

President Nixon Impounds Safety Funds

The Nixon Administration has impounded \$13 million in motor vehicle and highway safety funds. Of the impounded funds, \$9 million had been earmarked for construction of a compliance test facility for the National Highway Traffic Safety Administration – a facility that NHTSA has termed a “high priority need.”

NHTSA Budget Director William J. Heneghan, Jr., told *Status Report* that the decision to withhold the \$13 million marks the “first time that OMB (the President’s Office of Management and Budget) has taken specific action to impound highway safety funds.” In addition to the compliance test facility money, \$4 million of traffic and highway safety funds was impounded. An NHTSA official told *Status Report* that the \$4 million cut will be “split approximately 50/50” between motor vehicle and highway safety programs.

In a report to the Congress, OMB said that the construction of the compliance test facility had been “deferred pending evaluation of the alternatives of lease versus direct construction.” Planning for a test center was first mandated by the Congress in 1966. In 1972, the Congress appropriated \$9 million to finance construction of the facility. It was to be completed during fiscal 1974.

OMB said that the impounding of the additional \$4 million in traffic and highway safety funds was done under the President’s power to withhold funds in order to “provide for contingencies.”

Inside

- Administration Gives Lukewarm Support to Recall Bill ... Page 3
- NSC Urges Liquor Labelling, Beverage Industry Balks ... Page 4
- NTSB: Apply Aviation Know-How To Truck Brakes ... Page 5
- Anatomy of A Recall Campaign ... Page 6

The impoundment came to light in the Administration’s recent budget submission to the Congress. In the budget, the President requested \$182 million for fiscal year 1974 (beginning July 1, 1973), to finance programs under the 1966 Motor Vehicle and Highway Safety Acts and the 1972 Motor Vehicle Information and Cost Savings Act. The Administration’s request for fiscal 1974 programs under the two 1966 Acts is \$43 million less than was requested last year to fund those programs.

The President’s request includes \$35 million for motor vehicle safety programs, \$15 million to implement the Motor Vehicle Information and Cost Savings Act of 1972 and \$132 million to finance highway safety

programs. The total request is \$10 million greater than the level appropriated by the Congress for the current fiscal year.

In highlighting the direction of federal highway safety programs, the President's report on the fiscal 1974 budget said that federal efforts "will be directed toward high payoff alcohol countermeasures and selective traffic enforcement programs." The report made no mention of the future of motor vehicle safety programs.

According to the President's budget report, the Department of Transportation will propose legislation authorizing full Highway Trust Fund financing of DOT activities carried out under the Highway Safety Act of 1966. Currently, two-thirds of the federal money for highway safety program grants (Sec. 402) and highway safety research and development (Sec. 403) comes from the Highway Trust Fund and one-third from the general treasury.

In millions, the fiscal 1974 budget request compares with the fiscal 1973 budget request and with congressionally approved levels for fiscal 1973 as follows:

COMPARATIVE BUDGET FIGURES

	FY 1973 Budget Request	FY 1973 Appropriations	FY 1974 Budget Request
Traffic and Motor Vehicle Safety Act of 1966	\$ 37.3	\$ 32.9	\$ 35.0
Motor Vehicle Information and Cost Savings Act of 1972	0.0	0.0	15.0
Highway Safety Act of 1966			
Highway Safety Research and Development (Sec. 403)	47.9	44.1	41.8
State and Community Safety Program Grants (Sec. 402):			
NHTSA (15 Standards)	111.7*	82.0	77.0
FHWA (3 Standards)	13.3	12.9	13.2
	<u>\$210.2</u>	<u>\$171.9</u>	<u>\$182.0</u>

* Includes a supplemental request for \$35 million.

Mandatory Recall Bill Gets Administration Backing

The Nixon Administration has given lukewarm endorsement to legislation forcing manufacturers to recall vehicles with safety-related defects and repair them at no charge to the consumer. Last year, the Administration had indicated to Congress that it did not want such authority.

The recently introduced mandatory recall bill (S. 355) is sponsored by the Chairman of the Senate Commerce Committee, Sen. Warren Magnuson (D-Wash.), and Senators Walter Mondale (D-Minn.) and Gaylord Nelson (D-Wisc.).

Although NHTSA administrator Douglas Toms testified in support of the bill, he told the Senate Commerce Committee that it was not "absolutely vital to the accomplishment of our safety mission" since manufacturers have repaired at no charge "about 90 per cent" of the vehicles recalled since passage of the 1966 vehicle safety act.

Last year, a similar mandatory recall bill was introduced, but not acted upon by the Congress. While Toms had voiced his personal support for that bill, the Department of Commerce asked the President to oppose it. Subsequently, the Department of Transportation decided not to ask the Congress for mandatory recall authority. (See *Status Report*, Vol. 7, No. 7, April 10, 1972.)

