

Public Law 93-492

AN ACT

October 27, 1974
[S. 355]

To amend the National Traffic and Motor Vehicle Safety Act of 1966 to authorize appropriations for the fiscal years 1975 and 1976; to provide for the remedy of certain defective motor vehicles without charge to the owners thereof; to require that schoolbus safety standards be prescribed; to amend the Motor Vehicle Information and Cost Savings Act to provide for a special demonstration project; and for other purposes.

Motor Vehicle
and Schoolbus
Safety Amend-
ments of 1974.
15 USC 1409
note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Motor Vehicle and Schoolbus Safety Amendments of 1974".

TITLE I—MOTOR VEHICLE SAFETY

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 121 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1409) is amended to read as follows:

"SEC. 121. There are authorized to be appropriated for the purpose of carrying out this Act, not to exceed \$55,000,000 for the fiscal year ending June 30, 1975, and not to exceed \$60,000,000 for the fiscal year ending June 30, 1976."

SEC. 102. NOTIFICATION AND REMEDY.

15 USC 1402.

(a) REQUIREMENT OF NOTIFICATION AND REMEDY.—Title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391, et seq.) is amended by striking out section 113 and by adding at the end of such title the following new part:

"PART B—DISCOVERY, NOTIFICATION, AND REMEDY OF MOTOR VEHICLE DEFECTS

"NOTIFICATION RESPECTING MANUFACTURER'S FINDING OF DEFECT OR FAILURE TO COMPLY

15 USC 1411.

"SEC. 151. If a manufacturer—

"(1) obtains knowledge that any motor vehicle or item of replacement equipment manufactured by him contains a defect and determines in good faith that such defect relates to motor vehicle safety; or

"(2) determines in good faith that such vehicle or item of replacement equipment does not comply with an applicable Federal motor vehicle safety standard prescribed pursuant to section 103 of this Act;

he shall furnish notification to the Secretary and to owners, purchasers, and dealers, in accordance with section 153, and he shall remedy the defect or failure to comply in accordance with section 154.

"NOTIFICATION RESPECTING SECRETARY'S FINDING OF DEFECT OR FAILURE TO COMPLY

15 USC 1412.

"SEC. 152. (a) If through testing, inspection, investigation, or research carried out pursuant to this Act, or examination of communications under section 158(a)(1), or otherwise, the Secretary determines that any motor vehicle or item of replacement equipment—

"(1) does not comply with an applicable Federal motor vehicle safety standard prescribed pursuant to section 103 of this Act; or

"(2) contains a defect which relates to motor vehicle safety; he shall immediately notify the manufacturer of such motor vehicle or item of replacement equipment of such determination, and shall publish notice of such determination in the Federal Register. The notification to the manufacturer shall include all information upon which the determination of the Secretary is based. Such notification (including such information) shall be available to any interested person, subject to section 158(a)(2)(B). The Secretary shall afford such manufacturer an opportunity to present data, views, and arguments to establish that there is no defect or failure to comply or that the alleged defect does not affect motor vehicle safety; and shall afford other interested persons an opportunity to present data, views, and arguments respecting the determination of the Secretary.

Publication in
Federal Register.

Data, views,
and arguments,
presentation
opportunity.

"(b) If, after such presentations by the manufacturer and interested persons, the Secretary determines that such vehicle or item of replacement equipment does not comply with an applicable Federal motor vehicle safety standard, or contains a defect which relates to motor vehicle safety, the Secretary shall order the manufacturer (1) to furnish notification respecting such vehicle or item of replacement equipment to owners, purchasers, and dealers in accordance with section 153, and (2) to remedy such defect or failure to comply in accordance with section 154.

"CONTENTS, TIME, AND FORM OF NOTICE

"SEC. 153. (a) The notification required by section 151 or 152 respecting a defect in or failure to comply of a motor vehicle or item of replacement equipment shall contain, in addition to such other matters as the Secretary may prescribe by regulation—

15 USC 1413.

"(1) a clear description of such defect or failure to comply;

"(2) an evaluation of the risk to motor vehicle safety reasonably related to such defect or failure to comply;

"(3) a statement of the measures to be taken to obtain remedy of such defect or failure to comply;

"(4) a statement that the manufacturer furnishing the notification will cause such defect or failure to comply to be remedied without charge pursuant to section 154;

"(5) the earliest date (specified in accordance with the second and third sentences of section 154(b)(2)) on which such defect or failure to comply will be remedied without charge and, in the case of tires, the period during which such defect or failure to comply will be remedied without charge pursuant to section 154; and

"(6) a description of the procedure to be followed by the recipient of the notification in informing the Secretary whenever a manufacturer, distributor, or dealer fails or is unable to remedy without charge such defect or failure to comply.

"(b) The notification required by section 151 or 152 shall be furnished—

"(1) within a reasonable time after the manufacturer first makes a determination with respect to a defect or failure to comply under section 151; or

"(2) within a reasonable time (prescribed by the Secretary) after the manufacturer's receipt of notice of the Secretary's determination pursuant to section 152 that there is a defect or failure to comply.

