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COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

B-202994  
CED 1-155

IN REPLY  
REFER TO:

April 24, 1981

*Do not make available to public readers*

The Honorable John D. Dingell  
Chairman, Committee on Energy and Commerce  
House of Representatives

Dear Mr. Chairman:

In response to your request, we are providing our views on three bills dealing with passive restraints in passenger automobiles: H.R. 3151 introduced by Mr. Hillis and others; H.R. 3237 introduced by Mr. Wirth; and H.R. 3184 introduced by Mr. Collins and Mr. Bliley. H.R. 3151 would apply any passive restraint standard to all cars at the same time but not before September 1, 1983. H.R. 3237 would apply any passive restraint standard to mid-size and small cars built by the five largest manufacturers on or after September 1, 1983, and to large cars 1 year later. It would not change requirements for other manufacturers. On the other hand, H.R. 3184 would repeal the passive restraint standard entirely.

On April 6, 1981, the Secretary of Transportation delayed the implementation of the first phase of the passive restraint standard by 1 year and issued a notice of proposed rulemaking to reevaluate passive restraint requirements. The Secretary is considering three alternatives which are somewhat similar to the bills being considered by the Committee. Under the first alternative, the sequence of compliance would change so small cars would be required to comply on September 1, 1982; mid-size cars on September 1, 1983; and full-size cars on September 1, 1984. The second alternative would require all cars to comply on March 1, 1983. Both alternatives would also eliminate the passive restraint requirements for the front-center seating position. The third alternative would rescind the automatic restraint requirements.

The following table sets forth the proposed changes in relation to DOT's original mandate, DOT's latest change, and DOT's proposed alternatives for the standard.

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COMPARISON OF ACTIONS AND PROPOSED  
 CHANGES REGARDING PASSIVE RESTRAINTS

	Effective Dates				
	<u>09-01-81</u>	<u>09-01-82</u>	<u>03-01-83</u>	<u>09-01-83</u>	<u>09-01-84</u>
Original standard issued 06-30-77	Full-size cars	Mid-size cars	-	Small cars	-
Latest DOT change issued 04-06-81	-	Full-size and mid-size cars	-	Small cars	-

Proposed  
 Legislation:

H.R. 3151 (Hillis)	-	-	-	All cars	-
H.R. 3237 (Wirth) 5 largest manufacturers <u>a/</u>	-	Mid-size and small cars	-	Full-size cars	-
All other manufacturers <u>b/</u>	Full-size cars	Mid-size cars	-	Small cars	-
H.R. 3134 (Collins)	-----Repeals Passive Restraint Requirement-----				

DOT proposed  
 alternatives:

Alternative 1 <u>c/</u>	-	Small cars	-	Mid-size cars	Full-size cars
Alternative 2 <u>c/</u>	-	-	All cars	-	-
Alternative 3	-----Rescinds Passive Restraint Requirement-----				

Note: Full-size cars--wheel base greater than 114 inches.  
 Mid-size cars--wheel base 100 to 114 inches.  
 Small cars--wheel base less than 100 inches.

a/The five manufacturers that produce more than 1.6 million cars per year and sell more than 200,000 cars in the United States are General Motors, Ford, Volkswagen, Nissan, and Toyota.

b/The bill as currently written would penalize these companies manufacturing large cars. As stated on the next page, this may not be the intent of the bill.

c/Alternatives 1 and 2 would also eliminate the passive restraint requirements for the front-center seating position.

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Generally speaking, these proposals are apparently directed toward providing economic relief to consumers and manufacturers because of the domestic industry's current financial and competitive problems. Because considerable audit effort would be required to fully analyze information on the economic factors, we are unable at this time to meaningfully assess the relative merits of each congressional proposal and DOT's proposed alternatives.

One of the purposes of H.R. 3237 is to require "the most dangerous cars--smaller-sized cars--to comply with the standard first." We noted that as the bill is now written, full-size cars, other than those manufactured by the five largest auto manufacturers, would still have to meet the standard first. In the last section of this bill, the passive occupant restraint standard is defined as "the Federal Motor Vehicle Safety Standard 208 (49 Code of Federal Regulations 571.208) as it read on January 1, 1981." Thus it appears that under this bill the 1-year delay on large cars granted by DOT on April 6, 1981, would not apply and manufacturers of large cars (other than the above five) would have to meet the passive occupant restraint standard first--2 years before the five largest manufacturers. This may not be the intention of the bill.

In our July 1979 report entitled "Passive Restraints For Automobile Occupants--A Closer Look" (CED-79-93), we had noted several shortcomings in DOT's estimates of benefits and costs, particularly as these pertained to air bags, when the original standard was issued in 1977. Significant changes have occurred since then. Perhaps most significant is the change in the estimated number of new cars that would be equipped with air bags--currently estimated to be 1 percent of cars sold in contrast to the initial projection of at least 60 percent. Consequently, the standard which the auto manufacturers were going to meet with air bags and/or passive belts apparently will now be met almost exclusively with passive belts.

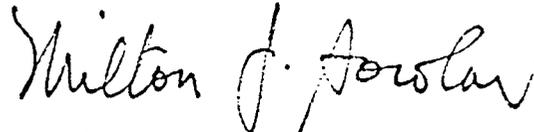
In addition, DOT's analysis indicates that most of the industry's current design intentions for passive belts allow for an easy disconnect feature. Because of this,

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DOT estimates that a substantial proportion of citizens who own cars equipped with passive belts would opt to permanently disconnect or otherwise defeat the system, thus diminishing its value as a safety feature.

Finally, the dramatic market shift over the last few years toward smaller cars, which are thought to be less safe in an accident than the traditional full-size cars, is another significant factor that needs to be considered in determining an appropriate implementation schedule.

Sincerely yours,

A handwritten signature in cursive script that reads "Milton J. Fowler". The signature is written in dark ink and is positioned above the typed name.

Acting Comptroller General  
of the United States