



February 14, 2018

Chairman Robert Latta
Committee on Energy and Commerce
Subcommittee on Digital Commerce and
Consumer Protection
2125 Rayburn House Office Building
Washington, DC 20515

Ranking Member Jan Schakowsky
Committee on Energy and Commerce
Subcommittee on Digital Commerce and
Consumer Protection
2322A Rayburn House Office Building
Washington, DC 20515

RE: Oversight of the National Highway Traffic Safety Administration

Dear Chairman Latta and Ranking Member Schakowsky:

The Center for Auto Safety (“the Center”) submits the following letter in connection with today’s hearing where the Subcommittee is engaging in its vital oversight role over the National Highway Traffic Safety Administration (NHTSA). The Center, founded in 1970, is an independent, non-profit consumer advocacy organization dedicated to improving vehicle safety, quality, and fuel economy not only for our members, but all drivers, passengers, and pedestrians across the country. We appreciate the Subcommittee conducting this hearing and stand ready to assist in any way we can to improve the effectiveness of the agency that 330 million Americans depend on for the safety and quality of the vehicles on our roads.

On behalf of our members nationwide, the Center calls upon Congress, to both authorize and appropriate budgetary levels commensurate with the scope of the task which presents itself for NHTSA at a moment unlike any other in the history of the automobile.

As you know, in FY 2018, despite pledges to make a safety a priority, the budget request submitted on behalf of the Department of Transportation (DOT) would slash NHTSA’s funding by almost 25% from its FY 2017 request.¹ This dramatic cut comes at a time when there are more than 37,000 traffic deaths and over 2 million serious injuries caused by traffic incidents annually. Sadly, 2016 saw 5.6% more traffic deaths than the year before. We need a more effective and empowered NHTSA, not a weakened agency.

Congress, from time to time, has chosen to enact a higher level of funding to a safety agency than the level requested by the Executive branch. Once again, on behalf of all Americans impacted by vehicle safety, we call upon you to take a similar path for FY 2018 and beyond.

¹ The recently released FY 2019 budget request by DOT slashes funding by an additional 19 percent.

Enforcing the Law

NHTSA's mission, which is to reduce deaths, injuries, and economic losses resulting from motor vehicle crashes, provides a jurisdiction covering all passenger motor vehicles in the United States. Unfortunately, there is a lot of work for NHTSA to do. In addition to the rising number of deaths caused by traffic crashes every year, recalls as a result of defective vehicles are on the rise as well. In 2016, there were over 53 million vehicles recalled, which was the third year in a row with recalls exceeding 50 million. These numbers include, but are not limited to, the 37 million vehicles and counting, under recall because the defective Takata airbag inflators. In other words, even without Takata, there are tens of millions of defects resulting in recalls across all auto manufacturers.

Yet, despite these record setting recall figures, NHTSA's Office of Defects Investigation (ODI), the unit directly responsible for conducting defect investigations and overseeing recalls remains chronically underfunded and understaffed. In FY 2015, NHTSA's total budget was \$830 million with 612 full-time equivalent (FTE) staff. Vehicle Safety's share of this total was \$130 million and 341 FTEs, of which \$9.7 million and 54 FTEs was for ODI. Incredibly, despite the record number of recalls and the increase in motor vehicle deaths, injuries, and societal costs since 2015, in its proposed FY 2018 budget, NHTSA has reduced its request for ODI funding down to \$9.11 million. American drivers deserve more cops on the safety enforcement beat.

Self-Driving Cars

When it comes to self-driving cars, it is essential NHTSA plays an integral role in ensuring the safe operation of these robot-vehicles. Research has always been a key function of the agency and must continue to be a priority as the cars of the future are being conceived, tested on the open road, and eventually deployed in our neighborhoods. Yet, when examining the FY 2018 budget, "Vehicle Safety Research and Analysis activities" which are designed to "enhance the safety and security of automotive electronic control systems while supporting the safe adoption of vehicle automation technologies,"² one finds a request reduced by over \$1.3 million, down to \$33,121,600. At a time when this Congress is considering new legislation to speed the pace of the development of self-driving vehicles and when private industry is spending tens of billions of dollars in this space – the federal government must be able to, at the very least, maintain its current funding to provide the necessary oversight of this potentially society changing technology. A reduction in research funding works in opposition of this goal.

Writing Rules of the Road

NHTSA's Safety Standards Support program is responsible for promulgating the rules that Congress directs be written. An even playing field that provides guidance for all players in the auto manufacturing space is necessary for safety and a well-operating

² NHTSA Budget Estimates FY 2018, p. 64, available at:
https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/fy2018-nhtsa_cj-05162017-final.pdf

marketplace. Yet, as technology advances, the job of writing the relevant rules becomes even harder. As NHTSA's budget says:

Motor vehicle technology is becoming increasingly complex and more knowledge and expertise are needed to inform policy decisions. As the ability of motor vehicles to sense and respond to the driving environment increases, there is a greater need to modernize standards that keep pace with technology. As the technology becomes more complex, the rulemaking activities must be more sophisticated and informed in order to support this technology.³

Nonetheless, for FY 2018, NHTSA has requested a reduction in funding for this complex function, going down from an already small \$2.095 million to \$2.04 million. This move will only undercut the timeliness of rulemakings and harm consumer safety.

Comparison

While no two agencies are identical in size or mission, it is worth noting how underfunded NHTSA is in comparison to one of its fellow safety agencies at DOT. Great success has been found at the FAA, as some reports note that 2017 may have been safest year to ever fly.⁴ Decades of hard work in the public and private sector, technological advances, a successful regulatory framework, and adequate funding all working in concert delivered these results. Perhaps accordingly, the Federal Aviation Administration (FAA) budget request for FY 2018 is \$16.2 billion. We would note this is a figure that is more than 16 times NHTSA's request of \$899 million despite there being approximately 37,000 more deaths in motor vehicle traffic crashes than in commercial plane crashes on an annual basis. All safety is a critical government function, be it in the air or on the ground. Still, it is difficult for the vital work that needs to be done by NHTSA to take off when it is being held without clearance to taxi down the runway.

Conclusion

More funding alone will not make any safety agency function perfectly. The ability for NHTSA to realize its full potential to save lives, prevent injuries, and reduce the economic burdens we all face due to crashes on our nation's roads lies with its leadership, its dedicated career staff, and the multitude of stakeholders with which it works on a daily basis. However, the agency tasked with overseeing so much of our nation's traffic safety cannot reach this potential with one arm tied behind its back. Underfunding this critical agency is counterproductive to the safety goals I am sure we all share.

On behalf of the Center for Auto Safety and our members, thank you for your attention to this important matter.

³ NHTSA Budget Estimates FY 2018, p. 32, available at:

https://www.nhtsa.gov/sites/nhtsa.dot.gov/files/documents/fy2018-nhtsa_cj-05162017-final.pdf

⁴ Dave Shepardson, *2017 safest year on record for commercial passenger air travel: groups*, Reuters, January 1, 2018, available at: <https://www.reuters.com/article/us-aviation-safety/2017-safest-year-on-record-for-commercial-passenger-air-travel-groups-idUSKBN1EQ17L>

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Levine". The signature is fluid and cursive, with the first name "Jason" written in a larger, more prominent script than the last name "Levine".

Jason Levine
Executive Director

cc: Honorable Greg Walden
Honorable Frank Pallone
Honorable Mario Diaz-Balart
Honorable David Price
Deputy Administrator Heidi King