

**MOTOR VEHICLE TECHNOLOGY AND
THE CONSUMER: VIEWS FROM THE
NATIONAL HIGHWAY TRAFFIC
SAFETY ADMINISTRATION**

HEARING
BEFORE THE
SUBCOMMITTEE ON COMMERCE, TRADE,
AND CONSUMER PROTECTION
OF THE
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COMMERCE
HOUSE OF REPRESENTATIVES

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CONTENTS

	Page
Testimony of: Nason, Hon. Nicole R., Administrator, National Highway Traffic Safety Administration.....	14

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TUESDAY, JULY 18, 2006

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
SUBCOMMITTEE ON COMMERCE, TRADE,
AND CONSUMER PROTECTION,

Washington, DC.

The subcommittee met, pursuant to notice, at 2:08 p.m. , in Room 2322 of the Rayburn House Office Building, Hon. Cliff Stearns [Chairman] presiding.

Members present: Representatives Stearns, Radanovich, Murphy, Blackburn, Barton (ex officio), Schakowsky, Markey, Green, and Gonzalez.

Staff Present: David Cavicke, General Counsel; Kelly Cole, Counsel; Chris Leahy, Policy Coordinator; Brian McCullough, Professional Staff Member; Billy Harvard, Legislative Clerk; Jonathan Cordone, Minority Counsel; and Jonathan Brater, Minority Staff Assistant.

MR. STEARNS. Good afternoon, everybody. I want to thank Administrator Nason for being here and joining us today and sharing her views about the current mission of the National Highway Traffic Safety Administration, its priorities and goals, and how we can better help save lives and prevent injuries on our Nation's roadways.

The committee strongly believes NHTSA's charge is vitally important to the health and safety of Americans and the continued growth of our national economy. We also realize that your job, Administrator, is especially challenging at a time when many of our Nation's auto manufacturers, suppliers, and related industries are trying to cope with intense competition in the marketplace and the financial resource burdens government mandates put on their business operations--operations that are focused on building the cars and trucks their customers want to drive, not just what Washington thinks they should drive. Vehicle safety and fuel efficiency policy must hit the sweet spot of saving the most lives, preventing the most injuries and allowing our

industries to provide the American consumer with what they want in their driveways.

Traffic crashes kill over 43,000 people a year, injuring over 2.6 million and costs our economy over \$230 billion in healthcare and other related costs annually. Thankfully, NHTSA, under its strong leadership, has allowed and promoted technology to provide solutions to help reduce fatalities and improve those statistics. Many now believe that so-called “crashworthiness” technology and engineering, like advanced air bags and safety structures, have reached a level of diminishing returns for the protection of occupants from death or injury. While that may be true, my concern is how many resources does pursuing that strategy take away from other approaches that hold the promise of saving many more lives by using technology to avoid crashes altogether. Crash avoidance technologies use advanced technology to help the driver avoid collisions, either through enhanced handling, improved vision, or simply better information about the driving environment. In fact, one active safety technology, called electronic stability control, or ESC, is showing remarkable effectiveness in helping prevent crashes, including crashes that involve rollovers, one of the most lethal types of crashes, particularly for occupants that do not have their seatbelts on. According to a recent NHTSA study, if deployed over the entire vehicle fleet, ESC would save over 10,000 lives annually--no technology other than safety belts even comes close to that potential. Several major auto manufacturers have already announced voluntary commitments to make ESC standard on all models by a date certain. Safety obviously sells.

But technology cannot do it all. Sadly almost 60 percent of all fatalities from vehicle crashes annually are from unbelted occupants. Buckling up that safety belt should be just as automatic as looking both ways before you cross an intersection. It is a necessary part of being a capable driver, and yet all the technology and education in the world is challenged to change some people’s behavior. Even so, a great deal has paid off in the restraint area with the safety belt usage rate now at 82 percent, up over 10 percent since 2000. In addition, NHTSA is applying that same energy to combat impaired and teen driving as well as drowsy driving, which has been shown to contribute as many as a hundred thousand crashes a year with over 1,300 fatalities.

In terms of fuel efficiency and CAFE, which can have disastrous consequences for vehicle safety when done wrong, I would like to hear more about how the reformed, continuous-function CAFE system developed for light trucks would help balance the dual policy goals of fewer fatalities and injuries with fewer trips to the gas station for the American consumer. Again, I believe technology needs to be allowed to entice customers to accept fuel efficiency as a major factor in the buying

decision process. Macroeconomic factors like high fuel prices are already having a very dramatic effect on the type of vehicles consumers are buying. Advanced technologies, like advanced hybrid and clean diesel powertrains, continuously variable transmissions (CVT), 6- and 7-speed automatic transmissions, as well as better use of information technology for navigational systems and traffic congestion mitigation are all technologies that can become “must-haves” for the consumer, help conserve oil and do so without producing adverse safety consequences. In the short time, I also hope we can move Chairman Barton’s bill, H.R. 5359, to the floor so we can give NHTSA clear statutory authority to reform passenger car CAFE standards. In addition, my colleagues and I are glad this bill allows us to study mandates like requiring manufacturers to meet separate CAFE standards for their foreign and domestic passenger car fleets, a policy, in my opinion, that only serves to promote bad business decisions for the American economy and further restricts the ability of the market and the consumer to embrace progress.

Lastly, the Committee would like to hear more about the consumer education work being done by NHTSA to promote safety and fuel efficiency in the marketplace. It takes good information and education to encourage consumers to initially buy into advanced technology that saves lives and oil, as much as willing buyers must have cupholders, rims, and DVD players. Cars and trucks are consumer products, and the consumer is king in the competitive marketplace. Part of our job and NHTSA’s is to ensure that a well-educated consumer is king so that their buying decisions can help save lives, prevent injuries, and make our oil-powered automobile market more energy efficient and responsive to one powered by alternative fuels and other advanced technologies.

So I want to thank the Administrator for coming to see us today. I look forward to her testimony.

And with that I yield to the Ranking Member, Ms. Schakowsky.

[The prepared statement of Cliff Stearns follows:]

PREPARED STATEMENT OF THE HON. CLIFF STEARNS, CHAIRMAN, SUBCOMMITTEE ON
COMMERCE, TRADE, AND CONSUMER PROTECTION

Good afternoon. I want to thank Administrator Nason for joining us today and sharing her views about the current mission of the National Highway Traffic Safety Administration (NHTSA), its priorities and goals, and how we can help better save lives and prevent injuries on our nation’s roadways. The Committee strongly believes NHTSA’s charge is vitally important to the health and safety of Americans and the continued growth of the Nation’s economy. We also realize that your job, Administrator Nason, is especially challenging at a time when many of our nation’s auto manufacturers, suppliers, and related industries are trying to cope with intense competition in the marketplace and the financial and resource burdens government mandates put on their business operations – operations that are focused on building the cars and trucks their customers want to drive, not just what Washington thinks they should drive. Vehicle

safety and fuel efficiency policy must hit the sweet spot of saving the most lives, preventing the most injuries, and allowing our industries to provide the American consumer with what they want in their driveways.

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Again, thank you Administrator Nason. We look forward to your testimony.

MS. SCHAKOWSKY. Thank you, Chairman Stearns, for holding this hearing today so we can discuss with Ms. Nason, the new Administrator of the National Highway Traffic Safety Administration, the agenda the Bush Administration has planned for NHTSA and her plans. I believe we are all united behind improving safety, reducing fatalities and injuries, better promoting children in and around cars. I look forward to hearing your views, Administrator Nason, and want to thank you for meeting with me before this hearing. I appreciate our discussion. Welcome.

In 2005, over 43,000 people died in motor vehicle crashes in the United States. That has been the annual average for the past decade. And in 2005, nearly 2.7 million more people were injured, thankfully, a slight decrease from past years. However, those numbers do not include children who were injured or killed in and around cars that were not in traffic. According to statistics gathered by Kids in Cars, a not-for-profit, at least 220 children were killed in non-traffic, non-crash related accidents in 2005. In 2006, there have been at least 96 fatalities and 256 known incidents of children injured by automobiles in non-traffic related events, including hyperthermia and strangulation by power windows. Those numbers are cause for alarm because they are really back of the envelope statistics.

Soon, if not already, NHTSA will be taking over the data collection for non-traffic, as we discussed, non-crash related accidents because of the passage of H.R. 3, SAFETEA-LU mandated to do so. I am concerned that we are going to see the numbers much worse than the current estimates, yet I believe that having a better picture of how severe the problem is should motivate the Administration to do all that it can in order to limit accidents that are otherwise avoidable and to ensure vehicles on and off the roads are as safe as possible.

I am convinced from our conversation that as a mom as well as Administrator, these are issues of great concern to you as well. Fortunately, the passage of SAFETEA-LU also included a number of much needed provisions that will make cars safer. The bill requires that roll-over prevention measures be developed, also requires stronger standards for roof-crush resistance and side impacts.

Additionally manufacturers will no longer be able to put power window switches in cars that make it easy for a child to be strangled by

kneeling on an armrest, and NHTSA is going to be studying backover prevention technologies to identify the most effective technologies for alerting drivers to that which they can't see behind their cars.

