compound and oxides of nitrogen budgets continue to support the predicted achievements of the rate of progress and the projected attainment of the 1-hour ozone NAAQS for Northern New Jersey/NewYork City/Long Island nonattainment area by the attainment date of 2007.

6. Statutory and Executive Order Reviews

Under Executive Order 12866 (58 FR 51735, October 4, 1993), this proposed action is not a ''significant regulatory action'' and therefore is not subject to review by the Office of Management and Budget. For this reason, this action is also not subject to Executive Order 13211, ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001). This proposed action merely proposes to approve state law as meeting Federal requirements and imposes no additional requirements beyond those imposed by state law. Accordingly, the Administrator certifies that this proposed rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Because this rule proposes to approve pre-existing requirements under state law and does not impose any additional enforceable duty beyond that required by state law, it does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104–4).

This proposed rule also does not have tribal implications because it will not have a substantial direct effect on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes, as specified by Executive Order 13175 (65 FR 67249, November 9, 2000). This action also does not have Federalism implications because it does not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government, as specified in Executive Order 13132 (64 FR 43255, August 10, 1999). This action merely proposes to approve a state rule implementing a Federal standard, and does not alter the relationship or the distribution of power and responsibilities established in the Clean Air Act. This proposed rule also is not subject to Executive Order 13045 ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because it is not economically significant.

In reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the Clean Air Act. In this context, in the absence of a prior existing requirement for the State to use voluntary consensus standards (VCS), EPA has no authority to disapprove a SIP submission for failure to use VCS. It would thus be inconsistent with applicable law for EPA, when it reviews a SIP submission, to use VCS in place of a SIP submission that otherwise satisfies the provisions of the Clean Air Act. Thus, the requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) do not apply. This proposed rule does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: June 17, 2004.

Jane M. Kenny,

Regional Administrator, Region 2.

[FR Doc. 04–14605 Filed 6–25–04; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Parts 555, 567, 568, 571 and 573

[Docket No. NHTSA–99–5673]

RIN 2127–AE27

Vehicles Built in Two or More Stages

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Supplemental notice of proposed rulemaking (SNPRM).

SUMMARY: Today's document proposes to amend five different parts of title 49 to establish a comprehensive regulatory scheme for addressing the certification issues related to vehicles built in two or more stages and, to a lesser degree, to altered vehicles. The proposal, if adopted would create a new temporary exemption process limited to final stage manufacturers and alterers, would better allocate legal responsibility among incomplete and final stage manufacturers, and would provide an automatic one year lead time to new safety requirements for final stage manufacturers and alterers unless the agency determines that a longer or shorter time period is appropriate.

DATES: You should submit your comments early enough to ensure that Docket Management receives them not later than August 27, 2004.

ADDRESSES: You may submit comments [identified by DOT DMS Docket Number 03–15817] by any of the following methods:

- Web site: *http://dms.dot.gov.* Follow the instructions for submitting comments on the DOT electronic docket site.
- Fax: 1–202–493–2251.
- Mail: Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL–401, Washington, DC 20590–0001.
- Hand Delivery: Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- Federal eRulemaking Portal: Go to *http://www.regulations.gov.* Follow the online instructions for submitting comments.

Instructions: All submissions must include the agency name and docket number or Regulatory Identification Number (RIN) for this rulemaking. For detailed instructions on submitting comments and additional information on the rulemaking process, see the Public Participation heading of the **SUPPLEMENTARY INFORMATION** section of this document. Note that all comments received will be posted without change to *http://dms.dot.gov*, including any personal information provided. Please see the Privacy Act heading under Regulatory Analyses and Notices.

Docket: For access to the docket to read background documents or comments received, go to *http://dms.dot.gov* at any time or to Room PL–401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: For non-legal issues, you may call Charles Hott, Office of Crashworthiness Standards, at (202) 366–0247.

For legal issues, you may call Rebecca MacPherson, Office of the Chief Counsel, at (202) 366–2992.

You may send mail to both of these officials at the National Highway Traffic Safety Administration, 400 Seventh St., SW., Washington, DC 20590.

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I. Background

The certification problems related to vehicles built in two or more stages have troubled both the automotive industry and the National Highway Traffic Safety Administration (NHTSA) almost since the agency's creation. An early set of NHTSA regulations on this subject was overturned by the Seventh Circuit Court of Appeals thirty years ago. *Rex Chainbelt* v. *Volpe,* 486 F.2d. 757 (7th Cir. 1973); appeal after remand, *Rex Chainbelt* v. *Brinegar,* 511 F.2d 1215 (7th Cir. 1975). The court's decision focused on chassis cabs and stated that for such vehicles a ''dual certification'' was required: a partial certification by the incomplete vehicle manufacturer and a complementary partial certification by the final stage manufacturer, resulting in a fully certified vehicle. In response, the agency amended 49 CFR part 567.5, Requirements for manufacturers of vehicles manufactured in two or more stages, and part 568, Vehicles manufactured in two or more stages, to define ''chassis cabs'' and establish special certification requirements for chassis cab manufacturers, which are usually large vehicle manufacturers such as General Motors Corporation (GM) and Ford Motor Company (Ford).

Pursuant to these regulations, manufacturers of chassis cabs are required to place on the incomplete vehicle a certification label stating under what conditions the chassis cab has been certified. This is commonly referred to as ''pass-through certification.'' As long as a subsequent manufacturer meets the conditions of the certification label, that manufacturer may rely on this certification and pass it through when certifying the completed vehicle.

However, the amended regulations did not impose corresponding certification responsibilities on manufacturers of incomplete vehicles other than chassis cabs (*e.g.*, incomplete vans, cut-away chassis, stripped chassis and chassis cowls).

49 CFR part 568 requires the manufacturers of all incomplete vehicles to provide with each incomplete vehicle an incomplete vehicle document (IVD). This document details, with varying degrees of specificity, the types of future manufacturing contemplated by the incomplete vehicle manufacturer and must provide, for each applicable safety standard, one of three statements that a subsequent manufacturer can rely on when certifying compliance of the vehicle, as finally manufactured, to some or all of all applicable Federal Motor Vehicle Safety Standards (FMVSS).

First, the IVD may state, with respect to a particular safety standard, that the vehicle, when completed, will conform to the standard if no alterations are made in identified components of the incomplete vehicle. This representation is most often made with respect to chassis cabs, since a significant portion of the occupant compartment is already complete.

Second, the IVD may provide a statement for a particular standard or set of standards of specific conditions of final manufacture under which the completed vehicle will conform to the standard. This statement is applicable in those instances in which the incomplete vehicle manufacturer has provided all or a portion of the equipment needed to comply with the standard, but subsequent manufacturing might be expected to change the vehicle such that it may not comply with the standard once finally manufactured. For example, the incomplete vehicle could be equipped with a brake system that would, in many instances, enable the vehicle to comply with the brake standard once the vehicle was complete, but that would not enable it to comply if the vehicle's weight or center of gravity were significantly altered.

Third, the IVD may identify those standards for which no representation of conformity is made because conformity with the standard is not substantially affected by the design of the incomplete vehicle. Thus, a manufacturer of a stripped chassis may be unable to make any representations about conformity to any crashworthiness standards if the incomplete vehicle does not contain an occupant compartment. When issuing the original set of regulations regarding certification of vehicles built in two or more stages, NHTSA indicated that it believed final stage manufacturers would be able to rely on the representations made in the IVDs when certifying the completed vehicle's compliance with all applicable FMVSSs.

The distinction between chassis cabs and other forms of incomplete vehicles created by the 1977 amendment of 49 CFR part 567, Certification, was based on NHTSA's belief that incomplete vehicles other than chassis cabs may be insufficiently manufactured to justify any type of certification statement, given its legal implications, by the incomplete vehicle manufacturer. With respect to these other vehicles, NHTSA maintained its position that the incomplete vehicle manufacturer should be able to provide sufficient information in the IVD to inform the final stage manufacturer about the extent to which it could rely on manufacturing operations of the incomplete vehicle manufacturer when determining whether additional engineering resources were needed to certify compliance with all applicable standards in good faith. *See* 42 FR 37,814 (July 25, 1977).

The distinction between certification responsibilities of manufacturers of chassis cabs and the responsibilities of manufacturers of other types of incomplete vehicles led to a successful challenge to a NHTSA regulation in the early 1990s. In 1987, NHTSA amended FMVSS No. 204, Steering column displacement, to expand the applicability of the standard from vehicles with a gross vehicle weight rating (GVWR) of 4,000 lb to vehicles with a GVWR of up to 6,500 lb. 52 FR 44893 (November 23, 1987); denial of petitions for reconsideration: 54 FR 24344 (June 7, 1989). This amendment had the effect of making the standard applicable to some types of vehicles typically manufactured in two or more stages. The National Truck and Equipment Association (NTEA) challenged those amendments as they applied to final stage manufacturers. The Sixth Circuit concluded that the challenged rule was not practicable for final stage manufacturers that cannot ''pass through'' the certification of the incomplete vehicle manufacturer. *National Truck and Equipment Association* v. *NHTSA,* 919 F.2d 1148 (6th Cir. 1990). The court cited NHTSA's acknowledgement in the

preamble to the final rule that most final stage manufacturers are not capable of performing dynamic testing or in-house engineering analysis, as well as the fact that ''pass through'' certification was not available under the existing regulations unless the incomplete vehicle were a chassis cab. While the court's decision was technically limited to FMVSS No. 204, NHTSA recognized that the court's decision would likely be deemed equally applicable to other safety standards for which the cost of certification was high.[1]

The distinction between certification responsibilities of manufacturers of chassis cabs and the responsibilities of manufacturers of other types of incomplete vehicles led to a successful challenge to a NHTSA regulation in the early 1990s.

II. Negotiated Rulemaking Process

In December 1995, NHTSA convened a public meeting on the subject of certification of multistage vehicles. In the **Federal Register** notice announcing the meeting, the agency sought the participants' views on the feasibility of negotiated rulemaking on the subject (60 FR 57694; November 17, 1995). At the meeting, each identified group of participants indicated willingness to participate in a negotiated rulemaking to resolve the outstanding issues regarding certification. In 1998, NHTSA initiated a process to determine whether the various parties were still interested in participating in a negotiated process.

As part of that process, NHTSA hired the Mediation Consortium as independent, neutral conveners. The Mediation Consortium interviewed various interested parties and advised NHTSA on the feasibility of conducting a negotiated rulemaking. Based upon these interviews, the Mediation Consortium tentatively determined that the issues, while both complex and contentious, were appropriate for possible resolution through negotiated rulemaking. Based upon the recommendation of the Mediation Consortium, and a desire to address the issues raised by the NTEA decision regarding the existing regulation, NHTSA published a notice of intent to convene a negotiated rulemaking committee, and sought the names of interested participants (64 FR 27499; May 20, 1999).

The chartered Committee originally consisted of 23 individuals, many, but not all of whom remained active in the negotiations throughout the negotiated rulemaking process, as well as two facilitators. The Committee was comprised of representatives from:

(1) The incomplete vehicle manufacturer industry (GM, Ford, Motor Coach Industries (MCI), DaimlerChrysler, International Truck and Engine Corp. (International), Freightliner, and Workhorse Custom Chassis (Workhorse)),

(2) The component industry (Atwood Mobile Products (Atwood) and Bornemann Products (Bornemann)),

(3) The final stage manufacturer and alterer industry (NTEA, National Mobility Equipment Dealers Association (NMEDA), Mark III Industries (Mark III), Environmental Industries Associations (EIA), Recreation Vehicle Industry Association (RVIA), Blue Bird Body Co. (Blue Bird), National Automobile Dealers Association (NADA), and an individual representing the Ambulance Manufacturers Division and Manufactures Council of Small School Buses, Mid-Size Bus Manufacturers Association (AMD)),

(4) The end users of the vehicle (American Automobile Association (AAA), Paralyzed Veterans of America (PVA), National Association of Fleet Administrators (NAFA), and Center for Auto Safety (CFAS)),

(5) Vehicle testing facilities (TRC Corp.), and

(6) NHTSA.[2]

Several other parties representing these groups were also contacted, particularly those who could represent the end user of the vehicle. The Insurance Institute for Highway Safety (IIHS) and Consumers Union declined to participate. Public Citizen initially expressed an interest in participating, but decided against doing so when it discovered that CFAS would be involved. The Teamsters Union, which represents many of the drivers of the commercial motor vehicles manufactured in two or more stages, also declined the agency's invitation to participate. While listed as a Committee member, AAA did not attend any meetings. The PVA attended only the December 1999 public meeting, and Mark III stopped participating when the company went out of business.[3]

In December 1999, NHTSA held a public meeting during which it broadly discussed the substantive issues that would be the subject of, and the ground rules that would apply to, the negotiated rulemaking process. Subsequent public meetings were held in February and March 2000, and the meeting of the chartered committee commenced in May 2000. In the earlier meetings, the Committee members covered the ground rules associated with a negotiated rulemaking, discussed the history leading up to the formation of the Committee and stated their position vis-à-vis the desired outcome. The subsequent meetings addressed several issues, including the likelihood of vehicles built in two or more stages being involved in motor vehicle crashes, the potential for legal liability when subsequent manufacturers complete manufacturing operations outside of the IVD or pass-through certification, and the perceived and actual needs of end consumers to have certain features on their vehicles.

