



August 12, 2019

Mr. Jeffrey M. Giuseppe  
Associate Administrator for Enforcement  
National Highway Traffic Safety Administration  
1200 New Jersey Avenue, SE  
Washington, D.C. 20590

RE: Request for Comment on the Renewal of A Collection of Information,  
NHTSA Docket 2016-0065, 84 Fed. Reg. 27395 (June 12, 2019)

Dear Mr. Giuseppe:

The Alliance of Automobile Manufacturers appreciates this opportunity to provide comments addressing NHTSA's proposed renewal of an information collection identified by OMB Control Number 2127-0004. This renewal addresses many aspects of NHTSA's information collections associated with the defect and noncompliance reporting requirements.

The Alliance will focus these comments on the information expected to be reported by manufacturers to NHTSA and the Independent Monitor for TK Holdings, Inc. (the "Takata Monitor") pursuant to the November 3, 2015 Coordinated Remedy Order and its various amendments, particularly the December 9, 2016 Third Amendment to the Coordinated Remedy Order ("ACRO"). The Alliance shares NHTSA's goal of maximizing the number of vehicles remedied in the Takata recalls. Because the other information collections included in OMB Control Number 2127-0004 are straightforward and well understood, the Alliance urges NHTSA and OMB to separate the Takata information collections (including the ACRO) from OMB Control Number 2127-0004. The information collections related to routine recalls could be approved promptly. The Takata information collections, however, remain insufficiently identified, resulting in an inadequate burden estimate.

The Alliance, together with the Association of Global Automakers, previously provided comments generally addressing the topic of the manufacturers' reporting of information to NHTSA and the Takata Monitor in two prior submissions dated December 1, 2017 and January 22, 2018, respectively. Copies of those comments are included with this letter.

At the outset, the Alliance appreciates NHTSA's consideration of these prior comments, and its efforts to improve its understanding the magnitude of the efforts associated with meeting the agency's (and the Monitor's) expectations under the ACRO. However, the Alliance continues to be concerned that NHTSA has neither acknowledged nor estimated burdens associated with the expectations articulated in the ACRO beyond the monthly outreach to owners of unremedied vehicles.

With respect to the monthly outreach efforts, we note that NHTSA has revised its estimate from \$0.44/VIN to about \$2.00/VIN, which was the low end of the range identified by the Alliance and Global in the January 22, 2018 comments. In the intervening 18 months, however, as the number of unremedied vehicles decreases, the agency and the Monitor have requested participating manufacturers to consider additional and different forms of outreach, including door-to-door canvassing, that cost *far more* than \$2/VIN. Door-to-door canvassing costs about \$60/VIN attempted, with only about 20-25% resulting in a recall repair completion. Mobile repair (where the manufacturer provides a service of repairing the vehicle at a location other than a dealership, such as the owner's home or another location) costs about \$80/VIN. Rental cars pending the repair, which some manufacturers offer, cost about \$35/VIN. Certified letters, which were raised at the last Takata summit, cost about \$5/VIN.

The Alliance submits that the burden associated with each of these categories of supplemental outreach should be separately estimated and compared with the evidence of effectiveness of each of these categories (information which should be available from the Takata Monitor). Averaging the estimated time for monthly outreach without accounting for the actual requests being made by NHTSA and the Monitor is masking the true costs of these efforts. Additionally, averaging is not an accurate means to account for the burdens in this case because, as the number of completions continues to rise, the remaining populations are harder to reach and the cost-effectiveness of each initiative changes.

The Alliance reiterates its position that the other reporting obligations and expectations of NHTSA and the Monitor that go beyond the monthly outreach require OMB approval under the Paperwork Reduction Act. The previous comments filed by the Alliance and Global identified those tasks and provided burden estimates associated with them. NHTSA has recently requested an additional set of reports from the manufacturers who have settled in the Takata multi-district litigation to be included in the quarterly supplements to the recall engagement plan beginning with the third quarter of 2019. These additional reports now seek very detailed information related to metrics from the outreach campaigns being conducted under the class action settlements, with no estimate of the burden of obtaining this information or justification for the practical utility of the request, both of which are required before OMB can decide whether to approve the request. There is also no explanation as to why this information was apparently only sought from those companies involved in class action settlements when many of the same activities are being undertaken by other companies.

The chart below includes an updated tally and description of the various submissions and other activities expressly or impliedly required under the ACRO.

	<b>Description</b>	<b>Frequency</b>	<b>Burden</b>
1.	Submitting to NHTSA and the Monitor a Recall Engagement Plan and providing Quarterly Supplements (ACRO ¶¶ 36 and 37). These are substantive, data-supported documents that chronicle, <i>inter alia</i> , a manufacturer’s current and prospective recall efforts, the efficacy of each of those efforts, its efforts to implement the Takata Monitor’s recall-related recommendations. Effective with the quarterly report for the third Quarter of 2019, NHTSA has now added a request that manufacturers include campaign metrics associated with the class action settlements (from those manufacturers who have reached a settlement in the Takata multidistrict litigation.	Quarterly beginning the First Quarter of 2017 (March 2017)	Estimates vary. Some companies spend about 50 hours per quarter, with some other companies spending well over 100 hours per quarter. The newly requested information about the multidistrict litigation settlement metrics will not add significant hours, but the practical utility of that information to NHTSA is not obvious.
2.	Submitting to NHTSA and the Monitor a Supply Certification for each of the 12 Priority Groups in the recall confirming details about remedy part availability (ACRO ¶ 38).	Once for each Priority Group	About 10 hours/report per manufacturer
3.	Submitting to NHTSA and the Monitor periodic recall completion update reports (ACRO ¶ 44). Manufacturers submit periodic data “dashboards” containing extensive information about recall completion, parts, outreach, and dealership information.	Every four weeks; some provide limited updates on a weekly basis	About 15 hours/week per Manufacturer. Some companies have been able to reduce this amount though the use of automation.
4.	Notifying NHTSA of a manufacturer’s intent to remove certain VINs from the population of VINs subject to the recall (for example, because they meet NHTSA’s criteria for being considered no longer in service, or if an inflator has been retrieved from the salvage network), and conduct quarterly retroactive monitoring of dealer service records to determine if a removed VIN is later serviced by a dealer for any	Quarterly	About 60 hours/year per manufacturer