I am happy to see that the investigations are beginning, and that rulemaking is a priority of yours. However, we do need to go further. We need to make sure that power window switches are safe, but we also need windows to auto reverse if there is an obstruction. We need to study backover prevention, but we also need to require backward visibility standards and we need a warning system to remind drivers if there is still someone in the back seat.

As you know, I, along with Representative Peter King, have introduced H.R. 2230, the Cameron Gulbramsen Kids in Car Safety Act, which includes those provisions. Our bill takes the extra steps necessary to protect our children from needless harm, and I encourage you to look at what NHTSA can do to get the ball rolling on those. The technology exists and there is no reason it shouldn't be used in all new cars.

Again, I look forward to hearing from you. I hope that this hearing will help to continue a dialogue among the parties. I am convinced that it will, so that we can come to some agreement on how to achieve our common goals of consumer protection and safer highways and cars.

MR. STEARNS. I now recognize the Chairman of the full committee, the distinguished Member from Texas, Mr. Barton.

CHAIRMAN BATON. Thank you, Mr. Chairman. I want to say I appreciate you holding this hearing. I am going to submit my full statement for the record. I want to welcome the new Administrator. I don't believe we have had you before us before. We are glad to have you and we look forward to hearing your views.

We have got several issues before the committee. We have passed a CAFE bill out of committee that hasn't come to the floor yet, and we have some of the issues that Congresswoman Schakowsky spoke about in her opening statement. So we want to have a very positive working relationship with your agency.

I am an engineer by training and I think the more we let the engineers do what is best technologically and let the political leadership set the overall policy objectives, I think the better off we will be. So welcome to the committee.

[The prepared statement of Chairman Joe Barton follows:]

PREPARED STATEMENT OF THE HON. JOE BARTON, CHAIRMAN, COMMITTEE ON ENERGY
AND COMMERCE

Thank you, Chairman Stearns, for holding this hearing today and I'd like to extend a warm welcome to the new Administrator of the National Highway Traffic Safety Administration, Nicole Nason.

Although the rate of deaths on our nation's roads decreases annually, the actual number staggers the imagination: over 40,000 people die in automobile accidents every year. We in Congress have taken steps to reduce those numbers. For instance, in the recently enacted transportation bill, the Committee on Energy and Commerce ensured that NHTSA will initiate rulemakings on important safety issues such as rollover prevention and crash mitigation, side-impact protection, and vehicle back-over technology.

Regulations can and do make cars safer, but government regulators can never achieve what carmakers can when buyers make safety as important as styling, power or economy. That's why we're not only relying on NHTSA, but on the advances and innovation of the automobile industry. I'm told that the next generation of cars will include features that will actually help drivers *avoid* a crash. Additionally, many car companies are including a technology called "electronic stability control" across their vehicle fleets, which can prevent loss of control during emergency maneuvers.

We are making great improvements in automobile safety, but I'm anxious to hear from Administrator Nason about what is being done within NHTSA, as well as the industry.

Beyond automobile safety, NHTSA also sets the corporate average fuel economy standards. The President recently asked for the authority to reform the CAFE system for passenger cars, as it has done for light trucks. Despite some opposition, we passed H.R. 5359 out of this Committee. Some said that politicians ought to decide safety and mileage issues instead of engineers, but a bill that lets the NHTSA experts save both lives and gasoline is one that Congress ought to pass.

Thank you again, Chairman Stearns, for holding this hearing and I look forward to hearing from Administrator Nason.

MR. STEARNS. I thank my colleague.

Mr. Gonzalez.

MR. GONZALEZ. Waive opening.

MR. STEARNS. Mr. Gonzalez waives opening. Mr. Murphy.

MR. MURPHY. Thank you, Chairman.

Very briefly. As I reviewed all of the things that have been happening with cars with technology, whether it is all of the cameras or the beepings and the other warning systems within cars or whether it is better structural steel in vehicles, or whether it is the other innovations such as movies on board, cupholders that warm your coffee and cool your Coke, everything else that goes on there, I am hoping one of the things you can tell us today is how to make drivers better, in the midst of all of this.

Just a human element. I would love to know does all of this really work and overcome those basic things that so many of us forget at times, but that is the main thing--I would love to hear that great secret that you can offer, and I appreciate you being here today.

Thank you.

MR. STEARNS. Thank the gentleman. Anyone else seek recognition for an opening statement?

The gentleman from Massachusetts, Mr. Markey.

MR. MARKEY. Thank you, Mr. Chairman, and we welcome you very much and we thank you for taking this very important position in our Government. We clearly are reaching a crisis point, when the price of a barrel of oil can close at \$77 or \$78 a barrel, it has tremendous impact on our economy. It has tremendous impact on the stock market, on national security. And it is a serious issue.

Today we learned that the EPA has now determined that the average fleet of automobiles that we have in America is about 21 miles per gallon. It was about 13 miles a gallon in 1975 when this committee passed an amendment to increase it up to 27 miles per gallon. It is now at 21 miles per gallon. So obviously this is a serious problem that we have in our country. As you know, Mr. Boehlert and I have been proposing an amendment over the last 6 years, one that would use 33 miles per gallon, that is for NHTSA standards.

As we all know, there are three sets of books. One is the NHTSA set of books. That is the CAFE. Then we have the EPA set of books, that is the sticky you see on the car. And then you have consumer reports, which has the third set of books which says that neither NHTSA nor EPA is correct in the real driving world.

So when we are using these numbers about efficiency, we always have to refer to which set of books you are talking about. But in each instance, if the goal is to drive out the 2-1/2 million barrels of oil that we import from the Persian Gulf every day, then the number would be 33 miles per gallon for NHTSA to accomplish that goal. It must be 28 miles per gallon for EPA, and for Consumer Reports, only 24 miles per gallon, but nonetheless, the goal has to be to back out all of that Persian Gulf oil. We are heading in the wrong direction. And what we are seeing over the last several years is this kind of boulevard of broken promises that we have had from the auto industry.

The Clinton Administration promised to have worked--to have a projection ready on a prototype 80-miles-per-gallon car 2 years ago. That didn't happen. And we have had other problems. The Freedom Car, Ford said it was going to produce a more efficient car to all of these. It is a boulevard of broken promises to the American people that ultimately has huge consequences for our economy. And my opinion is that moving forward we can work with you, although I am quite aware that is not your decision as to whether or not, in fact, this Administration finally decides that they are going to be serious about this energy crisis in America. And I thank the Chairman.

[Additional statements submitted for the record follows:]

PREPARED STATEMENT OF THE HON. JOHN D. DINGELL, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF MICHIGAN

Mr. Chairman, regulation of motor vehicle safety is a significant responsibility under the jurisdiction of this Committee. It has been one year since the National Highway Traffic Safety Administration (NHTSA) has testified before this panel regarding vehicle safety. In that time there have been significant developments and a laundry list of items upon which the agency must focus its attention. This hearing provides us with the opportunity to discuss several of these matters with the new Administrator, Nicole Nason, and I welcome her today.

First, it was announced last year that virtually all the world's automobile manufacturers entered into a voluntary agreement with the Insurance Institute for Highway Safety regarding crash compatibility. In an age when small passenger cars share the road with large sport utility vehicles and pickups, this agreement strives to make large and small vehicles more compatible during collisions. The cooperative voluntary nature of this agreement is bringing life-saving changes to reality more quickly than a traditional regulatory process. Whether it serves as a model to improve other categories of vehicle safety remains to be seen, and this committee – along with NHTSA – should continue monitoring its progress in light of that question.

Second, we reauthorized NHTSA as part of the highway bill during the first session of this Congress. That legislation provided the agency with the authority and resources it requested. It also established a set of regulatory and research priorities with which the agency must comply. We will continue monitoring the agency's implementation of these complex requirements, including evaluating the safety implications of tire aging, studying back-over avoidance technologies, and establishing new safety standards for rollovers and side impact crashes.

Third, this year has also brought the departure of Dr. Jeff Runge as NHTSA Administrator. Under his leadership, the agency created its first-ever multi-year priority plan for new regulations to improve the safety of vehicles. In addition to laying out a logical framework in which the agency intended to proceed, it also forecast for automakers the direction in which the regulatory process was evolving. This is an important development that enabled manufacturers to plan products in advance while continually improving the safety of their vehicles.

Also under his leadership, we have seen an increase in safety belt usage, which remains one of the best and least expensive means to save lives during an automobile accident. His strong efforts supporting "click it or ticket" programs and the passage of primary seatbelt laws across the country has saved lives. I have seen the results of these efforts in my home State of Michigan. When it passed a primary seatbelt law six years ago, belt usage increased from 70 percent to 83 percent. Upon the conclusion of a successful "click it or ticket" campaign earlier this year, Michigan can now boast that 94 percent of its residents buckle-up on a regular basis. These programs are simple, and they do work.

Madame Administrator, again I thank you for joining us today. In this new position you bear a heavy responsibility, and you have a great many challenges ahead of you. I encourage you to continue the good work of your predecessor and proceed diligently on the life-saving priorities set before you. On all of these matters, I urge you to exercise great caution. These are complicated issues that directly affect the lives of consumers, automakers, and their employees. Before moving forward with new regulations or requesting new authority from Congress, it will be important first to have a complete understanding of the problem you seek to solve, and second to evaluate the implications of proposed solutions thoroughly to avoid unintended consequences.