Another meeting was held in October 2000, during which all issues save two were largely resolved.[4] First, International and Freightliner, who were not at the October 2000 meeting,[5] expressed concerns in writing about incomplete vehicle manufacturers' taking legal responsibility for incomplete vehicles through representations made in the IVD. Since they offered no solution addressing their concerns, instead positing that there was no need to change the existing regulatory scheme, the issue was tabled until the next meeting. The other remaining issue, which addressed the possibility of excluding final stage

[1] Of particular concern to final stage vehicle manufacturers is the cost of certifying to the dynamic crash test requirements of some of the safety standards. Under these standards, NHTSA conducts compliance testing by crashing a vehicle. While NHTSA has always maintained that a manufacturer need not actually crash the vehicle in order to certify compliance, it generally has not specified alternative certification methods in the standards.

[2] While not a member of the Committee, Transport Canada attended several of the Committee meetings and provided valuable input. This informal participation by Transport Canada has helped both Canada and the United States develop regulations that will be closely harmonized should the proposed language be adopted by NHTSA. Indeed, the Canadian regulation is already in effect, although the proposed rule developed by the committee contains additional detail.

[3] NHTSA has the authority to decide whether the participation of these three parties was critical to balance or representation of all affected interests on the Committee. The interests represented by AAA and PVA were also represented by the CFAS and NAFA. Likewise, the interests of final stage manufacturers were represented by several parties other than Mark III, including associations (NMEDA, RVIA, and NTEA) and an individual company (Blue Bird Body Company). Finally, while Mark III was actively involved in the negotiations prior to ceasing business operations, AAA and PVA played no active role in the process with PVA attending only the first, introductory meeting, and AAA attending none of the meetings. Accordingly, NHTSA has determined that the participation of these three parties was not critical to the negotiated rulemaking process.

[4] The minutes of these meetings are in the docket.

[5] While the October 2000 meeting had been scheduled for some time prior to it taking place, final confirmation of the meeting by the mediator occurred only a few days prior. Accordingly, some Committee members, including International and Freightliner, were unable to attend.

manufacturers from the coverage of certain safety standards in cases in which the manufacturer's production of the vehicle in question is limited, had been the most contentious issue at each of the previous meetings and largely impacted four members of the committee, NHTSA, NTEA, AMD, and RVIA. Given the limited impact on the Committee as a whole, as well as the potential for the issue to prevent any consensus on changes to parts 567 and 568, the Committee agreed to hold no more meetings unless the four interested parties were able to come to an agreement on how to address potential exemptions.

After meetings between the NTEA, AMD and NHTSA, at which the NTEA represented RVIA's interests, a final Committee meeting was held in February 2002. Because NHTSA's contract with the Mediation Consortium had expired, Glen Zuchniewicz, the Committee representative for General Motors, facilitated this final meeting. Not all members of the Committee were able to attend the final meeting, although a broad-based representation was available.

At the beginning of the meeting, two outstanding issues remained: (1) The scope of certification representations made by incomplete vehicle manufacturers, and (2) a mechanism for assuring a timely recall in the event the various manufacturers could not agree who was responsible for a given noncompliance or safety defect.[6] At the conclusion of the meeting, there remained objections from several of the incomplete vehicle manufacturers as to the possible acceptance of legal responsibility for unanticipated manufacturing operations by subsequent manufacturers.

NHTSA agreed to draft the Committee report for circulation among those Committee members still involved in the process. The Committee agreed that no decisions reached at the meeting were final. All Committee members have had an opportunity to review and comment on the Committee report.

Committee members were given approximately ten weeks to review the draft report. Atwood, Bornemann, Blue Bird and Workhorse concurred with the report without further comment. NADA, GM, NTEA, AMD and RVIA offered extensive revisions, but generally concurred with the report's content, while TRC, NAFA, CFAS, EIA, and MCI did not comment on the draft report. NMEDA's comments were limited to concerns about the exclusion of vehicle modifiers from the proposed generic leadtime, the potential for allocation of recall responsibility to vehicle equipment manufacturers, and the applicability of new temporary exemption procedures to dynamic test conditions. Ford, Freightliner, International and DaimlerChrysler objected to the provision that NHTSA could allocate initial recall responsibility when the various involved manufacturers could not agree which was the responsible party. International disagreed with the provisions that would allocate legal responsibility among each manufacturer in the manufacturing process, stating it could not be responsible for further manufacturing operations outside of its control. It suggested a revision to the draft regulation that would prevent subsequent stage manufacturers from relying on any incomplete vehicle manufacturer representation if the subsequent stage manufacturer modified or added originally supplied components or systems in such a manner as to affect certification or the validity of stated weight ratings.

Given the lack of consensus among the Committee members, NHTSA has decided to move forward with the publication of a SNPRM on which all Committee members are free to offer unrestricted comments. NHTSA recognizes that various Committee members compromised their initial positions as part of the negotiation process. Given the lack of consensus on all aspects of the draft regulation developed by the Committee, NHTSA believes it would be unfair to restrict comment on any portions of the proposal. Nevertheless, NHTSA believes that the draft regulation represents a significant improvement over the existing regulations governing the certification of vehicles built in two or more stages. Additionally, the agency recognizes that the negotiated rulemaking process afforded all participants a unique opportunity to fully evaluate proposed changes to the existing regulations, as well as possible alternative approaches. We believe the negotiated rulemaking process has been valuable in drafting amendments that balance the practical needs of all parties represented by the Committee. Accordingly, it has decided to propose amending the applicable regulations as drafted by the Committee.

III. Summary of the Proposal

Today's document proposes to amend five different parts of title 49 of the Code of Federal Regulations to establish a comprehensive regulatory scheme for addressing the certification issues related to vehicles built in two or more stages and, to a lesser degree, to altered vehicles.

First, the agency proposes establishing a new subpart in 49 CFR part 555, *Temporary Exemption From Motor Vehicle Safety and Bumper Standards,* that would be limited to final stage manufacturers and alterers. The new subpart would streamline the temporary exemption process by allowing a group of manufacturers to bundle their exemption petitions for a specific vehicle design, permitting a single explanation of the potential safety impact and attempts to comply. Each manufacturer seeking an exemption would be required to demonstrate financial hardship and certify that it has been unable to manufacturer a compliant vehicle.

49 CFR part 567, *Certification,* would be generally updated for all vehicles. However, 49 CFR 567.5, the section dealing with certification of vehicles built in two or more stages, would be significantly revised to allocate legal responsibility among all manufacturers of these vehicles. This approach represents a significant change because the current regulation only allocates compliance responsibility among manufacturers of chassis cabs and final stage manufacturers.

The proposed changes to 49 CFR part 568, *Vehicles Manufactured in Two or More Stages,* would allow incomplete vehicle manufacturers to incorporate design documents such as body builder guides into the IVD. These more detailed documents would not only provide greater guidance to subsequent manufacturers, but also provide more detailed design constraints than an IVD, reducing the likelihood that a subsequent stage manufacturer could successfully claim that it was unaware that a particular modification would invalidate the previous manufacturer's compliance statement.

The proposal contemplates an automatic additional year of compliance effective dates for final stage manufacturers and alterers. This additional leadtime, which would become part of 49 CFR 571.8, *Effective Date,* would apply unless NHTSA decides that such leadtime is inappropriate as part of a rulemaking amending or establishing a safety standard. In some instances, NHTSA may determine that an additional year is

[6] The mechanism to ensure a timely recall was discussed and generally agreed upon by the Committee on the second day of the meeting. Some Committee members left the meeting early because of travel arrangements. These individuals, as well as those Committee members who did not attend the meeting, did not have an opportunity to discuss this provision.

insufficient and may provide an even longer leadtime.

Finally, 49 CFR part 573, *Defect and Non-compliance Responsibility and Reports,* would be amended to address those situations in which all parties agree that there is a noncompliance or defect, but cannot determine which manufacturing operation led to the noncompliance or defect. In such an instance, NHTSA would be able to assure that the affected vehicles are recalled while the various manufacturers sorted out legal responsibility.

IV. Discussion of Issues

A. Legal Requirements

Pursuant to the Vehicle Safety Act, NHTSA issues FMVSSs that apply to new motor vehicles that are manufactured for sale in the United States. The FMVSSs also apply, subject to certain exemptions, to new or used motor vehicles imported into the United States. The Vehicle Safety Act requires manufacturers to certify that their vehicles, at the time of manufacture, comply with all applicable safety standards. 49 U.S.C. 30112. Each manufacturer must give evidence of this certification by affixing to its vehicles a permanent label stating that the vehicles comply with all applicable safety standards. 49 U.S.C. 30115.

NHTSA verifies compliance with the safety standards by running compliance tests that are set forth within many of those safety standards. NHTSA does not verify compliance of every vehicle make and model. Rather, it selects specific vehicles to test based on various criteria including the relative popularity of the vehicle, vehicle cost, and the presence of particular safety equipment or technology. Legally, vehicle manufacturers are not required to run NHTSA's compliance tests in order to certify compliance with a safety standard. Rather, they must take whatever engineering, design and testing steps they deem necessary in order to make a good faith determination of compliance. A determination by NHTSA that a manufacturer failed to make a good faith certification in the event of a vehicle noncompliance could result in the imposition of sizeable civil penalties. However, any vehicle noncompliance that is not deemed inconsequential to motor vehicle safety must be remedied free of charge by the manufacturer, regardless of the steps taken to make a good faith certification of compliance. Thus, in terms of avoiding penalties based on a lack of good faith certification, a manufacturer is best protected by conducting the NHTSA compliance test as its certification test, even though such testing will not relieve it of its recall responsibilities in the event of a noncompliance.

Conducting NHTSA compliance tests for certification purposes serves another, more important, function than simply avoiding the imposition of civil penalties. Given the limited number of compliance tests run by NHTSA each year, the majority of noncompliances are discovered by vehicle manufacturers rather than by NHTSA. Accordingly, the industry practice of using the NHTSA procedure for certification testing has proven to be a valuable method of detecting noncompliances both during the design stage of the vehicle and after the vehicle has been introduced in the open market, improving the overall safety of the motor vehicle fleet.

B. Costs Associated With Certification Responsibilities

Based on the discussions throughout the negotiated rulemaking process, NHTSA acknowledges that the cost of dynamic vehicle testing is a legitimate concern when relatively small numbers of similarly configured vehicles are produced by a small manufacturer, and that alternative means of compliance such as computer modeling are not appreciably more affordable for small volume manufacturing since such modeling requires validation through dynamic crash testing. Thus, in the instance of dynamic test requirements, most final stage manufacturers must rely on representations within the IVD in order to make a good faith certification that the vehicle complies with the standards. The Committee discussed the likelihood that multi-stage manufacturers face more extensive certification requirements than chassis manufacturers because a multi-stage manufacturer may produce dozens of differently configured vehicles on each chassis make in a particular year, while an incomplete vehicle manufacturer generally would have a limited number of chassis models subject to the standards that are based on vehicle performance in a dynamic test.[7]

The Committee also noted that concerns over test costs are not necessarily limited to dynamic crash tests. For example, the cost of full-scale brake tests may not be practicable for most final stage manufacturers because a brake tested vehicle may not be able to be sold as a new vehicle due to the wear and tear on the vehicle. In those instances in which a small multi-stage manufacturer sells one or two vehicles that are significantly different from other configurations manufactured by the same manufacturer, it could be faced with building one vehicle to test and another to sell. Thus, it is important that incomplete vehicle manufacturers provide sufficient information in the IVD to allow the final stage manufacturer to complete manufacturing operations in a manner that allows it to rely on the certification representations provided by the previous stage manufacturers.

However, for some commonly configured vehicles, there is a possibility for consortium testing among various manufacturers that may allow for dynamic tests that can be relied upon as a basis of compliance by manufacturers who complete their manufacturing operations consistent with such testing. While it is unclear how much consortium testing will be undertaken, that approach appears to be a viable alternative to manufacturer-specific compliance testing for some standards among final-stage manufacturers producing similar vehicles, particularly where amenity features are not involved. Business and legal considerations such as concerns about competitive advantage, possible compromise of proprietary information and allocation of test costs may serve as inhibiting factors in pursuing this approach.

C. Prohibition Against Manufacturer-Oriented Exemptions

The issue of exemptions is not addressed by part 567 or 568, since that issue does not involve the allocation of certification responsibilities. The issue is, however, of critical importance to final stage manufacturers, since they will inevitably bear some certification responsibility that is likely to be costly.