The current Senate legislation would amend the National Traffic and Motor Vehicle Safety Act of 1966 to give NHTSA the authority to require manufacturers to recall and repair defective vehicles at no charge to the consumer. Although the bill applies to all vehicles and original items of motor vehicle equipment it does not cover "after market" equipment, such as child seating systems. Under the present provisions of the 1966 Act, NHTSA can only require manufacturers to notify owners that safety-related defects exist in their vehicles; it can not force manufacturers to recall the affected vehicles.

For the most part, manufacturers have voluntarily recalled and corrected defects at no cost to the consumer. Recently General Motors and Volkswagen have refused to repair safety-related defects at no charge. The GM recall involved 760,000 Corvairs of the 1961-1969 model years with defective heaters, and the Volkswagen recall covered 3.5 million VW's of the 1949-1969 model years with defective windshield wipers. Sen. Magnuson cited the manufacturers' refusal to pay for repairs in those two recalls as one reason for introducing the current mandatory recall legislation. (See *Status Report*, Vol. 7, No. 22, Nov. 17, 1972.)

The Senate bill would require tire manufacturers to replace defective tires at no charge only within 60 days from the owner's receipt of a defect notification letter or within 60 days of the availability of replacement tires. Other manufacturers covered by the bill will have to repair their defective products regardless of when the owner brings in the item for repair.

The Senate legislation would also give NHTSA authority to determine that a defect arising from a failure to comply with a federal safety standard is of "such inconsequential nature" that the "public interest would not be served" by requiring a manufacturer to repair the vehicle at no charge.

During the Senate Commerce Committee hearings, Toms suggested that manufacturers should not have to repair at no charge vehicles that are "more than six years old at the time of the notification" unless there is a "high probability of accident or injury" if the defect is not corrected. Washington attorney Ralph Nader urged that the recall legislation be made retroactive to provide free repairs to the "millions of consumers" currently "stuck with defective vehicles." Nader also proposed that NHTSA be given authority

(Cont'd on page 4)

(Cont'd from page 3)

to require a variety of recall methods, such as "compulsory buy-back or replacement" by manufacturers of defective vehicles in cases where "no permanent repair is feasible." NHTSA should also be given "seizure authority" allowing it to remove vehicles with serious defects from the highway, Nader said.

Testifying in support of the bill, John S. Hinckley, President Elect of the National Automobile Dealers Association said that several problems "directly attributable to the manufacturers" serve to "handicap" dealers in repairing defects. He said that "too frequently" owners have to drive vehicles with known defects "for weeks" before dealers are provided with the necessary parts to repair the defect.

Although no automobile manufacturers testified before the Senate Commerce Committee on the proposed legislation, two have submitted written statements to date. While General Motors stated that it did not "object to the basic intent of the bill", American Motors wrote the committee that it questioned "the necessity of the legislation" since it has followed a policy of "no cost repairs" of defects "for many years." Both manufacturers urged that the bill require NHTSA to conduct a more formal hearing than is presently provided when manufacturers and NHTSA disagree about whether a vehicle has a safety-related defect.

Also during the Senate hearings, the Insurance Institute for Highway Safety presented the results of its domestic series of low speed crash test of 1973 cars. (See *Status Report*, Vol. 8, No. 3, Jan. 31, 1973.)

Safety Council Pushes For Warnings On Liquor Labels

The National Safety Council has urged the liquor industry to place on each bottle and can of alcoholic beverage "a cautionary label" warning that "excessive drinking can impair driving ability." The suggestion is receiving a cool reception from the alcoholic beverage industry.

Council President Howard Pyle said that the labels would serve as a "practical and immediate method" of warning "the responsible public . . . of the potential hazards of drinking and driving." Henry King, president of the U.S. Brewers Association, and Thomas J. Donovan, president of the Licensed Beverage Industries, Inc., each told *Status Report* that the proposed warning is a "simplistic" approach to a complicated problem.

A spokesman for the NSC told *Status Report* that the suggestion was not "intended to provide an answer." He said that labelling is seen by NSC as a way to conduct an "alcohol education program at the point of purchase." He pointed to the Licensed Beverage Industries' "extensive paid advertising campaign" and suggested that "putting their own ad around the bottle would be as good a thing as they could do . . . if they're really sincere about it." (LBI has sponsored a series of paid advertisements under the theme, "If You Choose to Drink, Drink Responsibly." The ads have appeared in *The New York Times*, *Editor & Publisher*, *U.S. News & World Report*, *Newsweek* and *Time*.)