Mr. Chairman, I look forward to working with you and the new Administrator to ensure the continued safety of the motoring public.

PREPARED STATEMENT OF THE HON. GENE GREEN, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF TEXAS

I'd like to thank Chairman Stearns and Ranking Member Schakowsky for holding this hearing today. I'd also like to thank our witnesses for being here today to discuss the important topic of highway safety.

The U.S. Department of Transportation indicates there were more than 43,000 highway deaths in 2005 and 3 million injuries due to traffic accidents.

Unfortunately, on May 5th of last year, a good friend of mine, State Representative Joe Moreno was killed when he lost control of his truck and it rolled over several times. He was driving from Houston to Austin so he wouldn't miss votes after attending a Houston Rockets play-off game.

Too many of us have stories of friends or family that have been involved in a serious traffic accident. There are always many factors to consider when these accidents occur.

For example, in the past, it has been determined that faulty tires have resulted in serious accidents. Road conditions can change drastically with changing weather, and unfortunately, most traffic accidents involve human error, the most serious being driving while intoxicated.

A Houston Chronicle article reported in April of 2004 that 103,000 auto accidents with 215 fatalities were reported to the Houston Police Department.

The Houston area averages about 12 traffic fatalities per 100,000 people. This is one of the nation's highest rates.

I'm very interested in what we can do to bring these numbers down.

We have seen the effectiveness seat belts have in saving lives, but now, technology is playing a larger role in keeping us safe.

Stability control, traction control, and anti-lock breaks have all made cars safer, but the people that live in our District don't buy new cars very often and these technologies are only found in newer models.

We need to also emphasize the importance of routine maintenance like checking tire pressure, and having your breaks and suspension inspected on a regular basis.

The charges handed to the National Highway Traffic Safety Administration carry enormous weight to the public safety.

I support any incentive the federal government can offer states to implement primary seat belt laws. I agree with the experts that say getting people to use their seat belt is the quickest way to bring down the number of injuries and deaths on our highways.

I'd also like to see states have tougher enforcement on drunk driving laws. The fact remains that alcohol has been a factor in 40 percent of all traffic fatalities last year. Drinking and driving is still a problem in our country and we should find a way to address it.

I thank Ms. Nason for being here today and I look forward to working with the NHTSA in improving traffic safety in the Houston area and the rest of the country.

Thank you Mr. Chairman. I yield the balance of my time.

PREPARED STATEMENT OF THE HON. MIKE ROGERS, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF MICHIGAN

Mr. Chairman, thank you for holding today's hearing.

In recent years, Congress has, in a bipartisan way, worked to improve and rationalize the safety and efficiency of automobiles. We have done this in a number of ways, but most of them involve placing expanded responsibilities upon you. Consequently, it is essential that NHTSA and this Committee work well together to advance our shared goals.

One particular place where this Committee and NHTSA will need to work together carefully is on CAFE standards. As you know, the CAFE program is intended to reduce America's dependence on foreign oil. But, its effect has been to distort the car market, provide some companies with a competitive advantage, while punishing others.

As we work to improve the CAFE system, it is important that we make it a fair and equitable system. The current system fails this test, and automakers in my home state of Michigan have paid the price.

We also must be careful to avoid needlessly overloading the industry with arbitrary guidelines at a time where it is aggressively expanding the availability of a variety of alternative fuel vehicles, and advanced technology vehicles like hybrids and advanced clean diesels.

Finally, as you discuss CAFÉ with your colleagues at NHTSA and with Members of Congress, I would encourage you to keep in mind the need for programs like the current credits for the production of alternative fuel vehicles.

But most importantly, I would remind you of the importance of safety. To that end, we must work cooperatively with all involved in the auto industry to improve road and auto safety. In particular, we must continue to work to incentivize the deployment of advanced safety technology, and we must also work to make sure that we as a government are accurately measuring the effectiveness of this technology.

Mr. Chairman, thank you again for holding today's hearing.

MR. STEARNS. I thank the gentleman. If there are no further opening statements, we welcome the Honorable Nicole R. Nason, Administrator, National Highway Traffic Safety Administration, and if you don't mind, you also might introduce Mr. Medford at some point who I understand is going to be with you and obviously we welcome his comments, too, in relationship to yours.

With that, we welcome your opening statement.

**STATEMENT OF HON. NICOLE R. NASON, ADMINISTRATOR,
NATIONAL HIGHWAY TRAFFIC SAFETY
ADMINISTRATION, ACCOMPANIED BY RON MEDFORD,
SENIOR VEHICLE ADMINISTRATOR, NATIONAL
HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

MS. NASON. Thank you, Mr. Chairman and Ranking Member Schakowsky, for holding this hearing. As you noted, Mr. Chairman, and you have noted, Congresswoman, there were over 43,000 deaths on our roads last year, 2.7 million injuries, \$230 billion in costs to society. The traffic crashes are the leading cause of death for people ages 4 to 34. This is a very important position, and I am honored to have been given it by the President and have been confirmed by the Senate.

My goal as NHTSA administrator is identical to the agency that Congress wrote into law 4 decades ago: to reduce fatalities and injuries on our Nation's roads. Last year when I was the Assistant Secretary of Governmental Affairs, having worked for several years with this committee and other committees in the Senate, Congress passed

SAFETEA-LU, which is the most far reaching highway safety bill in a generation. Among the provisions were tripling the amount of funding going to states to combat impaired driving, a scourge which claims nearly 17,000 lives a year.

This legislation aided our efforts to raise safety belt use rates by establishing a \$498 million State incentive program. We have already seen this program bearing fruit with Kentucky, Mississippi, and Alaska passing primary safety belt laws this year alone. We were very heartened by that. With SAFETEA-LU passed, NHTSA has its blueprint for the next 3 years, and the challenge now for the agency is to effectively implement that which Congress has enacted.

In addition to the implementation of SAFETEA-LU, I also believe that the most promising gains in highway safety are going to come from the crash avoidance technologies. Today the technology exists not only to ameliorate the severity of the crash, but to help prevent it outright. For example, imagine a car with a forward collision warning system that can detect when the vehicle in front of it has slowed or stopped. This device can help prevent the most common type of crash, the rear-end collision. And we have charts up that, with your permission, Mr. Chairman, I would like to leave up during the hearing.

Imagine a car with a road or lane departure warning device that can alert a driver when they stray from their lane. This can help with distracted or drowsy driving. Or a vehicle with a blind spot warning system that can signal to a driver when another vehicle is in close proximity. Such a system could be invaluable on our congested interstates where changing lanes at high speeds is common.

As you noted, Mr. Chairman, crash avoidance technology, the agency believes, holds the greatest promise. Electronic stability controls is proven technology that senses when a driver may lose control and helps to stabilize the vehicle. ESC is especially effective in reducing rollovers. Every year, 3 percent of crashes involve a rollover, and they account for a third of all occupant deaths. We believe ESC could be the greatest safety innovation since the safety belt.

New safety technologies, Mr. Chairman, offer great promise to reduce the number and the severity of crashes. But equally important to improving safety are the crucial roles of family and law enforcement. We must not forget that safety starts with the family, and it needs to be at the top of every family's priority list. Parents still need to ensure that their children are in booster seats and adults need to closely supervise teen drivers, who are the age group most at risk for a crash. And everyone needs to buckle up every time.

And we must continue to support law enforcement as they have the dangerous and often thankless job of protecting us from impaired and

reckless drivers, and I would say that even if my father had not been the head of highway patrol when I was growing up and was not the chief of police in our county.

So thank you again for holding this hearing. I look forward to working with you and everybody of the Subcommittee on these important issues.

And with your indulgence, Mr. Chairman, I would like to show a brief 2 minute video. NHTSA did what we called it the naturalistic driver study. We got 100 cars. We put the cameras in the cars. We had people volunteer for the study and we asked them to drive around with the cameras in their car for a year, and we have thousands of hours of footage. And just a few minutes after people drove off the lots after having the cameras installed, they essentially forgot the cameras were in the car and they did things that people do when they are driving, which is what we wanted them to do. So we have four 30-second snapshots.

The first frame here is the driver's face. We have obviously pixelated their faces for the driver's privacy. We are not trying to embarrass anybody.

The second frame is where I am going to ask you to focus, because that is the camera looking out the front of the car. The third is obviously the driver's hand, and the fourth is the side of the car. But I can narrate as we go since you can't see the driver's face.

We are putting this up to show there are technologies that can help. This driver is going along in rush hour traffic in the morning. He approaches a car in front of him, slows down. He slows down. He pulls away, the car in front of him pulls away. It is just a regular morning for him commuting. He becomes distracted. You can't see his eyes now he is looking out the window and that is the air bag going off. He is not impaired. He wasn't drinking. It was just a regular morning for him.

The second, once again, if you look at the top right-hand screen it is hard to tell, but the driver has the broken lane on the left and the solid lane on the right. He is distracted and so you can tell the difference between where the two lines are. And what will happen is he is getting there, you can see. That is the guard rail which he almost crashed in to.

He was looking for something and became distracted. We have hours of footage of people becoming distracted while they are driving by all sorts of things.

This driver, same situation. I believe he went to sleep. We unfortunately have a lot of footage of people falling asleep also. And you will see the same thing. He goes right off the road and then wakes up, and if you could see the face, you would see that he startles back into the lane.