"(c) The notification required by section 151 or 152 with respect to a motor vehicle or item of replacement equipment shall be accomplished—

"(1) in the case of a motor vehicle, by first class mail to each person who is registered under State law as the owner of such vehicle and whose name and address is reasonably ascertainable by the manufacturer through State records or other sources available to him;

"(2) in the case of a motor vehicle, or tire, by first class mail to the first purchaser (or if a more recent purchaser is known to the manufacturer, to the most recent purchaser known to the manufacturer) of each such vehicle or tire containing such defect or failure to comply, unless the registered owner (if any) of such vehicle was notified under paragraph (1);

"(3) in the case of an item of replacement equipment (other than a tire), (A) by first class mail to the most recent purchaser known to the manufacturer; and (B) if the Secretary determines that it is necessary in the interest of motor vehicle safety, by public notice in such manner as the Secretary may order after consultation with the manufacturer;

"(4) by certified mail or other more expeditious means to the dealer or dealers of such manufacturer to whom such motor vehicle or replacement equipment was delivered; and

"(5) by certified mail to the Secretary, if section 151 applies. In the case of a tire which contains a defect or failure to comply (or of a motor vehicle on which such tire was installed as original equipment), the manufacturer who is required to provide notification under paragraph (1) or (2) may elect to provide such notification by certified mail.

"REMEDY OF DEFECT OR FAILURE TO COMPLY

15 USC 1414.

"SEC. 154. (a) (1) If notification is required under section 151 or by an order under section 152(b) with respect to any motor vehicle or item of replacement equipment which fails to comply with an applicable Federal motor vehicle safety standard or contains a defect which relates to motor vehicle safety, then the manufacturer of each such motor vehicle or item of replacement equipment presented for remedy pursuant to such notification shall cause such defect or failure to comply in such motor vehicle or such item of replacement equipment to be remedied without charge. In the case of notification required by an order under section 152(b), the preceding sentence shall not apply during any period during which enforcement of the order has been restrained in an action to which section 155(a) applies or if such order has been set aside in such an action.

"(2) (A) In the case of a motor vehicle presented for remedy pursuant to such notification, the manufacturer (subject to subsection (b) of this section) shall cause the vehicle to be remedied by whichever of the following means he elects:

"(i) By repairing such vehicle.

"(ii) By replacing such motor vehicle without charge, with an identical or reasonably equivalent vehicle.

"(iii) By refunding the purchase price of such motor vehicle in full, less a reasonable allowance for depreciation.

Replacement or refund may be subject to such conditions imposed by the manufacturer as the Secretary may permit by regulation.

"(B) In the case of an item of replacement equipment the manufacturer shall (at his election) cause either the repair of such item of replacement equipment, or the replacement of such item of replacement equipment without charge with an identical or reasonably equivalent item of replacement equipment.

“(3) The dealer who effects remedy pursuant to this section without charge shall receive fair and equitable reimbursement for such remedy from the manufacturer.

“(4) The requirement of this section that remedy be provided without charge shall not apply if the motor vehicle or item of replacement equipment was purchased by the first purchaser more than 8 calendar years (3 calendar years in the case of a tire, including an original equipment tire) before (A) notification respecting the defect or failure to comply is furnished pursuant to section 151, or (B) the Secretary orders such notification under section 152, whichever is earlier.

“(5) (A) The manufacturer of a tire (including an original equipment tire) presented for remedy by an owner or purchaser pursuant to notification under section 153 shall not be obligated to remedy such tire if such tire is not presented for remedy during the 60-day period beginning on the later of (i) the date on which the owner or purchaser received such notification or (ii) if the manufacturer elects replacement, the date on which the owner or purchaser received notice that a replacement tire is available.

“(B) If the manufacturer elects replacement and if a replacement tire is not in fact available during the 60-day period, then the limitation under subparagraph (A) on the manufacturer's remedy obligation shall be applicable only if the manufacturer provides a notification (subsequent to the notification provided under subparagraph (A) (ii)) that replacement tires are to be available during a later 60-day period (beginning after such subsequent notification), and in that case the manufacturer's obligation shall be limited to tires presented for remedy during the later 60-day period if the tires are in fact available during that period.

“(b) (1) Whenever a manufacturer has elected under subsection (a) to cause the repair of a defect in a motor vehicle or item of replacement equipment or of a failure of such vehicle or item of replacement equipment to comply with a motor vehicle safety standard, and he has failed to cause such defect or failure to comply to be adequately repaired within a reasonable time, then (A) he shall cause the motor vehicle or item of replacement equipment to be replaced with an identical or reasonably equivalent vehicle or item of replacement equipment without charge, or (B) (in the case of a motor vehicle and if the manufacturer so elects) he shall cause the purchase price to be refunded in full, less a reasonable allowance for depreciation. Failure to adequately repair a motor vehicle or item of replacement equipment within 60 days after tender of the motor vehicle or item of replacement equipment for repair shall be prima facie evidence of failure to repair within a reasonable time; unless prior to the expiration of such 60-day period the Secretary, by order, extends such 60-day period for good cause shown and published in the Federal Register.

Publication in
Federal Register.

“(2) For purposes of this subsection, the term ‘tender’ does not include presenting a motor vehicle or item of replacement equipment for repair prior to the earliest date specified in the notification pursuant to section 153(a) on which such defect or failure to comply will be remedied without charge, or (if notification was not afforded pursuant to section 153(a)) prior to the date specified in any notice required to be given under section 155(d). In either case, such date shall be specified by the manufacturer and shall be the earliest date on which parts and facilities can reasonably be expected to be available. Such date shall be subject to disapproval by the Secretary.

