

Transportation Recall
Enhancement, Accountability
and Documentation Act

TREAD ACT

Enacted November 1, 2000

Includes Provisions in Four Major Areas

- Tires
- Child Passenger Safety
- Rollover
- Defects/Noncompliances/Recalls

Defect Provisions - Penalties

- Civil Penalties
- Criminal Penalties

Recall Provisions

- Extension of Periods for Remedies Without Charge
- Acceleration of Manufacturer's Remedy Program
- Reimbursement of Costs Incurred by a Consumer Before a Recall

Limitations on Sales of Recalled Items

- Reporting Sales of Recalled Tires
- Disposal of Recalled Tires
- Prohibition of Sales of Equipment Subject to a Recall

Information About Possible Defects

- Insurance Study
- Foreign Recalls and Safety Campaigns
- “Early Warning” Regulations

Early Warning - Basic Provisions

Regulations must require manufacturers to report information from foreign and domestic sources concerning:

- Claims regarding serious injuries or death
- Aggregate statistical data on property damage
- Consumer satisfaction campaigns, etc.
- Incidents involving fatalities and serious injuries allegedly due to defects

Early Warning - Basic Provisions (cont.)

- Regulations may require reporting of other data
- Regulations must specify how data will be used by NHTSA
- Requirements may not be unduly burdensome

Early Warning - Basic Provisions (cont.)

- Can only require information in manufacturer's possession
- Disclosure of information
- Periodic review

Early Warning - Process and Timing

- Statutory Deadlines
- NHTSA Schedule

Early Warning -ANPRM

- Issued on January 22, 2001
- Comment Period Closed March 23, 2001
- Commenters
 - total
 - breakout
- We have reviewed and summarized the comments and are working on the NPRM

Early Warning -Major Issues

- Who must report information?
- What information should be reported?
- Will different types of manufacturers be treated differently?
- When and how often should information be reported?

Early Warning -Major Issues (cont.)

- What burdens would be “undue?”
- How will data be submitted?
- How will NHTSA utilize and store the data?
- What data will be available to the public?

What Information Will Have to Be Reported?

- What is a claim?
- What is a serious injury?
- What is “aggregate statistical data on property damage?”
- What sorts of activities in foreign countries will have to be reported?
- What foreign vehicles are “substantially similar” to vehicle sold in the U.S.?

What Information Will Have to Be Reported? (cont.)

- Will there be “thresholds” for warranty or other data that must be met before a report must be made?
- If so, what will they be?
- Will they be different for different types of components or systems, or for different types or sizes of manufacturers?