We have an almost endless amount of people nodding off. And again, there are technologies. There are alert systems that can help wake folks up the minute we see them going out of lane. This is another rear end. She is following along in traffic, driver slows. She slows. Driver picks up, she picks up. And you can't see, she is about to look off to the right and because the car has pulled away in front of her, she doesn't realize until the last minute at which point swerving off the road doesn't help her because even though she avoided the collision she still hit the pole.

So here I can--

MR. STEARNS. Was she okay?

MS. NASON. We had no fatalities. No. I wouldn't show that.

But I know it is grainy, and it is hard to see.

The point in us doing the study was to see how people actually drive and what they are distracted by, and unfortunately what happens to them when you can look away for just a second, and that is why twice you see the air bags go off in the corner. I know it is easier to see if you have it on camera in front of you than it is on the screen, and we would be happy to show you. We have lots of other footage if you are interested. But these are a few examples of places where we think lane departure warning systems, lane keeping systems, forward collision alert systems sensors in the bumper, protections that could shriek at you if you are approaching the car in front of you too fast, you need to look back at the road, could be helpful. And so I just want to show that as an example. Thank you.

MR. STEARNS. All right.

MS. NASON. I will be happy to answer your questions.

[The prepared statement of Hon. Nicole R. Nason follows:]

PREPARED STATEMENT OF THE HON. NICOLE R. NASON, ADMINISTRATOR, NATIONAL
HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Mr. Chairman, thank you for holding this hearing on the National Highway Traffic Safety Administration's views on motor vehicle technology and the consumer.

Mr. Chairman, last year, more than 43,000 people died on our nation's roads, an additional 2.7 million people were injured, and the cost to society was a staggering \$230 billion. Traffic crashes are the leading cause of death for people ages 4 to 34. My goal as NHTSA administrator is identical to the mission of the agency that Congress wrote into law four decades ago: to reduce fatalities and injuries on our nation's roads.

This is an exciting time to be leading NHTSA, because I believe we are on the cusp of a new era in highway safety, primarily for two reasons. First, SAFETEA-LU, a statute written in part by members of this Subcommittee, is easily the most far-reaching highway safety bill Congress has passed in a generation. Among the safety provisions in this bill is the tripling of the amount of funding going to the states to combat impaired driving, a scourge which claims nearly 17,000 people a year. This legislation also committed the Federal Government to raise safety belt use rates by establishing a \$498 million state incentive grant program. This program is already bearing fruit, with three states,

Kentucky, Mississippi and Alaska passing primary safety belt laws this year alone. And SAFETEA-LU codified a portion of NHTSA's Rulemaking Priority Plan, which will save thousands of lives by having the auto companies produce safer vehicles.

With SAFETEA-LU helping to guide NHTSA's course for the next three years, the challenge now for the agency is to effectively implement what Congress has enacted.

But we must and can do more.

Apart from the implementation of SAFETEA-LU, I believe the most promising gains in highway safety are going to come from the deployment of crash avoidance technologies. Today the technology exists not only to ameliorate the severity of a crash, but to help prevent it outright. Allow me to briefly describe some of these technologies.

Imagine a car with a forward-collision warning system that can detect when the vehicle in front of it has slowed or stopped. This device can help prevent the most common type of crash, the rear-end collision. Or imagine a car with a road or lane departure warning devices that can alert drivers when they stray from their lane. This device can be especially useful in combating drowsy driving, which is a significant problem.

Imagine a vehicle with a blind-spot warning system that can signal to the driver when another vehicle is in close proximity. Such a system would be invaluable on our congested interstates, where changing lanes at high speeds is common.

But the crash avoidance technology that I believe holds the greatest promise is electronic stability control (ESC). This proven technology senses when a driver may lose control and automatically stabilizes the vehicle. ESC is especially effective in reducing rollovers, one of the most deadly types of crashes, particularly for SUVs, which are high off the road. Each year three percent of crashes involve rollover, but they account for about a third of all occupant deaths. NHTSA estimates that ESC will save up to 10,600 lives annually when fully implemented into the fleet. ESC could be the greatest safety innovation since the safety belt.

In the past, NHTSA focused, and rightly so, on making vehicles more crashworthy, so that during a crash, an occupant would have a better chance of surviving or sustaining only minor injuries. For after the crash, NHTSA pioneered and continues to champion our nation's emergency medical services, so more lives can be saved by rendering immediate aid to the crash victim. But now we have the technology to focus on the crucial period before a potential crash.

This is why I believe crash avoidance technology holds such promise. I am confident that deployment in our vehicle fleet of one or more of these crash avoidance technologies, coupled with the unprecedented resources under SAFETEA-LU we are distributing to the states for highway safety, will translate into fewer crashes and more lives saved.

Mr. Chairman, there is hardly a family in America that hasn't been impacted by a car crash. But the landmark SAFETEA-LU law, coupled with NHTSA's regulatory authority to facilitate deployment of new safety systems, will make our roads safer by the end of this decade.

Mr. Chairman, before I conclude my testimony, I want to shift gears and discuss two other issues under this Subcommittee's jurisdiction that are of importance to me. First, fuel economy not only affects every American, but our national security as well. As Members are aware, this Administration has raised corporate average fuel economy (CAFE) standards for light trucks for seven consecutive years, from 2005 to 2011. These new fuel economy standards will result in a savings of approximately 14.3 billion gallons of fuel over the lifetime of these vehicles. Most importantly, these standards were raised responsibly, without sacrificing jobs or compromising safety, by discarding the archaic "one-size-fits-all" standard and implementing an innovative attribute system based on the light truck's footprint.

NHTSA has the expertise and the experience to reform CAFE for passenger cars, but lacks the statutory authority to do so. Chairman Barton has introduced a bill (H.R. 5359) to rectify this problem, and the Administration supports this legislation. If the Department is given that authority, we will raise the fuel economy standards for passenger cars, and we will do so in a way that does not destroy jobs or disregard safety.

Next, implementing the ENHANCE 911 Act of 2004 is of great importance to me. While approximately 96 percent of the geographic United States is covered by some type of 9-1-1 service, it is estimated that less than half of the nation's Public Safety Answering Points (PSAPs) are able to receive both the cellular telephone number and geographic location of cellular phone callers, both of which are often necessary for emergency responders to quickly pinpoint the location of vehicular emergencies. To help upgrade PSAPs to receive this critical information, the ENHANCE 911 Act of 2004 authorizes NHTSA and the National Telecommunications and Information Administration (NTIA) in the Department of Commerce to establish a national 9-1-1 Implementation Coordination Office (ICO) and to administer a grant program for PSAPs.

Moreover, as required by SAFETEA-LU, NHTSA is currently establishing the Federal Interagency Committee on Emergency Medical Services, which is strongly supported by our partners at the Department of Homeland Security. We are also managing the Next Generation 9-1-1 program to facilitate the research, design and development of a technologically advanced 9-1-1 system of the future. Finally, NHTSA's Fiscal Year 2007 budget requests funding and a full-time equivalent position to support the National 9-1-1 Office at NHTSA that was authorized by the ENHANCE 911 Act of 2004 and is operated in cooperation with NTIA.

I commend the leadership of the House Energy and Commerce Committee, along with Representatives Shimkus and Eshoo, for establishing the E-9-1-1 program, together with the \$43.5 million in funding for E-9-1-1 grants that NHTSA is due to receive in 2008. As emergency medical services are crucial to saving lives on our roads, as well as being a component in the War on Terror, I look forward to working with Members to ensure that NHTSA's EMS office continues to be a leader in the field. Furthermore, to support NHTSA's systems, the Agency recently elevated the EMS Division to an Office in Traffic Injury Control, which affords a higher visibility and importance.

Mr. Chairman, thank you again for holding this hearing, and I look forward to working with you and every member of this Subcommittee on these important issues.

MR. STEARNS. By unanimous consent, opening statements will be part of the record.

And the woman who hit the pole, was she saved by the air bag then?

MS. NASON. Yes. There were some injuries for some of the drivers but--

MR. STEARNS. How fast were these folks going, some of them.

MS. NASON. For that footage 35, I'll have to check. I think it was --

MR. STEARNS. So it was not 80?

MS. NASON. They were not speeding. These were normal roads. We had an example of a young girl who was dialing on a cell phone and just barely missed a child on the tricycle who came out the driveway. I mean, it is such traumatic footage that everybody who sees it gasps almost simultaneously when they see it. It happens. People get distracted and that is what we are concerned about.

MR. STEARNS. Let me, before we get into too much about this, the idea about this technology. I want to ask you a question that since I have been in Congress always comes up. We always hear, depending upon which side of the aisle you are on, talk about increased fuel economy with CAFE standards. But at the same time, the National Academy of Sciences noted it will probably force companies to downweight and downsize vehicles which obviously ultimately is going to affect their safety, and we just saw movies on safety.

And I guess either you or Mr. Medford could give me maybe some statistical information or information to show us what the impact of downsizing these cars because they are trying to get fuel economy and the safety impacts that occurs as a result of this CAFE. So I just need some substantive information on this and not just generalities, if possible. Because I think all of us worry about the idea of moving the CAFE standard too quickly and what that is going to mean in terms of the vehicle safety.

