





May 13, 2002



# The TREAD Act Covers Four Major Areas

- Tires
  - Child Passenger Safety
  - Rollover
  - Defects/Recalls
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# Defect Provisions - Penalties

- Civil Penalties
- Criminal Penalties

# Recall Provisions

- Extension of Periods for Free Remedies
- Acceleration of Manufacturer's Remedy Program
- Reimbursement of Costs Incurred by a Consumer Before a Recall
- Prohibition of Sale of Recalled Tires and Other Equipment
- Notice to NHTSA of Such Prohibited Sales
- Disposition of Recalled Tires



# Early Warning - Basic Provisions

Manufacturers to report foreign and domestic:

- ◆ Claims regarding serious injuries or death
- ◆ Aggregate statistical data on property damage
- ◆ Consumer satisfaction campaigns, etc.
- ◆ Incidents involving fatalities and serious injuries allegedly due to defects

# Early Warning - Basic Provisions (cont.)

- Regulations may require reporting of other data
- Regulations must specify how data will be used by NHTSA
- Requirements may not be unduly burdensome

# Early Warning - Basic Provisions (cont.)

- NHTSA can only require submission of information in manufacturer's possession
- Disclosure of information
- Periodic review



# Early Warning - Process and Timing

- ANPRM: January 2001
- NPRM: December 2001
  - Comments Closed: February 4, 2002
- Statutory Deadline: June 30, 2002



# Early Warning - Major Issues

- Who must report information?
- What information should be reported?
- Will different types of manufacturers be treated differently?
- When and how often should information be reported?

# Early Warning - Major Issues (cont.)

- What burdens would be “undue?”
- How will data be submitted?
- How will NHTSA utilize and store the data?
- What data will be available to the public?

# NPRM

## COMMENTS FROM:

- 6 light vehicle mfrs.
- 5 heavy vehicle & 1 bus mfr.
- 4 equipment mfrs.
- 2 motorcycle mfrs.
- Many associations (vehicle, tire & equip.) and advocacy groups
- Hundreds of individuals (motorcycle apparel)



All Vehicle Mfrs and All Original &  
Replacement Equipment Mfrs Must Provide:



Most Extensive Requirements Apply  
to Larger Vehicle Mfrs (over 500  
vehicles sold in the U.S.), Tire Mfrs,  
and Child Restraint Mfrs.

# Seven manufacturer categories

Mfrs of more than 500 vehicles and of tires and child restraints must also provide:





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# ISSUES

- Definitions (e.g., “manufacturer,” “claim,” “serious injury,” warranty”)
- Threshold for reporting property damage claims
- Consumer complaints
- Alleged overlapping of certain system/component categories
- Submission of field reports

# ISSUES

- “Substantially similar” vehicles and equipment for foreign reporting
- Whether to require updating/correcting of reports of an incident
- Redaction responsibility
- Date that first reports will be due
- Form in which data will be submitted
- One-time reporting of historical data



End of Presentation