

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4013**

OFFERED BY _____

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Low Volume Motor
3 Vehicle Manufacturers Act of 2014”.

4 SEC. 2. EXEMPTION FROM VEHICLE SAFETY STANDARDS

5 FOR LOW VOLUME MANUFACTURERS.

6 Section 30114 of title 49, United States Code, is
7 amended—

8 (1) by striking “The” and inserting “(a) VEHI-
9 CLES USED FOR PARTICULAR PURPOSES.—The”;
10 and

11 (2) by adding at the end the following new sub-
12 section:

13 “(b) EXEMPTION FOR LOW VOLUME MANUFACTUR-
14 ERS.—

15 “(1) IN GENERAL.—The Secretary shall—

16 “(A) exempt from section 30112(a) of this
17 title not more than 1,000 replica motor vehicles

1 per year that are manufactured or imported by
2 a low volume manufacturer; and

3 “(B) except as provided in paragraph (5)
4 of this subsection, limit any such exemption to
5 the Federal Motor Vehicle Safety Standards ap-
6 plicable to motor vehicles and not motor vehicle
7 equipment.

8 “(2) REGISTRATION REQUIREMENT.—To qual-
9 ify for an exemption under paragraph (1), a low vol-
10 ume manufacturer shall register with the Secretary
11 at such time, in such manner, and under such terms
12 that the Secretary determines appropriate. The Sec-
13 retary shall establish terms that ensure that no per-
14 son may register as a low volume manufacturer if
15 the person is registered as an importer under section
16 30141 of this title.

17 “(3) PERMANENT LABEL REQUIREMENT.—

18 “(A) IN GENERAL.—The Secretary shall
19 require a low volume manufacturer to affix a
20 permanent label to a motor vehicle exempted
21 under paragraph (1) that identifies the speci-
22 fied standards and regulations for which such
23 vehicle is exempt from section 30112(a) and
24 designates the model year such vehicle rep-
25 licates.

1 “(B) WRITTEN NOTICE.—The Secretary
2 may require a low volume manufacturer of a
3 motor vehicle exempted under paragraph (1) to
4 deliver written notice of the exemption to—

5 “(i) the dealer; and

6 “(ii) the first purchaser of the motor
7 vehicle, if the first purchaser is not an in-
8 dividual that purchases the motor vehicle
9 for resale.

10 “(C) REPORTING REQUIREMENT.—A low
11 volume manufacturer shall annually submit a
12 report to the Secretary including the number
13 and description of the motor vehicles exempted
14 under paragraph (1) and a list of the exemp-
15 tions described on the label affixed under sub-
16 paragraph (A).

17 “(4) DEFINITIONS.—In this subsection:

18 “(A) LOW VOLUME MANUFACTURER.—The
19 term ‘low volume manufacturer’ means a motor
20 vehicle manufacturer, other than a person who
21 is registered as an importer under section
22 30141 of this title, whose annual worldwide
23 production is not more than 5,000 motor vehi-
24 cles.

1 “(B) REPLICATED MOTOR VEHICLE.—The
2 term ‘replicated motor vehicle’ means a motor ve-
3 hicle produced by a low volume manufacturer
4 and that—

5 “(i) is intended to resemble the body
6 of another motor vehicle that was manu-
7 factured not less than 25 years before the
8 manufacture of the replicated motor vehicle;
9 and

10 “(ii) is manufactured under a license
11 for the product configuration, trade dress,
12 trademark, or patent, for the motor vehicle
13 that is intended to be replicated from the
14 original manufacturer, its successors or as-
15 signees, or current owner of such product
16 configuration, trade dress, trademark, or
17 patent rights.

18 “(5) CONFORMING AMENDMENT.—Any motor
19 vehicle exempted under this subsection shall also be
20 exempted from sections 32304, 32502 and 32902 of
21 this title and from section 1232 of title 15, United
22 States Code.

23 “(6) LIMITATION AND PUBLIC NOTICE.—The
24 Secretary shall have 60 days to review and approve
25 a registration submitted under paragraph (2). Any

1 registration not approved or denied within 60 days
2 shall be deemed approved. The Secretary shall have
3 the authority to revoke an existing registration
4 based on a failure to comply with requirements set
5 forth in this subsection. The registrant shall be pro-
6 vided a reasonable opportunity to correct all defi-
7 ciencies, if such are correctable based on the sole
8 discretion of the Secretary. An exemption granted by
9 the Secretary to a low volume manufacturer under
10 this subsection may not be transferred to any other
11 person, and shall expire at the end of the calendar
12 year for which it was granted with respect to any
13 volume authorized by the exemption that was not
14 applied by the low volume manufacturer to vehicles
15 built during that calendar year. The Secretary shall
16 maintain up-to-date the list of registrants on an an-
17 nual basis and publish such list in the Federal Reg-
18 ister or on a website operated by the Secretary.