MS. NASON. I apologize, Mr. Chairman. Ron Medford is our Senior Vehicle Administrator. He has been with NHTSA for the last 4 years, from the CPSC before that.

MR. STEARNS. He is welcome to answer this question if you like.

MS. NASON. The issue that you raise is the very reason why we requested the authority to reform the program in the first place. This is why NHTSA has asked the authority to do the reform with passenger cars similar to light trucks. This is why we are supporting the chairman's bill, because it gives the agency the authority to do the balancing of factors that we need to do to make sure that we don't have downsizing or downweighting, as you say, because it could have a negative safety impact.

So we need to look at safety. We need to look at economic practicability. We need to look at technical feasibility, and the need for the Nation to conserve oil. These are all things that NHTSA would do if we had the authority that we do under the Chairman's bill to look at all of these factors, and then determine appropriate fuel level savings.

MR. STEARNS. Then I guess the next follow-up question would be, are there technologies now that could be implemented and what are they without which would increase the fuel efficiency, but you wouldn't have to change the weight or the make up of the vehicle. I mean, you could just install these. Are there technologies and what are they?

MS. NASON. I was listening to Goss' Garage the other day, not to promote anyone, but--

MR. STEARNS. It is a very interesting program. I don't know how they do it over the phone.

MS. NASON. And they were talking about NHTSA's Web site, and one of things--I only say that to show it is not just NHTSA. There are other folks out there. We are encouraging consumers to take a look at your vehicles if you want to improve fuel efficiency today which is obviously not--this is the CAFE changes are a long-term part of the President's agenda on energy, you can check your tires. You can know your PSI and inflate them. You can treat your car with a little more care and change your oil and still get better fuel savings.

So in the immediate term that is what we are promoting for consumers and given it is not just us, the Click and Clack. There are other radio shows.

MR. STEARNS. Those would be the obvious ones. Are there any super technology items that could be done that are not being done now that you could retrofit your car to do.

MS. NASON. We don't encourage folks to retrofit their cars with untested technologies. But if you look at the NHTSA studies, there are technologies. Everything is very basic, from high viscosity oil, to better rolling resistance for your tires to hybridization, for example. So there is a list and this is what NHTSA would be looking at, everything from simple to the most complicated if we had the authority to move forward.

MR. STEARNS. Something you would do with the engine. Is there anything?

MS. NASON. Hybridization, we wouldn't encourage consumers to try to do that themselves to the car, but there are things like high viscosity oils that we can look at.

MR. STEARNS. My last question in this round is that how is NHTSA allowing the market and the consumer to promote safety technology through adoption and acceptance in the market? The notion, of course, that safety sells. How do you get that sort of concept to the consumer?

MS. NASON. We agree that safety sells, Mr. Chairman, and I do think the consumer has been partially driving these issues. I noted in my opening statement that we have a blueprint for our work for the next 3 years, in SAFETEA-LU, but one of the other issues that was not included is looking at our program and looking at a program whereby we can make changes and help promote some of these technologies that are out there to consumers. Our NCAP program is a place where we might want to look at the GAO report and make suggestions, and work with the automotive manufacturers to try to see what they are doing and how we can get these messages out to consumers, because I do think safety sells, and if the consumers knew what technologies were out there, they might be more interested in asking about them, so that is something we are very interested in working on aside from meeting all of the requirements and SAFETEA-LU.

MR. STEARNS. All right. My time has expired.

Ms. Schakowsky.

MS. SCHAKOWSKY. Thank you, Chairman. I wanted to ask unanimous consent that opening statements of members who are not here are--including Mr. Dingell--put in the record.

MR. STEARNS. Unanimous consent. So ordered.

MS. SCHAKOWSKY. We had talked a bit about the Cameron Gulbramsen Kids in Car Safety Act. One of the requirements in that bill would be auto reverse technology for power windows, and while I think it is an advance that in the SAFETEA-LU bill, there the switch design is changed, I wondered how we can move along the issue of the auto reverse.

MS. NASON. Well, as you know, Congresswoman, as we discussed, we are moving ahead on the other required rulemakings, including rocker switches, and we have a rule out that came out in April. We have done some work, NHTSA has done some work on auto reverse. I think if you look at European countries, for example, some of them, there are some requirements on auto reverse.

MS. SCHAKOWSKY. Eighty percent of the cars in Europe have auto reverse features. I drive a Ford Focus. I have 4 little grandchildren. My windows don't have auto reverse and it is a, I guess it is a standard feature on the European model. So obviously it is possible to fairly easily make that available.

MS. NASON. I don't disagree that the technology exists or it is deployed in Europe but it is a question what would the technology be used for and that is something we need to look at. In Europe, it is essentially protecting pinched fingers. Not that it is technology that would be designed to help a child who had their head stuck. We think the switches are actually a much better way to resolve that problem. And that is why we moved forward on the mandates. But we have discussed this a little bit, and I would need to talk to our engineers a little bit more about further analysis of that, because the initial review of that technology didn't seem to respond to the problem that you were interested in, which is children who were getting their heads caught. It is not that quick. It is not like a garage door opener as you had talked about earlier.

And so I would like the opportunity to talk to our engineers a little bit more about what testing they have done and what their concerns are with it and what we can do moving forward with you.

MS. SCHAKOWSKY. I would like to hear about that, because I can't imagine any reason why it wouldn't be like a garage door--I mean as quickly responding as that.

I wanted to also in--the issue of driver distractions. Those films are compelling and your charts are important, but when exactly are we doing to address the problem of driver distraction and all the different technologies and what can we expect in the short-term.

MS. NASON. One of the things that I have asked our folks as we have been moving forward on this and our advanced crash avoidance technology initiative is to make sure there are no unintended consequences. The last thing you want to have in a vehicle is one that beeps and whistles and shrieks so much that the driver either ignores or becomes distracted by the technology, which I think is something we need to be very careful about as we move forward, and I don't mean to say that we are not enthusiastic about these new technologies. We are.

But that is why we want to work with the auto manufacturers and the suppliers rather than come out and mandate them right away, because we have to see how it works with driver behavior.

At the end of the day, it is the driver that matters. And so that is one of the things that we are going to look at separately as we move forward on our initiative is what are the current distractions. We know cell phones, one of the things we saw in the study is that people who are reaching for falling objects tend to be much more distracted even than people who are talking on the phone.

So folks who have their purse spill forward or they are about to drop coffee on themselves will completely look away from the road to catch themselves and to block themselves and then they have a crash. So it is not just new technologies. There are other distractions obviously, and this study has been extremely helpful in showing us how people actually act in the real world, and that is an initiative that we are going to work on with the manufacturers going forward. It is driver behavior.

MS. SCHAKOWSKY. Let me just point out--I see my time is up--that actually NHTSA held a major conference in the late 1990s on the issue of driver distractions, talking about that. So I am hoping we are not back here in another 5 years or 10 years or whatever, having the same conversation.

MS. NASON. I agree. I do think that we have got a lot more distractions since then. So we are going to work on that moving forward.

MR. STEARNS. Mr. Barton.

CHAIRMAN BATON. Thank you. I am very happy to see you in the position and I wish you the very best.

I am a perfect example of somebody who needs every technology break you can get. I was driving down the road 4 years ago to an event for my son, who was running for Congress, on a road in Texas at 10:00 in the morning, and missed a turn and reached in the back seat to get the map to figure out the next road and when I reached over to get the map, I

ended up rolling the car. I mean, it rolled every way it is possible to roll. It was going this way and this way and this way.

So I was in a three-axis spin, and luckily I ended up in a ditch, a sand ditch in some bushes that were very soft and the car was upside down, backwards, but I walked away with a blood pressure level that was over 200 and one scratch on my back. But I mean, I did everything wrong you were supposed to do and yet the Lord was looking out for me. So if you can help the Lord, I would appreciate it.

MS. NASON. At the moment, I hope He is helping me.

CHAIRMAN BATON. I have got two questions for you.

One is a provision that we passed that requires there be a review of CAFE to see if there is a better way to do it. Mr. Markey, I think, rightfully pointed out that there are three different sets of books out there, and what we really need is something that replicates the real world, and the current CAFE system really doesn't do that. And then secondly, we also have a requirement in the energy bill from last summer that your agency will give us a report in about 3 weeks on the feasibility of significantly reducing fuel use by a date certain, and I think it is 2014. Can you comment on those two issues?

MS. NASON. Yes, Mr. Chairman. Thank you.

As you know, the legislation that the Administration sent to Congress asked for the authority to reform the CAFE program for passenger cars using an attribute system which is simply what we did for light trucks. I know this committee has a study in there asking us to look at two-fleet rule. There have been some suggestions that passenger and light truck CAFE should be combined going forward.

We are doing the report as required and we should have that up here next month.

CHAIRMAN BATON. I think the official date is August the 6th.

MS. NASON. We are going to meet the deadline.

But what we have asked for is the authority to reform the passenger car program as we did with light trucks and give it a chance to be implemented before we look at some of the larger changes to CAFE. This will be a very significant undertaking for the agency. I don't want to understate. It is 30 years, and we have never done the reform before so this will be a significant change to the CAFE program, and then I think after we implement, and of course, we are in court right now on the light truck rule, I think all of the cases were recently combined in the Ninth Circuit. And to see how that works out and then we would be interested in discussing some of the larger issues.