The possibility of excluding final stage manufacturers from the coverage of certain safety standards in cases in which the manufacturer's production of the vehicle in question is limited was one of the two most contentious issues addressed in the negotiated rulemaking process and largely impacted four members of the Committee, NHTSA, NTEA, AMD, and RVIA. The Committee directed the aforementioned trade

[7] According to RVIA, on average, conversion vehicle manufacturers carry three different chassis makes and market six different van conversion packages for each chassis make with some manufacturers reporting they market as many as 38 different packages on a particular chassis. Motorhome manufacturers typically carry from two to five chassis makes and market motorhomes with multiple lengths and floorplans for each chassis make. Moreover, many motorhome manufacturers allow the consumer to custom design their floorplan. The NTEA cites as an example FMVSS No. 201U for which there are over 1,200 vehicle configurations in the marketplace today that would be subject to its dynamic testing.

associations, along with GM, Ford, and DaimlerChrysler, to develop a proposal that might be acceptable to all parties.[8]

This group suggested an approach under which the standards based upon the performance of a vehicle in a dynamic test would not apply to certain vehicles produced in two or more stages if the model vehicle in question is produced in runs of less than 2,500 units per year. NHTSA could not accept the proposal due to the limitations set forth in 49 U.S.C. 30113 (section 30113), which permits NHTSA to provide temporary exemptions from the need to comply with safety standards under certain, statutorily prescribed circumstances. Although proponents of this approach argued that ''safe harbors'' could be incorporated into the applicability sections of the standards in question, rather than as an exemption from the coverage of those standards, the Committee could not reach agreement on this proposal. In particular, NHTSA stated it believed that any ''safe harbor'' would essentially be an impermissible exemption because of the court's ruling in *Nader* v. *Volpe,* that NHTSA was not permitted to provide manufacturer-specific exemptions beyond the constraints set forth in 15 U.S.C 1415, the predecessor to section 30113.320 F. Supp. 266 (DDC, December 11, 1970), *aff'd* 475 F.2d 916, DC Cir., January 12, 1973).

NHTSA noted, however, that it believed most, if not all, final stage manufacturers could meet the criteria specified for granting a temporary exemption from specific safety standards based on financial hardship. To that end, the agency suggested that it was willing to explore the possibility of amending 49 CFR part 555 (part 555), the regulation establishing the circumstances under which it can consider granting a temporary exemption pursuant to section 30113, so as to ease the burden on final stage manufacturers in a legally permissible manner. While part 555 closely mirrors the requirements set forth in section 30113, NHTSA was able to identify certain sections in part 555 that could be amended or relaxed in order to address only those vehicles manufactured by final stage manufacturers. A thorough discussion of those potential changes is provided below in section H.

D. Need To Assure Safety of Vehicles

While NHTSA understands the difficulty faced by final-stage manufacturers, it must take those measures necessary to protect the safety of the American motoring public. Everyday, the general public shares the roads with vehicles manufactured in two or more stages. Accordingly, for example, the telephone repair truck being driven through residential neighborhoods should have a braking system that meets FMVSS No. 105, *Hydraulic and electric brake systems,* or FMVSS No. 121, *Air brake systems.* In addition to being designed to protect the safety of people in other vehicles, vehicles manufactured in two or more stages should be designed to protect their own occupants. Thus, the motorhome or conversion van being used to transport a family on its summer vacation should provide an adequate level of safety.

An analysis of vehicle crash data conducted by NHTSA at the Committee's request indicates that among the light truck fleet (*e.g.,* light trucks, vans and pick-up trucks), vehicles manufactured in two or more stages produce a risk to safety. Specifically, NHTSA looked at the Fatal Analysis Reporting System (FARS) data for all light trucks manufactured from model year 1994 to 1999 involved in a fatal crash during calendar years 1994 to 1998. It determined that vehicles built in two or more stages comprised approximately 2.5% of the light truck market. It also determined that during that period, vehicles manufactured in two or more stages were represented in 5.99% of the total number of fatal crashes involving light trucks. While these data indicate that vehicles built in two or more stages make up only a small portion of the overall vehicle fleet, they appear to be more than twice as likely as their counterparts within the light truck fleet to be involved in a fatal crash. The crash data indicates that light trucks built in two or more stages that are involved in fatal crashes appear to present and encounter the same risk of injury or fatality presented and encountered by other light trucks. Generally speaking, they appear to be neither more nor less safe than their single stage counterparts. In those instances in which NHTSA has determined that a certain vehicle type cannot be designed in such a way as to reasonably meet a specific safety standard, NHTSA can exclude that vehicle type from a particular safety standard. For example, convertibles are currently excluded from FMVSS No. 216, *Roof crush,* because a vehicle requires more upper vehicle structure than a header and A-pillar to address injuries and fatalities related to roof crush. Applying FMVSS No. 216 to these vehicles would have the effect of eliminating convertibles from the marketplace. Likewise, NHTSA can exclude vehicle types whose characteristics are such that there is not a sufficiently demonstrated safety need to regulate that type of vehicle in a particular instance. The application of most of the FMVSSs related to crashworthiness, *i.e.,* the ability to protect an occupant in the event of a crash, is restricted by vehicle weight because occupants in heavier vehicles are less likely to die or be seriously injured in the event of a crash.

Various final-stage manufacturers over the years have taken the position that drivers of certain types of vehicles typically manufactured in two or more stages have commercial driver's licenses and special training and thus are more likely to operate a vehicle in a manner that justifies the adoption of lesser standards. Assuming *arguendo* that individuals who possess a commercial driver's license and operate a vehicle as part of their employment may be better able to control a vehicle than individuals who do not, many vehicles manufactured in two or more stages are driven by individuals with no specialized training. This is particularly true of those vehicles covered by safety requirements for which NHTSA tests compliance via destructive vehicle testing. This type of testing is generally limited to requirements applicable to vehicles with a GVWR of less than 8,500 lb, although in some instances the requirements apply to vehicles with a GVWR of 10,000 lb or less. Very heavy trucks and buses are likely to be operated by professional drivers. However, because of the weight characteristics of these vehicles, they are already excluded from requirements verified through destructive compliance testing.[9]

E. Allocation of Certification Responsibility

Rulemaking cannot resolve every issue and concern faced by each industry and interest represented in the

[8] The NTEA had previously urged that, for vehicles produced in two or more stages, the focus of regulation be shifted from certification by intermediate- and final-stage manufacturers to an approach based on consortium testing, dissemination of engineering information and the conducting of a detailed safety study of multi-stage vehicles, and that a determination be made as to whether there was a need to apply certain safety standards to vehicles manufactured in two or more stages. NTEA suggested that final stage manufacturers be relieved of certification responsibility until that time. The Committee did not embrace this proposal.

[9] The sole arguable exception is the applicability of FMVSS No. 121; however, the data analysis used to support FMVSS No. 121 implicitly took driver skill into account since it was based on the likelihood of these heavier vehicles being involved in a crash because of inadequate brakes.

negotiated rulemaking. Of necessity, some vehicles will always be so unique that a final stage manufacturer will only be able to place minimal reliance on the IVD when certifying compliance of the completed vehicle. By the same token, manufacturer representations for some portions of the IVD may be necessarily narrow because of the types of vehicle systems involved. For example, it is unlikely that an incomplete vehicle manufacturer can make any representations vis-à-vis compliance with FMVSS No. 301 if a subsequent vehicle manufacturer reroutes, or otherwise changes the fuel system. Finally, depending on the language incorporated by chassis manufacturers in their IVDs, it may not be possible for a vehicle to be completed from a chassis without the intermediate-stage or final-stage manufacturer invalidating the certification of the incomplete vehicle manufacturer to one or more safety standards based upon the performance of a vehicle in a dynamic test.

Nevertheless, NHTSA believes the proposed rule that was developed through the negotiated rulemaking process goes a long way toward improving the clarity of the existing requirements, and in allocating responsibility among various manufacturers, thus furthering the interests of motor vehicle safety. While the current requirements of part 568 require incomplete vehicle manufacturers to provide IVDs, the legal responsibilities of the incomplete vehicle manufacturers within the IVD are not clearly allocated and provides little protection for subsequent stage manufacturers. The revised regulation proposes to establish legal responsibility among all vehicle manufacturers, providing subsequent-stage manufacturers with a level of protection vis-à-vis the manufacturing operations of previous-stage manufacturers now provided only by manufacturers of chassis cabs.

While not specifically addressed by the regulatory text, the proposed rule should also improve the lines of communication among the various stage manufacturers, particularly if, as anticipated by the Committee, incomplete vehicle manufacturers provide more detailed information in the IVD or decide to incorporate body builder or other design and engineering guidance (reference materials) into the IVD by reference to assist the intermediate- and final-stage manufacturer with compliance. This information will allow the incomplete vehicle manufacturer to communicate more thoroughly those types of future engineering and manufacturing activities that it can reasonably foresee as affecting compliance of the systems and components incorporated into the incomplete vehicle, while limiting its liability for those subsequent, unanticipated activities not addressed by these reference materials.

The IVD cannot address or foresee every conceivable condition. To that extent, the concerns of incomplete vehicle manufacturers that they have little control over the actions of subsequent stage manufacturers are valid and are not fully resolved by this rulemaking. However, in many instances, limitations of an incomplete vehicle manufacturer's component and system compliance certification can be addressed through statements in the IVD or incorporated reference materials, which may assist subsequent manufacturers in making their own design engineering and manufacturing decisions. NHTSA expects subsequent vehicle manufacturers to rely on and act in accordance with this type of documentation in order for the incomplete vehicle manufacturer to accept legal responsibility for work completed in accordance with the instructions in the IVD. This should reduce the exposure of the incomplete vehicle manufacturers and assist intermediate and final stage manufacturers' ability to avoid the types of subsequent engineering and manufacturing actions that potentially lead to non-compliance and safety defect situations. However, it is also important that incomplete vehicle manufacturers provide vehicle upfitters with reasonable conformity envelopes that permit the completion of common and foreseeable vehicle configurations.[10]

Each stage manufacturer, from incomplete vehicle manufacturer to final stage manufacturer, should accept responsibility for manufacturing operations directly within its control. Accordingly, under the contemplated regulation, allocation of recall responsibility will be borne by the party with legal responsibility under the various paragraphs of § 567.5. Specific allocations of responsibility should both help to identify problems and to increase the recognition among manufacturers of how their design, engineering and manufacturing operations will affect their responsibilities.

F. Issues Faced by Alterers of Completed Vehicles

The issues faced by vehicle alterers, *i.e.,* businesses modifying certified vehicles prior to the first sale other than for resale, are similar to those faced by final stage manufacturers with some significant differences. First, a vehicle alterer does not bear the same certification responsibilities as a final stage manufacturer. Rather than assuming certification responsibility for the entire vehicle, an alterer need only ascertain whether its vehicle alterations are likely to have compromised a vehicle's compliance with all applicable safety standards and then certify compliance only with those standards that are likely to have been so compromised. However, unlike final stage manufacturers, alterers do not have an IVD or any other vehicle manufacturer representations or assistance to rely on in making this limited certification statement. The practical effect of this lack of documentation is that vehicle alterers must often rely on the representations of equipment manufacturers when modifying vehicles.

In the case of vehicle equipment standards, the equipment will already be certified and in most instances an alterer need only install it as directed to certify compliance. However, many changes made in the alteration process do not affect features or components subject to equipment standards. For example, when replacing a vehicle's seats with new captain's chairs, the alterer may need to recertify the vehicle's compliance with FMVSS Nos. 202, *Head restraints,* 207, *Seating systems,* 208, *Occupant crash protection,* 210, *Seat belt assembly anchorages,* and 225, *Child restraint anchorage systems.* Often the equipment manufacturer will conduct certification testing for its products, even though not required to do so by law. Based on this testing, the equipment manufacturer may provide specific installation instructions that assist the alterer in making the vehicle modifications in a way that does not take the vehicle out of compliance. In recertifying the altered vehicle, the alterer can, in many instances, rely on this certification testing. However, even if an alterer relies on the equipment manufacturer's testing data, that equipment manufacturer will not be held

[10] Nothing in today's proposal prohibits incomplete vehicle manufacturers from developing conformity envelopes that are so narrow as to preclude the allocation of legal responsibility in the event of a noncompliance or defect. However, such a posture would likely be detrimental to the manufacturer's commercial enterprise, since its competitors may rely on body builder guides to provide a more customer-friendly product.

responsible for a recall in the event of a vehicle noncompliance.[11]

The Committee contemplated drafting a requirement that would require equipment manufacturers to provide certification data for equipment that it manufactured. However, NHTSA stated that it could not impose such a requirement under the existing statutory scheme unless an equipment standard covered the piece of equipment.

The Committee then looked at the current requirements applicable to a vehicle alteration to determine whether it could craft a definition of the types of modifications creating certification obligations that more effectively alerted alterers to their certification responsibilities. Of particular concern were the types of vehicle modifications that potentially impose a certification responsibility. The regulation at 49 CFR 567.7 states that an alteration consists of any modification other than ''the addition, substitution, or removal of readily attachable components such as mirrors or tire and rim assemblies, or minor finishing operations such as painting'' or any modification that changes the vehicle's stated weight rating. Of particular concern was the meaning of a ''readily attachable component.'' NADA took the lead in drafting an alternative definition that contemplated the use of special tools. However, the Committee was unable to agree on what type of tool would be considered sufficiently unique to trigger the application of a certification requirement. In the end, it was agreed that the existing definition, incomplete as it is, was as clear as any alternatives.

Nevertheless, the Committee was able to agree that some portions of the proposed regulation should be applicable to both final stage manufacturers and alterers because of the similarity of their circumstances. Thus, the proposed generic leadtime would apply to both types of manufacturers, as would the new part 555 provisions.

