AUTO ALLIANCE

DRIVING INNOVATION®

**STATEMENT**
**OF THE**

# *ALLIANCE OF AUTOMOBILE MANUFACTURERS*

**BEFORE THE**

**SUBCOMMITTEE ON**
**COMMERCE, TRADE, AND CONSUMER PROTECTION**

**OF THE**

**COMMITTEE ON ENERGY AND COMMERCE**
**U.S. HOUSE OF REPRESENTATIVES**

**MAY 18, 2009**

Thank you, Mr. Chairman and members of the Subcommittee. My name is Robert Strassburger and I am Vice President of Vehicle Safety and Harmonization at the Alliance of Automobile Manufacturers (Alliance). The Alliance is a trade association of eleven car and light truck manufacturers including BMW Group, Chrysler LLC, Ford Motor Company, General Motors, JaguarLandRover, Mazda, Mercedes-Benz, Mitsubishi Motors, Porsche, Toyota and Volkswagen. Within Alliance membership, safety is a top priority. Ours is a high-tech industry that uses cutting-edge safety technology to put people first. In fact, automakers invest more in research and development than any other industry, including pharmaceuticals and computers, according to the National Science Foundation. The global auto industry devoted $79 billion in 2007 to R & D.

Mr. Chairman, we build and sell cars every day, cars today that are safer than they have ever been. We take that information learned through research and drive new and ever safer products to the market. Let's look at the statistics, and I realize that they do not tell the whole story, but they are important to review. Motorists in the United States have never been safer. In April of this year, the National Highway Traffic Safety Administration (NHTSA) announced that the number of traffic fatalities on U.S. roads last year reached a record low. NHTSA estimates that 37,313 people were killed in motor vehicle traffic crashes in 2008 – a 9.1 percent decline from the 41,059 fatalities reported in 2007 and the lowest number of deaths on U.S. roads since 1961. In 2008, the nation also recorded its lowest ever fatality rate: 1.28 fatalities per 100 million vehicles miles traveled, down from 1.36 in 2007.

Safety belt use continued to climb in 2008. Nationwide, safety belt use was 83 percent in 2008 – a major shift in behavior from the mid-1980s when belt use was less than 15 percent. New research released by NHTSA just last week estimates that safety belts saved 15,147 lives in 2007. The NHTSA study also estimates that 1,652 additional lives could be saved and 22,372 serious injuries avoided each year if safety belt use rates rose to 90 percent in every state.

There are many reasons for this historic decline, increased safety belt usage, the reduction in vehicle miles travelled (VMT) and, equally important, advancements in motor vehicle safety developed, designed and deployed in today's cars and trucks by our industry.

Even with this good news, advancing motor vehicle safety remains a public health challenge – one that automakers are addressing daily. Motor vehicle crashes result in a human toll – 37,000 lives and nearly 3 million injuries last year – and account for an estimated $230 billion in direct economic loss. While safety belt usage is increasing, tragically, 55 percent of vehicle occupants killed in crashes were still not restrained by safety belts or child safety seats. Alcohol impairment was a factor in 32 percent of all fatalities. This is unacceptable. As a nation, we simply must do better. Further reducing traffic fatalities will require a cooperative

effort of vehicle manufacturers, government and non-government stakeholders to address each element of vehicle safety including roadway, driver behavior and vehicle design.

Automakers lead regulation with innovation. Most of the new, significant safety features currently available on motor vehicles in the U.S. – antilock brakes, safety belt reminder systems, electronic stability control, side airbags for head and chest protection, side curtains, pre-crash occupant positioning, lane departure warnings, radar use for collision avoidance were implemented voluntarily by manufacturers, not as a result of any regulatory mandate. Every day the industry is engaged in high-tech research and implementation of new safety technologies with real-world safety benefit, such as autonomous braking systems and vehicle safety communications systems for crash avoidance.