CHAIRMAN BATON. Thank you, Mr. Chairman.

MR. STEARNS. I thank my colleague.

Mr. Gonzalez.

MR. GONZALEZ. Thank you very much, Mr. Chairman, and welcome to the Administrator, and I enjoyed our visit with you and Mr. Harrington and at the outset, I need to tell you that initiative I brought up with you regarding trucks, which I believe that you are more concerned with passenger vehicles, but when it comes to trucks and buses, would that be, and I always have to look at this, and I apologize, the Federal Motor Carrier Safety Administration that would be in their purview; is that correct?

MS. NASON. Well, both, but we do have some authority over buses and trucks, so it would depend on the issue.

MR. GONZALEZ. We will follow up on it. It is along the lines of what you are proposing here for passenger vehicles. But my question really, and we weren't going to talk about CAFE that much, but obviously we will. And I will touch on that in a minute.

But in considering any of these technology changes and mandating these on our vehicles that are sold in the United States, the same factors or considerations come into play that it pretty well stymied and paralyzed meaningful modification or changes to CAFE standards.

Let me just read something from staff's memo in reference to CAFE standards and the consideration or factors that I think apply across the board. Any time that you are going to change any kind of standards, and this is regarding CAFE, but let us just apply it to what you are proposing here. And that is it is a must balance technology: feasibility, economic practicability, and the effect of new standards on the economy.

How do you actually weigh that? We are really talking about all of these on-board technologies and such, and the electronic stability and such, how willing--do we have an industry out there that would be willing to adopt these particular standards? I mean, are these just more or less pie-in-the-sky ideas is what I am really asking.

MS. NASON. I don't think they are at all, Congressman. In some cases, NHTSA will use its regulatory authority to mandate these technologies. Electronic stability control, which is up over road departure, is a technology that we will mandate. Because we have looked at the costs and we have looked at the benefits, and it is just so dramatic. In some other cases, they may not be ready to be mandated because of some of the issues I was raising with the Congresswoman earlier, which is driver behavior. A technology like ESC is ideal because it is a system of sensors. It is under the car. The driver doesn't have to do anything. There is almost no interaction.

The car senses that you are oversteering, or you are coming and it brakes individual tires, which the driver can't do. It is technology. The driver simply can have no impact on. And so we do think that is the

ideal technology where it doesn't distract the driver. It simply helps in the case of an emergency.

MR. GONZALEZ. I agree it is curious because it is application to the huge tractor rigs and buses that is fairly ignored, and I think the greatest studies right now are trying to monitor fatigue in the drivers and how you keep tabs on that without looking into the preventative aspects of it that you are doing. So I do commend you.

I have one particular question. I don't believe we have it, anyway, if we do, I am in violation of that particular law, in Texas, we don't have any prohibition against the use of cell phones. Don't get me wrong. I love cell phones and BlackBerrys. And how many of us out there are actually using these things as we drive?

Are you aware of a recent study that basically not necessarily equates it, but actually found that the use of a cell phone is more distracting to somebody in their ability to operate a vehicle than somebody who might be under the influence?

MS. NASON. Yes. I am aware of the study. We haven't looked at it and we haven't looked at their data, which is something we would need to do. So I can't necessarily say that I agree with their conclusions.

We don't want either distracted or drunk drivers on the road. So from NHTSA's perspective, either problems are ones that we are very interested in tackling.

On the truck issue, just if I can point out we are looking at ESC on trucks and so if that is what your constituent is interested in, I would be happy to follow up with him.

MR. GONZALEZ. Secretary Mineta did respond to me. He says since this doesn't monitor fatigue and such, this is not what we are looking at at the present time. So that was somewhat disconcerting to me. If you have ever been on H-35 in Texas, it is incredible because the trucks have basically taken over and safety is paramount, obviously, to my constituents in the area.

The last question, it is an interesting one, and I really mean this in good faith, because I think we have to be realistic when we start altering CAFE standards and the time probably has come, yet we have to be realistic.

In something I discussed with you yesterday, and I posed to Secretary Mineta when he was here, my concern has always been that even the test in attempting to measure a vehicle's mileage or efficiency is totally flawed. And I think yesterday in our discussion, you may be aware and I asked you well who sets that. I already know that it is EPA because Secretary Mineta told me it was EPA. What is your relationship with EPA? If you are the agency that is charged with that responsibility,

wouldn't you want the underlying test to give you accurate information and data?

I mean, and I don't recall exactly, but it is totally ridiculous not a real whirl test, and I forget if they drive a vehicle at 48 miles an hour for a couple of miles to arrive at that, a Hummer gets 20-plus miles on the highway.

Are you familiar with the specifics of the test, and is there anything that you could do to open that dialogue with EPA, because I know they are considering changing it, but I haven't seen anything yet.

MS. NASON. They are. I mean, I do know that EPA is working on making changes to the tests and there have been repeated complaints from consumers, which has been part of the problem that the fuel efficiency they expected to get they are not getting, and this is why EPA is looking at this.

I would have to go back and talk with them, and I would be happy to do that, to reach out to them to see where they are in their testing process. I am not sure of the date which they are coming out with their new requirements unless--do we have any--well, I know they were reaching for the end of the year, but I don't know what their date is, or if they have actually set that for a date, but I would be happy to check.

MR. GONZALEZ. It is something that we discussed yesterday, and that is something that the Chairman also alluded to that is as we arrive for CAFE standards, the potential impact for choice among the consumer and I, and the way I understand that especially, if you are from Texas, and people drive huge trucks and the truth is we will have a plant there in San Antonio very soon, how do you alter that behavioral pattern where people just feel safer in a bigger car or a truck?

MS. NASON. Well, part of the way to do it is to have technologies like ESC on all vehicles and promote that for consumers. I recently bought a new vehicle, and the salesman didn't mention any of these things to me. I had to raise them to him. So it is a little bit of chicken and egg for a consumer getting the information out there and encouraging them to ask.

If we were to have the authority to reform for passenger cars, we would do the balancing of all of the factors, but we certainly need to be mindful of consumer choice, and we have to be mindful that we don't have a negative impact on jobs or the economy, and so those are all things that we would have to look at. It would be very complicated rulemaking.

MR. GONZALEZ. I think I went over. Thank you very much.

MR. STEARNS. Go ahead.

MR. GONZALEZ. It is just, you know, Mr. Chairman, I think that it seems that we never have a realistic discussion about it, because we are

so afraid of the impact on the domestic auto industry where we know the profits are made on the bigger vehicles, and that is very realistic, especially on this side of the aisle and such, and on the other side of the aisle, but nevertheless, we seem that we always will be paralyzed because the industry. If I was in charge, I would be adverse to change also.

Change is costly, and sooner or later has to be made. But I am just truly concerned that we never really move forward on it because we have set all of those factors in play, and I am afraid if we consider every one of those factors, we never will make any substantial change. But I appreciate your good faith efforts and look forward to working with you in the future.

MR. STEARNS. I thank the gentleman.

The gentlelady from Tennessee.

MRS. BLACKBURN. Thank you and welcome. I am glad that you are here.

And Mr. Chairman, it is always good to continue these discussions.

As we look at legislation and CAFE standards and safety, consumer safety and having auto manufacturers in my district--Nissan, Saturn, some Toyota present, a lot of employees from Primus--this is something that we hear quite a bit about. I had a couple of questions about CAFE standards, but I think we are pretty much there, and with that issue, we could debate it to death. There are those that come down on all sides of that, and it is very difficult to change and then there is a lot of debate out there about whether trying to get those standards too low has a real impact on safety and injury and that is what Mr. Gonzalez was just speaking of.

And so I would like to hear your take just as we finish his discussion, even though he has left, where do you come down on having the CAFE standards set by Congress or set on sound science?

MS. NASON. Well, as you know, the Administration has requested the authority to do a reform for passenger car CAFE, and we would base it on sound science. The Congressman raised the concern that you can do a balancing of factors forever and never move forward, and I think the agency has shown that we can balance the factors and still move forward. We were very proud of the light truck reform. And so we do think that the science-based approach is best.

MRS. BLACKBURN. I encourage you all to be maybe a little more vocal. I think of the education process you just alluded to when you went to buy a car of your own.

Talking a little bit more about the sound science that is behind the decisions that you would make, I have got just one question that I want to go to with you and it, the two-fleet rule. Looking at that, in 2001 there

was the National at Academy of Sciences study that talked about eliminating the two-fleet rule and talked about a global marketplace basically having--

MR. STEARNS. I think your mic went off.

MRS. BLACKBURN. I have such an electrifying personality that I am blowing all of the fuses.

So anyway, I have got an article that had run back in May out of Tennessee, and it was talking a little bit about Nissan and the manufacturers in my district, Saturn, Nissan, and how pretty much their parts are coming from all over the world and component parts of the parts that are being made or assembled by our tool and die manufacturers are just-in-time suppliers, but you now have a global marketplace, and I thought that this article was very well titled. It is "Automakers Parts Quest Is One Without Borders." And I thought that was really very good.

So talk for just a minute about the two-fleet rule. Is it time to eliminate that, and then give me some specifics, and if you need to submit these, as to something you have, there again, solid science or evidence as to why you would eliminate that.