G. Issues Not Addressed in the Negotiated Rulemaking Process

During the negotiated rulemaking process, Congress enacted new legislation, now codified at 49 U.S.C. 30115(b), which states:

> In the case of the certification label affixed by an intermediate or final stage manufacturer of a motor vehicle built in more than 1 stage, each intermediate or final stage manufacturer shall certify with respect to each applicable Federal motor vehicle safety standard—
>
> (1) That it has complied with the specifications set forth in the compliance documentation provided by the incomplete vehicle manufacturer in accordance with regulations prescribed by the Secretary; or
>
> (2) That it has elected to assume responsibility for compliance with that standard. If the intermediate or final stage manufacturer elects to assume responsibility for compliance with the standard covered by the documentation provided by an incomplete motor vehicle manufacturer, the intermediate or final stage manufacturer shall notify the incomplete motor vehicle manufacturer in writing within a reasonable time of affixing the certification label. A violation of this subsection shall not be subject to a civil penalty under section 30165.

Although the legislation does not require NHTSA to issue regulations, the agency initially considered issuing regulations so that the required information is submitted in a timely and consistent manner, and so that NHTSA could monitor how certification responsibilities are being allocated if it were to receive a copy of any paperwork submitted to the incomplete vehicle manufacturer. NHTSA is unaware of any notifications by final stage manufacturers that they have decided to go beyond the terms of compliance envelopes. Given NHTSA's lack of authority to penalize final stage manufacturers who fail to provide previous stage manufacturers with such notifications, it is unlikely that the agency would ever receive sufficient numbers of notifications to justify the burden on final stage manufacturers who do comply with the law and the expenditure of agency resources. Accordingly, it has decided against pursuing rulemaking in this area.

Presently, 49 CFR 567.4(g)(1) requires that the corporate or individual name of the actual assembler of the vehicle be listed on the certification label as the vehicle manufacturer. After comments to the draft committee report were received, NHTSA was asked to consider amending that provision either to specify that the business entity accepting legal responsibility in the event of a defect or noncompliance be listed as the vehicle manufacturer or to require the names of both the vehicle assembler and the business entity accepting such legal responsibility be listed as the vehicle manufacturer on the certification label. While no changes to this effect have been made in the proposed regulatory language, NHTSA seeks comment on whether such a change would be appropriate.

H. Specifics of the Proposed Rule

1. 49 CFR Part 555

Under the negotiated proposal, 49 CFR part 555 would be amended to create a new subpart applicable to alterers and final stage manufacturers who need a temporary exemption from a portion of a safety standard (or set of safety standards) for which the agency verifies solely through dynamic testing.

NHTSA's ability to grant even temporary exemptions to individual companies is dictated by statute. 49 U.S.C. 30113. Part 555 largely mirrors those statutory requirements. Thus, some aspects of the regulation must apply to each manufacturer seeking a temporary exemption. While the statute permits exemptions under four separate circumstances, only one of them, an exemption based on financial hardship, is applicable to the issues addressed in this rulemaking. Exemptions based on financial hardship cannot be granted to companies manufacturing more than 10,000 vehicles per year, and any exemption cannot apply to more than 2,500 vehicles per year. Additionally, each manufacturer seeking an exemption must provide a complete financial statement, and a complete description of its good faith efforts to comply with the standards for which it is seeking an exemption. A petition may not be granted for a period of more than three years, although subsequent petitions are permitted as long as all the original requirements are met. These general requirements already exist in part 555, which currently provides an exemption process for final stage manufacturers, but not for alterers.

In order to allow for more expeditious filing of petitions by final stage manufacturers and to extend the exemption to alterers, the Committee drafted a subpart B to part 555, which NHTSA is proposing to adopt. The subpart is limited to those entities that cannot certify compliance due to economic hardship. This hardship is based not only on the cost of the vehicle modifications required to certify compliance, but also on the actual cost of conducting the testing necessary to make a good faith determination of compliance.

This subpart provides some additional relief not contained in the current version of part 555. First, subpart B would allow petitions to be filed by an association (or other party) representing the interests of multiple manufacturers. Although the statutory requirements mandate that each petition would have to specify each manufacturer covered by the petition and provide information on each

[11] NHTSA does have the authority to require the equipment manufacturer to conduct a recall based on a safety-related defect.

manufacturer's size and good faith efforts to comply with the standard, as well as separate financial statements, the association could provide the underlying rationale for the petition. Thus, the association could explain why the requested temporary exemption would not unreasonably degrade safety. It could also discuss any factors (*e.g.*, demand for the vehicle configuration, loss of market, difficulty in procuring goods and services necessary to conduct dynamic tests) that NHTSA should consider in deciding whether to grant the application and explain why the dynamic crash test requirements of the standard(s) in question would cause substantial economic hardship to each of the manufacturers on whose behalf the application is filed. Indicia of a good faith attempt to comply with the standards would include the extent to which the previous stage manufacturers have made either no, or only a limited, certification representation with respect to such standard is available in the incomplete vehicle document from the incomplete vehicle manufacturer or from a prior intermediate-stage manufacturer or why it cannot be followed, and the existence or lack thereof of generic or cooperative testing that would provide a basis for demonstrating compliance with the standard(s). Unlike petitions currently submitted pursuant to part 555, manufacturers would not have to commit to attempting to achieve full compliance by the expiration of the exemption. Additionally, under subpart B, the agency would commit to informing an applicant within 30 days whether the application is complete. It would attempt to grant or deny the petition within 120 days of its acknowledgement that the application is complete.

NHTSA seeks comment on the proposed changes to 49 CFR part 555.

2. 49 CFR Part 567

The proposed changes to part 567 are largely limited to § 567.5, the section specifically addressing certification of vehicles built in two or more stages. However, § 567.3 would also be amended to include many of the definitions currently in part 568 and to add terms that are currently undefined. Likewise, the examples of information listed on information labels have been updated to reflect current requirements.

The proposed changes to § 567.5 are extensive. First, the distinction between chassis cabs and other incomplete vehicles would be eliminated. Under the draft regulation, manufacturers of incomplete vehicles would place an information label on the vehicle (or ship a label with the IVD if it cannot be placed on the vehicle) that identifies the incomplete vehicle manufacturer, month and year of manufacture, and GVWR/GAWR limitations of the incomplete vehicle and provides the vehicle identification number (VIN) of the vehicle. Likewise, intermediate stage manufacturers would be required to place an information label on the incomplete vehicle that identifies the intermediate stage manufacturer, month and year their last work was performed on the vehicle, and GVWR/GAWR limitations, if different from that provided by the incomplete vehicle manufacturer. The final stage manufacturer would place a certification label on the vehicle that either specifies whether it has stayed within the confines of the incomplete vehicle manufacturer's instructions or simply makes a statement of conformity. In addition, this section of the draft regulation assigns legal responsibility for each stage of vehicle manufacture with respect to systems and components applied on the vehicle, work performed, and accuracy of the information contained in the IVD and addendums to the IVD.[12]

NHTSA seeks comment on the proposed changes to 49 CFR part 567.

3. 49 CFR Part 568

Part 568 would be modified to acknowledge that an incomplete vehicle manufacturer may incorporate by reference body builder or other design and engineering guidance into the IVD. These guides may be substantially more comprehensive than an IVD and can provide the final stage manufacturer with greater information regarding what type of work can be performed without exceeding the certification envelopes. NHTSA anticipates that design and engineering guides, if included, would generally provide instructions on certain aspects of further manufacturing which will assist the multi-stage manufacturers to pass-through the conformity statements from the incomplete vehicle manufacturers. The incorporation of these guides by reference into the IVD should not have the effect of unreasonably limiting the circumstances in which it will be possible to pass-through the conformity statements of the incomplete vehicle manufacturer.

[12] International had suggested adding a subsection that would allocate responsibility to later-stage manufacturers for post-incomplete vehicle manufacturer modifications or additions that adversely affected compliance certified by the incomplete vehicle manufacturer in its IVD. NTEA objected to the suggestion, and it was not included.

NHTSA seeks comment on the proposed changes to 49 CFR part 568.

4. 49 CFR Part 571

Unless otherwise specified in a final rule adopting or amending a safety standard, final stage manufacturers and alterers would automatically be granted an additional year to meet the new requirements of the standard. The result of current manufacturing practices is that final stage manufacturers often are not provided with information on chassis from incomplete vehicle manufacturers necessary to certify their vehicles until shortly before and in some cases even after the effective date of the standard in question. This same problem arises when the chassis is substantively changed as the result of a model year changeover. The situation with alterers is slightly different. In that instance, the alterer already has a certified vehicle. Giving alterers an additional year allows the alterer to take a certified vehicle out of compliance, an action typically viewed with disfavor by NHTSA. However, the problems faced by final stage manufacturers are also applicable to alterers. If a vehicle manufacturer waits until the last possible moment to certify vehicles, alterers will not have the ability to do any engineering analysis to determine if the alterations affect compliance.

In the instance of phased-in requirements, the additional year would be applied at the end of the phase-in. This leadtime is appropriate because incomplete vehicle manufacturers often complete their certification testing just before start of production for a new model year. In the case of new requirements that are phased-in, the incomplete vehicle manufacturer may wait until the end of the phase-in to conduct certification testing or analysis for incomplete vehicles. This is because, for many manufacturers, the incomplete vehicle fleet is only a small proportion of its overall production.

In some instances, NHTSA may determine that more than an additional year's leadtime is needed, given the complexity or other demands of the new or amended standard. In other cases, NHTSA may decide that additional leadtime is not needed because the new or amended safety standard merely adopts requirements that are already standard industry practice. The agency could also determine that the safety problem is so significant that additional leadtime would result in an unacceptable rate of injury or death. Finally, Congress may direct NHTSA to require compliance with new requirements by a specified date. In those instances in which Congress

limits the agency's discretion to provide an additional leadtime, all manufacturers and alterers would be required to meet the compliance date set forth in the standard.

NHTSA recognizes NMEDA's concern that vehicle modifiers, *i.e.*, businesses that modify vehicles after first sale other than for resale, face the same problems as vehicle alterers. However, it is not proposing to provide modifiers with an additional year to make modifications without violating the make inoperative provisions of 49 U.S.C. 30122. Such a change would not be made in the context of amending part 571, because vehicle modifiers bear no certification responsibility. In general, NHTSA looks with disfavor on vehicle modifications made after first sale of a vehicle for purposes other than retail. We believe that those businesses engaging in operations that may invalidate compliance certification should be held responsible for recertifying the vehicle. The agency is aware of instances in which vehicle alterers have attempted to avoid certification responsibility by waiting until a customer has taken possession of a vehicle to make changes that would take the vehicle out of compliance with one or more safety standards. While a vehicle modifier that knowingly makes a piece of mandatory safety equipment inoperative may be subject to fines, it cannot be compelled to conduct a recall campaign for its work. Additionally, only new vehicles will have the new mandatory safety equipment. With the exception of vehicles modified for persons with disabilities, there is no reason to make changes to a vehicle after its first sale for purposes other than resale that are so substantial as to take the vehicle out of compliance with an applicable safety standard. Under the proposed regulation, the incentive to circumvent certification responsibilities is lessened.

For vehicles that are modified for persons with disabilities, NHTSA has already adopted a statutory scheme that accommodates the needs of modifiers addressing the disability community. If needed, 49 CFR part 595, subpart C, *Vehicle Modifications To Accommodate People With Disabilities,* can be modified to reflect the making of a substantive change to a safety standard if the agency determines that such relief is appropriate. NHTSA continues to urge NMEDA and its members to participate actively in NHTSA rulemakings so that it can identify whether changes to part 595 may be needed.

NHTSA seeks comment on the proposed changes to 49 CFR part 568.

5. 49 CFR Part 573

Under § 567.5, each manufacturer would be required to provide a previous stage manufacturer with any customer information needed for the previous stage manufacturer to conduct a recall campaign. Section 573.5 addresses those instances in which there is a determination by either the manufacturers or NHTSA that the vehicle, or its original equipment has a safety-related defect or noncompliance and the parties dispute their accountability for the recall. This may occur because the parties disagree whether the representations made by the various-stage manufacturers pursuant to § 567.5 are legitimate based on the work performed on the vehicle and the nature of the defect or non-compliance or where the parties and NHTSA cannot determine the root cause of the defect or noncompliance. In such an instance, NHTSA would be able to allocate recall responsibility to the party it believes is best able to conduct the recall. Although there should be very few instances in which there is a dispute as to which manufacturer should conduct a recall campaign, NHTSA believes it is critical that any campaign not be delayed while the various manufacturers attempt to assess liability. NHTSA's determination would be limited to recall responsibilities and would not serve to impose fault or ultimate responsibility for the economic burden on the party ordered to conduct the recall.

This proposal was the subject of vociferous objection by many of the incomplete vehicle manufacturers on the Committee. The primary concern was that NHTSA's determination as to who was in the best position to conduct the recall would be nonreviewable. These manufacturers noted that recall determinations with which a manufacturer disagrees are fully reviewable. NHTSA agrees with this assessment. As explained in the draft committee report, the determination that there was a noncompliance or safety related defect would be subject to the exact same restrictions and circumstances as they are presently. Likewise, any determination that a specific party was responsible for a noncompliance or defect would be fully reviewable. Manufacturers appear to be concerned that the proposed language would make NHTSA the ''referee'' in commercial disputes among multiple stage manufacturers, and would create numerous substantive and procedural difficulties that were not needed.