Program filed with Secretary; notice of availability published in Federal Register.

"(c) The manufacturer shall file with the Secretary a copy of his program pursuant to this section for remedying any defect or failure to comply, and the Secretary shall make the program available to the public. Notice of such availability shall be published in the Federal Register.

"ENFORCEMENT OF NOTIFICATION AND REMEDY ORDERS

15 USC 1415.

"SEC. 155. (a)(1) An action under section 110(a) to restrain a violation of an order issued under section 152(b), or under section 109 to collect a civil penalty with respect to a violation of such an order, or any other civil action with respect to such an order, may be brought only in the United States district court for the District of Columbia or the United States district court for a judicial district in the State of incorporation (if any) of the manufacturer to which the order applies; unless on motion of any party the court orders a change of venue to any other district court for good cause shown. All actions (including enforcement actions) brought with respect to the same order under section 152(b) shall be consolidated in an action in a single judicial district, in accordance with an order of the court in which the first such action is brought (or if such first action is transferred to another court, by order of such other court).

"(2) The court shall expedite the disposition of any civil action to which this subsection applies.

Notification.

"(b) If a civil action which relates to an order under section 152(b), and to which subsection (a) of this section applies, has been commenced, the Secretary may order the manufacturer to issue a provisional notification which shall contain—

"(A) a statement that the Secretary has determined that a defect which relates to motor vehicle safety, or failure to comply with a Federal motor vehicle safety standard, exists, and that the manufacturer is contesting such determination in a proceeding in a United States district court,

"(B) a clear description of the Secretary's stated basis for his determination that there is such a defect or failure,

"(C) the Secretary's evaluation of the risk to motor vehicle safety reasonably related to such defect or failure to comply,

"(D) any measures which in the judgment of the Secretary are necessary to avoid an unreasonable hazard resulting from the defect or failure to comply,

"(E) a statement that the manufacturer will cause such defect or failure to comply to be remedied without charge pursuant to section 154, but that this obligation of the manufacturer is conditioned on the outcome of the court proceeding, and

"(F) such other matters as the Secretary may prescribe by regulation or in such order.

Issuance of notification under this subsection does not relieve the manufacturer of any liability for failing to issue notification required by an order under section 152(b).

"(c)(1) If a manufacturer fails to notify owners or purchasers in accordance with section 153(c) within the period specified under section 153(b), the court may hold him liable for a civil penalty with respect to such failure to notify, unless the manufacturer prevails in an action described in subsection (a) of this section or unless the court in such an action restrains the enforcement of such order (in which case he shall not be liable with respect to any period for which the effectiveness of the order was stayed). The court shall restrain the enforcement of such an order only if it determines. (A) that the failure to furnish notification is reasonable, and (B) that the manufacturer has demonstrated that he is likely to prevail on the merits.

“(2) If a manufacturer fails to notify owners or purchasers as required by an order under subsection (b) of this section, the court may hold him liable for a civil penalty without regard to whether or not he prevails in an action (to which subsection (a) applies) with respect to the validity of the order issued under section 152(b).

“(d) If (i) a manufacturer fails within the period specified in section 153(b) to comply with an order under section 152(b) to afford notification to owners and purchasers, (ii) a civil action to which subsection (a) applies is commenced with respect to such order, and (iii) the Secretary prevails in such action, then the Secretary shall order the manufacturer—

“(1) to afford notice (which notice may be combined with any notice required by an order under section 152(b)) to each owner, purchaser, and dealer described in section 153(c) of the outcome of the proceeding and containing such other information as the Secretary may require;

“(2) to specify (in accordance with the second and third sentences of section 154(b)) the earliest date on which such defect or failure will be remedied without charge; and

“(3) if notification was required under subsection (b) of this section, to reimburse such owner or purchaser for any reasonable and necessary expenses (not in excess of any amount specified in the order of the Secretary) which are incurred (A) by such owner or purchaser; (B) for the purpose of repairing the defect or failure to comply to which the order relates; and (C) during the period beginning on the date such notification under subsection (b) was required to be issued and ending on the date such owner or purchaser receives notification pursuant to this subsection.

“REASONABLENESS OF NOTIFICATION AND REMEDY

“SEC. 156. Upon petition of any interested person or on his own motion, the Secretary may hold a hearing in which any interested person (including a manufacturer) may make oral (as well as written) presentations of data, views, and arguments on the question of whether a manufacturer has reasonably met his obligation to notify under section 151 or 152, and to remedy a defect or failure to comply under section 154. If the Secretary determines the manufacturer has not reasonably met such obligation, he shall order the manufacturer to take specified action to comply with such obligation; and, in addition, the Secretary may take any other action authorized by this title.

15 USC 1416.
Hearing.

“EXEMPTION FOR INCONSEQUENTIAL DEFECT OR FAILURE TO COMPLY

“SEC. 157. Upon application of a manufacturer, the Secretary shall exempt such manufacturer from any requirement under this part to give notice with respect to, or to remedy, a defect or failure to comply, if he determines, after notice in the Federal Register and opportunity for interested persons to present data, views, and arguments, that such defect or failure to comply is inconsequential as it relates to motor vehicle safety.