MS. NASON. Congresswoman, I agree with you that the NAS study made a study about eliminating the two-fleet rule that it had served its usefulness. I don't, from the Administration perspective, we looked at that and that was not part of our proposal that we had submitted. I think for the same reason that I said when I was speaking to the Chairman, we just reformed the light truck rule. It was a significant rulemaking for the agency. We did an advanced notice of proposed ruling, so we went through several opportunities for notice and comment from folks because there was such strong interest.

And we have requested the authority to reform for passenger cars based on that same rulemaking that we did with light trucks. So it's an attribute-based, science-based reform.

And I think that we would rather have the opportunity to implement, do this rulemaking, which will take some period of time to do. We have to get the product plans, and we have to study them, and we have to add the technologies and do the weighing of all the factors that we had discussed and implement that. And in the meantime, slog it out in the courts on the light truck rule, which we have had several lawsuits filed for a variety of reasons. So we have consolidated those. And then discuss some of these other issues. That is our preference to how to move forward on this.

MRS. BLACKBURN. What about cars that are made in Canada or Mexico?

MS. NASON. Again, we haven't proposed changes to it. There are lots of suggestions in NHTSA; CAFE credits is another suggestion, for example, where they thought it might be very beneficial. The Administration looked at that. We did not propose that as one of our options because we would like to reform the rule first and then move forward on some of these others proposals.

MRS. BLACKBURN. Do you think it is appropriate that cars made in Canada and Mexico can be considered part of the domestic fleet?

MS. NASON. It is just the way it is written now, so, in NAFTA so, we have made no suggestions for any changes to that. I just want to be clear.

MR. STEARNS. Mr. Markey.

MR. MARKEY. Thank you very much, Mr. Chairman.

Are you going to make any recommendation for what the CAFE standards should be 10 years from now or at some other point in the future, so that there can be a goal that is 30 miles per gallon, 33 miles per gallon? Is there any goal that the Administration is going to name that our country should reach?

MS. NASON. Congressman, as you know, I was here as the Assistant Secretary when the Secretary testified before this committee on this issue. The Administration's position hasn't changed from that hearing. We prefer the authority to reform the program rather than simply select a number.

MR. MARKEY. Well, I think the problem is that the goal, the goal the Secretary laid out here in terms of how much time he would need to study it was essentially it would end in January of 2009, just as this Administration was ending, which would be 8 years of doing nothing. And I think that I understand why the White House would choose that. But I think the consequences for our country would be very negative.

Now, yesterday, the EPA issued a report indicating that the fleetwide average fuel economy today is actually 5 percent lower than the peak fuel economy reached in 1987. You have said that you want to increase it, but what the EPA report also says is that the average fleet fuel economy is actually only about 21 miles per gallon. And Consumer Reports tests demonstrate that even that number overstates what drivers actually experience on the road. The numbers NHTSA uses to calculate fuel economy compliance credits the fleet with an almost 25 miles per gallon average. Some experts have said that for some models, NHTSA fuel economy compliance numbers overstate the real world on the road average by as much as 50 percent.

Would you support a legislative requirement to ensure that NHTSA numbers used for CAFE compliance be the same as the on-road numbers measured by EPA so there is one set of books?

MS. NASON. Well, for example, we use the Department of Energy's fuel numbers for pricing of fuels when we did the CAFE rulemaking for light trucks. So we do work closely with other agencies. I think there is one thing, and I don't disagree with the EPA, but the fleet has changed a little bit. More and more people because of consumer choice are driving larger vehicles than they were when the CAFE standard was put in place. I think that has an impact.

MR. MARKEY. Right now, NHTSA has one--NHTSA says let's just say for the sake of discussion that a Chevy Impala gets 28 miles a gallon on average. EPA would say, well, it only gets 25 miles per gallon when we actually take out the 15 percent. And then Consumer Reports says, well, actually it only gets 23 miles per gallon when you actually drive it on the road. So you can't do anything about Consumer Reports, but what would you think of a suggestion that the EPA number and the NHTSA number be the same number? Why have this phony number on a sticker or a phony number at NHTSA? One of the numbers is phony. Either the number at NHTSA is phony or the number on the dashboard is, or where you're buying the car from is phony. But they both can't be accurate. One of them is accurate, and one of them is inaccurate. Which one do you think is inaccurate, the NHTSA number or the EPA number?

MS. NASON. I think that one of the reasons the EPA is doing the reform to their tests is because they have had complaints from consumers about the number--

MR. MARKEY. What I am asking is, do you think we should just use the EPA number? How are we going to have one set of books that the whole country works off of in terms of what the average is for that car and as a result of the whole fleet? That is my--

MS. NASON. I think we would agree with you, Congressman, that we don't want consumer confusion, and so I would be happy to go back to my colleagues at EPA and talk to them about this issue.

MR. MARKEY. Well, as you know, again, manufacturers can get a CAFE credit of up to 1.2 miles per gallon for each of their fleets, foreign, domestic, car and truck, by spending \$50 to \$100 to build cars that can run on both ethanol and gasoline. But almost all of them run on gasoline.

This has the effect of further eroding the actual fleet average for fuel economy levels. Would you support a legislative requirement that ensured that CAFE credits were only given to the fraction of those flex fuel vehicles that were estimated to have used ethanol in the first place? Wouldn't that be a greater incentive to build out an ethanol infrastructure so that consumers could actually choose to use it?

MS. NASON. Again, Congressman, as we talked about it, I think this is a, it is a chicken-and-egg problem. Consumers have vehicles that they can use alternative fuels for, but they don't have access to the pumps to

put the fuel in, let's say E-85, and that is something that we certainly would want to encourage.

MR. MARKEY. So the credit system has been in place since 1988. And it is obvious that it just hasn't worked up until this point except to the extent to which it decreases the requirement for the auto industry to meet the overall fleet average to back out oil that we are importing from the Persian Gulf. So don't you think it makes more sense just for this fleet of vehicles to only get the credit for the ethanol that is consumed rather than credit for, in other words--you can have a car that actually only gets 24 miles a gallon, and you can pretend that it, because it is a flex fuel vehicle, let's say Mercedes, let's say Mercedes makes a big vehicle that only gets 23 miles a gallon, but because it is flex fuel, it says it is 41 miles per gallon, even though that vehicle never uses ethanol, but it is flex fuel. In other words, they have changed the hose, and they have changed the tanks, so now if you are spending a hundred bucks, you are getting this huge gap that is opened up even though the car never uses flex fuel. So does it make any sense in other words for this, again, fraud or deception to be perpetrated on the American people in terms of how successful our country is in moving towards better fuel economy?

MS. NASON. I think we just see it differently, Congressman. We do see it as an encouragement to use alternative fuel vehicles. And if there were more stations available, I think more folks would be taking advantage of the option to use the alternative fuel.

MR. MARKEY. Who is it an encouragement to?

MS. NASON. The manufacturers.

MR. MARKEY. The manufacturers.

MS. NASON. Right, to produce more vehicles which can use flex fuels which I believe they are doing, but we have less infrastructure--

MR. MARKEY. But the total cost to build a flex fuel car is only \$100, so if all you have to spend is a hundred bucks to change the gas tank and to put in some new hose, why wouldn't you take advantage of that if you are an auto manufacturer and you didn't want to make your whole fleet more fuel efficient? That is a very small price to pay, and that is what they have been doing even though there is no evidence in the real world that we have been seeing any, you know, so you wind up with a net reduction in the fuel economy because it is a deceptive number that the auto manufacturers are able to use. Do you dispute that, that it only costs a hundred bucks to convert a car to flex fuel?

MS. NASON. I don't know honestly, Congressman. I would have to check.

MR. MARKEY. All the experts basically are saying that. So, again, I have a--again, I just want the books. I am just afraid we have Enron accounting when it comes to this, that it is a wholly--and we are seeing

now this massive fraud of stock options out in Silicon Valley, and I am just afraid it spreads totally into this whole area of fuel economy standards, and the numbers are just totally phony and that it misleads the American people, that it is a deception on the American people. You didn't set up the system, I know that, Ms. Nason, but it is time for us to reform it so that the numbers make sense and that we have real numbers that people are using. Otherwise, it is just, Arthur Andersen might as well be doing the books for the Federal government in terms of what the consumer actually sees. And I think it is wrong, and I thank you, Mr. Chairman.

MR. STEARNS. I thank the gentleman.

Mr. Green.

MR. GREEN. Thank you, Mr. Chairman.

Welcome to our committee, Ms. Nason. Last year, your predecessor mentioned that NHTSA would review Federal motor vehicle safety standards on a 7-year cycle. Does this have a document outlining which standards will be reviewed and when? Is that something that is going to be continued? And can you give the committee that information? Do you know if those standards, if that is part of the continued commitment?

MS. NASON. Sure, Congressman, thank you.

He was referring, I believe you are referring to the rulemaking priority plan that NHTSA had put together which we will be updating again later this year. We need to look at--obviously, SAFETEA-LU had an impact on that because we have mandated rulemakings that will take priority, Congressional mandates will be priority. So that is our first agenda. But we will be looking at the rest of the rulemaking priority plan to see whether or not we need to make some changes there.

MR. GREEN. And you can share that with the committee?

MS. NASON. Absolutely. I would be happy to.