DaimlerChrysler offered alternative language that it believes addresses the concerns of the Committee. It suggested that the specific allocation of legal responsibility in § 567.5 be repeated in § 573.5. Thus, § 573.5(c) would read as follows:

(1) For vehicles manufactured in two or more stages, the incomplete vehicle manufacturer shall be responsible for any noncompliance or safety-related defect in (i) components and systems it supplies on the incomplete vehicle or (ii) components and systems incorporated into the completed vehicle by an intermediate or final-stage manufacturer, if the vehicle is completed in accordance with the instructions contained in the IVD package required by Part 568.4, except for manufacturing or design defects in components and systems incorporated by the intermediate or final-stage manufacturer into the completed vehicle, and except for noncompliances or defects introduced as a result of the workmanship of the intermediate or final-stage manufacturer.

(2) For vehicles manufactured in two or more stages, any intermediate manufacturer shall be responsible for any noncompliance or safety-related defect resulting from manufacturing or design defects in components or systems incorporated into the completed vehicle by that intermediate manufacturer, or any noncompliance or safety-related defect introduced by workmanship of that intermediate manufacturer.

(3) For vehicles manufactured in two or more stages, the final-stage manufacturer shall be responsible for any noncompliance or safety-related defect resulting from manufacturing or design defects in components or systems incorporated into the completed vehicle by that final-stage manufacturer, or any noncompliance or safety-related defect introduced by the workmanship of that final-stage manufacturer.

As noted by DaimlerChrysler, this language does not provide a dispute resolution mechanism. Nor does it assure that in the event of a dispute that is not easily resolvable, a recall campaign is conducted in a timely manner. Historically, NHTSA has maintained that while any stage manufacturer may assume responsibility for a recall campaign, the final stage manufacturer is responsible for any campaign that a previous stage manufacturer has not agreed to conduct. The nonreviewablity provision was suggested in response to concerns by final stage manufacturers that they would bear the brunt of recall allocation when they may be in the worst position to shoulder the costs associated with a recall for which they may not, ultimately, be responsible.

This is a difficult issue for the agency. On the one hand, we agree that final stage manufacturers often may not have the resources to conduct a recall for which it is not responsible. Even though they may be successful in a future

action to obtain reimbursement for their expenses should there be a determination that a previous stage manufacturer was responsible for the workmanship, design or components resulting in a noncompliance or safety-related defect, it may be too late for a small company if the cost of the recall places the company in a financially difficult position. On the other hand, allocating recall responsibility to a specific party in the event of a dispute as to legal responsibility allows NHTSA to achieve the result it believes is essential to its mission: getting noncompliant and defective equipment or systems repaired as soon as possible so as to reduce the likelihood of motor vehicle-related death or injury.

NHTSA has concerns that a provision on nonreviewability may ultimately be determined impermissible. In general, courts favor review of final agency actions, even when a statute states an action is not reviewable. Thus, NHTSA believes this provision would only withstand judicial review if a court determined that NHTSA's decision as to who must conduct the recall is not a final agency action under the Administrative Procedure Act, and therefore not ripe for review.

We have decided to propose revisions to 573.5 as drafted in the draft committee report because we committed to proposing a regulation that mirrored that report in the absence of committee consensus. However, given our concerns about the likelihood that the nonreviewability provision could withstand judicial scrutiny, we ask commenters to provide arguments and analysis as to which manufacturer should be deemed responsible for a recall campaign in the event that NHTSA and the various-stage vehicle manufacturers could not determine in a timely manner which party should bear responsibility for the recall.

V. Rulemaking Analyses and Notices

A. Executive Order 12866 and DOT Regulatory Policies and Procedures

NHTSA has considered the impact of this rulemaking action under Executive Order 12866 and the Department of Transportation's regulatory policies and procedures. This rulemaking is not significant. Accordingly, the Office of Management and Budget has not reviewed this rulemaking document under E.O. 12866, ''Regulatory Planning and Review.'' The rulemaking action has also been determined to be nonsignificant under the Department's regulatory policies and procedures. This rule should not impose any additional costs on regulated parties or on the American public since it merely clarifies legal responsibilities related to the certification of vehicles built in two or more stages. To the extent incomplete vehicle manufacturers accept legal responsibility for their vehicles, they may incur some additional certification costs. Likewise, they would incur additional costs in the event of a recall resulting from their statements on the information label or in the IVD. As a practical matter, most incomplete vehicle manufacturers have been willing to pay for recalls associated with work performed by the incomplete vehicle manufacturer or within the scope of their representations in the IVD even though there has been no express legal requirement that they do so.

B. Regulatory Flexibility Act

We have considered the effects of this rulemaking action under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). This action would not have a significant economic impact on a substantial number of small businesses even though a significant number of final stage manufacturers and alterers are small businesses. This rule would not have a significant economic impact on these entities because it merely clarifies their legal responsibilities related to the certification of vehicle built in two or more stages.

C. National Environmental Policy Act

NHTSA has analyzed this proposed amendment for the purposes of the National Environmental Policy Act and determined that it would not have any significant impact on the quality of the human environment.

D. Executive Order 13132 (Federalism)

The agency has analyzed this rulemaking in accordance with the principles and criteria contained in Executive Order 13132 and has determined that it does not have sufficient federalism implications to warrant consultation with State and local officials or the preparation of a federalism summary impact statement. The final rule, if issued, would have no substantial effects on the States, or on the current Federal-State relationship, or on the current distribution of power and responsibilities among the various local officials. The final rule, if issued, is not intended to preempt State tort civil actions.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 requires agencies to prepare a written assessment of the costs, benefits and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local or tribal governments, in the aggregate, or by the private sector, of more than $100 million annually (adjusted for inflation with base year of 1995). The final rule, if issued, would not require the expenditure of resources above and beyond $100 million annually.

F. Executive Order 12778 (Civil Justice Reform)

The proposed rule would not have any retroactive effect. Under 49 U.S.C. 30103, whenever a Federal motor vehicle safety standard is in effect, a state may not adopt or maintain a safety standard applicable to the same aspect of performance which is not identical to the Federal standard, except to the extent that the state requirement imposes a higher level of performance and applies only to vehicles procured for the State's use. 49 U.S.C. 30161 sets forth a procedure for judicial review of final rules establishing, amending or revoking Federal motor vehicle safety standards. That section does not require submission of a petition for reconsideration or other administrative proceedings before parties may file suit in court.

G. Paperwork Reduction Act

Under the Paperwork Reduction Act of 1995, a person is not required to respond to a collection of information by a Federal agency unless the collection displays a valid OMB control number. This proposal contains a collection of information because it expands the number of information labels required beyond manufacturers of chassis cabs. There is no burden to the general public.

This document includes the following ''collections of information,'' as that term is defined in 5 CFR part 1320, Controlling Paperwork Burdens on the Public:

Today's document includes a proposal for information labels similar to a certification label for incomplete vehicles that are not chassis cabs. At present, OMB has approved NHTSA's collection of labeling requirements under OMB clearance no. 2127–0512, Consolidated Labeling Requirements for Motor Vehicles (Except the Vehicle Identification Number). This clearance will expire on 11/30/2004, and is cleared for 72,959 burden hours on the public.

For the following reasons, NHTSA estimates that the new information labels would have a minimal net increase in the information collection burden on the public. There are approximately 40 incomplete motor

vehicle manufacturers that will be affected this label proposal, and the labels will be placed on approximately 556,000 vehicles per year. The label will be placed on each vehicle once. Since, in this SNPRM, NHTSA specifies the exact content of the labels, the manufacturers will spend 0 hours developing the labels. NHTSA estimates the technical burden time (time required for affixing labels) to be .0002 hours per label. NHTSA estimates that the total annual burden imposed on the public as a result of the incomplete vehicle manufacturer labels will be 112 hours (556,600 vehicles multiplied by .0002 hours per label). Canada already requires labels of the type contemplated in today's notice on incomplete vehicles manufactured for the Canadian market, and the larger incomplete vehicle manufacturers manufacturers already install this label on a voluntary basis for vehicles sold in the United States.

Organizations and individuals that wish to submit comments on the information collection requirements should direct them to the Office of Information and Regulatory Affairs, OMB, Room 10235, New Executive Office Building, Washington, DC 20503; Attention Desk Officer for NHTSA.

H. Executive Order 13045

Executive Order 13045 applies to any rule that: (1) Is determined to be ''economically significant'' as defined under E.O. 12866, and (2) concerns an environmental, health or safety risk that NHTSA has reason to believe may have a disproportionate effect on children. If the regulatory action meets both criteria, we must evaluate the environmental health or safety effects of the planned rule on children, and explain why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by us.

This rulemaking is not economically significant.

I. National Technology Transfer and Advancement Act

Section 12(d) of the National Technology Transfer and Advancement Act (NTTAA) requires NHTSA to evaluate and use existing voluntary consensus standards [13] in its regulatory activities unless doing so would be inconsistent with applicable law (*e.g.*, the statutory provisions regarding NHTSA's vehicle safety authority) or otherwise impractical. In meeting that requirement, we are required to consult with voluntary, private sector, consensus standards bodies. Examples of organizations generally regarded as voluntary consensus standards bodies include the American Society for Testing and Materials (ASTM), the Society of Automotive Engineers (SAE), and the American National Standards Institute (ANSI). If NHTSA does not use available and potentially applicable voluntary consensus standards, we are required by the Act to provide Congress, through OMB, with an explanation of the reasons for not using such standards. This rulemaking only addresses the allocation of legal responsibilities among regulated parties. As such, the issues involved here are not amenable to the development of voluntary standards.

J. Comments

How Do I Prepare and Submit Comments?

Your comments must be written and in English. To ensure that your comments are correctly filed in the Docket, please include the docket number of this document in your comments.

Your comments must not be more than 15 pages long. (49 CFR 553.21.) We established this limit to encourage you to write your primary comments in a concise fashion. However, you may attach necessary additional documents to your comments. There is no limit on the length of the attachments.

Please submit two copies of your comments, including the attachments, to Docket Management at the address given under **ADDRESSES.**

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477) or you may visit *http://dms.dot.gov* to review the statement.

How Can I Be Sure That My Comments Were Received?

If you wish Docket Management to notify you upon its receipt of your comments, enclose a self-addressed, stamped postcard in the envelope containing your comments. Upon receiving your comments, Docket Management will return the postcard by mail.

How Do I Submit Confidential Business Information?

If you wish to submit any information under a claim of confidentiality, you should submit three copies of your complete submission, including the information you claim to be confidential business information, to the Chief Counsel, NHTSA, at the address given above under **FOR FURTHER INFORMATION CONTACT**. In addition, you should submit two copies, from which you have deleted the claimed confidential business information, to Docket Management at the address given above under **ADDRESSES.** When you send a comment containing information claimed to be confidential business information, you should include a cover letter setting forth the information specified in our confidential business information regulation. (49 CFR part 512.)

Will the Agency Consider Late Comments?

We will consider all comments that Docket Management receives before the close of business on the comment closing date indicated above under **DATES**. To the extent possible, we will also consider comments that Docket Management receives after that date. If Docket Management receives a comment too late for us to consider it in developing a final rule (assuming that one is issued), we will consider that comment as an informal suggestion for future rulemaking action.

How Can I Read the Comments Submitted by Other People?

You may read the comments received by Docket Management at the address given above under **ADDRESSES.** The hours of the Docket are indicated above in the same location.

You may also see the comments on the Internet. To read comments on the Internet, take the following steps:

1. Go to the Docket Management System (DMS) Web page of the Department of Transportation (*http://dms.dot.gov/*).

2. On that page, click on ''simple search.''

3. On the next page, type in the docket number shown at the beginning of this document. There is no need to type in the name of the agency or the year that the docket was opened. For example, if the docket number is ''NHTSA–03–123545,'' you would type in ''12345''. After typing the docket number, click on ''search.''

4. On the next page, which contains docket summary information for the docket you selected, click on the desired

[13] Voluntary consensus standards are technical standards developed or adopted by voluntary consensus standards bodies. Technical standards are defined by the NTTAA as ''performance-based or design-specific technical specifications and related management systems practices.'' They pertain to ''products and processes, such as size, strength, or technical performance of a product, process or material.''

comments. You may download the comments.

Please note that even after the comment closing date, we will continue to file relevant information in the Docket as it becomes available. Further, some people may submit late comments. Accordingly, we recommend that you periodically check the Docket for new material.

K. Plain Language

Executive Order 12866 requires each agency to write all rules in plain language. Today's proposal has been written with that directive in mind. We note that some of the requirements proposed today are technical in nature. As such, they may require some understanding of technical terminology. We expect those parties directly affected by today's rule, *i.e.*, vehicle manufacturers, to be familiar with such terminology.

L. Regulation Identifier Number (RIN)

The Department of Transportation assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. You may use the RIN contained in the heading at the beginning of this document to find this action in the Unified Agenda.

List of Subjects in 49 CFR Parts 555, 567, 568, 571, and 573

Imports, Motor vehicle safety, Reporting and recordkeeping requirements, Tires.

In consideration of the foregoing, NHTSA proposes to amend 49 CFR chapter V as follows:

PART 555—TEMPORARY EXEMPTION FROM MOTOR VEHICLE SAFETY AND BUMPER STANDARDS

1. The authority citation for part 555 of title 49 would continue to read as follows:

Authority: 49 U.S.C. 30113, 32502, Pub. L. 105–277; delegation of authority at 49 CFR 1.50.

