

## ***Advocacy Supports Changes to NHTSA's Early Warning Reporting Rule; Commends Agency for Proposing Burden Reduction for Small Business***

On February 3, 2009, the U.S. Small Business Administration's (SBA) Office of Advocacy (Advocacy) submitted comments to the National Highway Traffic Safety Administration (NHTSA) on NHTSA's *Proposed Early Warning Reporting Regulations* [73 Fed. Reg. 74101 (December 5, 2008)]. The proposed rule would raise the early warning reporting threshold levels for light vehicle and trailer manufacturers from 500 to 5,000 or more units annually. The proposed change would reduce the regulatory burden on small manufacturers while maintaining NHTSA's ability to identify safety-related defects in these vehicles. Accordingly, Advocacy supports the proposed change and commends NHTSA for proposing regulatory relief for small businesses.

A complete copy of Advocacy's letter to NHTSA is available at: [www.sba.gov/advo/laws/comments/](http://www.sba.gov/advo/laws/comments/).

- The Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act (Pub. L. 106-4414), enacted in 2000, requires NHTSA to collect vehicle safety information from manufacturers of light vehicles, trailers, medium-heavy vehicles, motorcycles, and buses. The data is used to identify potential safety defects and initiate safety recalls.
- In order to minimize undue burdens on manufacturers, NHTSA has proposed to raise the threshold reporting levels for light vehicle and trailer manufacturers from 500 to 5,000 or more units annually. The proposed changes would remove 30 light vehicle manufacturers and 190 trailer manufacturers from reporting requirements (except for instances involving a death).
- NHTSA concludes that the limited data from these smaller companies is of little value in identifying potential safety defects and has not been helpful to the program.
- Advocacy supports the proposed changes in reporting thresholds for light vehicles and trailers, and recommends that NHTSA also reconsider whether burden reduction would also be appropriate for manufacturers of medium-heavy vehicles, motorcycles, and buses.

For more information about NHTSA's proposed rule, please visit Advocacy's Web page at [www.sba.gov/advo](http://www.sba.gov/advo) or contact Bruce Lundegren, Assistant Chief Counsel, at (202) 205-6144 (or [bruce.lundegren@sba.gov](mailto:bruce.lundegren@sba.gov)).