15 USC 1417.

Notice in
Federal Register;
data, views and
arguments, pres-
entation oppor-
tunity.

“INFORMATION, DISCLOSURE, AND RECORDKEEPING

“SEC. 158. (a) (1) Every manufacturer shall furnish to the Secretary a true or representative copy of all notices, bulletins, and other communications to the dealers of such manufacturer or to owners or purchasers of motor vehicle or replacement equipment produced by such manufacturer regarding any defect or failure to comply in such vehicle or equipment which is sold or serviced.

15 USC 1418.

Confidential
information.

“(2) (A) Except as provided in subparagraph (B), the Secretary shall disclose to the public so much of any information which is obtained under this Act and which relates to a defect which relates to motor vehicle safety or to a failure to comply with an applicable Federal motor vehicle safety standard, as he determines will assist in carrying out the purposes of this part or as may be required by section 152.

“(B) Any information described in subparagraph (A) which contains or relates to a trade secret or other matter referred to in section 1905 of title 18, United States Code, shall be considered confidential for purposes of that section and shall not be disclosed; unless the Secretary determines that disclosure of such information is necessary to carry out the purposes of this title.

“(C) Any obligation to disclose information under this paragraph shall be in addition to and not in lieu of the requirements of section 552 of title 5, United States Code.

“(b) Every manufacturer of motor vehicles or tires shall cause the establishment and maintenance of records of the name and address of the first purchaser of each motor vehicle and tire produced by such manufacturer. To the extent required by regulations of the Secretary, every manufacturer of motor vehicles or tires shall cause the establishment and maintenance of records of the name and address of the first purchaser of each item of replacement equipment other than a tire produced by such manufacturer. The Secretary may, by rule, specify the records to be established and maintained, and reasonable procedures to be followed by manufacturers in establishing and maintaining such records, including procedures to be followed by distributors and dealers to assist manufacturers to secure the information required by this subsection; except that the availability or not of such assistance shall not affect the obligation of manufacturers under this subsection. Such procedures shall be reasonable for the particular type of motor vehicle or tires for which they are prescribed, and shall provide reasonable assurance that customer lists of any dealer and distributor, and similar information, will not be made available to any person other than the dealer or distributor, except where necessary to carry out the purpose of this part.

“DEFINITIONS

15 USC 1419.

“SEC. 159. For purposes of this part:

“(1) The retreader of tires shall be deemed the manufacturer of tires which have been retreaded, and the brand name owner of tires marketed under a brand name not owned by the manufacturer of the tire shall be deemed the manufacturer of tires marketed under such brand name.

“(2) Except as otherwise provided in regulations of the Secretary:

“(A) The term ‘original equipment’ means an item of motor vehicle equipment (including a tire) which was installed in or on a motor vehicle at the time of its delivery to the first purchaser.

“(B) The term ‘replacement equipment’ means motor vehicle equipment (including a tire) other than original equipment.

“(C) A defect in, or failure to comply of, an item of original equipment shall be deemed to be a defect in, or failure to comply of, the motor vehicle in or on which such equipment was installed at the time of its delivery to the first purchaser.

“(D) If the manufacturer of a motor vehicle is not the manufacturer of original equipment installed in or on such vehicle at the time of its delivery to the first purchaser, the manufacturer of the vehicle (rather than the manufacturer of such equipment) shall be considered the manufacturer of such item of equipment.

“(3) The term ‘first purchaser’ means first purchaser for purposes other than resale.

“(4) The term ‘adequate repair’ does not include any repair which results in substantially impaired operation of a motor vehicle or item of replacement equipment.

“EFFECT ON OTHER LAWS

“SEC. 160. The provisions of this part shall not create or affect any warranty obligation under State or Federal law. Consumer remedies under this part are in addition to, and not in lieu of, any other right or remedy under State or Federal law.”

15 USC 1420.

(b) CONFORMING AMENDMENTS.—

(1) Title I of such Act is amended by inserting after section 101 the following:

“PART A—GENERAL PROVISIONS”.

(2) Section 110(c) of such Act is amended by striking out “Actions” and inserting in lieu thereof “Except as provided in section 155(a), actions”.

15 USC 1399.

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any defect or failure to comply with respect to which, before the effective date of this title, notification was issued under section 113(a) of such Act or was required to be issued under section 113(e).

15 USC 1411
note.

SEC. 103. ENFORCEMENT.

(a) PROHIBITED ACTS.—

(1) (A) Section 108(a) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting “(1)” after “SEC. 108. (a)”, by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively, and by adding at the end of such subsection the following new paragraph:

15 USC 1397.

“(2) (A) No manufacturer, distributor, dealer, or motor vehicle repair business shall knowingly render inoperative, in whole or part, any device or element of design installed on or in a motor vehicle or item of motor vehicle equipment in compliance with an applicable Federal motor vehicle safety standard, unless such manufacturer, distributor, dealer, or repair business reasonably believes that such vehicle or item of equipment will not be used (other than for testing or similar purposes in the course of maintenance or repair) during the time such device or element of design is rendered inoperative. For purposes of this paragraph, the term ‘motor vehicle repair business’ means any person who holds himself out to the public as in the business of repairing motor vehicles or motor vehicle equipment for compensation.

“Motor vehicle business.”

