

**STATEMENT OF
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Before the

**COMMITTEE ON COMMERCE, SCIENCE AND TRANSPORTATION
SUBCOMMITTEE ON CONSUMER PROTECTION, PRODUCT SAFETY, AND
INSURANCE
U.S. SENATE**

*HEARING ON OVERSIGHT OF AND POLICY CONSIDERATIONS FOR THE NATIONAL
HIGHWAY TRAFFIC SAFETY ADMINISTRATION*

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Good afternoon, Chairman McCaskill, Ranking Member Heller, and Members of the Subcommittee. I appreciate this opportunity to testify before you today on the National Highway Traffic Safety Administration's programs.

I would like to first thank the members of the Subcommittee for your work on reauthorizing the Nation's surface transportation programs. All of you are aware of the challenges we face in ensuring roadway safety, and I appreciate your work toward a long-term transportation bill. I look forward to working with the Committee to strengthen highway and vehicle safety through a comprehensive reauthorization.

In 2012, highway fatalities totaled 33,561—1,082 more than during the previous year. In the same year, an estimated 2.36 million people were injured in motor vehicle traffic crashes, compared to 2.22 million in 2011. On average, nearly 4 lives were lost and nearly 270 people were injured on America's roadways every hour in 2012.

The majority of the increase in deaths, 72 percent, occurred in the first quarter of the year. Most of this increase was due to increased fatalities involving drunk drivers, large trucks, unhelmeted motorcyclists, bicyclists and pedestrians. While this marks the first increase in fatalities since 2005, highway deaths over the past five years remain at historic lows. Fatalities in 2011 were at the lowest level since 1949, and the fatality *rate* in 2011 was the lowest ever recorded, at 1.10 deaths per 100 million vehicle miles traveled. Even with the increase in 2012, fatalities remained at levels not seen since 1950. This steady progress is due in part to the safety standards implemented by NHTSA and the continuation of key behavioral and consumer information programs we conduct in conjunction with safety partners across the United States. Further, continued collaboration and coordination across the Department, with our partners in the

Federal Highway Administration (FHWA), the Federal Motor Carrier Safety Administration (FMCSA) and the Federal Transit Administration (FTA), has allowed us to make additional inroads in improving highway safety. We are encouraged by preliminary estimates of crash fatalities for the first half of 2013, which indicate a 4.2 percent decrease in deaths compared to the same timeframe in 2012.

The not-so-good news is that some groups are overrepresented when it comes to deaths and injuries. For example—

- Fatalities among pedestrians and bicyclists increased by over 6 percent. Pedestrian fatalities increased for the third consecutive year to 4,743 lives lost (a 6.4 percent increase over 2011). Bicyclist fatalities increased for the second consecutive year and are the highest in 6 years with 726 lives lost (a 6.5 percent increase over 2011).
- Motorcycle rider fatalities increased for the third consecutive year (a 7.1 percent increase over 2011).
- Large-truck occupant fatalities increased for the third consecutive year (an 8.9 percent increase over 2011).
- Deaths in crashes involving drunk drivers increased 4.6 percent in 2012, taking 10,322 lives compared to 9,865 in 2011. The majority of those crashes involved drivers with a blood alcohol concentration (BAC) of 0.15 or higher – nearly double the legal limit.
- Nighttime seat belt use continues to be a challenge—in nighttime crashes in 2012, almost two-thirds of the people that died were unrestrained.

In addition to this terrible human toll, highway crashes result in economic costs of approximately \$277 billion annually, based on 2010 data. And when the human toll is factored in as well, the cost to our nation rises to \$871 billion annually in economic loss and societal harm. Statistics like these indicate that we still have much work to do. I welcome the opportunity to talk about the GROW AMERICA Act, the President's proposal to reauthorize NHTSA's programs and address the safety challenges ahead. But first, I'd like to start with the agency's implementation of MAP-21.

MAP-21 Implementation

MAP-21 consolidated various safety grant programs, including impaired driving, occupant protection, and State data grants, into a new Section 405 National Priority Safety Program, and added new grants for distracted driving, graduated driver licensing (GDL), and ignition interlock laws. This unified grant program provided for a single, consolidated application and annual deadline, easing the administrative burden on States and allowing them to focus their resources on the life-saving mission of traffic safety.

MAP-21 has been a major priority for NHTSA and the Department. I am proud of how quickly NHTSA staff worked to implement key programs and get guidance out to the States. Less than two months after enactment, we issued a Notice of Funding Availability for the distracted driving grants, followed shortly thereafter by an interim final rule for the National Priority Safety Program grants. We conducted webinars with the State highway safety offices to

walk them, step-by-step, through the new grant programs and the consolidated application process.