19 “(7) LIMITATION OF LIABILITY FOR ORIGINAL
20 MANUFACTURERS, LICENSORS OR OWNERS OF PROD-
21 UCT CONFIGURATION, TRADE DRESS OR DESIGN
22 PATENTS.—

23 The original manufacturer, its successor or assignee, or
24 current owner, who grants a license or otherwise transfers
25 rights to a low volume manufacturer as defined in this

1 section shall incur no liability to any person or entity
2 under Federal or State statute, regulation, local ordi-
3 nance, or under any Federal or State common law for such
4 license or assignment to a low volume manufacturer.”.

5 **SEC. 3. VEHICLE EMISSION COMPLIANCE STANDARDS FOR**
6 **LOW VOLUME MOTOR VEHICLE MANUFAC-**
7 **TURERS.**

8 Part A of title II of the Clean Air Act (42 U.S.C.
9 7521 et seq.) is amended—

10 (1) in section 206(a) by adding at the end the
11 following new paragraph:

12 “(5)(A) A motor vehicle engine (including all
13 engine emission controls) from a motor vehicle that
14 has been granted a certificate of conformity by the
15 Administrator for the model year in which the motor
16 vehicle is assembled, or a motor vehicle engine that
17 has been granted an executive order subject to regu-
18 lations promulgated by the California Air Resources
19 Board for the model year in which the motor vehicle
20 is assembled, may be installed in an exempted spe-
21 cially produced motor vehicle, if—

22 “(i) the manufacturer of the engine
23 supplies written instructions explaining
24 how to install the engine and maintain
25 functionality of the engine’s emission con-

1 trol system and the on-board diagnostic
2 system (commonly known as ‘OBD II’), ex-
3 cept with respect to evaporative emissions
4 diagnostics;

5 “(ii) the manufacturer of the exempt-
6 ed specially produced motor vehicle installs
7 the engine in accordance with such instruc-
8 tions; and

9 “(iii) the installation instructions in-
10 clude emission control warranty informa-
11 tion from the engine manufacturer in com-
12 pliance with section 207, including where
13 warranty repairs can be made, emission
14 control labels to be affixed to the vehicle,
15 and the certificate of conformity number
16 for the applicable vehicle in which the en-
17 gine was originally intended or the applica-
18 ble executive order number for the engine.

19 “(B) A motor vehicle containing an engine
20 compliant with the requirements of subpara-
21 graph (A) shall be treated as meeting the re-
22 quirements of section 202 applicable to new ve-
23 hicles manufactured or imported in the model
24 year in which the exempted specially produced
25 motor vehicle is assembled.

1 “(C) Engine installations that are not per-
2 formed in accordance with installation instruc-
3 tions provided by the manufacturer and alter-
4 ations to the engine not in accordance with the
5 installation instructions shall be treated as pro-
6 hibited acts by the installer under section 203
7 and subject to penalties under section 205.

8 “(D) The manufacturer of an exempted
9 specially produced motor vehicle that has an en-
10 gine compliant with the requirements of sub-
11 paragraph (A) shall provide to the purchaser of
12 such vehicle all information received by the
13 manufacturer from the engine manufacturer,
14 including information regarding emissions war-
15 ranties from the engine manufacturer and all
16 emissions-related recalls by the engine manufac-
17 turer.

18 “(E) To qualify to install an engine under
19 this paragraph, a manufacturer of exempted
20 specially produced motor vehicles shall register
21 with the Administrator at such time and in
22 such manner as the Administrator determines
23 appropriate. The manufacturer shall submit an
24 annual report to the Administrator that in-
25 cludes—

1 “(i) a description of the exempted spe-
2 cially produced motor vehicles and engines
3 installed in such vehicles; and

4 “(ii) the certificate of conformity
5 number issued to the motor vehicle in
6 which the engine was originally intended or
7 the applicable executive order number for
8 the engine.

9 “(F) Exempted specially produced motor
10 vehicles compliant with this paragraph shall be
11 exempted from—

12 “(i) motor vehicle certification testing
13 under section 206; and

14 “(ii) vehicle emission control inspec-
15 tion and maintenance programs required
16 under section 110.

17 “(G) A manufacturer of exempted specially
18 produced motor vehicles that is compliant with
19 subparagraphs (A) through (E) is not consid-
20 ered a manufacturer for the purposes of this
21 Act.”; and

22 (2) in section 216 by adding at the end the fol-
23 lowing new paragraph:

24 “(12) EXEMPTED SPECIALLY PRODUCED
25 MOTOR VEHICLE.—The term ‘exempted specially

1 produced motor vehicle' means a replica motor vehi-
2 cle that is exempt from specified standards pursuant
3 to section 30114(b) of title 49, United States
4 Code.”.

5 **SEC. 4. IMPLEMENTATION.**

6 Not later than 12 months after the date of the enact-
7 ment of this Act, the Secretary of Transportation and the
8 Administrator of the Environmental Protection Agency
9 shall issue such regulations as may be necessary to imple-
10 ment sections 2 and 3 of this Act, respectively.