“(B) The Secretary may by regulation exempt any person from this paragraph if he determines that such exemption is consistent with motor vehicle safety and the purposes of this Act. The Secretary may prescribe regulations defining the term ‘render inoperative’.

“(C) This paragraph shall not apply with respect to the rendering inoperative of (i) any safety belt interlock (as defined in section 125(f)(1)) or (ii) any continuous buzzer (as defined in section 125(f)(4)) designed to indicate that safety belts are not in use.

Ante, p. 1482.

“(D) Paragraph (1)(A) of this subsection shall not apply to the sale or offering for sale of any motor vehicle which has such a buzzer or interlock rendered inoperative by a dealer at the request of the first purchaser of such vehicle.”

15 USC 1397.

(B) Subsection (b) of section 108 of such Act is amended by inserting “(A)” after “Paragraph (1)” in paragraphs (1), (2), and (5) of such subsection and by inserting “(A)” after “paragraph (1)” in paragraph (3) of such subsection.

(2) Section 108(a) of such Act (as amended by paragraph (1) of this subsection) is amended—

Infra.

(A) by inserting after the semicolon in paragraph (1)(B) the following: “fail to keep specified records in accordance with such section; or fail or refuse to permit impounding, as required under section 112(a);” and

(B) by adding at the end of subsection (a) the following new subparagraph:

“(E) fail to comply with any rule, regulation, or order issued under section 112 or 114; and”

(3) Section 108(a)(1)(D) of such Act is amended to read as follows:

“(D) fail—

“(i) to furnish notification,

“(ii) to remedy any defect or failure to comply, or

“(iii) to maintain records,

as required by part B of this title; or fail to comply with any order or other requirement applicable to any manufacturer, distributor, or dealer pursuant to such part B;”

15 USC 1398.

(b) **PENALTIES.**—Section 109 of such Act is amended by striking out “\$400,000” in the second sentence of such subsection (a) and inserting in lieu thereof “\$800,000”.

15 USC 1399.

(c) **INJUNCTIONS.**—

(1) The first sentence of section 110(a) of such Act is amended (1) by inserting “(or rules, regulations or orders thereunder)” after “violations of this title”, and (2) by inserting immediately after “pursuant to this title,” the following: “or to contain a defect (A) which relates to motor vehicle safety and (B) with respect to which notification has been given under section 151 or has been required to be given under section 152(b);”.

(2) The next to the last sentence of section 110(a) of such Act is amended by inserting before the period at the end thereof the following: “or to remedy the defect”.

SEC. 104. INSPECTION AND RECORDKEEPING.

15 USC 1401.

(a) Subsections (a), (b), and (c) of section 112 of the National Traffic and Motor Vehicle Safety Act of 1966 are amended to read as follows:

“(a)(1) The Secretary is authorized to conduct any inspection or investigation—

“(A) which may be necessary to enforce this title or any rules, regulations, or orders issued thereunder, or

“(B) which relates to the facts, circumstances, conditions, and causes of any motor vehicle accident and which is for the purposes of carrying out his functions under this Act.

The Secretary shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury any information obtained indicating noncompliance with this title or any rules, regulations, or orders issued thereunder, for appropriate action. In making investigations under subparagraph (B), the Secretary shall cooperate with appro-

priate State and local officials to the greatest extent possible consistent with the purposes of this subsection.

“(2) For purposes of carrying out paragraph (1), officers or employees duly designated by the Secretary, upon presenting appropriate credentials and written notice to the owner, operator, or agent in charge, are authorized at reasonable times and in a reasonable manner—

“(A) to enter (i) any factory, warehouse, or establishment in which motor vehicles or items of motor vehicle equipment are manufactured, or held for introduction into interstate commerce or are held for sale after such introduction, or (ii) any premises where a motor vehicle or item of motor vehicle equipment involved in a motor vehicle accident is located;

“(B) to impound for a period not to exceed 72 hours, any motor vehicle or item of motor vehicle equipment involved in a motor vehicle accident; and

“(C) to inspect any factory, warehouse, establishment, vehicle, or equipment referred to in subparagraph (A) or (B).

Each inspection under this paragraph shall be commenced and completed with reasonable promptness.

“(3) (A) Whenever, under the authority of paragraph (2) (B), the Secretary inspects or temporarily impounds for the purpose of inspection any motor vehicle (other than a vehicle subject to part II of the Interstate Commerce Act) or an item of motor vehicle equipment, he shall pay reasonable compensation to the owner of such vehicle to the extent that such inspection or impounding results in the denial of the use of the vehicle to its owner or in the reduction in value of the vehicle.

“(B) As used in this subsection, ‘motor vehicle accident’ means an occurrence associated with the maintenance, use, or operation of a motor vehicle or item of motor vehicle equipment in or as a result of which any person suffers death or personal injury, or in which there is property damage.

“(b) Every manufacturer of motor vehicles and motor vehicle equipment shall establish and maintain such records and every manufacturer, dealer, or distributor shall make such reports, as the Secretary may reasonably require to enable him to determine whether such manufacturer, dealer, or distributor has acted or is acting in compliance with this title or any rules, regulations, or orders issued thereunder and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, dealer, or distributor has acted or is acting in compliance with this title or any rules, regulations, or orders issued thereunder. Nothing in this subsection shall be construed as imposing recordkeeping requirements on distributors or dealers, except those requirements imposed under section 158 and regulations and orders promulgated thereunder.