2. Part 555 would be amended by designating §§ 555.1 through 555.10 as subpart A and by adding a heading to read as follows:

Subpart A—General

3. Subpart B would be added to read as follows:

Subpart B—Altered Vehicles and Vehicles Built in Two or More Stages

Sec.

555.11 Application.
555.12 Petition for exemption.
555.13 Basis for petition.
555.14 Processing of petitions.
555.15 Time period for exemptions.
555.16 Renewal of exemptions.
555.17 Termination of temporary exemptions.
555.18 Temporary exemption labels.

Subpart B—Altered Vehicles and Vehicles Built in Two or More Stages

§ 555.11 Application.

This subpart applies to alterers and manufacturers of motor vehicles built in two or more stages to which one or more standards are applicable. No manufacturer or alterer that produces or alters more than 10,000 motor vehicles annually shall be eligible for a temporary exemption under this subpart. Any exemption granted under this subpart shall be limited, per manufacturer, to 2,500 vehicles to be sold in the United States in any 12 consecutive month period. Nothing in this subpart prohibits an alterer, intermediate, or final stage manufacturer from applying for a temporary exemption under subpart A of this part.

§ 555.12 Petition for exemption.

An alterer, intermediate or final stage manufacturer, or industry trade association representing a group of alterers, intermediate and/or final-stage manufacturers may seek, as to any vehicle configuration built in two or more stages, a temporary exemption or a renewal of a temporary exemption from the provisions of any portion of a Federal motor vehicle safety standard. Each petition for an exemption under this section must be submitted to NHTSA and must:

(a) Be written in the English language;

(b) Be submitted in three copies to: Administrator, National Highway Traffic Safety Administration, 400 Seventh St., SW., Washington, DC 20590;

(c) State the full name and address of the applicant, the nature of its organization (*e.g.*, individual, partnership, corporation, or trade association), the name of the State or country under the laws of which it is organized, and the name of each alterer, or intermediate and/or final stage manufacturer for which the exemption is sought;

(d) State the number, title, paragraph designation, and the text or substance of the portion(s) of the standard(s) from which the exemption is sought;

(e) Describe by type and use each vehicle configuration (or range of vehicle configurations) for which the exemption is sought;

(f) State the estimated number of units of each vehicle configuration to be produced annually by each of the manufacturer(s) for whom the exemption is sought;

(g) Specify any part of the information and data submitted which the petitioner requests be withheld from public disclosure in accordance with part 512 of this chapter.

§ 555.13 Basis for petition.

The petition shall:

(a) Discuss any factors (*e.g.*, demand for the vehicle configuration, loss of market, difficulty in procuring goods and services necessary to conduct dynamic tests) that the applicant desires NHTSA to consider in deciding whether to grant the application.

(b) Explain the grounds on which the applicant asserts that the application of the dynamic crash test requirements of the standard(s) in question to the vehicles covered by the application would cause substantial economic hardship to each of the manufacturers on whose behalf the application is filed, providing a complete financial statement for each manufacturer and a complete description of each manufacturer's good faith efforts to comply with the standards, including a discussion of:

(1) The extent that no Type (1) or Type (2) statement with respect to such standard is available in the incomplete vehicle document from the incomplete vehicle manufacturer or from a prior intermediate-stage manufacturer or why, if one is available, it cannot be followed, and

(2) The existence, or lack thereof, of generic or cooperative testing that would provide a basis for demonstrating compliance with the standard(s);

(c) Explain why the requested temporary exemption would not unreasonably degrade safety.

§ 555.14 Processing of petitions.

The Administrator shall notify the petitioner whether the petition is complete within 30 days of receipt. The Administrator shall attempt to approve or deny any complete petition submitted under this subpart within 120 days after the agency acknowledges that the application is complete. Upon good cause shown, the Administrator may review a petition on an expedited basis.

§ 555.15 Time period for exemptions.

Subject to § 555.16 of this subpart, each temporary exemption granted by the Administrator under this subpart shall be in effect for a period of three

years from the effective date. The Administrator shall identify each exemption by a unique number.

§ 555.16 Renewal of exemptions.

An alterer, intermediate or final-stage manufacturer or a trade association representing a group of alterers or, intermediate and/or final-stage manufacturers may apply for a renewal of a temporary exemption. Any such renewal petition shall be filed at least 60 days prior to the termination date of the existing exemption and shall include all the information required in an initial petition. If a petition for renewal of a temporary exemption that meets the requirements of this subpart has been filed not later than 60 days before the termination date of an exemption, the exemption does not terminate until the Administrator grants or denies the petition for renewal.

§ 555.17 Termination of temporary exemptions.

The Administrator may terminate or modify a temporary exemption if he determines that:

(a) The temporary exemption was granted on the basis of false, fraudulent, or misleading representations or information; or

(b) The temporary exemption is no longer consistent with the public interest and the objectives of the Act.

§ 555.18 Temporary exemption labels.

An alterer or final-stage manufacturer of a vehicle that is covered by one or more exemptions issued under this subpart shall affix a label that meets meet all the requirements of 49 CFR 555.9.

* * * * *

PART 567—CERTIFICATION

4. Part 567 would be revised to read as follows:

PART 567—CERTIFICATION

Sec.

567.1 Purpose.
567.2 Application.
567.3 Definitions.
567.4 Requirements for manufacturers of motor vehicles.
567.5 Requirements for manufacturers of vehicles manufactured in two or more stages.
567.6 Requirements for persons who alter certified vehicles.

Authority: 49 U.S.C. 322, 30111, 30115, 30117, 30166, 32502, 32504, 33101–33104, 33108, and 33109; delegation of authority at 49 CFR 1.50.

§ 567.1 Purpose.

The purpose of this part is to specify the content and location of, and other requirements for, the certification label or tag to be affixed to motor vehicles as required by section 30115 of the Motor Vehicle Safety Act (49 U.S.C. 30115) (the Vehicle Safety Act) and by sections 105(c)(1) and 606(c) of the Motor Vehicle Information and Cost Savings Act (49 U.S.C. 32504 and 33109) (the Cost Savings Act), and to provide the consumer with information to assist him or her in determining which of the Federal Motor Vehicle Safety Standards (part 571 of this chapter) and Federal Theft Prevention Standards (part 541 of this chapter) are applicable to the vehicle.

§ 567.2 Application.

(a) This part applies to manufacturers and alterers of motor vehicles to which one or more standards are applicable.

(b) In the case of imported motor vehicles that do not have the label or tag required by 49 CFR 567.4, Registered Importers of vehicles admitted into the United States under 49 U.S.C. 31041–30147 and 49 U.S.C. 591 must affix a label or tag as required by 49 CFR 567.4 after the vehicle has been brought into conformity with the applicable Safety, Bumper and Theft Prevention Standards.

§ 567.3 Definitions.

All terms that are defined in the Act and the rules and standards issued under its authority are used as defined therein. The term ''bumper'' has the meaning assigned to it in title I of the Cost Savings Act and the rules and standards issued under its authority.

Addendum means the document described in § 568.5 (a) of this chapter.

Altered vehicle means a completed vehicle previously certified in accordance with § 567.4 or § 567.5 that has been modified other than by the use of readily attachable components, or by minor finishing operations such as painting, before the first purchase of the vehicle other than for resale, in such a manner as may affect the conformity of the vehicle with one or more Federal Motor Vehicle Safety Standard(s) or the validity of the vehicle's stated weight ratings.

Completed vehicle means a vehicle that requires no further manufacturing operations to perform its intended function.

Final-stage manufacturer means a person who performs such manufacturing operations on an incomplete vehicle that it becomes a completed vehicle.

Incomplete trailer means a vehicle that is capable of being drawn and that consists, at a minimum, of a chassis structure and suspension system but needs further manufacturing operations performed on it to become a completed vehicle.

Incomplete vehicle means

(1) An assemblage consisting, at a minimum, of frame and chassis structure, power train, steering system, suspension system, and braking system, in the state that those systems are to be part of the completed vehicle, but requires further manufacturing operations to become a completed vehicle, or

(2) An incomplete trailer.

Incomplete Vehicle Document or *IVD* means the document described in 49 CFR 568.4(a).

Incomplete vehicle manufacturer means a person who manufacturers an incomplete vehicle by assembling components none of which, taken separately, constitute an incomplete vehicle.

Intermediate manufacturer means a person, other than the incomplete vehicle manufacturer or the final-stage manufacturer, who performs manufacturing operations on an incomplete vehicle.

Readily Attachable Component means non-original equipment components and/or assemblies that can be installed without special tools or expertise and are substantially similar in design, method of attachment and safety performance to similar motor vehicle equipment offered and/or validated by the motor vehicle manufacturer for the specific model or vehicle platform on which it is being installed in conformance with the equipment manufacturer's instructions.

Vehicle Alterer means a person who modifies a completed vehicle so that it becomes an altered vehicle.

§ 567.4 Requirements for manufacturers of motor vehicles.

(a) Each manufacturer of motor vehicles (except vehicles manufactured in two or more stages) shall affix to each vehicle a label, of the type and in the manner described below, containing the statements specified in paragraph (g) of this section.

(b) The label shall be riveted or permanently affixed in such a manner that it cannot be removed without destroying or defacing it.

(c) Except for trailers and motorcycles, the label shall be affixed to either the hinge pillar, door-latch post, or the door edge that meets the door-latch post, next to the driver's seating position, or if none of these locations is practicable, to the left side of the instrument panel. If that location is also not practicable, the label shall be affixed to the inward-facing surface of the door

next to the driver's seating position. If none of the preceding locations is practicable, notification of that fact, together with drawings or photographs showing a suggested alternate location in the same general area, shall be submitted for approval to the Administrator, National Highway Traffic Safety Administration, Washington, DC 20590. The location of the label shall be such that it is easily readable without moving any part of the vehicle except an outer door.

(d) The label for trailers shall be affixed to a location on the forward half of the left side, such that it is easily readable from outside the vehicle without moving any part of the vehicle.

(e) The label for motorcycles shall be affixed to a permanent member of the vehicle as close as is practicable to the intersection of the steering post with the handle bars, in a location such that it is easily readable without moving any part of the vehicle except the steering system.

(f) The lettering on the label shall be of a color that contrasts with the background of the label.

(g) The label shall contain the following statements, in the English language, lettered in block capitals and numerals not less than three thirty-seconds of an inch high, in the order shown:

(1) Name of manufacturer: Except as provided in paragraphs (g)(1)(i), (ii) and (iii) of this section, the full corporate or individual name of the actual assembler of the vehicle shall be spelled out, except that such abbreviations as ''Co.'' or ''Inc.'' and their foreign equivalents, and the first and middle initials of individuals, may be used. The name of the manufacturer shall be preceded by the words ''Manufactured By'' or ''Mfd By''. In the case of imported vehicles to which the label required by this section is affixed by the Registered Importer, the name of the Registered Importer shall also be placed on the label in the manner described in this paragraph, directly below the name of the final assembler.

(i) If a vehicle is assembled by a corporation that is controlled by another corporation that assumes responsibility for conformity with the standards, the name of the controlling corporation may be used.

(ii) If a vehicle is fabricated and delivered in complete but unassembled form, such that it is designed to be assembled without special machinery or tools, the fabricator of the vehicle may affix the label and name itself as the manufacturer for the purposes of this section.

(iii) If a trailer is sold by a person who is not its manufacturer, but who is engaged in the manufacture of trailers and assumes legal responsibility for all duties and liabilities imposed by the Act with respect to that trailer, the name of that person may appear on the label as the manufacturer. In such a case the name shall be preceded by the words ''Responsible Manufacturer'' or ''Resp Mfr.''

(2) Month and year of manufacture: This shall be the time during which work was completed at the place of main assembly of the vehicle. It may be spelled out, as ''June 2000'', or expressed in numerals, as ''6/00''.

(3) ''Gross Vehicle Weight Rating'' or ''GVWR'' followed by the appropriate value in pounds, which shall not be less than the sum of the unloaded vehicle weight, rated cargo load, and 150 pounds times the number of the vehicle's designated seating positions. However, for school buses the minimum occupant weight allowance shall be 120 pounds per passenger and 150 pounds for the driver.

(4) ''Gross Axle Weight Rating'' or ''GAWR,'' followed by the appropriate value in pounds, for each axle, identified in order from front to rear (*e.g.,* front, first intermediate, second intermediate, rear). The ratings for any consecutive axles having identical gross axle weight ratings when equipped with tires having the same tire size designation may, at the option of the manufacturer, be stated as a single value, with the label indicating to which axles the ratings apply.

Examples of combined ratings:

GAWR:

(a) All axles—4080 with LT265/75R–16D tires.

(b) Front—12,000 with LT245/75R–20G tires.

First intermediate to rear—15,000 with LT215/85R–20H tires.

(i) For passenger cars, the statement: ''This vehicle conforms to all applicable Federal motor vehicle safety, bumper, and theft prevention standards in effect on the date of manufacture shown above.'' The expression ''U.S.'' or ''U.S.A.'' may be inserted before the word ''Federal''.