	<b>Description</b>	<b>Frequency</b>	<b>Burden</b>
	reason (ACRO ¶ 48 and Supplemental Guidance issued by NHTSA).		
5.	Reporting to NHTSA within five business days of receiving notice of an incident in which an air bag inflator ruptured or is alleged to have ruptured.	Upon receipt of notification of actual or alleged rupture incident	About 8 hours/report
6.	Attending periodic telephonic and/or in-person conferences with NHTSA and/or Takata Monitor regarding concerning recall activities.	Differs per manufacturer; monthly or bi-monthly	Written materials presented for in-person meetings 30 hours
7.	Attending and participating in two-day Summit conferences hosted by Takata Monitor. The Summits feature extensive content presented by manufacturers on a variety of Takata recall-related topics. There have been eight Summits since March 2017; a ninth Summit is scheduled for September 2019.	3 to 4 Summits per year	Presentation preparation time varies widely.
8.	Participating in Working Groups developed by the Takata Monitor. These Working Groups address various topics related to the Takata recall, including strategies affecting unique populations (tribal nations, military personnel, U.S. territories) and efforts to engage state DMVs, engagement with the insurance industry, repairing vehicles in transition, and other topics.	Some working group meetings are held quarterly, some more frequently	Varies widely among manufacturers
9.	Supporting Takata Monitor communications and other recall-related activities. This includes work in support of various initiatives promoted by the Takata Monitor, including its grassroots community engagement project, as well as its more recent press release campaign	Monthly activity includes press release to two different states.	Varies widely among manufacturers
10.	Providing drafts of all supplemental communications to Takata Monitor and NHTSA and incorporate resulting commentary	Irregular based on development of communications materials	Varies widely among manufacturers, but includes multi-OEM canvassing activities that are very labor intensive.
11.	Issuing supplemental outreach communications that “adhere to” a set of Coordinated Communications Recommendations promulgated by the Takata Monitor. These Recommendations include, <i>inter alia</i> , suggestions that manufacturers conduct outreach with	Monthly	Varies widely among manufacturers

	Description	Frequency	Burden
	specific messaging, over multiple communications channels, and such that owners of unrepaired VINs receive a minimum of one outreach attend per month. In some cases, outreach has exceeded 50 attempts per VIN without success in completing the recall.		

We submit that NHTSA should provide OMB with its best estimates of the burdens associated with each of these outbound and inbound reporting tasks, and also provide OMB with the information justifying the practical utility of each of these, as required by OMB’s regulations. This information is needed, not only by OMB, but also to provide transparency into why the agency (and the Monitor) are requesting these actions. In addition, NHTSA’s estimates should be consistent with the Data Quality Act (Pub.L. 106-554) to ensure the quality, objectivity, utility and integrity of the information obtained through the ACRO process.

The previous Alliance and Global comments raised other issues, including whether the agency’s PRA justification adequately accounted for surveys being undertaken by NHTSA and the Monitor and whether the agency was correct to discount the costs of supplemental outreach by the estimated costs that will be incurred by some manufacturers who have settled their various multidistrict litigation (MDL) class actions. Although the agency has acknowledged these comments and stated that they had considered them, there is no discussion of either of these issues in the notice. The Alliance believes that both of these issues need to be resolved before OMB can approve the renewal request. Specifically, NHTSA should have to identify and justify all surveys related to the Takata recalls that it is undertaking directly, or through the Takata monitor, and provide an opportunity to comment on the statistical methodology. And, NHTSA should have to account for the full costs of the supplemental outreach without discounting for costs associated with the MDL settlements. As noted in our previous comments, the ACRO expectations predated any of the MDL settlements, and thus form the baseline for NHTSA’s renewal request. These costs were considered when the multidistrict litigation settlement was executed, intentionally so the programs could be designed to be consistent with the ACRO. The settling companies would have set aside more than \$1Billion to comply with ACRO, even if there had been no MDL settlement. It is unfair to penalize the MDL settling companies in terms of not accounting for their dollars to comply with the ACRO because they decided to direct their funds to fulfill *both* the ACRO and the Safety Act. The ACRO specifications should have to be accounted for, and justified, in their entirety.

We appreciate this opportunity to provide our updated commentary and are of course happy to address any questions that may arise or provide you with additional information.

Sincerely,

A handwritten signature in black ink that reads "Jessica Simmons". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Jessica Simmons  
Assistant General Counsel  
Alliance of Automobile Manufacturers



