

114TH CONGRESS
1ST SESSION

H. R. 2675

To direct the National Highway Traffic Safety Administration to establish a program allowing low volume motor vehicle manufacturers to produce a limited number of vehicles annually within a regulatory system that addresses the unique safety and financial issues associated with limited production, and to direct the Environmental Protection Agency to allow low volume motor vehicle manufacturers to install engines from vehicles that have been issued certificates of conformity.

IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2015

Mr. MULLIN (for himself and Mr. GENE GREEN of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To direct the National Highway Traffic Safety Administration to establish a program allowing low volume motor vehicle manufacturers to produce a limited number of vehicles annually within a regulatory system that addresses the unique safety and financial issues associated with limited production, and to direct the Environmental Protection Agency to allow low volume motor vehicle manufacturers to install engines from vehicles that have been issued certificates of conformity.

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 “Low Volume Motor
3 Vehicle Manufacturers Act of 2015”.

4 **SEC. 2. EXEMPTION FROM VEHICLE SAFETY STANDARDS**
5 **FOR LOW VOLUME MANUFACTURERS.**

6 Section 30114 of title 49, United States Code, is
7 amended—

8 (1) by striking “The” and inserting “(a) VEHI-
9 CLES USED FOR PARTICULAR PURPOSES.—The”;
10 and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b) EXEMPTION FOR LOW VOLUME MANUFACTUR-
14 ERS.—

15 “(1) IN GENERAL.—The Secretary shall—

16 “(A) exempt from section 30112(a) of this
17 title not more than 500 replica motor vehicles
18 per year that are manufactured or imported by
19 a low volume manufacturer; and

20 “(B) except as provided in paragraph (5)
21 of this subsection, limit any such exemption to
22 the Federal Motor Vehicle Safety Standards ap-
23 plicable to motor vehicles and not motor vehicle
24 equipment.

25 “(2) REGISTRATION REQUIREMENT.—To qual-
26 ify for an exemption under paragraph (1), a low vol-

1 ume manufacturer shall register with the Secretary
2 at such time, in such manner, and under such terms
3 that the Secretary determines appropriate. The Sec-
4 retary shall establish terms that ensure that no per-
5 son may register as a low volume manufacturer if
6 the person is registered as an importer under section
7 30141 of this title.

8 “(3) PERMANENT LABEL REQUIREMENT.—

9 “(A) IN GENERAL.—The Secretary shall
10 require a low volume manufacturer to affix a
11 permanent label to a motor vehicle exempted
12 under paragraph (1) that identifies the speci-
13 fied standards and regulations for which such
14 vehicle is exempt from section 30112(a) and
15 designates the model year such vehicle rep-
16 licates.

17 “(B) WRITTEN NOTICE.—The Secretary
18 may require a low volume manufacturer of a
19 motor vehicle exempted under paragraph (1) to
20 deliver written notice of the exemption to—

21 “(i) the dealer; and

22 “(ii) the first purchaser of the motor
23 vehicle, if the first purchaser is not an in-
24 dividual that purchases the motor vehicle
25 for resale.

1 “(C) REPORTING REQUIREMENT.—A low
2 volume manufacturer shall annually submit a
3 report to the Secretary including the number
4 and description of the motor vehicles exempted
5 under paragraph (1) and a list of the exemp-
6 tions described on the label affixed under sub-
7 paragraph (A).

8 “(4) DEFINITIONS.—In this subsection:

9 “(A) LOW VOLUME MANUFACTURER.—The
10 term ‘low volume manufacturer’ means a motor
11 vehicle manufacturer, other than a person who
12 is registered as an importer under section
13 30141 of this title, whose annual worldwide
14 production is not more than 5,000 motor vehi-
15 cles.

16 “(B) REPLICATOR MOTOR VEHICLE.—The
17 term ‘replica motor vehicle’ means a motor ve-
18 hicle produced by a low volume manufacturer
19 and that—

20 “(i) is intended to resemble the body
21 of another motor vehicle that was manu-
22 factured not less than 25 years before the
23 manufacture of the replica motor vehicle;
24 and

1 “(ii) is manufactured under a license
2 for the product configuration, trade dress,
3 trademark or patent for the motor vehicle
4 that is intended to be replicated from the
5 original manufacturer, its successors or as-
6 signees, or current owner of such rights,
7 unless there is a preponderance of evidence
8 that such rights have been abandoned for
9 at least three years.

10 “(5) CONFORMING AMENDMENT.—Any motor
11 vehicle exempted under this subsection shall also be
12 exempted from sections 32304, 32502, and 32902 of
13 this title, and from section 1232 of title 15 of the
14 United States Code.

15 “(6) LIMITATION AND PUBLIC NOTICE.—The
16 Secretary shall have 60 days to review and approve
17 a registration submitted under paragraph (2). Any
18 registration not approved or denied within 60 days
19 shall be deemed approved. The Secretary shall have
20 the authority to revoke an existing registration
21 based on a failure to comply with requirements set
22 forth in this subsection. The registrant shall be pro-
23 vided a reasonable opportunity to correct all defi-
24 ciencies, if such are correctable based on the sole
25 discretion of the Secretary. An exemption granted by

1 the Secretary to a low volume manufacturer under
2 this subsection may not be transferred to any other
3 person, and any unused allotment of vehicles author-
4 ized to be manufactured or imported on an annual
5 basis by a low volume manufacturer shall not carry
6 forward to another calendar year. The Secretary
7 shall maintain and update the list of current reg-
8 istrants on an annual basis and publish such list in
9 the Federal Register or on a Web page operated by
10 the Secretary.