(ii) In the case of multipurpose passenger vehicles (MPVS) and trucks with a GVWR of 6,000 pounds or less, the statement: ''This vehicle conforms to all applicable Federal motor vehicle safety and theft prevention standards in effect on the date of manufacture shown above.'' The expression ''U.S.'' or ''U.S.A.'' may be inserted before the word ''Federal''.

(iii) In the case of multipurpose passenger vehicles (MPVs) and trucks with a GVWR of over 6,000 pounds, the statement: ''This vehicle conforms to all applicable Federal motor vehicle safety standards in effect on the date of manufacture shown above.'' The expression ''U.S.'' or ''U.S.A.'' may be inserted before the word ''Federal''.

(5) Vehicle identification number.

(6) The type classification of the vehicle as defined in § 571.3 of this chapter (*e.g.,* truck, MPV, bus, trailer).

(h) *Multiple GVWR–GAWR ratings.*

(1) (For passenger cars only) In cases in which different tire sizes are offered as a customer option, a manufacturer may at its option list more than one set of values for GVWR and GAWR, in response to the requirements of paragraphs (g) (3) and (4) of this section. If the label shows more than one set of weight rating values, each value shall be followed by the phrase ''with_tires,'' inserting the proper tire size designations. A manufacturer may, at its option, list one or more tire sizes where only one set of weight ratings is provided.

Example: Passenger Car.

GVWR: 4400 LB with P195/65R–15 Tires, 4800 LB with P205/75R–15 Tires.

GAWR: Front-2000 LB with P195/65R–15 Tires at 24 psi, 2200 LB with P205/75R–15 Tires at 24 psi. Rear-2400 LB with P195/65R–15 Tires at 28 psi, 2600 LB with P205/75R–15 Tires at 28 psi.

(2) (For multipurpose passenger vehicles, trucks, buses, trailers, and motorcycles) The manufacturer may, at its option, list more than one GVWR–GAWR-tire-rim combination on the label, as long as the listing contains the tire-rim combination installed as original equipment on the vehicle by the manufacturer and conforms in content and format to the requirements for tire-rim-inflation information set forth in Standard Nos. 110, 121, 129 and 139 of this chapter (§§ 571.110, 571.121, 571.129 and 571.139).

(3) At the option of the manufacturer, additional GVWR–GAWR ratings for operation of the vehicle at reduced speeds may be listed at the bottom of the certification label following any information that is required to be listed.

(i) [Reserved]

(j) A manufacturer may, at its option, provide information concerning which tables in the document that accompanies the vehicle pursuant to § 575.6(a) of this chapter apply to the vehicle. This information may not precede or interrupt the information required by paragraph (g) of this section.

(k) In the case of passenger cars imported into the United States under 49 CFR 591.5(f) to which the label required by this section has not been affixed by the original producer or

assembler of the passenger car, a label meeting the requirements of this paragraph shall be affixed by the Registered Importer before the vehicle is imported into the United States, if the car is from a line listed in Appendix A of 49 CFR part 541. This label shall be in addition to, and not in place of, the label required by paragraphs (a) through (j), inclusive, of this section.

(1) The label shall be riveted or permanently affixed in such a manner that it cannot be removed without destroying or defacing it.

(2) The label shall be affixed to either the hinge pillar, door-latch post, or the door edge that meets the door-latch post, next to the driver's seating position, or, if none of these locations is practicable, to the left side of the instrument panel. If that location is also not practicable, the label shall be affixed to the inward-facing surface of the door next to the driver's seating position. The location of the label shall be such that it is easily readable without moving any part of the vehicle except an outer door.

(3) The lettering on the label shall be of a color that contrasts with the background of the label.

(4) The label shall contain the following statements, in the English language, lettered in block capitals and numerals not less than three thirty-seconds of an inch high, in the order shown:

(i) Model year (if applicable) or year of manufacture and line of the vehicle, as reported by the manufacturer that produced or assembled the vehicle. ''Model year'' is used as defined in § 565.3(h) of this chapter. ''Line'' is used as defined in § 541.4 of this chapter.

(ii) Name of the importer. The full corporate or individual name of the importer of the vehicle shall be spelled out, except that such abbreviations as ''Co.'' or ''Inc.'' and their foreign equivalents and the middle initial of individuals, may be used. The name of the importer shall be preceded by the words ''Imported By''.

(iii) The statement: ''This vehicle conforms to the applicable Federal motor vehicle theft prevention standard in effect on the date of manufacture.''

(l)(1) In the case of a passenger car imported into the United States under 49 CFR 591.5(f) which does not have an identification number that complies with 49 CFR 565.4 (b), (c), and (g) at the time of importation, the Registered Importer shall permanently affix a label to the vehicle in such a manner that, unless the label is riveted, it cannot be removed without being destroyed or defaced. The label shall be in addition to the label required by paragraph (a) of this section, and shall be affixed to the vehicle in a location specified in paragraph (c) of this section.

(2) The label shall contain the following statement, in the English language, lettered in block capitals and numerals not less than three thirty-seconds of an inch high, with the location on the vehicle of the original manufacturer's identification number provided in the blank: ORIGINAL MANUFACTURER'S IDENTIFICATION NUMBER SUBSTITUTING FOR U.S. VIN IS LOCATED _____.

(m)(1) In the case of a passenger car imported into the United States under 49 CFR 591.5(f) which does not have an identification number that complies with 49 CFR 565.4 (b), (c), and (g) at the time of importation, the Registered Importer shall permanently affix a label to the vehicle in such a manner that, unless the label is riveted, it cannot be removed without being destroyed or defaced. The label shall be in addition to the label required by paragraph (a) of this section, and shall be affixed to the vehicle in a location specified in paragraph (c) of this section.

(2) The label shall contain the following statement, in the English language, lettered in block capitals and numerals not less than 4 mm high, with the location on the vehicle of the original manufacturer's identification number provided in the blank: ORIGINAL MANUFACTURER'S IDENTIFICATION NUMBER SUBSTITUTING FOR U.S. VIN IS LOCATED _____.

§ 567.5 Requirements for manufacturers of vehicles manufactured in two or more stages.

(a) *Location of information labels for incomplete vehicles.* Each incomplete vehicle manufacturer or intermediate vehicle manufacturer shall permanently affix a label to each incomplete vehicle, in the location and form specified in § 567.4, and in a manner that does not obscure other labels. If the locations specified in 49 CFR 567.4(c) are not practicable, the label may be provided as part of the IVD package so that it can be permanently affixed in the acceptable locations provided for in that subsection when the vehicle is sufficiently manufactured to allow placement in accordance therewith.

(b) *Incomplete vehicle manufacturers.*

(1) Except as provided in paragraph (f) of this section and notwithstanding the certification of a final-stage manufacturer under 49 CFR 567.5(d)(2)(v), each manufacturer of an incomplete vehicle assumes legal responsibility for all duties and liabilities imposed by the Act with respect to:

(i) Components and systems it supplies on the incomplete vehicle;

(ii) To the extent that the vehicle is completed in accordance with the instructions contained in the IVD, for all components and systems incorporated into the completed vehicle by an intermediate or final-stage manufacturer, except for defects in those components or systems or defects in workmanship by the intermediate or final stage manufacturer; and

(iii) For the accuracy of the information contained in the IVD.

(2) Except as provided in paragraph (f) of this section, each incomplete vehicle manufacturer shall affix an information label to each incomplete vehicle that contains the following statements:

(i) Name of incomplete vehicle manufacturer preceded by the words ''incomplete vehicle MANUFACTURED BY'' or ''incomplete vehicle MFD BY''.

(ii) Month and year of manufacture of the incomplete vehicle. This may be spelled out, as in ''JUNE 2000'', or expressed in numerals, as in ''6/00''. No preface is required.

(iii) ''Gross Vehicle Weight Rating'' or ''GVWR'' followed by the appropriate value in kilograms and (pounds), which shall not be less than the sum of the unloaded vehicle weight, rated cargo load, and 150 pounds times the number of the vehicle's designated seating positions. However, for school buses the minimum occupant weight allowance shall be 120 pounds per passenger and 150 pounds for the driver.

(iv) ''Gross Axle Weight Rating'' or ''GAWR'', followed by the appropriate value in kilograms and (pounds) for each axle, identified in order from front to rear (*e.g.,* front, first intermediate, second intermediate, rear). The ratings for any consecutive axles having identical gross axle weight ratings when equipped with tires having the same tire size designation may be stated as a single value, with the label indicating to which axles the ratings apply.

(v) Vehicle Identification Number.

(c) *Intermediate vehicle manufacturers.*

(1) Except as provided in paragraphs (f) and (g) of this section and notwithstanding the certification of a final-stage manufacturer under § 567.5(d)(2)(v), each intermediate manufacturer of a vehicle manufactured in two or more stages assumes legal responsibility for all duties and liabilities imposed by the Act:

(i) With respect to defects in components, systems or workmanship supplied by the intermediate vehicle manufacturer on the incomplete vehicle (other than defects that arise as a result of the intermediate manufacturer's

reliance on any misstatements or inaccuracies in the IVD, or any prior intermediate manufacturer's Addendum, or that results from defects in components, systems, or workmanship provided by the final-stage manufacturer);

(ii) For any work done by the intermediate manufacturer on the incomplete vehicle that was not performed in accordance with the incomplete vehicle document or an Addendum of a prior intermediate manufacturer; and

(iii) For the accuracy of the information in the addendum to the incomplete vehicle document furnished by the intermediate vehicle manufacturer.

(2) Except as provided in paragraphs (f) and (g) of this section, each intermediate manufacturer of an incomplete vehicle shall affix an information label, in a manner that does not obscure the labels applied by previous stage manufacturers, to each incomplete vehicle, which contains the following statements:

(i) Name of intermediate manufacturer, preceded by the words ''INTERMEDIATE MANUFACTURE BY'' or ''INTERMEDIATE MFR BY''.

(ii) Month and year in which the intermediate manufacturer performed its last manufacturing operation on the incomplete vehicle. This may be spelled out, as ''JUNE 2000'', or expressed as numerals, as ''6/00''. No preface is required.

(iii) ''Gross Vehicle Weight Rating'' or ''GVWR'', followed by the appropriate value in kilograms and (pounds), if different from that identified by the incomplete vehicle manufacturer.

(iv) ''Gross Axle Weight Rating'' or ''GAWR'' followed by the appropriate value in kilograms and (pounds), if different from that identified by the incomplete vehicle manufacturer.

(d) *Final-stage manufacturers.*

(1) Except as provided in paragraphs (f) and (g) of this section, each final-stage manufacturer of a vehicle manufactured in two or more stages assumes legal responsibility for all duties and liabilities imposed by the Act:

(i) With respect to defects in components, systems or workmanship supplied by the final-stage manufacturer on the incomplete vehicle (other than defects that arise as a result of the final stage manufacturer's reliance on any misstatements or inaccuracies in the IVD, or any intermediate manufacturer's Addendum); and

(ii) For any work done by the final-stage manufacturer to complete the vehicle that was not performed in accordance with instructions contained in the incomplete vehicle document or any Addendum furnished pursuant to 49 CFR part 568.

(2) Except as provided in paragraphs (f) and (g) of this section, each final-stage manufacturer shall affix a certification label to each vehicle, in a manner that does not obscure the labels applied by previous stage manufacturers, and that contains the following statements:

(i) Name of final-stage manufacturer, preceded by the words ''MANUFACTURED BY'' or ''MFD BY''.

(ii) Month and year in which final-stage manufacture is completed. This may be spelled out, as in ''JUNE 2000'', or expressed in numerals, as in ''6/00''. No preface is required.

(iii) ''Gross Vehicle Weight Rating'' or ''GVWR'' followed by the appropriate value in kilograms and (pounds), which shall not be less than the sum of the unloaded vehicle weight, rated cargo load, and 150 pounds times the number of the vehicle's designated seating positions. However, for school buses the minimum occupant weight allowance shall be 120 pounds per passenger and 150 pounds for the driver.

(iv) ''GROSS AXLE WEIGHT RATING'' or ''GAWR'', followed by the appropriate value in kilograms and (pounds) for each axle, identified in order from front to rear (*e.g.,* front, first intermediate, second intermediate, rear). The ratings for any consecutive axles having identical gross axle weight ratings when equipped with tires having the same tire size designation may be stated as a single value, with the label indicating to which axles the ratings apply.

Examples of combined ratings:

(a) All axles-4080 with LT265/75R–16D tires;

(b) Front-12,000 with LT245/75R–20G tires. First intermediate to rear-15,000 with LT215/85R–20H tires.

(v)(A) One of the following alternative certification statements:

(*1*) ''This vehicle conforms to all applicable Federal Motor Vehicle Safety Standards, [and Bumper and Theft Prevention Standards, if applicable] in effect in (month, year).''

(*2*) ''This vehicle has been completed in accordance with the prior manufacturers' instructions, where applicable. This vehicle conforms to all applicable Federal Motor Vehicle Safety Standards, [and Bumper and Theft Prevention Standards, if applicable] in effect in (month, year).''

(*3*) ''This vehicle has been completed in accordance with the prior manufacturers' instructions, where applicable, except for [insert FMVSS(s)]. This vehicle conforms to all applicable Federal Motor Vehicle Safety Standards, [and Bumper and Theft Standards if applicable] in effect in (month, year).''