As you know, one of the most important things a person can do to reduce the risk of death or injury on the road is to wear a seat belt. The most dramatic increases in seat belt use have been in the southern States, rising to 87 percent in 2013—up from 80 percent in 2011. Seat belt use continues to be higher in States that have primary belt laws, which permit law enforcement officers to issue citations solely for not wearing a seat belt without first requiring an officer to identify a separate traffic violation.

In spite of this progress, motor vehicle traffic crashes continue to be a leading cause of death in the nation, exacting a terrible toll on the country, especially younger age groups. That is why programs such as GDL are so important, and I am pleased that Congress authorized incentive grants in MAP-21 to encourage more States to adopt such an approach for younger, inexperienced drivers.

In establishing these programs to address graduated driver licensing, distracted driving, and ignition interlocks, Congress sought to incentivize States to pass and implement effective safety laws. The eligibility criteria for these grants are based on sound safety principles, but have proven challenging for many States to meet. In FY 2013, 8 States received distracted driving grants, no State received a GDL grant, and 2 States received alcohol ignition interlock grants. In FY 2014, 1 State qualified for the stricter distracted driving grants available that year, none for a GDL grant, and 4 for ignition interlock grants. We are eager to improve on this record, while ensuring that we preserve the important safety benefits these programs were intended to accomplish. GROW AMERICA contains provisions designed to do that.

On the vehicle safety side, NHTSA recently implemented a MAP-21 provision to make information about recalls available on the internet, searchable by a vehicle's identification number or VIN. Until last month, consumers could find general recall information on the NHTSA website by vehicle make, model and model year. Now consumers can find out whether their own vehicle has an open recall just by typing in their VIN. The VIN look-up tool's ease of use will help consumers track recalls and respond quickly to any recall involving their vehicle. Already the tool has been enormously popular, receiving about 10,000 "hits" per day.

Until MAP-21, the largest penalty NHTSA could assess for a single set of circumstances related to a defect or noncompliance was \$17.35 million. MAP-21 increased that amount to \$35 million, and NHTSA used that new maximum this year in assessing a \$35 million penalty against General Motors for its failure to report defects in ignition switches. Under the Obama administration, NHTSA has been aggressive in seeking civil penalties for timeliness issues, collecting more than \$140 million in penalties since 2010.

MAP-21 also included a number of provisions focused on vehicle safety. In addition to the VIN look-up tool mentioned earlier, we issued a final rule requiring seat belts on motorcoaches. The agency has proposed a rule requiring that child safety seats be upgraded to provide better protection in side impact crashes. Many other rulemaking and research activities required by MAP-21 are underway.

I'd like to turn now to a discussion of the GROW AMERICA Act, the President's reauthorization proposal.

Safety and the GROW AMERICA Act

Safety is at the forefront of everything the Department does, and the provisions in the GROW AMERICA Act will enhance NHTSA's ability to improve safety. As many of the statistics noted earlier highlight, we have made tremendous progress, but significant work remains to be done. Therefore, the GROW AMERICA Act proposes a more than \$7 billion investment over four years for safety programs across all surface transportation modes, including new infrastructure improvements that will advance safety.

Highway Safety Programs

States are crucial partners in improving safety on our nation's roadways. The GROW AMERICA Act seeks to foster enhanced State safety progress through enactment of effective drunk driving, distracted driving, and other key safety laws. GROW AMERICA does this by giving States additional funding and flexibility in meeting grant requirements. It allows the Department to be more engaged in motorcycle helmet policy discussions in States where statutory and policy proposals are considered.

GROW AMERICA continues to support critical safety programs that have been the backbone of our success in highway safety, such as occupant protection and impaired driving, while providing needed adjustments to grant programs that originated in MAP-21—distracted driving, graduated driver licensing, and ignition interlock. It amends the criteria for these new grant programs to provide different pathways toward compliance, balancing the need to provide funds to the States to deploy important safety programs with the goal of fostering enactment of strong and effective safety laws. In addition, GROW AMERICA continues support for administering successful high visibility enforcement campaigns, such as "Click It or Ticket" and "Drive Sober or Get Pulled Over" as well as new campaigns like "U Drive. U Text. U Pay".

In addition to this focus on our core highway safety grant programs, one of our priorities is to enhance efforts in support of pedestrian and bicycle safety. Americans are increasingly embracing a new approach to work and school commutes that includes less time behind the wheel and more time walking or cycling. Increased use of public transportation also means an increase in walking and bicycling to reach bus stops and train stations. Sadly, as more Americans are leaving their cars at home, we are also seeing an increase in deaths among pedestrians and bicyclists. As I noted earlier, pedestrian fatalities are up 6.4 percent over 2011, the third year in a row with an increase, and bicyclist fatalities are the highest in six years, up 6.5 percent over 2011. These are troubling statistics.

