

September 29, 2022

Schedule of Fees – A Proposed Rule  
Docket No. NHTSA-2022-0081

COMMENTS

The following comments are submitted by NAVTA.  
To learn more about NAVTA, please visit [NAVTA.org](https://www.navta.org)

Some members have expressed their surprise that the comment period for such a significant change in NHTSA's fee structure was only two weeks.

NHTSA's tasks regarding the Registered Importer (hereinafter called "RI") program can be divided into the following:

**Administrative:**

- Maintaining the RI database, including the annual renewal;
- Reviewing applications to become new RI's;
- Reviewing RI change in facilities

**Submission Review:**

- Receiving Compliance Submissions;
- Analyzing Submissions
- Processing Bond Release letters
- Processing "Additional Information" letters (rejections);
- Review of subsequent submissions
- Referrals to enforcement
- Petition for Eligibility

**Enforcement:**

- Inspection of facilities;
- Enforcement Actions

NAVTA objects to NHTSA's proposed FY 2023 dramatic fee increases for annual RI Program maintenance, renewal fee, and rejection fees. NAVTA believes that these increases do constitute a "significant regulatory action" and require a review by OMB.

There is no objection to the increase in fees for New Applications.

NHTSA proposes to increase the annual "renewal fee" from \$215 to \$488. In addition to normal salary increases, NHTSA has proposed to also include billing for staff to verify ... "the continuing validity of

information already submitted.” There is no basis for this additional verification. The requirement of the “Yearly Statement of Registered Importer” is fully described in the regulations. The registered importer provides confirmation of the previously submitted information regarding the RI’s corporate structure and principals. The RI also certifies that:

1. They have read and understood and will comply with 49 CFR 592.6;
2. Certifies that the information contained in the renewal form is correct;
3. Understands the continuing recall obligations if the RI is suspended, revoked or lapses;
4. That no owner or employee has been convicted of a crime related to motor vehicles.

Should this attestation prove to be inaccurate, then this RI has violated the Duties of an RI as detailed in 49 CRF 592.6 and the matter should be referred to Enforcement. Other than verification of the corporation’s status with State requirements, what additional verifications concerning the continuing validity of the submitted information does NHTSA propose to conduct?

## **NHTSA OVERHEAD COSTS:**

NHTSA proposes to increase the “Maintenance Costs” for the program from \$511 to \$3,131.

NHTSA includes the cost of ...” processing and reviewing changes to an RI’s registration.” NAVTA believes that it is unfair to include this charge to all Registered Importers regardless of whether they have made any changes to their registration. NAVTA suggests that NHTSA set a fee for making registration changes.

NHTSA’s proposal regarding the costs of any inspections performed by NHTSA of an RI facility is confusing. In one section of this NPRM, NHTSA seemed to be including costs of inspection as part of the maintenance fees. In a later section, NHTSA “reaffirmed” that it proposed to include the cost of facility and recordkeeping inspections as part of the maintenance fees, but then also proposed “...that inspection costs be collected in the same fashion as inspection costs incurred in the initial application process”. Therefore, an existing RI that has been inspected would be billed at the conclusion of the inspection. NHTSA has historically conducted “inspection tours,” where they inspect multiple RI’s during the same trip. Under the proposal, NHTSA has no incentive to take advantage of that economy. NAVTA proposes that NHTSA be required to consider conducting multiple inspections in a region, in order to defray expenses over multiple RI’s.

NAVTA also requests clarification as to what costs associated with inspections will be part of the maintenance fees and what part will be incurred by the inspected RI’s.

NHTSA also includes the costs associated with the suspension and/or revocation of five RI’s in CY 2021. NAVTA considers this unfair. One hundred twenty-one RI’s are paying for the costs incurred by five non-compliant RI’s. NAVTA proposes that such costs be billed to those RI’s that generated the

expenses to NHTSA. NAVTA considers it reasonable to attribute some of the costs of enforcement to the entire community (RI's found to be complying following the process, and unrecovered expenses assessed to a suspended or revoked RI).

## **REJECTION FEES:**

NHTSA has significantly increased the numbers of incomplete or incorrect conformity package notifications, which have resulted in significant additional billing to individual RI's. NAVTA reaffirms its position that automotive safety is the priority and supports NHTSA's efforts to ensure safety conformity.

NAVTA requests that NHTSA provide some description of what budget these very significant additional fees are allocated. Are the additional funds incorporated into the agency's overhead or enforcement, or are they sent to the US Treasury?

This fee is also assessed for other categories which are not "incomplete or incorrect." Submissions for vehicles which have been placed on some "enforcement hold" are invoiced for an additional \$57. Vehicles which are subject to a safety recall which was announced following the submission of the conformity package to NHTSA also are "rejected" and invoiced for an additional \$57. In both of these categories the compliance submission was correct and complete and thus should not be considered as an error. Whether a compliance submission should be regarded as incomplete when there has been a post-submission recall is a question for a different forum.

## **IMPROVED TECHNOLOGY:**

NHTSA has requested comments regarding future improvements to their system.

NAVTA supports the efforts of NHTSA to improve their existing system for receiving, reviewing and reacting to compliance submissions.

NAVTA suggests that the RI community be engaged with efforts to improve the system. NAVTA is aware of other systems currently in use by other vehicle related industries which should be at least considered prior to NHTSA creating their own unique system. The goal of the RI program is to ensure safety conformity as efficiently and quickly as possible. In a 2004 NPRM NHTSA anticipated that with electronic filings the review process would be reduced to as little as five days. NAVTA believes that most RI's would happily pay additional user fees if the review time was significantly reduced.