



October 20, 2015

House Energy and Commerce Committee  
Subcommittee on Commerce, Manufacturing and Trade  
2125 and 2322A Rayburn House Office Building  
Washington, DC 20515

Dear Energy and Commerce Committee Members:

AAMVA welcomes the opportunity to address concerns with the Vehicle Safety Title provided via discussion draft for its hearing on “Examining Ways to Improve Vehicle and Roadway Safety.” AAMVA believes the true issue behind recent vehicle recall issues is not ultimately related to consumer notification. While informing the consumer may help satisfy completion rates, the larger issue at hand is ensuring manufacturers are complying with their responsibility to report recalls to the federal government in a timely manner.

Section 203 would mandate state participation in a safety recall notification program. This section would require state governments notify each owner or lessee of an open motor vehicle recall at the time of vehicle registration.

AAMVA objects to these provisions as follows:

- This legislation would place additional requirements on states participating in the National Driver Register (49 USC 30303). By adding subsection (d), and requiring that in order to participate in NDR a state must notify owners of open recall information at the time of vehicle registration, this language could cause some states to become non-participants in NDR. Non-participation would compromise a state’s authority to issue any driver’s license, as 49 USC 30304(e) requires that “before issuing a motor vehicle operator’s license to an individual or renewing such license, a State shall request from the Secretary information from the National Driver Register.”
- The National Driver Register does not include vehicle-related information. States participating in NDR do so under the presumption of checking the Register prior to driver’s licensing transactions - not for checking status on vehicle transactions. The NDR is not a sensible conveyance for this type of information.
- This section constitutes an unfunded mandate on states and transfers costs and manufacturers’ legal responsibility associated with notification requirements onto taxpayers and state government.

- Vehicle data, owner data, and vehicle identification numbers associated with an open motor vehicle recall reside in exclusively separate data systems. Integration of these systems for notification purposes (and into a driver database with for which there are no current links) would be costly with no associative funding mechanism.
- A mandate to check each vehicle's recall status at time of registration would contribute significantly toward customer wait times – adversely impacting a state's ability to serve customers.
- Integration of web solutions to individual branch offices and front-line employees is not universal. System capabilities for each state and branch office vary, including limited connectivity to protect system integrity.
- This legislation impacts all online customer service systems within the state. States using online vehicle registration methods would have to update their individual web portals to accommodate the ability to provide notification requirements for online vehicle registration transactions. This has the potential to disrupt not only vehicle transactions, but all web-based transactions.

**Recommendations:**

AAMVA continues to urge Congress to incentivize state involvement in a voluntary process. Language passed in the Senate would allow states to recognize their own system needs, anticipate additional requirements, and realize how they can become more involved in the recall notification process. AAMVA endorses the language in Section 34205 of the Senate-passed DRIVE Act (HR 22) as follows:

***SEC. 34205. PILOT GRANT PROGRAM FOR STATE NOTIFICATION TO CONSUMERS OF MOTOR VEHICLE RECALL STATUS.***

*(a) IN GENERAL.—Not later than October 1, 2016, the Secretary shall implement a 2-year pilot program to evaluate the feasibility and effectiveness of a State process for informing consumers of open motor vehicle recalls at the time of motor vehicle registration in the State.*

*(b) GRANTS.—To carry out this program, the Secretary may make a grant to each eligible State, but not more than 6 eligible States in total, that agrees to comply with the requirements under subsection (c). Funds made available to a State under this section shall be used by the State for the pilot program described in subsection (a).*

*(c) ELIGIBILITY.—To be eligible for a grant, a State shall—*

- (1) submit an application in such form and manner as the Secretary prescribes;*
- (2) agree to notify, at the time of registration, each owner or lessee of a motor vehicle presented for registration in the State of any open recall on that vehicle;*

*(3) provide the open motor vehicle recall information at no cost to each owner or lessee of a motor vehicle presented for registration in the State; and*

*(4) provide such other information as the Secretary may require.*

*(d) AWARDS.—In selecting an applicant for an award under this section, the Secretary shall consider the State’s methodology for determining open recalls on a motor vehicle, for informing consumers of the open recalls, and for determining performance.*

*(e) PERFORMANCE PERIOD.—Each grant awarded under this section shall require a 2-year performance period.*