We need to deploy new strategies to better protect Americans when they walk or ride bikes, and the GROW AMERICA Act does that. It requires States to spend NHTSA grant funds on bicycle and pedestrian safety if fatalities among these groups are elevated. DOT is putting the issue of pedestrian safety front and center, and this spring NHTSA awarded \$1.6 million in new

pedestrian safety grants to States with cities that have the highest rates of pedestrian deaths. We have a “Roll Model” program that helps parents teach their young cyclists about safety and the rules of the road. We have joined with the Federal Highway Administration to launch “Everyone is a Pedestrian,” an education initiative and accompanying web site with safety tips and resources for local leaders, city planners, and others involved in keeping pedestrians safe. Together with FHWA and FTA, we hosted a pilot biking and walking assessment in Ft. Worth Texas in preparation for the Secretary’s initiative to improve non-motorized safety through work with our field offices and our stakeholders. Looking forward, we will continue to work closely with the other modal administrations on this initiative and are working to issue a national Action Plan. NHTSA also plans to work with the States to implement education and enforcement components of the Pedestrian Safety Action Plans.

Older drivers are another ongoing area of focus for the agency. As the Baby Boomers age, research shows they are staying on the road longer than their predecessors and account for an increasingly large percentage of all drivers. While older drivers are safer drivers on average, they are often more frail than their younger counterparts, and more likely to suffer serious injury if involved in a crash. It is important that we continue to look for ways to mitigate the risks while maximizing the safe mobility of older citizens. The GROW AMERICA Act includes provisions for States to address older driver safety.

Over the course of the GROW AMERICA Act, the Administration proposes to increase NHTSA grant funding to States by nearly 20 percent. This additional funding is necessary to ensure that core highway safety issues, such as occupant protection and impaired driving, continue to be addressed, while also addressing growing issues such as pedestrian, bicyclist, and older driver safety.

Spending Federal resources efficiently and effectively is a priority for the entire Department, and NHTSA takes this responsibility seriously in implementing our highway safety grant programs. To that end, we have hired new financial specialists to provide the agency with additional expertise, and we are working diligently to modernize the electronic infrastructure that tracks and provides accounting for the highway safety grant programs. This modernization will create a turnkey solution for the States and for NHTSA, encompassing the life cycle of the grant programs from application to financial oversight and reporting. These changes, many of which were identified in coordination with the States, will reduce the burden and increase the efficiency of grant application and monitoring processes.

Motor Vehicle Safety

On the motor vehicle safety front, the GROW AMERICA Act will improve the safety of America’s roadways by expanding our authority to protect consumers from vehicles and equipment with safety defects. The Act amends the agency’s recall authority to require rental companies and used cars dealers to fix recalled vehicles and equipment before making them available to the public. There is no reason these entities should be allowed to pass along to consumers unremediated vehicles that have been recalled by the auto manufacturers. And in keeping with NHTSA’s aggressive approach to adherence to the laws and regulations governing recalls, the GROW AMERICA Act will further increase the limit for civil penalties, from MAP-

21 level of \$35 million to \$300 million, to hold companies accountable for vehicle safety defects and noncompliance. The GROW AMERICA Act will give NHTSA imminent hazard authority to allow the agency to respond quickly to remove hazardous vehicles and equipment from the market. And, while recent advances in vehicle automation, including electronic steering, braking, and throttle systems provide great promise for improving safety, we must think ahead to protect these systems from tampering. The GROW AMERICA Act does this by ensuring the agency's ability to seek enforcement actions against persons who tamper remotely with electronic control systems. Together, these changes provide valuable enhancements to the tools in the agency's safety arsenal.

NHTSA's vehicle safety program has many facets, and reauthorization of those programs at the levels proposed in the GROW AMERICA Act will help us advance in many areas. As an upcoming study will demonstrate, vehicle technology improvements have led to dramatic improvements in vehicle safety from 1960 through 2012. Now, we see the potential to significantly reduce the number of crashes, deaths, and injuries on our nation's highways through automated and vehicle-to-vehicle communication technology. Although realizing these benefits will take time, new technologies may shrink the death toll to a fraction of recent levels. We are pouring energy and resources into this area to ensure NHTSA plays a leading role in the emergence of these promising new technologies.