11 “(7) LIMITATION OF LIABILITY FOR ORIGINAL
12 MANUFACTURERS, LICENSORS, OR OWNERS OF
13 PRODUCT CONFIGURATION, TRADE DRESS OR DE-
14 SIGN PATENTS.—The original manufacturer, its suc-
15 cessor or assignee, or current owner who grants a li-
16 cense or otherwise transfers rights to a low volume
17 manufacturer as defined in this section shall incur
18 no liability to any person or entity under Federal or
19 State statute, regulation, local ordinance, or under
20 any Federal or State common law for such license
21 or assignment to a low volume manufacturer.”.

1 **SEC. 3. VEHICLE EMISSION COMPLIANCE STANDARDS FOR**
2 **LOW VOLUME MOTOR VEHICLE MANUFAC-**
3 **TURERS.**

4 Part A of title II of the Clean Air Act (42 U.S.C.
5 7521 et seq.) is amended—

6 (1) in section 206(a) by adding at the end the
7 following new paragraph:

8 “(5)(A) A motor vehicle engine (including all
9 engine emission controls) from a motor vehicle that
10 has been granted a certificate of conformity by the
11 Administrator for the model year in which the motor
12 vehicle is assembled, or an engine that has been
13 granted an Executive order for the model year in
14 which the motor vehicle is assembled subject to reg-
15 ulations promulgated by the California Air Re-
16 sources Board, may be installed in an exempted spe-
17 cially produced motor vehicle, if—

18 “(i) the manufacturer of the engine sup-
19 plies written instructions explaining how to in-
20 stall the engine and maintain functionality of
21 the engine’s emission control system and the
22 on-board diagnostic system (commonly known
23 as ‘OBD II’), except with respect to evaporative
24 emissions diagnostics;

1 “(ii) the producer of the exempted specially
2 produced motor vehicle installs the engine in ac-
3 cordance with such instructions; and

4 “(iii) the installation instructions include
5 emission control warranty information from the
6 engine manufacturer in compliance with section
7 207, including where warranty repairs can be
8 made, emission control labels to be affixed to
9 the vehicle, and the certificate of conformity
10 number for the applicable vehicle in which the
11 engine was originally intended or the applicable
12 Executive order number for the engine.

13 “(B) A motor vehicle containing an engine com-
14 pliant with the requirements of subparagraph (A)
15 shall be treated as meeting the requirements of sec-
16 tion 202 applicable to new vehicles manufactured or
17 imported in the model year in which the exempted
18 specially produced motor vehicle is assembled.

19 “(C) Engine installations that are not per-
20 formed in accordance with installation instructions
21 provided by the manufacturer and alterations to the
22 engine not in accordance with the installation in-
23 structions shall be treated as prohibited acts by the
24 installer under section 203 and subject to penalties
25 under section 205.

1 “(D) The producer of an exempted specially
2 produced motor vehicle that has an engine compliant
3 with the requirements of subparagraph (A) shall
4 provide to the purchaser of such vehicle all informa-
5 tion received by the producer from the engine manu-
6 facturer, including information regarding emissions
7 warranties from the engine manufacturer and all
8 emissions-related recalls by the engine manufacturer.

9 “(E) To qualify to install an engine under this
10 paragraph, a producer of exempted specially pro-
11 duced motor vehicles shall register with the Adminis-
12 trator at such time and in such manner as the Ad-
13 ministrator determines appropriate. The producer
14 shall submit an annual report to the Administrator
15 that includes—

16 “(i) a description of the exempted specially
17 produced motor vehicles produced and engines
18 installed in such vehicles; and

19 “(ii) the certificate of conformity number
20 issued to the motor vehicle in which the engine
21 was originally intended or the applicable Execu-
22 tive order number for the engine.

23 “(F) Exempted specially produced motor vehi-
24 cles compliant with this paragraph shall be exempted
25 from—

1 “(i) motor vehicle certification testing that
2 might otherwise be required under section 206;
3 and

4 “(ii) vehicle emission control inspection
5 and maintenance programs required under sec-
6 tion 110.

7 “(G) A producer of exempted specially produced
8 motor vehicles that is compliant with subparagraphs
9 (A) through (E) of this paragraph is not considered
10 a manufacturer for the purposes of this Act.”; and

11 (2) in section 216 by adding at the end the fol-
12 lowing new paragraph:

13 “(12) EXEMPTED SPECIALLY PRODUCED
14 MOTOR VEHICLE.—The term ‘exempted specially
15 produced motor vehicle’ means a replica motor vehi-
16 cle that is exempt from specified standards as de-
17 fined in section 30114(b) of title 49, United States
18 Code.”.

19 **SEC. 4. IMPLEMENTATION.**

20 Not later than 12 months after the date of the enact-
21 ment of this Act, the Secretary of Transportation and the
22 Administrator of the Environmental Protection Agency
23 shall issue such regulations as may be necessary to imple-
24 ment sections 2 and 3 of this Act, respectively.

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