*(f) REPORT.—Not later than 90 days after the completion of the performance period under subsection (e), a grantee shall provide to the Secretary a report of performance containing such information as the Secretary considers necessary to evaluate the extent to which open recalls have been remedied.*

*(g) EVALUATION.—Not later than 180 days after the completion of the pilot program, the Secretary shall evaluate the extent to which open recalls identified have been remedied.*

*(h) DEFINITIONS.—In this section:*

*(1) CONSUMER.—The term “consumer” includes owner and lessee.*

*(2) MOTOR VEHICLE.—The term “motor vehicle” has the meaning given the term under section 30102(a) of title 49, United States Code.*

*(3) OPEN RECALL.—The term “open recall” means a recall for which a notification by a manufacturer has been provided under section 30119 of title 49, United States Code, and that has not been remedied under section 30120 of that title.*

*(4) REGISTRATION.—The term “registration” means the process for registering motor vehicles in the State.*

*(5) STATE.—The term “State” has the meaning given the term under section 101(a) of title 23, United States Code.*

Should Congress decide to move forward with other language, the responsibility for funding the full stand-up costs and the continuous maintenance of effort associated with a notification system must lie with the manufacturers and not with state budgets. If the Committee continues consideration of the draft discussion language, AAMVA proposes the following amendments to that language:

**SEC. 203. RECALL NOTIFICATION AT STATE VEHICLE REGISTRATION.**

(a) *RECALL PROGRAM PARTICIPATION.*— Section 30119 of title 49, United States Code, is amended by adding at the end the following:

*“(g) ADDITIONAL RECALL NOTICE —A participating State shall—*

*“(1) agree to notify, at the time of vehicle registration, each owner or lessee of a motor vehicle presented for registration in the State of any open recall on that vehicle;*

*“(2) provide the open motor vehicle recall information at no cost to each owner or lessee of a motor vehicle presented for registration in the State; and*

*“(3) provide such other information as the Secretary may require.*

*“(h) MANUFACTURER RESPONSIBILITY — Manufacturers are required to construct a centralized repository for all vehicle identification numbers subject to an open recall and ensure that information is current and accessible to the Secretary and participating states.*

*“(i) AUTHORIZATION OF FEE STRUCTURE - The Secretary is authorized to prescribe regulations establishing a fee structure whereby manufacturers assume the full cost of -*

*“(1) implementing the system*

*“(2) integrating state systems with the centralized repository of all vehicle identification numbers subject to an open recall*

*“(3) maintaining the operational costs associated with notification procedures at the time of state vehicle registration.*

*“(j) EXEMPTION FROM LIABILITY — The additional notification provided by a state at the time of vehicle registration is not meant to replace the notification obligations of the manufacturer. Only the manufacturer is liable in absence of notification.*

*“(k) SYSTEM AVAILABILITY — Notification at the time of state vehicle registration shall not be required prior to the establishment of state integration with the system described in paragraph (h).*

*“(l) DEFINITIONS.—In this section:*

*“(1) MANUFACTURER — The term ‘manufacturer’ has the meaning given the term under section 30102(a) of this title.*

*“(2) MOTOR VEHICLE.—The term ‘motor vehicle’ has the meaning given the term under section 30102(a) of this title.*

*“(3) OPEN MOTOR VEHICLE RECALL.—The term ‘open motor vehicle recall’ means a recall for which a notification by a manufacturer has been provided under section 30119 of this title, and that has not been remedied under section 30120 of this title.*

*“(4) PARTICIPATING STATE.— The term ‘participating state’ means a state that has voluntarily agreed to supplement existing notification requirements through agreement with the Secretary.*

*“(5) REGISTRATION.—The term ‘registration’ means the process for registering a motor vehicle in the State or renewing the registration for such motor vehicle.*

AAMVA thanks the Committee for their continued efforts to improve safety on the nation’s roadways. We look forward to our continued collaboration, and should you have any questions, feel free to contact me at [aferro@aamva.org](mailto:aferro@aamva.org) or (703) 908-5766.

Sincerely,

A handwritten signature in black ink, appearing to read 'Anne S. Ferro', with a long horizontal flourish extending to the right.

Anne S. Ferro  
President and CEO

ASF/sfb