

Statement of National Highway Traffic Safety Administrator

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Before the House Energy and Commerce

Subcommittee on Commerce, Manufacturing and Trade

October 21, 2015

Chairman Burgess, Ranking Member Schakowsky, it is an honor to represent the men and women of the National Highway Traffic Safety Administration (NHTSA) in offering the Agency's perspective on how to strengthen our safety mission. Our mission is focused on saving the 32,719 lives lost, preventing the 2.1 million injuries, and reducing the 5.4 million crashes that occurred on American roadways in 2013.

NHTSA will continue to use every tool available in pursuit of public safety and in just the last 10 months the Agency has done the following:

- Strengthened our oversight and enforcement on vehicle safety, issuing record civil penalties for recall and safety reporting failures and making innovative use of consent orders to improve safety performance in the auto industry.
- Secured the first cybersecurity-related safety defect recall in automotive history, and made unprecedented use of our authority to explore measures to speed the most complex safety recall in American history, involving Takata air bag inflators.
- Embraced Secretary Foxx's call to accelerate technology innovations that can save lives – accelerating proposed rulemaking on vehicle-to-vehicle technology; undertaking a review of our regulatory structure to find and address obstacles to safety innovations; announcing our intent to add Automatic Emergency Braking to our New Car Assessment Program; and securing voluntary commitments from 10 major automakers to make AEB systems standard equipment on new vehicles.
- And answered the call of this Committee and the American public to improve our own performance in identifying and addressing safety defects, pledging to fully implement recommendations of a recent DOT Inspector General Report on an expedited schedule and to undertake dozens of additional improvements to our screening, investigation and analysis processes.

These efforts underscore NHTSA's commitment to safety. Whatever decisions this Committee or the Congress make, NHTSA will seek to do all we can for safety within available authorities and resources.

And with your help, we can do even more. DOT and the Administration have identified actions Congress can take to strengthen NHTSA's safety mission.

In the GROW AMERICA Act, Secretary Foxx proposed significant enhancements to NHTSA safety authorities, including imminent hazard authority similar to that already held by other safety regulators; criminal penalties for vehicle hacking; authority to prevent rentals or used-car sales of vehicles under safety recall; and significantly enhanced civil penalty authority to provide meaningful deterrence against violations of the Safety Act. GROW AMERICA and the Fiscal Year 2016 Budget Request would provide significant additional funding to enhance our Office of Defects Investigation and to more vigorously address emerging issues such as cybersecurity.

These proposals are essential enhancements of our safety mission. As I told your Senate colleagues in June: In my judgment as a safety professional, failure to address gaps in our available authority, personnel, and resources are a known risk to safety.

NHTSA has been able to spend only a few days on our detailed technical analysis of the staff discussion draft legislative proposal released late last week. I would like to thank the Committee members and staff for their initial engagement with NHTSA and hope productive conversations can continue. Even our initial examination has identified examples of significant concerns.

The discussion draft would require a system to notify owners of recalled vehicles when they register or re-register their vehicle with State motor vehicle agencies. State agencies are one potential touch-point for owners, especially second or third owners of used vehicles. But the costs to establish or maintain such a system are unknown and the technology is not yet in place, which is why GROW AMERICA proposed a pilot program to work through these issues. Under the draft proposal, States that do not meet the requirement would get kicked out of the National Driver Register, an important tool for identifying habitual traffic offenders and ensuring that commercial drivers have clean records.

The Committee's discussion draft includes an important focus on cybersecurity, privacy and technology innovations, but the current proposals may have the opposite of their intended effect. By providing regulated entities majority representation on committees to establish appropriate practices and standards, then enshrining those practices as de facto regulations, the proposals could seriously undermine NHTSA's efforts to ensure safety. Ultimately, the public expects NHTSA, not industry, to set safety standards.

The draft legislative proposal would require NHTSA to prepare our recall notices in coordination with the manufacturer and prevent NHTSA from making them public until manufacturers have made available complete lists of Vehicle Identification Numbers for affected vehicles. This

proposal would require NHTSA to withhold safety defect information from the public, and give the manufacturers responsible for the defect control over the timeline and release of NHTSA-initiated recall actions. This proposal impinges on the agency's enforcement authority and is in direct conflict with other Congressional interests to increase the transparency of safety information.

Discussion on these and other issues is essential to our shared goal of greater safety on America's roads. Thank you, and I look forward to your questions.