We recently issued an Advance Notice of Proposed Rulemaking that may lead to implementation of vehicle-to-vehicle (V2V) communications in the nation's light vehicle fleet, based in part on the data collected as part of the Intelligent Transportation Systems (ITS) Connected Vehicle Safety Pilot in Ann Arbor, MI. V2V provides the potential to address a large majority of vehicle crashes by giving drivers pre-crash warnings of possible collisions. V2V will also enable vehicle-to-infrastructure (V2I) applications, which may provide additional safety and mobility benefits and vehicle-to-pedestrian (V2P) applications, which will provide added warnings for vehicles and pedestrians. Additional data collected as part of the Safety Pilot along with other research efforts will be used to make an agency decision in coming months as to pathways to advance market penetration of V2V technology in heavy vehicles.

Our research on crash avoidance technologies (including self-driving vehicles) continues in collaboration with our State and industry partners, and we will soon make a decision as to pathways to advance market penetration of one of those technologies, automatic emergency braking, into the fleet. We are also in the midst of a significant upgrade to our crash data collection systems and the underlying IT system. Also, working with EPA, we will issue a proposed rule to enhance the fuel efficiency/greenhouse gas reduction standards applicable to medium and heavy vehicles.

The GROW AMERICA Act supports all of these activities, which will save lives, enhance mobility, and improve the environment.

Recalls

I would like to take a moment to address an issue that I am sure is of interest to this Committee, and that is a matter of great importance to the agency – the status of the General

Motors ignition switch recall. We have approached the recall from three perspectives: ensuring that the recall is completed expeditiously to protect the motoring public; holding GM accountable for its failure to give timely notice of the problem and ensuring that GM improves this process for current and new safety issues they encounter; and looking for lessons learned that the agency can apply to its defects investigation program.

We have been closely monitoring GM to ensure that the recalled vehicles are remedied as quickly as possible and that the public is given correct information. I would like to thank Senator Boxer's staff for bringing to light an issue with the GM recall website that resulted in consumers erroneously being told their vehicle was not under recall if the parts necessary to remedy the vehicle were not yet available. We demanded that GM correct that issue immediately. We will continue our efforts and vigilance to ensure that this recall is completed in an efficient and timely fashion.

GM clearly had information available that should have prompted the company to announce the recall much sooner than it did. We collected the maximum civil penalty of \$35 million from GM for its failure to meet its timeliness obligations. The company also had a fundamentally flawed process and culture, requiring wide-ranging internal changes to improve its ability to address potential safety-related defects. So, we also entered into a consent order with the company that provides for our very close oversight of its defects investigation and recall process for some time. We are exercising that oversight vigorously and will continue to work to ensure that the changes the company has made this year and those they continue to make are effective and lasting.

We have also looked very closely at the events leading up to and following the GM recall to determine how we might improve the agency's process and increase automaker compliance with the law. For example, based on our new understanding of the relationship between ignition switch position and airbag deployment, dialogue and new investigations have led to additional recalls at GM and other car companies.

Further, we are now working to enhance communication with manufacturers and suppliers, and within our own organization, on the potential for unforeseen consequences of interrelationships between vehicle systems and on other factors that can delay or obstruct quick action on safety defects. We are also now requiring similar oversight of manufacturers who fail to meet their timeliness obligations.

The safety recall system established by Congress works most effectively when manufacturers make safety their top priority, root out safety problems at the earliest possible opportunity, and timely inform the agency. Further, while every company has the right to challenge our conclusions about defects, when NHTSA raises serious safety issues with automakers, it is critical for them to work with us to quickly ensure the safety of their customers. In recent weeks, I have communicated these expectations directly to senior representatives of all major vehicle manufacturers as the agency works to establish a new normal when it comes to how all automakers deal with safety recalls.

To ensure that NHTSA and its Office of Defects Investigation (ODI) can continue to monitor this vast industry effectively, we have asked for additional resources, such as more personnel. In the President's Fiscal Year (FY) 2015 Budget, NHTSA requested six additional FTEs for ODI. Clearly, investigating defects is important to all highway users, as is evident from the recent recalls of Toyota and General Motors vehicles. To increase the effectiveness of ODI's work, we believe that the following steps are necessary: enhance ODI's ability to use the latest technology to help identify possible safety defects; increase the public's awareness of reporting safety problems to NHTSA; and provide ODI with the personnel resources to address potential safety risks.

With over 250 million registered vehicles in the U.S., the data collection and analysis burden will only continue to grow and we look forward to working with Congress to ensure that NHTSA has additional resources to fulfill its safety responsibilities and respond effectively to emerging safety issues through these activities.

Conclusion

We at the National Highway Traffic Safety Administration are dedicated to our mission of safety. We will work with this Committee to strengthen these efforts in a comprehensive reauthorization plan.

Thank you again for inviting me to testify, and I am happy to take any questions that you may have.