“(c) (1) For the purpose of carrying out the provisions of this title, the Secretary, or on the authorization of the Secretary, any officer or employee of the Department of Transportation may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary, or such officer or employee, deems advisable.

“(2) In order to carry out the provisions of this title, the Secretary or his duly authorized agent shall at all reasonable times have access to, and for the purposes of examination the right to copy, any docu-

Impoundment
of motor vehicles.

Compensation
to vehicle
owner.

49 USC 301.

“Motor vehicle
accident.”

Hearings.

mentary evidence of any person having materials or information relevant to any function of the Secretary under this title.

“(3) The Secretary is authorized to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this title. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe.

Noncompliance.

“(4) Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary or such officer or employee issued under paragraph (1) or paragraph (3) of this subsection, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Punishment.

Witnesses fees.

“(5) Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage which are paid witnesses in the courts of the United States.

“(6) (A) The Secretary is authorized to request from any department, agency or instrumentality of the Federal Government such statistics, data, program reports, and other materials as he deems necessary to carry out his functions under this title; and each such department, agency, or instrumentality is authorized and directed to cooperate with the Secretary and to furnish such statistics, data, program reports, and other materials to the Department of Transportation upon request made by the Secretary. Nothing in this subparagraph shall be deemed to affect any provision of law limiting the authority of an agency, department, or instrumentality of the Federal Government to provide information to another agency, department, or instrumentality of the Federal Government.

“(B) The head of any Federal department, agency, or instrumentality is authorized to detail, on a reimbursable basis, any personnel of such department, agency, or instrumentality to assist in carrying out the duties of the Secretary under this title.”

(b) Section 112(e) of such Act is amended by striking out “All” and inserting in lieu thereof “Except as otherwise provided in section 158(a) (2) and section 113(b), all”; and striking out “subsection (b) or (c)” and inserting in lieu thereof “this title”.

SEC. 105. COST INFORMATION.

The National Traffic and Motor Vehicle Safety Act of 1966 (as amended by section 102) is further amended by inserting after section 112 the following:

15 USC 1402.

“SEC. 113. (a) Whenever any manufacturer opposes an action of the Secretary under section 103, or under any other provision of this Act, on the ground of increased cost, the manufacturer shall submit such cost information (in such detail as the Secretary may by regulation or order prescribe) as may be necessary in order to properly evaluate the manufacturer's statement. The Secretary shall thereafter promptly prepare an evaluation of such cost information.

“(b) (1) Subject to paragraph (2), such cost information together with the Secretary's evaluation thereof, shall be available to the public. Notice of the availability of such information shall be published in the Federal Register.

“(2) If the manufacturer satisfies the Secretary that any portion of such information contains a trade secret or other confidential matter, such portion may be disclosed to the public only in such manner as to preserve the confidentiality of such trade secret or other confidential

matter, except that any such information may be disclosed to other officers or employees concerned with carrying out this title or when relevant in any proceeding under this title. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control, from the duly authorized committees of the Congress.

“(c) For purposes of this section, the term ‘cost information’ means information with respect to alleged cost increases resulting from action by the Secretary, in such form as to permit the public and the Secretary to make an informed judgment on the validity of the manufacturer’s statements. Such term includes both the manufacturer’s cost and the cost to retail purchasers.

“Cost information.”

“(d) The Secretary is authorized to establish rules and regulations prescribing forms and procedures for the submission of cost information under this section.

Rules and regulations.

“(e) Nothing in this section shall be construed to restrict the authority of the Secretary to obtain, or require submission of, information under any other provision of this Act.”

SEC. 106. AGENCY RESPONSIBILITY.

The National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting after section 123 the following new section:

“SEC. 124. (a) Any interested person may file with the Secretary a petition requesting him (1) to commence a proceeding respecting the issuance of an order pursuant to section 103 or to commence a proceeding to determine whether to issue an order pursuant to section 152(b) of this Act.

15 USC 1410a.

“(b) Such petition shall set forth (1) facts which it is claimed establish that an order is necessary, and (2) a brief description of the substance of the order which it is claimed should be issued by the Secretary.

“(c) The Secretary may hold a public hearing or may conduct such investigation or proceeding as he deems appropriate in order to determine whether or not such petition should be granted.

Hearing.

“(d) Within 120 days after filing of a petition described in subsection (b), the Secretary shall either grant or deny the petition. If the Secretary grants such petition, he shall promptly commence the proceeding requested in the petition. If the Secretary denies such petition he shall publish in the Federal Register his reasons for such denial.

Publication in Federal Register.

“(e) The remedies under this section shall be in addition to, and not in lieu of, other remedies provided by law.”

SEC. 107. NATIONAL MOTOR VEHICLE SAFETY ADVISORY COUNCIL.

(a) PUBLIC MEMBERS.—Section 104 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting “(1)” after “Sec. 104. (a)”, and by adding the following new paragraph at the end of subsection (a):

15 USC 1393.

“(2) For the purposes of this section, the term ‘representative of the general public’ means an individual who (A) is not in the employ of, or holding any official relation to any person who is (i) a manufacturer, dealer, or distributor, or (ii) a supplier of any manufacturer, dealer, or distributor, (B) does not own stock or bonds of substantial value in any person described in subparagraph (A) (i) or (ii), and (C) is not in any other manner directly or indirectly pecuniarily interested in such a person. The Secretary shall publish the names of the members of the Council annually and shall designate which members represent the general public. The Chairman of the Council shall be chosen by the Council from among the members representing the general public.”