Claims that vehicle safety will not be advanced in the absence of regulatory requirements simply do not reflect the reality of today's automakers. Consider the industry's successes in innovations now considered to be the most significant since the safety belt: Electronic Stability Control (ESC) and head-protecting side curtain airbags. As of Model Year 2008, 81 percent of the new light vehicle models on sale are available with ESC (61% standard; 20% optional). The percentage of MY 2008 SUVs with ESC available is even higher. Ninety-five percent of MY 2008 SUVs are available with ESC (93% standard; 2% optional). This is well in advance of MY 2012 when such systems will be required. Similarly, as of Model Year 2008, 76 percent of the new light vehicle models on sale are available with side curtain air bags (63% standard; 13% optional). The percentage of MY 2008 SUVs with side curtain air bags available is even higher. Ninety-seven percent of MY 2008 SUVs are available with side curtain air bags (91% standard; 6% optional). This is well in advance of when such technology might be required in order to comply with any likely requirements of the occupant ejection prevention rulemaking required under SAFETEA-LU.

Both ESC and side curtain airbags were developed and installed on cars and lights trucks by automakers voluntarily and not in response to any legislative or regulatory mandate. The SAFETEA-LU occupant ejection prevention mandate illustrates the challenge that Congress faces when reauthorizing surface transportation programs, that is, Congress risks stifling safety innovations with prescriptive mandates for advanced safety technologies. Therefore, the Alliance believes that mandated rulemakings that dictate motor vehicle regulations and timing is not the best way to ensure that resources are being directed to achieve optimal real-world benefits. The Alliance supports and actively participates in NHTSA's rulemaking process. We firmly believe that any rule issued should be based on real-world benefit, sound data, a shared understanding of challenges and solutions, public comment, a consideration of any economic consequences and adequate lead time. Mandates requiring rules that must be issued on

specific subjects with specific timing, regardless of the public rulemaking record on that subject, could actually result in compromised safety by forcing NHTSA and automakers to forego rulemaking and production decisions on higher priority items. We believe there is a better way.

Automakers have collectively pursued several voluntary initiatives to enhance motor vehicle safety. Beginning in 2003, the Alliance has worked with the Insurance Institute for Highway Safety (IIHS) on the development and implementation of test procedures and performance criteria to enhance occupant crash protection in crashes between cars and light trucks. To meet the performance criteria, automakers are designing the primary energy-absorbing structures of new SUVs and pickup trucks to overlap at least 50 percent of the federally mandated bumper height zone for cars. Alternatively, automakers may elect to connect a second energy-absorbing structure to the primary one. Then the lower edge of the secondary structure cannot be any higher than the bottom of the car bumper zone. For the 2007 production period ending August 31, 2007, 81 percent of participating manufacturers' applicable vehicles were designed to the front-to-front compatibility criteria and 71 percent were designed to the front-to-side criteria. IIHS' field studies support the expectation of substantial real-world benefits of designing vehicles to this agreement. IIHS reports an overall 19 percent reduction in passenger car driver deaths in both front-to-front and front-to-side crashes involving both SUVs and pickup trucks already designed to the agreement's front-to-front compatibility requirements.

In 2002, the Alliance established voluntary safety guidelines to enhance driver focus when using in-vehicle telematics systems. The Alliance's Driver Focus – Telematics Guidelines relate to the design, use, and installation of in-vehicle information and communications systems. The Guidelines provide criteria and evaluation procedures for use by automotive manufacturers and telematic device manufacturers during product development. Each individual Guideline has associated with it:

- A rationale
- Specific criterion/criteria
- Verification procedure
- Cites to supporting peer-reviewed research

The 24 guidelines are divided into five groups:

- Installation Principles (5)
- Information Presentation Principles (4)
- Interaction with Displays and Controls (6)
- System Behavior Principles (3)

- System User Information (6)

The Guidelines along with a commitment to design and test telematic devices in accordance with these Guidelines were first issued in 2002 and were last updated in 2006.

In 2000, the Alliance – again with IIHS' help – issued test procedures and performance criteria for side airbags to ensure that the risk of injury to out-of-position occupants from deploying side airbags would be very limited. Today, 90 percent of side airbags have been designed in accordance with the Alliance guidelines. More importantly, the field performance of side airbags remains positive.