In calling for the labelling, Pyle noted that "over-the-counter drugs are required to carry labels advising proper use and noting possible adverse side effects. Because the manufacturers of these drugs are required by law to caution the consumer against abuse of the product, then perhaps the alcoholic beverage industry could perform the same public service voluntarily for the responsible, well-meaning consumers of its products."

The NSC spokesman said that his organization is "not asking for a law" to require cautionary labels on liquor, but added that the alcoholic beverage industry "should see the writing on the wall Even nasal sprays carry warnings against excessive use."

LBI's Donovan told *Status Report* that Pyle had first proposed such labelling in a letter two years ago. In a press statement, Donovan said that "the Federal Trade Commission has already given consideration to the question of a warning label on beverage alcohol at the same time that labelling of cigarettes was under consideration, and had written in its July 1964 report: The comparison of cigarettes and alcoholic beverages is also inexact. Alcoholism, along with its derivative physical ailments, is a very serious social problem, but it is a problem, again, of excess. Alcohol in moderation is not generally considered deleterious to the health of the user."

Donovan told *Status Report* that proposals such as the safety council's are "part of the mosaic" being used in a "well financed and well integrated effort to further the concept that alcohol is evil and should not be used." Although he said the NSC "has good intentions," such a label "would do harm to us as an industry with the microscopic chance that sometime, somewhere, it will be helpful — We don't subscribe to that," he said.

NTSB: Apply Aviation Know-How To Truck Brakes

Stopping a heavy tractor-trailer is like stopping a Boeing 747 jumbo-jet plane, the National Transportation Safety Board has pointed out. The agency suggests that existing aviation technology might be used to reduce the "dangerous incompatibility" in stopping distances between trucks and the cars with which they share the roads.

"As long as this traffic intermix continues, the longer stopping distances required by trucks pose a serious threat to passenger cars and their occupants," a recent report says. "Therefore the Safety Board believes that a Federal effort to raise truck braking to the performance levels of passenger cars is justified."

The study found approximately 40 occupants of passenger cars are killed for every occupant of a truck who loses his life in interstate truck collisions with passenger cars. The Board called specific attention to its previous reports of trucks overriding passenger cars.

"Improved truck braking would reduce the number of such serious accidents — and the toll taken in lives and injuries," the current report said.

Dr. William Haddon, Jr., president of the Insurance Institute for Highway Safety, pointed out in a paper presented to the Society of Automotive Engineers in 1971 that, "There is *no* present adequate federal standard for truck braking rates. . . . Actual braking performance of heavy trucks is commonly two to three times worse than that of passenger cars. In many emergencies, regardless of the skill of their drivers, this guarantees intervehicular collisions, with property damage, injury, and/ or death the result."

"Stopping a B-747 is in many respects similar to stopping a commercial motor vehicle," the National Transportation Safety Board said. "Both often are subjected to varying tire-to-pavement frictional coefficients in a single brake application. The human factor (man/machine relationship) is similar insofar as the operator is many feet from the braked wheels. Additionally, the directional control is such that, if an accident occurs, either because of poor judgment or a systems failure, it is extremely difficult for the operator to take successful corrective action."

Specifically, the Board found each wheel brake on the jumbo-jet develops more than 10,000 foot-pounds of torque. The federal requirement — not scheduled to become effective until September, 1974 — ranges from only 4,000 to slightly more than 6,000 foot-pounds of torque for each wheel of a tractor trailer.

(Cont'd on page 6)

(Cont'd from page 5)

The capability of the B-747 brake is approximately 40 to 60 per cent greater than the truck brake requirement without being much larger, the study found.

"It can be argued that a B-747 only makes 4 or 5 stops a day versus the unlimited number of stops made daily by a commercial motor vehicle," the report said. "The Board recognizes this and suggests that a supplemental energy-absorption system be used as necessary to complement the vastly improved torque capability of a hydraulically-operated disc-type, anti-skid controlled brake."

"Improved commercial-vehicle braking . . . requires the development of other available technology, the adaptation of proven systems, and boldly innovative concepts such as those which have characterized the enormous strides of commercial aircraft in the past two decades," the Board said. "Many of the braking system performance criteria . . . have been incorporated into the braking systems of commercial jet aircraft."

The Board recommended that the National Highway Traffic Safety Administration and the Bureau of Motor Carrier Safety of the Federal Highway Administration should cooperatively initiate a research and development program, make federal funds available for an "experimental safety vehicle - truck brake," and form a technical advisory committee that could draw on the expertise of aerospace industry brake suppliers.

Anatomy Of A Recall Campaign

On Nov. 27, 1971, Mrs. R. H. Bowling and her three children left their Jackson, Miss., home to go shopping. While making a left turn at an intersection the steering on her 1971 Chevrolet Kingswood Estate Wagon "became frozen." The next day her husband experienced similar steering difficulty with the car.

