Code, is amended  
24 by adding after subsection (c), as added by para-  
25 graph (3), the following:

1       “(d) VALUE ADDED DETERMINATION.—If a manu-  
2     facturer or allied supplier requests information in a timely  
3     manner from one or more of its outside suppliers concern-  
4     ing the United States/Canadian content of particular  
5     equipment, but does not receive that information despite  
6     a good faith effort to obtain it, the manufacturer or allied  
7     supplier may make its own good faith value added deter-  
8     minations, subject to the following:

9               “(1) The manufacturer or allied supplier shall  
10     make the same value added determinations as would  
11     be made by the outside supplier, that is, whether 70  
12     percent or more of the value of equipment is added  
13     in the United States and/or Canada.

14              “(2) The manufacturer or allied supplier shall  
15     consider the amount of value added and the location  
16     in which the value was added for all of the stages  
17     that the outside supplier would be required to con-  
18     sider.

19              “(3) The manufacturer or allied supplier may  
20     determine that the value added in the United States  
21     and/or Canada is 70 percent or more only if it has  
22     a good faith basis to make that determination.

23              “(4) A manufacturer and its allied suppliers  
24     may, on a combined basis, make value added deter-

1       minations for no more than 10 percent, by value, of  
2       a carline's total parts content from outside suppliers.

3           “(5) Value added determinations made by a  
4       manufacturer or allied supplier under this paragraph  
5       shall have the same effect as if they were made by  
6       the outside supplier.

7           “(6) This provision does not affect the obliga-  
8       tion of outside suppliers to provide the requested in-  
9       formation.”.

10           (5) ACCOUNTING FOR THE VALUE OF SMALL  
11       PARTS.—Section 32304 of title 49, United States  
12       Code, is amended by adding after subsection (d), as  
13       added by paragraph (4), the following:

14           “(e) SMALL PARTS.—The country of origin of nuts,  
15       bolts, clips, screws, pins, braces, gasoline, oil, blackout,  
16       phosphate rinse, windshield washer fluid, fasteners, tire  
17       assembly fluid, rivets, adhesives, and grommets, of any  
18       system, subassembly, or component installed in a vehicle  
19       shall be considered to be the country in which such parts  
20       were included in the final assembly of such vehicle.”.

21           (f) STUDY.—The National Highway Traffic Safety  
22       Administration shall conduct a study of the benefits to  
23       motor vehicle drivers of a regulation to require the instal-  
24       lation in a motor vehicle of an interior device to release  
25       the trunk lid. Not later than 18 months after the date

1 of the enactment of this Act, the Administration shall sub-  
2 mit a report on the results of the study to the Committee  
3 on Commerce of the House of Representatives and the  
4 Committee on Commerce, Science, and Transportation of  
5 the Senate.

6 **SEC. 9. IMPORTATION OF MOTOR VEHICLE FOR SHOW OR**  
7 **DISPLAY.**

8 (a) IMPORTATION OF NONCOMPLYING MOTOR VEHI-  
9 CLES.—Section 30114 of title 49, United States Code, is  
10 amended by striking “or competitive racing events” and  
11 inserting “competitive racing events, show, or display”.

12 (b) TRANSITION RULE.—A person who is the owner  
13 of a motor vehicle located in the United States on the date  
14 of enactment of this Act may seek an exemption under  
15 section 30114 of title 49, United States Code, as amended  
16 by subsection (a) of this section, for a period of 6 months  
17 after the date regulations of the Secretary of Transpor-  
18 tation promulgated in response to such amendment take  
19 effect.

Passed the House of Representatives April 21, 1998.

Attest: ROBIN H. CARLE,  
*Clerk.*