Automakers' most recent voluntary initiative was codified as part of the Cameron Gulbransen Kids Transportation Safety Act of 2007, which the Alliance supported. Automakers' voluntary agreement on Brake Transmission Shift Interlocks was adopted as part of this Act and now includes compliance enforcement and recall oversight by NHTSA. This agreement further reduces the risk of inadvertent shift selector movement in automatic transmission equipped vehicles in circumstances where an unsupervised child has access to both a vehicle and its ignition keys.

Currently, automakers are working with NHTSA and organizations of the blind to help the blind maintain their mobility and independence by addressing concerns that some advanced technology vehicles, such as hybrid electric vehicles, may not be audibly detectable by the blind when the vehicle's internal combustion engine is not operating.

Automakers are also working to enhance motor vehicle safety in other ways in addition to vehicle-related enhancements. Just this year, Arkansas and Florida became the nation's 29$^{th}$ and 30$^{th}$ jurisdictions, respectively, to adopt a primary enforcement (PE) safety belt law – a quarter century after the first such law was adopted by New York State. These latest state decisions mean that, soon, PE safety belt laws will protect 72 percent of the U.S. population. Jurisdictions with stronger belt enforcement laws continue to exhibit higher use rates than those with weaker laws. Safety belt use nationwide was 83 percent in 2008. Sixteen states and territories achieved use rates of 90 percent or higher. In Michigan, the belt use rate was 97.2 percent – the nation's highest. By contract, Massachusetts was 66.8 percent.

Today – May 18$^{th}$ – kicks off another "Click It or Ticket" nationwide enforcement mobilization which is set to run to May 31. The mobilization is expected to involve more than 10,000 police agencies and is supported by $8 million in national advertising funding wisely provided by Congress under SAFETEA-LU.

Over the past 25 years, no other industry sector in the country has expended more resources to increase safety belt use than the automobile industry – $33 million during the period 1996 through 2007 alone. Why is this important to automakers? Because safety belt use is the most effective means immediately available to passenger vehicle occupants to prevent fatalities and serious injuries in motor vehicle traffic crashes. According to NHTSA, the total passenger vehicle occupant fatality rate per 100 million VMT for non-PE states is 9 percent higher than that for the PE states. The agency estimates that 5,024 additional lives would have been saved in 2007 (most recent data available) if all unrestrained motor vehicle occupants involved in fatal crashes had worn their safety belts. Michigan's usage rate demonstrates that belt use approaching 100 percent is possible.

Impaired driving also remains a significant traffic safety problem. While substantial progress in reducing impaired driving was made in the last two decades, that progress has stalled. In November 2006, the Alliance joined, among others, with the U.S. Department of Transportation, the Insurance Institute for Highway Safety (IIHS), the Governors Highway Safety Association, and the International Association of Chiefs of Police, to support MADD's *Campaign to Eliminate Drunk Driving*. The *Campaign* is pursuing the adoption of state laws mandating the installation of alcohol ignition interlocks (breathalyzers) on vehicles driven by convicted drunk drivers. In New Mexico – the first state to adopt such a mandate – alcohol-involved crashes are down 30 percent, injuries are down 32 percent, and fatalities are down 22 percent.

In addition, in 2008 the Alliance, working through the Automotive Coalition for Traffic Safety (ACTS), joined NHTSA in a five-year, $10 million cooperative agreement to research in-vehicle alcohol detection technologies aimed at reducing drunk driving-related fatalities and injuries. Such technologies hold promise for keeping alcohol-impaired drivers off the road by preventing drivers with a blood alcohol concentration at or above the legal limit of 0.08 from operating a vehicle. An IIHS analysis reveals that if driver blood alcohol concentrations can be limited to less than 0.08, approximately 9,000 lives might be saved annually.

**RECOMMENDATIONS**

The Alliance offers the following recommendations for consideration by Congress as it pursues legislation to reauthorize surface transportation programs.

First, Congress should ensure that NHTSA has the resources to do its job. NHTSA plays a key role in auto safety and we work with them and other stakeholders on a daily basis to drive improvements in motor vehicle safety.