Two weeks later Eddie Morgan and his 13 year old son were returning from a hunting trip near Jackson in his 1971 Chevrolet Impala. As they rounded a curve the steering "locked up" and the car "proceeded into the ditch although I was doing everything possible to avoid this accident," Morgan said later in his account of the crash.

These two incidents triggered a chain of events that eventually resulted in a General Motors recall of more than 3.7 million automobiles for correction of a design defect that allowed rocks and other debris to become trapped close enough to the steering mechanism to jam it. It is the third largest recall in automotive history.

R. H. Bowling is a vice president of Southern Farm Bureau Casualty Insurance Co. and Eddie Morgan is employed by the same company. After hearing of Morgan's crash, Bowling informed the National Association of Independent Insurers (NAII) of this "extremely dangerous situation." In his letter, Bowling described the problem as "gravel and/or other road debris lodging between the structural member and the drag link of the steering gear." He urged the association to take action on the problem.

Both of the cars had been inspected by mechanics who found rocks and gravel lodged around the steering system. One mechanic said the steering design is "an extreme hazard to the safety of the occupants

(of the car) and the general public unless it is operated on a concrete paved road that has been thoroughly cleaned and cleared of all loose rocks, asphalt, glass, dirt, sticks and all other debris which is commonly found on the highways and local public roads.”

Shortly after receiving the accounts of the steering malfunctions, James C. Murphy, assistant secretary of NAIH, brought the problem to the attention of the Insurance Institute for Highway Safety.

On Jan. 5, 1972, IIHS sent reports of Bowling's and Morgan's experiences to the National Highway Traffic Safety Administration. Concurrently, the Institute contracted with an independent testing organization to evaluate the steering systems on 1971 Chevrolets.

In March, 1972, *Status Report* noted that the testing firm had found that the obstruction occurred between the steering coupling and frame rather than between the drag link and frame as had been suspected initially. They concluded that “gravel can lodge in the gap between the steering coupling and frame and obstruct the steering to an extent which seriously impairs the driver's ability to control the vehicle, even with fully operable power steering.” The report was given to NHTSA.

The safety administration meanwhile had determined that the steering system design of 1971 Chevrolets was identical to that used on all 1971 and 1972 model full-sized Pontiacs, Buicks, Oldsmobiles and 1972 Chevrolets. The agency also had asked GM for information related to the defect. According to an agency official, NHTSA then interviewed people who had reported cases of “wheel lock-up” to the auto maker. According to the official, GM acknowledged that a problem existed but at that time declined to admit that it was a safety related defect.

On July 17, 1972, the Center for Auto Safety demanded that GM recall “all 1971 and 1972 full-sized GM cars in the Chevrolet, Buick, Oldsmobile and Pontiac lines” to correct the steering lock-up defect. In a letter to GM President Edward N. Cole, the Center claimed that the auto maker had “been aware of this problem . . . for several months.” Center Director Lowell Dodge, and staff member Bernard P. O'Meara, said that in May, 1972, GM described the defect in a bulletin to its dealers and gave instructions on how to install a “power steering shaft coupling shield” to correct the problem. However, on July 18, 1972, when asked about reports of steering lock-up on GM cars, Cole reportedly responded that a remedy for the defect was still “under discussion” and added that, “It's not a serious problem.”

One month later the safety administration issued a consumer protection bulletin that warned “owners of 1971 and 1972 General Motors automobiles that some models have been subject to steering lock-up.” The bulletin advised owners that GM dealers could install “an inexpensive ‘gravel shield’” and suggested “frequent vehicle inspection in order to keep lower frame members free of impacting stones and gravel.” At that time, the administration stopped short of requiring that GM notify owners of the defect. However, according to an agency official, defect investigators continued a series of “field tests” to “further document the severity of the problem.”

On Jan. 22, 1973, after being confronted with NHTSA's most recent findings, GM announced that it would ask owners of 3.7 million 1971 and 1972 Chevrolet, Buick, Oldsmobile and Pontiac models to “return them to their dealers for installation of a shield over the steering coupling.” GM said, “The shield will prevent the possibility of flying stones lodging between the coupling and the frame of the car.”

(Contents may be republished, whole or in part, with attribution.)

the highway
loss reduction

STATUS REPORT

Ralph W. Hoar, Jr., Editor

INSURANCE INSTITUTE for HIGHWAY SAFETY
WATERGATE SIX HUNDRED • WASHINGTON, D.C. 20037
(AREA CODE 202-333-0770)

IIHS MASTER FILE COPY