

the sources of replacement parts and/or expanding the number of authorized repair facilities);

(4) Where applicable, a statement that the owner may elect to obtain the recall remedy using designated service facilities other than those that are owned or franchised by the manufacturer or are the manufacturer's authorized dealers, and an explanation of how the owner may arrange for service at those other facilities;

(5) Where applicable, a statement that the owner may elect to obtain the recall remedy using specified replacement parts or equipment from sources other than the manufacturer;

(6) Where applicable, a statement indicating whether the owner will be required to pay an alternative facility and/or parts supplier, subject to reimbursement by the manufacturer; and

(7) If an owner will be required to pay an alternative facility and/or parts supplier, a statement that the owner will be eligible to have those expenditures reimbursed by the manufacturer, and a description of how a consumer may obtain information about reimbursement from the manufacturer consistent with § 577.11(b)(2), (c) and (d).

[67 FR 72393, Dec. 5, 2002]

§ 577.13 Notification to dealers and distributors.

(a) The notification to dealers and distributors of a safety-related defect or a noncompliance with a Federal motor vehicle safety standard shall contain a clear statement that identifies the notification as being a safety recall notice, an identification of the motor vehicles or items of motor vehicle equipment covered by the recall, a description of the defect or noncompliance, and a brief evaluation of the risk to motor vehicle safety related to the defect or noncompliance. The notification shall also include a complete description of the recall remedy, and the estimated date on which the remedy will be available. Information required by this paragraph that is not available at the time of the original notification shall be provided as it becomes available.

(b) The notification shall also include an advisory stating that it is a violation of Federal law for a dealer to de-

liver a new motor vehicle or any new or used item of motor vehicle equipment (including a tire) covered by the notification under a sale or lease until the defect or noncompliance is remedied.

(c) The manufacturer shall, upon request of the Administrator, demonstrate that it sent the required notification to each of its known dealers and distributors and the date of such notification.

[69 FR 34960, June 23, 2004, as amended at 70 FR 38815, July 6, 2005]

PART 578—CIVIL AND CRIMINAL PENALTIES

Sec.

578.1 Scope.

578.2 Purpose.

578.3 Applicability.

578.4 Definitions.

578.5 Inflationary adjustment of civil penalties.

578.6 Civil penalties for violations of specified provisions of Title 49 of the United States Code.

578.7 Criminal safe harbor provision.

AUTHORITY: Pub. L. 101-410, Pub. L. 104-134, Pub. L. 106-414, 49 U.S.C. 30165, 49 U.S.C. 30170, 30505, 32308, 32309, 32507, 32709, 32710, 32912, and 33115; delegation of authority at 49 CFR 1.50.

SOURCE: 62 FR 5169, Feb. 4, 1997, unless otherwise noted.

§ 578.1 Scope.

This part specifies the civil penalties for violations of statutes administered by the National Highway Traffic Safety Administration, as adjusted for inflation. This part also sets forth the requirements regarding the reasonable time and the manner of correction for a person seeking safe harbor protection from criminal liability under 49 U.S.C. 30170(a).

[65 FR 81418, Dec. 26, 2000]

§ 578.2 Purpose.

One purpose of this part is to preserve the remedial impact of civil penalties and to foster compliance with the law by specifying the civil penalties for statutory violations, as adjusted for inflation. The other purpose of this part is to set forth the requirements regarding the reasonable time

§ 578.3

and the manner of correction for a person seeking safe harbor protection from criminal liability under 49 U.S.C. 30170(a).

[65 FR 81418, Dec. 26, 2000]

§ 578.3 Applicability.

This part applies to civil penalties for violations of Chapters 301, 305, 323, 325, 327, 329, and 331 of Title 49 of the United States Code. This part also applies to the criminal penalty safe harbor provision of section 30170 of Title 49 of the United States Code.

[65 FR 81419, Dec. 26, 2000]

§ 578.4 Definitions.

All terms used in this part that are defined in sections 30102, 30501, 32101, 32702, 32901, and 33101 of Title 49 of the United States Code are used as defined in the appropriate statute.

Administrator means the Administrator of the National Highway Traffic Safety Administration.

Civil penalty means any non-criminal penalty, fine, or other sanction that:

(1) Is for a specific monetary amount as provided by Federal law, or has a maximum amount provided for by Federal law; and

(2) Is assessed, compromised, collected, or enforced by NHTSA pursuant to Federal law.

NHTSA means the National Highway Traffic Safety Administration.

[62 FR 5169, Feb. 4, 1997, as amended at 65 FR 81419, Dec. 26, 2000]

§ 578.5 Inflationary adjustment of civil penalties.