Second, we urge you to resist calls to include mandated rulemakings and deadlines that affect motor vehicle design. Instead, the Alliance recommends that Congress require that

NHTSA, after appropriate notice and comment, periodically issue a motor vehicle safety improvement priority plan. The creation of such a plan would ensure that critical safety problems are being addressed on a priority basis in an effective manner and that progress is being made towards national goals. This plan would also allow Congress to exercise more effective oversight of the "expert" agency it established expressly to improve motor vehicle safety.

Second, to ensure that NHTSA and safety researchers have robust databases upon which to assess current and future safety needs of adults and children, the Alliance makes the following recommendations regarding the funding authorization for the National Automobile Sampling System (NASS):

- NASS should be funded at a level sufficient to attain its intended design size to ensure critical "real-world" data is collected at a sufficient number of sites nationwide to provide the statistically valid, nationally representative sample originally intended (estimated to be $37 million annually), and

- NASS should be funded at a level to enhance its capacity to collect sufficient data concerning our most precious cargo – our children (estimated to be $3 million annually). A child occupant protection component to NASS is currently in pilot development at NHTSA through industry grants to The Children's Hospital of Philadelphia.

A $40 million dollar annual investment in NASS equates to 1.73 cents for every $100 of economic loss.

NASS is an essential nationwide data collection resource that provides the Department and safety researchers with detailed motor vehicle crash and injury causation data. It is operated by the National Center for Statistics and Analysis of NHTSA. NASS – which began in 1979 – is the only reliable means for identifying traffic safety issues, establishing priorities, assisting in the design of future safety countermeasures and for evaluating existing countermeasures.

The budget for NASS has not kept pace with either the Department's informational needs or inflation. Moreover, these needs are growing as Alliance members reinvent the automobile in response to societal demands for ever safer and cleaner vehicles. Starved for funds, the capability of NASS has been dramatically reduced. Currently, NASS collects in-depth data on approximately 4,500 crashes – less than a third of the intended design size of 15,000 to 20,000 crash cases annually. Further, NASS lacks adequate data on children involved in motor vehicle crashes.

Finally, as a nation, we will never fully realize the potential benefits of vehicle safety technologies until we get vehicle occupants properly restrained and drunk drivers off the road. In this regard, Congress has a unique role to play.

The Alliance urges that the Subcommittee adopt MADD's request that $30 million per year be included in the Surface Transportation Reauthorization bill to support the advanced technology research that has been initiated by NHTSA and the Alliance.

While beyond the Subcommittee's jurisdiction, the Alliance urges that Congress include in the anticipated Surface Transportation Reauthorization bill, provisions for withholding a percentage of Highway Trust Fund monies from states – known as "sanctions" – that have failed to adopt a primary enforcement safety belt law and, the intention to do so be announced as soon as possible. SAFETEA-LU included the largest incentive grant program in history designed to encourage states to pass these proven and effective belt laws. States have until June 30, 2009, to enact and begin enforcing a primary safety belt law and take advantage of SAFETEA-LU's incentive grants. Often, adoption of these laws has failed by narrow margins. Since SAFETEA-LU was adopted in 2005, seven states have enacted primary enforcement laws meeting the requirements of the Act. Four other states were encouraged to adopt a primary enforcement law in anticipation of incentive grants being available. Twenty-eight states, the District of Columbia, and Puerto Rico currently have the law, leaving 22 with weaker secondary enforcement laws and one state with no adult safety belt law, resulting in substantially lower safety belt use rates. Sanctions have worked effectively to accelerate the process of passing laws and create uniform safety policy across all 50 states and in the District of Columbia. Congress has turned to the use of sanctions previously to encourage states to adopt a minimum legal drinking age of 21 (1984), zero alcohol tolerance laws for youth under 21 (1995), and 0.08 percent *per se* blood alcohol content laws (2000).

We also urge Congress to enact the Safe Teen and Novice Driver Uniform Protection (STAND-UP) Act (H.R. 1895) that was introduced earlier this year by Rep. Bishop. This Act would set minimum standards for state graduated driver licensing (GDL) laws, proven to reduce deaths and injuries among young beginning drivers and those who share the road with them.

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