(B) The date shown in the statement required in paragraph (d)(2)(v)(A) of this section shall not be earlier than the manufacturing date provided by the incomplete or intermediate stage manufacturer and not later than the date of completion of the final stage manufacture.

(C) Notwithstanding the certification statements in paragraph (d)(2)(v)(A) of this section, the legal responsibilities and liabilities imposed by the Act shall be allocated among the vehicle manufacturers as provided in § 567.5(b)(1), (c)(1), and (d)(1), and 49 CFR 568.4(a)(9).

(vi) Vehicle identification number.

(vii) The type classification of the vehicle as defined in 49 CFR 571.3 (*e.g.*, truck, MPV, bus, trailer).

(e) More than one set of figures for GVWR and GAWR, and one or more tire sizes, may be listed in satisfaction of the requirements of paragraphs (d)(2)(iii) and (iv) of this section, as provided in § 567.4(h).

(f) If an incomplete vehicle manufacturer assumes legal responsibility for all duties and liabilities imposed by the Act, with respect to the vehicle as finally manufactured, the incomplete vehicle manufacturer shall ensure that a label is affixed to the final vehicle in conformity with paragraph (d) of this section, except that the name of the incomplete vehicle manufacturer shall appear instead of the name of the final-stage manufacturer after the words ''MANUFACTURED BY'' or ''MFD BY'' required by paragraph (d)(2)(i) of this section.

(g) If an intermediate manufacturer of a vehicle assumes legal responsibility for all duties and liabilities imposed on manufacturers by the Act, with respect to the vehicle as finally manufactured, the intermediate manufacturer shall ensure that a label is affixed to the final vehicle in conformity with paragraph (d) of this section, except that the name of the intermediate manufacturer shall appear instead of the name of the final-stage manufacturer after the words ''MANUFACTURED BY'' or ''MFD BY'' required by paragraph (f) of this section.

(h) Upon request of NHTSA or the previous-stage manufacturer, an intermediate or final-stage manufacturer shall provide the previous-stage manufacturer with all customer information necessary for the previous-stage manufacturer to fulfill its legal

responsibilities under 49 CFR parts 573 and 577.

§ 567.6 Requirements for persons who alter certified vehicles.

(a) With respect to the vehicle alterations it performs, a vehicle alterer:

(1) Has a duty to determine continued conformity of the altered vehicle with applicable Safety, Bumper and Theft Prevention Standards, and

(2) Assumes legal responsibility for all duties and liabilities imposed by the Act.

(b) The vehicle manufacturer's certification label and any information labels shall remain affixed to the vehicle and the alterer shall affix to the vehicle an additional label in the manner and location specified in § 567.4, in a manner that does not obscure any previously applied labels, and containing the following information:

(1) The statement: ''This vehicle was altered by (individual or corporate name) in (month and year in which alterations were completed) and as altered it conforms to all applicable Federal Motor Vehicle Safety, Bumper and Theft Prevention Standards affected by the alteration and in effect in (month, year).'' The second date shall be no earlier than the final manufacturing date of the certified vehicle, and no later than the date alterations were completed.

(2) If the gross vehicle weight rating or any of the gross axle weight ratings of the vehicle as altered are different from those shown on the original certification label, the modified values shall be provided in the form specified in § 567.4(g)(3) and (4).

(3) If the vehicle as altered has a different type classification from that shown on the original certification label, the type as modified shall be provided.

5–6. Part 568 would be revised to read as follows:

PART 568—VEHICLES MANUFACTURED IN TWO OR MORE STAGES—ALL INCOMPLETE, INTERMEDIATE AND FINAL STAGE MANUFACTURERS OF VEHICLES MANUFACTURED IN TWO OR MORE STAGES

Sec.

568.1 Purpose and scope.
568.2 Application.
568.3 Definitions.
568.4 Requirements for incomplete vehicle manufacturers.
568.5 Requirements for intermediate manufacturers.
568.6 Requirements for final-stage manufacturers.
568.7 Requirements for manufacturers who assume legal responsibility for a vehicle.

Authority: 49 U.S.C. 30111, 30115, 30117, 30166 delegation of authority at 49 CFR 1.50.

§ 568.1 Purpose and scope.

The purpose of this part is to prescribe the method by which manufacturers of vehicles manufactured in two or more stages shall ensure conformity of those vehicles with the Federal motor vehicle safety standards (''standards'') and other regulations issued under the National Traffic and Motor Vehicle Safety Act. (49 U.S.C. 30115)

§ 568.2 Application.

This part applies to incomplete vehicle manufacturers, intermediate manufacturers, and final-stage manufacturers of vehicles manufactured in two or more stages.

§ 568.3 Definitions.

All terms that are defined in the Act and the rules and standards issued under its authority are used as defined therein. The term ''bumper'' has the meaning assigned to it in title I of the Cost Savings Act and the rules and standards issued under its authority. The definitions contained in 49 CFR part 567 apply to this part.

§ 568.4 Requirements for incomplete vehicle manufacturers.

(a) The incomplete vehicle manufacturer shall furnish for each incomplete vehicle, at or before the time of delivery, an incomplete vehicle document or IVD that contains the following statements, in the order shown, and all other information required by this part to be included therein:

(1) Name and mailing address of the incomplete vehicle manufacturer.

(2) Month and year during which the incomplete vehicle manufacturer performed its last manufacturing operation on the incomplete vehicle.

(3) Identification of the incomplete vehicle(s) to which the document applies. The identification shall be by vehicle identification number (VIN) or groups of VINs to ascertain positively that a document applies to a particular incomplete vehicle after the document has been removed from the vehicle.

(4) Gross vehicle weight rating (GVWR) of the completed vehicle for which the incomplete vehicle is intended.

(5) Gross axle weight rating (GAWR) for each axle of the completed vehicle, listed and identified in order from front to rear (*e.g.*, front, first intermediate, second intermediate, rear). The ratings for any consecutive axles having identical gross axle weight ratings when equipped with tires having the same tire size designation may, at the option of the incomplete vehicle manufacturer, be stated as a single value, with the label indicating to which axles the ratings apply.

Examples of combined ratings:

(a) All axles-4080 with LT265/75R–16D tires;

(b) Front-12,000 with LT245/75R–20G tires.

First intermediate to rear-15,000 with LT215/85R–20H tires.

(6) Listing of the vehicle types as defined in 49 CFR 571.3 (*e.g.*, truck, MPV, bus, trailer) into which the incomplete vehicle may appropriately be manufactured.

(7) Listing, by number, of each standard, in effect at the time of manufacture of the incomplete vehicle, that applies to any of the vehicle types listed in paragraph (a)(6) of this section, followed in each case by one of the following three types of statement, as applicable:

(i) Type 1—A statement that the vehicle when completed will conform to the standard if no alterations are made in identified components of the incomplete vehicle.

Example: 104—This vehicle when completed will conform to FMVSS No. 104, Windshield Wiping and Washing Systems, if no alterations are made in the windshield wiper components.

(ii) Type 2—A statement of specific conditions of final manufacture under which the manufacturer specifies that the completed vehicle will conform to the standard.

Example: 121—This vehicle when completed will conform to FMVSS No. 121, Air Brake Systems, if it does not exceed any of the gross axle weight ratings, if the center of gravity at GVWR is not higher than nine feet above the ground, and if no alterations are made in any brake system component.

(iii) Type 3—A statement that conformity with the standard cannot be determined based upon the components supplied on the incomplete vehicle, and that the incomplete vehicle manufacturer makes no representation as to conformity with the standard.

(8) Each document shall contain a table of contents or chart summarizing all the standards applicable to the vehicle pursuant to 49 CFR 568.4(a)(7).

(9) A certification that the statements contained in the incomplete vehicle document are accurate as of the date of manufacture of the incomplete vehicle and can be used and relied on by any intermediate and/or final-stage manufacturer as a basis for certification.

(b) To the extent the IVD expressly incorporates by reference body builder

or other design and engineering guidance (Reference Material), the incomplete vehicle manufacturer shall make such Reference Material readily available to subsequent manufacturers. Reference Materials incorporated by reference in the IVD shall be deemed to be part of the IVD.

(c) The IVD shall be attached to the incomplete vehicle in such a manner that it will not be inadvertently detached, or alternatively, it may be sent directly to a final-stage manufacturer, intermediate manufacturer or purchaser for purposes other than resale to whom the incomplete vehicle is delivered. The Reference Material in paragraph (b) of this section need not be attached to each vehicle.

§ 568.5 Requirements for intermediate manufacturers.

Each intermediate manufacturer of an incomplete vehicle shall furnish to the final stage manufacturer the document required by 49 CFR 568.4 in the manner specified in that section. If any of the changes in the vehicle made by the intermediate manufacturer affect the validity of the statements in the IVD, it shall furnish an addendum to the IVD that contains its name and mailing address and an indication of all changes that should be made in the IVD to reflect changes that it made to the vehicle. The addendum shall contain a certification by the intermediate manufacturer that the statements contained in the addendum are accurate as of the date of manufacture by the intermediate manufacturer and can be used and relied on by any subsequent intermediate manufacturer(s) and the final-stage manufacturer as a basis for certification.

§ 568.6 Requirements for final-stage manufacturers.

Each final-stage manufacturer shall complete the vehicle in such a manner that it conforms to the applicable standards in effect on the date of manufacture of the incomplete vehicle, the date of final completion, or a date between those two dates. This requirement shall, however, be superseded by any conflicting provisions of a standard that applies by its terms to vehicles manufactured in two or more stages.

§ 568.7 Requirements for manufacturers who assume legal responsibility for a vehicle.

(a) If an incomplete vehicle manufacturer assumes legal responsibility for all duties and liabilities imposed on manufacturers by the National Traffic and Motor Vehicle Safety Act (49 U.S.C. chapter 301) (hereafter referred to as the Act), with respect to a vehicle as finally manufactured, the requirements of §§ 568.4, 568.5 and 568.6(b) do not apply to that vehicle. In such a case, the incomplete vehicle manufacturer shall ensure that a label is affixed to the final vehicle in conformity with 49 CFR 567.5(f).

(b) If an intermediate manufacturer of a vehicle assumes legal responsibility for all duties and liabilities imposed on manufacturers by the Act, with respect to the vehicle as finally manufactured, §§ 568.5 and 568.6(b) do not apply to that vehicle. In such a case, the manufacturer assuming responsibility shall ensure that a label is affixed to the final vehicle in conformity with 49 CFR 567.5(g). The assumption of responsibility by an intermediate manufacturer does not, however, change the requirements for incomplete vehicle manufacturers in § 568.4.

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

7. The authority citation for part 571 of title 49 would continue to read as follows:

Authority: 49 U.S.C. 322, 30111, 30115, 30117, 30166 delegation of authority at 49 CFR 1.50.

8. Section 571.8 would be revised to read as follows:

§ 571.8 Effective date.

(a) *Firefighting vehicles.* Notwithstanding the effective date provisions of the motor vehicle safety standards in this part, the effective date of any standard or amendment of a standard issued after September 1, 1971, to which firefighting vehicles must conform shall be, with respect to such vehicles, either 2 years after the date on which such standard or amendment is published in the rules and regulations section of the **Federal Register**, or the effective date specified in the notice, whichever is later, except as such standard or amendment may otherwise specifically provide with respect to firefighting vehicles.

(b) *Vehicles built in two or more stages and altered vehicles.* Unless Congress directs or the agency expressly determines that provisions of this paragraph shall not apply, the date for manufacturer certification of compliance with any standard or amendment to a standard that is published in the rules and regulations section of the **Federal Register** on or after [date to be determined in final rule] shall be, insofar as its application to intermediate and final-stage manufacturers and alterers, one year after the last applicable date for manufacturer certification of compliance provided in the standard. Nothing in this provision shall be construed as prohibiting earlier compliance with the standard or precluding NHTSA from allowing or extending a compliance effective date for intermediate and final-stage manufacturers and alterers by more than one year.

PART 573—DEFECT AND NONCOMPLIANCE RESPONSIBILITY AND REPORTS

9. The authority citation for part 573 of title 49 would continue to read as follows:

Authority: 49 U.S.C. 30102–103, 30112, 30117–121, 30166–167; delegation of authority at 49 CFR 1.50.

10. Section 573.5 would be revised to read as follows:

§ 573.5 Defect and noncompliance responsibility.

(a) Each manufacturer of a motor vehicle shall be responsible for any safety-related defect or any noncompliance determined to exist in the vehicle or in any item of original equipment.

(b) Each manufacturer of an item of replacement equipment shall be responsible for any safety-related defect or any noncompliance determined to exist in the equipment.

(c) In the event of a safety-related defect or noncompliance in a motor vehicle or item of original equipment in a motor vehicle manufactured in two or more stages, should the manufacturers or NHTSA be unable to determine or agree which manufacturer is responsible for the safety-related defect or noncompliance, NHTSA shall determine which manufacturer is in the best position to conduct a notification and remedy campaign, pursuant to 49 CFR part 577. Such determination shall be nonreviewable.

Nothing in this section shall otherwise waive or alter any rights of a manufacturer to challenge the existence of a safety-related defect or noncompliance. Nor shall NHTSA's determination constitute a determination of actual fault by the party conducting the notification and remedy campaign.

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Stephen R. Kratzke,

Associate Administrator for Rulemaking.

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