The civil penalties set forth in this part continue in effect until adjusted by the Administrator. At least once every four years, the Administrator shall review the amount of these civil penalties and will, if appropriate, adjust them by rule.

§ 578.6 Civil penalties for violations of specified provisions of Title 49 of the United States Code.

(a)(1) *Motor vehicle safety.* A person who violates any of sections 30112, 30115, 30117 through 30122, 30123(d), 30125(c), 30127, or 30141 through 30147 of Title 49 of the United States Code or a regulation prescribed under any of

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those sections is liable to the United States Government for a civil penalty of not more than \$5,000 for each violation. A separate violation occurs for each motor vehicle or item of motor vehicle equipment and for each failure or refusal to allow or perform an act required by any of those sections. The maximum civil penalty under this paragraph for a related series of violations is \$16,050,000.

(2) *Section 30166.* A person who violates section 30166 of Title 49 of the United States Code or a regulation prescribed under that section is liable to the United States Government for a civil penalty for failing or refusing to allow or perform an act required under that section or regulation. The maximum penalty under this paragraph is \$5,000 per violation per day. The maximum penalty under this paragraph for a related series of violations is \$16,050,000.

(b) *National Automobile Title Information System.* An individual or entity violating 49 U.S.C. Chapter 305 is liable to the United States Government for a civil penalty of not more than \$1,100 for each violation.

(c) *Bumper standards.* (1) A person that violates 49 U.S.C. §32506(a) is liable to the United States Government for a civil penalty of not more than \$1,100 for each violation. A separate violation occurs for each passenger motor vehicle or item of passenger motor vehicle equipment involved in a violation of 49 U.S.C. 32506(a)(1) or (4)—

(i) That does not comply with a standard prescribed under 49 U.S.C. 32502, or

(ii) For which a certificate is not provided, or for which a false or misleading certificate is provided, under 49 U.S.C. 32504.

(2) The maximum civil penalty under this paragraph (c) for a related series of violations is \$1,025,000.

(d) *Consumer information regarding crashworthiness and damage susceptibility.* A person that violates 49 U.S.C. 32308(a) is liable to the United States Government for a civil penalty of not more than \$1,100 for each violation. Each failure to provide information or comply with a regulation in violation of 49 U.S.C. 32308(a) is a separate violation. The maximum penalty under this

paragraph for a related series of violations is \$500,000.

(e) *Country of origin content labeling.* A manufacturer of a passenger motor vehicle distributed in commerce for sale in the United States that willfully fails to attach the label required under 49 U.S.C. 32304 to a new passenger motor vehicle that the manufacturer manufactures or imports, or a dealer that fails to maintain that label as required under 49 U.S.C. 32304, is liable to the United States Government for a civil penalty of not more than \$1,100 for each violation. Each failure to attach or maintain that label for each vehicle is a separate violation.

(f) *Odometer tampering and disclosure.* (1) A person that violates 49 U.S.C. Chapter 327 or a regulation prescribed or order issued thereunder is liable to the United States Government for a civil penalty of not more than \$2,200 for each violation. A separate violation occurs for each motor vehicle or device involved in the violation. The maximum civil penalty under this paragraph for a related series of violations is \$120,000.

(2) A person that violates 49 U.S.C. Chapter 327 or a regulation prescribed or order issued thereunder, with intent to defraud, is liable for three times the actual damages or \$2,000, whichever is greater.

(g) *Vehicle theft protection.* (1) A person that violates 49 U.S.C. 33114(a)(1)-(4) is liable to the United States Government for a civil penalty of not more than \$1,100 for each violation. The failure of more than one part of a single motor vehicle to conform to an applicable standard under 49 U.S.C. 33102 or 33103 is only a single violation. The maximum penalty under this paragraph for a related series of violations is \$300,000.

(2) A person that violates 49 U.S.C. 33114(a)(5) is liable to the United States government for a civil penalty of not more than \$120,000 a day for each violation.

(h) *Automobile fuel economy.* (1) A person that violates 49 U.S.C. 32911(a) is liable to the United States Government for a civil penalty of not more than \$11,000 for each violation. A separate violation occurs for each day the violation continues.

(2) Except as provided in 49 U.S.C. 32912(c), a manufacturer that violates a standard prescribed for a model year under 49 U.S.C. 32902 is liable to the United States Government for a civil penalty of \$5.50 multiplied by each .1 of a mile a gallon by which the applicable average fuel economy standard under that section exceeds the average fuel economy—

(i) Calculated under 49 U.S.C. 32904(a)(1)(A) or (B) for automobiles to which the standard applies manufactured by the manufacturer during the model year;

(ii) Multiplied by the number of those automobiles; and

(iii) Reduced by the credits available to the manufacturer under 49 U.S.C. 32903 for the model year.