“Representative of the general public.”

Publication of names of members.

Repeal.
15 USC 1393.

(b) EXPIRATION.—Effective October 1, 1977, section 104 of such Act (as amended by subsection (a) of this section) is repealed.

SEC. 108. FUEL SYSTEM INTEGRITY STANDARD.

15 USC 1392
note.

(a) RATIFICATION OF STANDARD.—Federal Motor Vehicle Safety Standard Number 301 (49 CFR 571.301-75; Docket No. 73-20, Notice 2) as published on March 21, 1974 (39 F.R. 10588-10590) shall take effect on the dates prescribed in such standard (as so published).

(b) AMENDMENT OR REPEAL OF STANDARD.—The Secretary may amend the standard described in subsection (a) in order to correct technical errors in the standard, and may amend or repeal such standard if he determines such amendment or repeal will not diminish the level of motor vehicle safety.

SEC. 109. OCCUPANT RESTRAINT SYSTEMS.

15 USC 1410b.

The National Traffic and Motor Vehicle Safety Act of 1966 is amended by inserting after section 124 the following new section:

“SEC. 125. (a) Not later than 60 days after the date of enactment of this section, the Secretary shall amend the Federal motor vehicle safety standard numbered 208 (49 CFR 571.208), so as to bring such standard into conformity with the requirements of paragraphs (1), (2), and (3) of subsection (b) of this section. Such amendment shall take effect not later than 120 days after the date of enactment of this section.

“(b) After the effective date of the amendment prescribed under subsection (a):

“(1) No Federal motor vehicle safety standard may—

“(A) have the effect of requiring, or

“(B) provide that a manufacturer is permitted to comply with such standard by means of,

any continuous buzzer designed to indicate that safety belts are not in use, or any safety belt interlock system.

“(2) Except as otherwise provided in paragraph (3), no Federal motor vehicle safety standard respecting occupant restraint systems may—

“(A) have the effect of requiring, or

“(B) provide that a manufacturer is permitted to comply with such standard by means of,

an occupant restraint system other than a belt system.

“(3) (A) Paragraph (2) shall not apply to a Federal motor vehicle safety standard which provides that a manufacturer is permitted to comply with such standard by equipping motor vehicles manufactured by him with either—

“(i) a belt system, or

“(ii) any other occupant restraint system specified in such standard.

“(B) Paragraph (2) shall not apply to any Federal motor vehicle safety standard which the Secretary elects to promulgate in accordance with the procedure specified in subsection (c), unless it is disapproved by both Houses of Congress by concurrent resolution in accordance with subsection (d).

“(C) Paragraph (2) shall not apply to a Federal motor vehicle safety standard if at the time of promulgation of such standard (i) the 60-day period determined under subsection (d) has expired with respect to any previously promulgated standard which the Secretary has elected to promulgate in accordance with subsection (c), and (ii) both Houses of Congress have not by concurrent resolution within such period disapproved such previously promulgated standard.

"(c) The procedure referred to in subsection (b) (3) (B) and (C) in accordance with which the Secretary may elect to promulgate a standard is as follows:

"(1) The standard shall be promulgated in accordance with section 103 of this Act, subject to the other provisions of this subsection.

"(2) Section 553 of title 5, United States Code, shall apply to such standard; except that the Secretary shall afford interested persons an opportunity for oral as well as written presentation of data, views, or arguments. A transcript shall be kept of any oral presentation.

Data, views, or arguments, presentation.

"(3) The chairmen and ranking minority members of the House Interstate and Foreign Commerce Committee and the Senate Commerce Committee shall be notified in writing of any proposed standard to which this section applies. Any Member of Congress may make an oral presentation of data, views, or arguments under paragraph (2).

Congress, notification; presentation of data, views, or arguments.

"(4) Any standard promulgated pursuant to this subsection shall be transmitted to both Houses of Congress, on the same day and to each House while it is in session. In addition, such standard shall be transmitted to the chairmen and ranking minority members of the committees referred to in paragraph (3).

"(d) (1) A standard which the Secretary has elected to promulgate in accordance with subsection (c) shall not be effective if, during the first period of 60 calendar days of continuous session of Congress after the date of transmittal to Congress, both Houses of Congress pass a concurrent resolution the matter after the resolving clause of which reads as follows: 'The Congress disapproves the Federal motor vehicle safety standard transmitted to Congress on _____, 19—.'; (the blank space being filled with date of transmittal of the standard to Congress). If both Houses do not pass such a resolution during such period, such standard shall not be effective until the expiration of such period (unless the standard specifies a later date).

"(2) For purposes of this section—

"(A) continuity of session of Congress is broken only by an adjournment sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 60-day period.

"(e) This section shall not impair any right which any person may have to obtain judicial review of a Federal motor vehicle safety standard.

"(f) For purposes of this section:

Definitions.

"(1) The term 'safety belt interlock' means any system designed to prevent starting or operation of a motor vehicle if one or more occupants of such vehicle are not using safety belts.

