

Lawmakers Mull Overhaul Of Auto Safety Regulations

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WASHINGTON (AP) — After skewering top Toyota executives in three congressional hearings, lawmakers and federal safety officials will now decide if the auto industry needs new regulations to ensure that the company's huge safety recalls aren't repeated.

Hearings over two weeks in the Senate and House focused mostly on Toyota's foot-dragging on problems of sudden unintended acceleration and whether the Transportation Department's safety division failed to hold the company accountable for big safety problems that have been linked to 52 deaths.

But there are signs that Toyota's recall of 8.5 million vehicles will result in new rules, new spending and changes to vehicle safety laws passed after the last big safety debacle a decade ago, involving Firestone tire blowouts.

"We need to look at current law and ask if it is strong enough to prevent something like this from happening again," said Sen. Jay Rockefeller, D-W.Va., chairman of the Senate Committee on Commerce, Science and Transportation, which held a hearing Tuesday on Toyota.

Toyota President Akio Toyoda has pledged to improve the company's focus on safety and act more swiftly to address driver complaints. The automaker plans to install brakes that can override the gas pedal in future models and many vehicles already on the road. The safety measure is meant to prevent the unintended acceleration that has caused some Toyota drivers to speed out of control.

Transportation Secretary Ray LaHood told the committee Tuesday that his agency may recommend that every new vehicle sold in the United States be equipped with the brakes, something that would require a relatively inexpensive software upgrade.

The biggest changes in Congress may be to the TREAD Act, passed in 2000 to help the government spot safety defects sooner following the massive Firestone tire recall. The law responded to more than 250 deaths and hundreds of injuries in accidents involving some Firestone tires, typically used on Ford Explorers, that were prone to losing their tread and rolling over.

The new requirements prompted automakers to recall more than 30 million vehicles in 2004, an industry record, but lawmakers investigating the Toyota recalls have cited loopholes in the law and a lack of urgency by federal regulators.

Safety advocates say the National Highway Traffic Safety Administration, which

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oversees vehicle safety, is understaffed and lacks engineers who can examine potential electromagnetic interference. They also note that NHTSA has been hesitant to subpoena documents from manufacturers and that executives do not face criminal penalties if they fail to comply with recall laws.

"It was supposed to prevent more tragedies like Ford-Firestone," Clarence Ditlow, head of the consumer group Center for Auto Safety, told the House Oversight Committee last week. "It didn't."

The government is also limited to fining a car company \$16.4 million for failing to swiftly conduct a recall, a minor amount for a large corporation. Toyota, in an internal presentation last year, said it saved \$100 million or more because it negotiated a limited recall involving floor mats in 55,000 vehicles in 2007.

Rockefeller said "strong legislative action" was required after the Toyota recalls, suggesting the committee revisit the TREAD Act, mandate brake override systems on all vehicles and require senior executives to certify the information their companies provide to NHTSA.

Rockefeller said he also wanted to force car makers to provide hardware that dealers need to read electronic data recorders. The "black box" information could help investigators make their own judgments about what has been going wrong.

LaHood said he supports establishing a waiting period that prevents workers from NHTSA, which handles vehicle safety, from going directly to automakers after they leave the federal government.

NHTSA may end up with more resources. Many lawmakers wondered if the agency has enough skilled engineers who can understand the complicated electronics of modern cars and trucks. President Barack Obama recommended 66 new jobs for NHTSA in his 2011 budget.

The recalls have damaged Toyota's reputation and set the stage for large numbers of death and injury lawsuits amid a criminal investigation by federal prosecutors in New York, a probe by the Securities and Exchange Commission and more scrutiny from the Transportation Department.

There was further evidence Tuesday of how the broad recalls and safety questions have affected Toyota's business. The company's U.S. sales fell 9 percent in February while rivals General Motors and Ford posted healthy gains.

Toyota's woes, and any new laws or regulations that may emerge from them, will probably affect the broader auto industry, according to Erich Merkle, who runs the consulting company Autoconomy.com.

"For the industry as a whole, they don't know how much it is going to cost and what effort they will have to make to meet any new mandates that come out of this," he said.

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