[62 FR 5169, Feb. 4, 1997, as amended at 64 FR 37878, July 14, 1999; 65 FR 68110, Nov. 14, 2000; 66 FR 41151, Aug. 7, 2001; 69 FR 57866, Sept. 28, 2004]

EFFECTIVE DATE NOTE: At 70 FR 53311, Sept. 8, 2005, §578.6 was amended by revising in paragraph (f)(1), the third sentence; revising in paragraph (g)(1), the third sentence; and revising paragraph (g)(2), effective Oct. 11, 2005. For the convenience of the user, the revised text is set forth as follows:

§578.6 Civil penalties for violations of specified provisions of Title 49 of the United States Code.

* * * * *

(f) *Odometer tampering and disclosure.* (1) * * * The maximum civil penalty under this paragraph for a related series of violations is \$130,000.

* * * * *

(g) *Vehicle theft protection.* (1) * * * The maximum penalty under this paragraph for a related series of violations is \$325,000.

(2) A person that violates 49 U.S.C. 33114(a)(5) is liable to the United States Government for a civil penalty of not more than \$130,000 a day for each violation.

* * * * *

§578.7 Criminal safe harbor provision.

(a) *Scope.* This section sets forth the requirements regarding the reasonable time and the manner of correction for a person seeking safe harbor protection from criminal liability under 49 U.S.C.

30170(a)(2), which provides that a person described in 49 U.S.C. 30170(a)(1) is not subject to criminal penalties thereunder if:

(1) At the time of the violation, such person does not know that the violation would result in an accident causing death or serious bodily injury; and

(2) The person corrects any improper reports or failure to report, with respect to reporting requirements of 49 U.S.C. 30166, within a reasonable time.

(b) *Reasonable time.* A correction is considered to have been performed within a reasonable time if the person seeking protection from criminal liability makes the correction to any improper (i.e., incorrect, incomplete, or misleading) report not more than thirty (30) calendar days after the date of the report to the agency and corrects any failure to report not more than thirty (30) calendar days after the report was due to be sent to or received by the agency, as the case may be, pursuant to 49 U.S.C. 30166, including a regulation, requirement, request or order issued thereunder. In order to meet these reasonable time requirements, all submissions required by this section must be received by NHTSA within the time period specified in this paragraph, and not merely mailed or otherwise sent within that time period.

(c) *Sufficient manner of correction.* Each person seeking safe harbor protection from criminal penalties under 49 U.S.C. 30170(a)(2) must comply with the following with respect to each improper report and failure to report for which safe harbor protection is sought:

(1) Sign and submit to NHTSA a dated document identifying:

(i) Each previous improper report (e.g., informational statement and document submission), and each failure to report as required under 49 U.S.C. 30166, including a regulation, requirement, request or order issued thereunder, for which protection is sought, and

(ii) The specific predicate under which the improper or omitted report should have been provided (e.g., the report was required by a specified regulation, NHTSA Information Request, or NHTSA Special Order).

(2) Submit the complete and correct information that was required to be submitted but was improperly sub-

mitted or was not previously submitted, including relevant documents that were not previously submitted, or, if the person cannot do so, provide a detailed description of that information and/or the content of those documents and the reason why the individual cannot provide them to NHTSA (e.g., the information or documents are not in the individual's possession or control).

(3) For a corporation, the submission must be signed by an authorized person (ordinarily, the individual officer or employee who submitted the improper report or who should have provided the report that the corporation failed to submit on behalf of the company, or someone in the company with authority to make such a submission).

(4) Submissions must be made by a means which permits the sender to verify promptly that the report was in fact received by NHTSA and the day it was received by NHTSA.

(5) Submit the report to Chief Counsel (NCC-10), National Highway Traffic Safety Administration, Room 5219, 400 Seventh Street, SW., Washington, DC 20590.

[65 FR 81419, Dec. 26, 2000, as amended at 66 FR 38384, July 24, 2001]

PART 579—REPORTING OF INFORMATION AND COMMUNICATIONS ABOUT POTENTIAL DEFECTS

Subpart A—General

Sec.

579.1 Scope.

579.2 Purpose.

579.3 Application.

579.4 Terminology.

579.5 Notices, bulletins, customer satisfaction campaigns, consumer advisories, and other communications.

579.6 Address for submitting reports and other information.

579.7–579.10 [Reserved]

Subpart B—Reporting of Safety Recalls and Other Safety Campaigns in Foreign Countries

579.11 Reporting responsibilities.

579.12 Contents of reports.

579.13–579.20 [Reserved]