"(2) The term 'belt system' means an occupant restraint system consisting of integrated lap and shoulder belts for front outboard occupants and lap belts for other occupants. With respect to (A) motor vehicles other than passenger vehicles, (B) convertibles, and (C) open-body type vehicles, such term also includes an occupant restraint system consisting of lap belts or lap belts combined with detachable shoulder belts.

“(3) The term ‘occupant restraint system’ means a system the principal purpose of which is to assure that occupants of a motor vehicle remain in their seats in the event of a collision or rollover. Such term does not include a warning device designed to indicate that seat belts are not in use.

“(4) The term ‘continuous buzzer’ means a buzzer other than a buzzer which operates only during the 8 second period after the ignition is turned to the ‘start’ or ‘on’ position.”

SEC. 110. TECHNICAL AND CONFORMING AMENDMENTS.

15 USC 1391. (a) DEFINITION OF SECRETARY.—Section 102(10) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended to read as follows:

“(10) ‘Secretary’ means the Secretary of Transportation.”

15 USC 1408. (b) DATE OF ANNUAL REPORT.—The first sentence of section 120(a) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by striking out “March 1” and inserting in lieu thereof “July 1”.

15 USC 1424. (c) REGROOVED TIRES.—Section 204(a) of such Act is amended to read as follows:

“(a) No person shall sell, offer for sale, or introduction for sale, or deliver for introduction in interstate commerce, any tire or motor vehicle equipped with any tire which has been regrooved, except that the Secretary may by order permit the sale, offer for sale, introduction for sale, or delivery for introduction in interstate commerce, of regrooved tires and motor vehicles equipped with regrooved tires which he finds are designed and constructed in a manner consistent with the purposes of this Act.”

SEC. 111. EFFECTIVE DATE.

15 USC 1409
note.

The amendments made by this title (other than section 109) shall take effect on the sixtieth day after the date of enactment of this Act; except that section 108(a) (4) (D) of the National Traffic and Motor Vehicle Safety Act of 1966 (as added by section 103(a) (1) (A) of this Act) shall take effect on the date of enactment of this Act.

TITLE II—SCHOOLBUS SAFETY

SEC. 201. DEFINITIONS.

15 USC 1391. Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

“(14) ‘schoolbus’ means a passenger motor vehicle which is designed to carry more than 10 passengers in addition to the driver, and which the Secretary determines is likely to be significantly used for the purpose of transporting primary, preprimary, or secondary school students to or from such schools or events related to such schools; and

“(15) ‘schoolbus equipment’ means equipment designed primarily as a system, part, or component of a schoolbus, or any similar part or component manufactured or sold for replacement or improvement of such system, part, or component or as an accessory or addition to a schoolbus.”

SEC. 202. MANDATORY SCHOOLBUS STANDARDS.

15 USC 1392. Section 103 of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

“(i) (1) (A) Not later than 6 months after the date of enactment of this subsection, the Secretary shall publish proposed Federal motor vehicle safety standards to be applicable to schoolbuses and schoolbus equipment. Such proposed standards shall include minimum stand-

ards for the following aspects of performance:

- "(i) Emergency exits.
- "(ii) Interior protection for occupants.
- "(iii) Floor strength.
- "(iv) Seating systems.
- "(v) Crash worthiness of body and frame (including protection against rollover hazards).
- "(vi) Vehicle operating systems.
- "(vii) Windows and windshields.
- "(viii) Fuel systems.

"(B) Not later than 15 months after the date of enactment of this subsection, the Secretary shall promulgate Federal motor vehicle safety standards which shall provide minimum standards for those aspects of performance set out in clauses (i) through (viii) of subparagraph (A) of this paragraph, and which shall apply to each schoolbus and item of schoolbus equipment which is manufactured in or imported into the United States on or after the expiration of the 9-month period which begins on the date of promulgation of such safety standards.

"(2) The Secretary may prescribe regulations requiring that any schoolbus be test-driven by the manufacturer before introduction into commerce."

SEC. 203. ENFORCEMENT.

Section 108(a) (1) of the National Traffic and Motor Vehicle Safety Act of 1966 is amended by adding at the end thereof the following:

15 USC 1397.

"(F) to fail to comply with regulations of the Secretary under section 103(i) (2)."

TITLE III—MOTOR VEHICLE DEMONSTRATION PROJECTS

SEC. 301. DEMONSTRATION PROJECTS.

(a) Title III of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1961 et seq.) is amended—

- (1) by inserting after the heading for such title the following:

"PART A—STATE PROGRAMS";

- (2) by striking out "this title" wherever it appears in sections 301, 302, and 303 and inserting in lieu thereof "this part";

- (3) by redesignating section 304 as section 321; and

- (4) by inserting after section 303 the following:

15 USC 1961,
1962, 1963.

"PART B—SPECIAL DEMONSTRATION PROJECTS

"AUTHORITY TO ESTABLISH

"Sec. 311. The Secretary shall establish a special motor vehicle diagnostic inspection demonstration project to assist in the rapid development and evaluation of advanced inspection, analysis, and diagnostic equipment suitable for use by the States in standardized high volume inspection facilities and to evaluate the repair characteristics of motor vehicles. Such project shall be designed to facilitate evaluation of repair characteristics by small automotive repair garages.

15 USC 1963a.

"PART C—AUTHORIZATION OF APPROPRIATIONS".

Approved October 27, 1974.