MR. GREEN. NHTSA reported that motor vehicle crashes are the leading cause of deaths among Hispanic ages 1 through 34. Can you comment on these specific proposals, and I would be interested, is it also the number one for Anglos or African-Americans in that age group, or is it just Hispanics? Are you familiar with those numbers?

MS. NASON. Well, motor vehicle crashes are the leading cause of death for Americans 4 to 34.

We have target groups where we have more at risk, the populations like teens, and Hispanic young men are a group that we have as a target population, because they are less likely to wear seatbelts, because they are more likely to speed. And we have begun an outreach campaign in Spanish. We are using, for example, during the World Cup, we used some of the players to message to particular communities in Spanish. I

did the introduction. I do not speak Spanish. I speak French. It is not very helpful in this case--

MR. GREEN. Maybe in the finals of the World Cup.

MS. NASON. Reaching out to this community because we think that, with the right messaging, we can really encourage safer driving, and in some cases, there are mothers who firmly believe that the best place for a child is in their lap when they are driving. And it is simply a question of education. One of the things that we did that we found was very helpful was to have car seats blessed. And it mattered to some of these parents that a priest from their community would bless the car seat and say, this is just as safe as you holding the child on your lap. And parents were willing to put their children in car seats. So it is a question of education to some of these groups who have come from areas where they are familiar with it.

MR. GREEN. So there are specific proposals.

MS. NASON. We are absolutely targeting.

MR. GREEN. We do car seat programs where we partner with General Motors and Chevrolet and provide car seats to--I have never had a thought about blessing them because we have a lot of people who come to get the free car seats. And because they are, when they are available, and also to update them. So that is a big issue for children. But I did not know that, technically, Hispanics males were not wearing their seatbelts. I found it more in our area it is the older population who still object to wearing seatbelts and not the younger. But I would love to see some of those, if you can share them.

MS. NASON. We have a lot of data. I would be happy to show it to you.

MR. GREEN. We need to do that in Texas. I was so happy our numbers have gone up for seatbelt usage because we have a history of not wanting to do it. But we do have seatbelts on our pickup trucks, and they need to be used.

MS. NASON. Yes, you do.

MR. GREEN. Thank you, Mr. Chairman.

MR. STEARNS. I thank the gentleman.

I think we are almost done. But I was going to ask with your indulgence a few more questions here.

And maybe following up a little bit with what Mr. Markey mentioned, the protocol that the EPA uses for testing, isn't that about 15 years old? And wouldn't it be advisable that they recommend that they update that test protocol?

MS. NASON. I am really reluctant to speak for EPA, Mr. Chairman. As I have noted, I will be happy to go back and talk to them more about this issue. I trust them to do their work and I--

MR. STEARNS. And consumer groups come up with their evaluation of the EPA, and then don't you come up with your own evaluation, too?

MS. NASON. I am sorry, our evaluation for--

MR. STEARNS. Do you just take the EPA's number, or do you adjust those off it?

MS. NASON. I think we work with them.

MR. STEARNS. You adopt those, too--

MS. NASON. Sure, just as we use the energy fuel numbers.

MR. STEARNS. Mr. Markey indicated you have your own set of numbers, which I didn't understand because as far as I knew you used the EPA--

MS. NASON. We do use the EPA, yes.

MR. STEARNS. We marked up a CAFE standard, Mr. Barton's bill, and we included a study in it dealing with the two-fleet rule. And I suspect that if we could have passed it out of the House to do away with the two-fleet rule, and obviously, this bill that we passed is sort of tied up right now, but it just shows you, a lot of people understand now with North American Free Trade, the NAFTA thing, that the two-fleet rule might be outdated. I don't know. Would you say that there is a consensus at NHTSA that the two-fleet rule still should remain in place or not?

MS. NASON. I can say at NHTSA that we would be very pleased to do the study that you have included in the Chairman's bill if that becomes law.

MR. STEARNS. I've got an article here dealing--which is I think of some interest to a lot of us--with these event data recorders. And it was talking about this gentleman in St. Paul, Minnesota. He has a gadget in his car, and his wife's car, too. And because of it, the Progressive Group insurance company is giving him 15 to 20 percent less insurance premium. And it tracks every speed and everything. The gadget is smaller than a deck of cards, records when and how fast and how far he drives. His wife, Megan, does the same with her car. If they drive it at a consistent level without incident, they can save up to 20 percent and so forth.

I guess a question is, do you think these event data recorders are advisable? Is there any national uniform standard that you have looked at to say that they should be incorporated, or is this just an isolated case that they are working off, not a standard, anything you had to do with? So I guess, how is NHTSA involved with this new tracking device that insurance companies are giving discounts for?

MS. SCHAKOWSKY. Would the gentleman yield for a second? NHTSA issued a proposed rule on event data recorders in June 2004, and it has been 2 years, and there has been no final rule issued. So I would

join the Chairman in asking what is holding up the rule, and what is the current status, et cetera?

MS. NASON. I am looking at the rule. We are looking at the comments. I think that there are true legitimate privacy concerns. On the other hand, NHTSA is an agency that relies on data. We are a data-driven science-based agency. So information like that contained in event data recorders can be very valuable to the agency. So we would be moving forward with a final rule shortly.

We have also said that the information contained in the EDR, which as I know you understand, only collects a few minutes of data before a crash. That is why it is an event data recorder. It is not a black box in the sense that it records the driver talking, the seconds before a crash, and that could be very helpful to the agency, why we would like to have the data. We always said it belongs to the owner. I don't think we have ever used it without having the permission of the owner. But we would like to use the data to do the study.

MR. STEARNS. Does that mean people can go out and manufacture these and sell them, and there is no national standard?

MS. NASON. I think they are in a large percentage of the fleet.

MR. MEDFORD. I think the reference to that article goes beyond the data recorders that manufacturers are installing, and they are after-market greater data collection activities than the EDRs that we are talking about that are installed voluntarily by manufacturers today. It appears that way to me anyway, although I am not certain. I have not seen the article.

MS. NASON. We will do a final rule.

MR. STEARNS. So I guess the question would be, when is the final report? You can't really give us a date then, but you say you will get it done, so the next question would be, what will be the results of the final report? What do you think? I mean, it doesn't seem to be rocket science here. Are you going to set up a national standard? I guess that is the question.

MS. NASON. Well, the proposal that we had put out for comments said that if you are including these in your vehicles, here is a uniform set of data points that the agency would like to see collected.

MR. STEARNS. Collected, okay. On the privacy standpoint, I guess it is people don't want their privacy, that they drive fast or that they had an accident and this might be recorded somewhere, but of course there is a police report anyway, so--

MS. NASON. Right.

MR. STEARNS. So I am not sure. But if the insurance companies start to give discounts like that, I think a lot of people would say, why not? Why not do it? So I urge you to get the report completed.

In line with that, and this is my last question, is the electronic stability control, the ESC, is that a technology like this that can be promoted through insurance company incentives, and what about its rating system?

MS. NASON. We have looked at multiple types of electronic stability control, two sensors versus four; there are numerous ways to look at it. And I would expect that we should have a proposed rule out before the end of the summer, at which point I would appreciate the opportunity to talk further with the committee about what we are proposing. It is still under review at the Administration, but my hope is that we will have that out very soon because we are very enthusiastic about that technology, as I know you are.

MR. STEARNS. Well, okay.

I think Ms. Schakowsky wants to be recognized.

MS. SCHAKOWSKY. Yes, I have a couple of things.

I know we talked about this, but I do want to talk to you a little about it on the record. SAFETEA-LU said the database for collection and tracking of the injury and fatality data on non-traffic accidents was to be set up by August of this year. And you described some of the difficulties in getting that information. But I just wanted to--did I understand that it will be set up by August? Is that your--that is what it said in the legislation, the database was to be set up.

MS. NASON. I have to go back and make sure, because I don't want to make a commitment and turn out to be wrong. I believe the answer is yes. They have worked very hard. And as you and I have talked about, there have been some challenges that our researchers have had in finding this information. But they are moving forward very aggressively, and I would rather confirm with them and get back to you if that is all right.

MS. SCHAKOWSKY. Okay, because I appreciate what you said about wanting to not ask for extensions on things and get the jobs done.

I wondered if you could update us on the agency's effort to ensure that 15-passenger vans, which prove to be particularly prone to rollover accidents and were addressed in SAFETEA-LU, are included in the NCAP rollover resistance tests.

MS. NASON. Right. We have done the purchases of the vans and are doing the testing as required. We also sent notices to the schools to remind them of the other provisions in SAFETEA-LU regarding the issues of the 15-passenger vans.

MS. SCHAKOWSKY. You sent notices to--

MS. NASON. Schools around the country, to the States, to let them know of the provisions in SAFETEA-LU about primary and preprimary children not being in 15-passenger vans. And we purchased the vans. And we are doing the tests for the rollover.

MS. SCHAKOWSKY. So that notification directly to schools went out? Great. From NHTSA? Thank you.

I don't have any other questions, Mr. Chairman.

MR. STEARNS. All right. Thank you. I appreciate your indulgence, and I appreciate Ms. Nason for coming and Mr. Medford for his support, and with that, this subcommittee is adjourned.

MS. NASON. Thank you, Mr. Chairman.

[Whereupon, at 3:30 p.m., the subcommittee was adjourned.]

