

GROW AMERICA ACT INTRODUCED WITH 24 CO-SPONSORS - TIRE REGISTRATION LANGUAGE INCLUDED

Last week, Congressman Peter DeFazio (D-OR-4), the chamber's top Democrat on the transportation policy panel, introduced President Obama's transportation plan (Grow America Act- H.R. 2410) with 23 other House Democrats not from Missouri. Legislation on the same day passed the House approving a two-month funding patch for highway programs.

TIA is concerned with the Grow America Act because located in Section 4112 is a provision titled "Tire Registration by Independent Sellers" which attempts to amend subsection (b) of section 30117 of title 49, United States Code. The proposed revision of paragraph (3) is as follows:

(3) The Secretary may initiate a rulemaking to consider requiring a distributor or dealer of tires that is not owned or controlled by a manufacturer of tires to maintain records of the name and address of tire purchasers and lessors and information identifying the tire that was purchased or leased, and any additional records the Secretary deems appropriate. Such rulemaking may also consider requiring a distributor or dealer of tires that is not owned or controlled by a manufacturer of tires to electronically transmit such records to the manufacturer of the tire by secure means at no cost to tire purchasers or lessors.

If passed, the amendment would give the Department of Transportation (DOT) and the National Highway Traffic Safety Administration (NHTSA) the authority to make changes to 49 CFR Part 574. According to the language in Section 4112 of the "Grow America Act", it's reasonable to assume that NHTSA would require the distributor or dealer to maintain the records and electronically transmit the information to the manufacturer at no cost to the customer. Based on those assumptions, TIA believes that NHTSA intends to reinstate some form of a mandatory tire registration system.

The "Grow America Act" has hundreds of amendments included in the 361 page proposal, including Section 4112 on tire registration which is buried on page 189. There is no way that TIA or any other organization can predict which ones will be included as part of the final markup if it even makes it that far. Therefore, we ask our membership to take part in our grassroots efforts to inform members on the House Energy and Commerce Committee to remove Section 4112 from the "Grow America Act."

The time is now to get involved and fight against this burdensome proposal. If passed, a dealer could be fined up to \$700,000 per location for not registering tires.

TIA's lobbying and educational efforts on Capitol Hill are having a positive impact, but we must launch a national grassroots effort in the event that GROW AMERICA or any other proposed regulatory solutions surface. TIA is also calling for tire dealers in every state to educate themselves so they understand the ramifications of a mandatory tire registration system. Elected officials in the House of Representatives and Senate are approached by lobbyists and special interest groups on a daily basis, but the most powerful voices on Capitol Hill always belong to the voters who put them there.

We urge you to call, write, and reach out to members on the Committees to voice your concerns with Section 4112 in the "Grow America Act" (H.R. 2410). Specifically, ask that the tire registration language be dropped!

We need your help with outreach, phone calls, and letters in a grassroots campaign to inform the Committee members how important this issue is to residents in their district. ([Attached](#) is a sample letter you can use)

Below is the full roster for the House Energy and Commerce Committee and the Senate Environment and Public Works Committee broken down by state. To contact a member of Congress by phone please call the switch board operator: [202-224-3121](tel:202-224-3121) and ask for the office of your Representative.

If you make contact with anyone, please let Government Affairs Manager Roy Littlefield IV (rlittlefield2@tireindustry.org) know so we can better account for what contacts have been made and the feedback we have received. We need to do all we can do build support among Committee members.

Please join us in these efforts and contact our Representative on the House Energy and Commerce Committee, Congressman Billy Long (MO) (R).

Sample Tire Registration Letter

Dear _____,

(Be sure to include your business, title, job description, and any personal stories, ties, or concerns you may have)

I am writing you to express my opposition to the tire registration language in the "Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America Act" or "GROW AMERICA Act" (H.R. 2410). Section 4112 is titled "Tire Registration by Independent Sellers" and attempts to amend subsection (b) of section 30117 of title 49, United States Code. The proposed revision of paragraph (3) is as follows:

(3) The Secretary may initiate a rulemaking to consider requiring a distributor or dealer of tires that is not owned or controlled by a manufacturer of tires to maintain records of the name and address of tire purchasers and lessors and information identifying the tire that was purchased or leased, and any additional records the Secretary deems appropriate. Such rulemaking may also consider requiring a distributor or dealer of tires that is not owned or controlled by a manufacturer of tires to electronically transmit such records to the manufacturer of the tire by secure means at no cost to tire purchasers or lessors.

If passed, the amendment would give the Department of Transportation (DOT) and the National Highway Traffic Safety Administration (NHTSA) the unlimited authority to make changes to 49 CFR Part 574. According to the language in Section 4112 of the GROW AMERICA Act, it's reasonable to assume

that NHTSA could require the distributor or dealer to maintain the records and/or electronically transmit that information to the manufacturer at no cost to the customer. Based on those assumptions, it appears that NHTSA intends to reinstate some form of a mandatory tire registration system.

For the past 30+ years, tire registration has operated under a voluntary system where the consumer is ultimately responsible for submitting the Tire Identification Number (TIN) to the manufacturer for every new tire purchased. Child restraints (car seats) are registered under a similar system where the retailer plays no role in the process. Section 4112 is a thinly veiled attempt by the tire manufacturers to shift their liability for recalled products to small companies like mine. If mandatory tire registration is enacted under Section 4112, independent tire retailers would be the only businesses required by law to register products on behalf of the manufacturer.

My company is already burdened with recording the TIN for every new tire that is purchased and providing the consumer with a registration card that I have to purchase because the manufacturers do not supply them (which is in violation of Part 574). Under a mandatory system, that burden would increase exponentially and I could be subjected to large fines and penalties that would have the potential to financially ruin my business if someone makes an innocent mistake. Coincidentally, retailers owned or controlled by a manufacturer would not be subjected to any fines or penalties for making the same mistake, which is blatantly unfair. The tire manufacturers have done nothing to leverage technology and reduce the burden on my business. Their solution to low registration rates is to make it mandatory and penalize small companies like mine while locations under their control are not held to the same standard.

The tire manufacturers have also indicated that they would like to add email addresses and mobile phone numbers to the personal information that consumers would need to provide under a mandatory tire registration system. Again, the burden will be on me to collect all of the information from my customers and submit to the manufacturer. Besides the obvious privacy concerns, there is also the risk that the information could be misused for marketing purposes. Tire manufacturers could compile extensive customer databases under the guise of a tire registration system and use the information to cut me completely out of the tire buying process.

I totally understand and agree with the need to register new tires so consumers can be notified in the event of a safety recall. However, it's important to note that the tire manufacturers and NHTSA have made very few, if any, efforts to educate motorists on the importance of registering their tire purchases under the current voluntary system. I am positive that a legislative solution is unnecessary, especially when all of the burden and liability falls on small businesses like mine. Section 4112 of the GROW AMERICA Act unfairly targets small businesses while relieving the tire manufacturers of their responsibility to notify consumers when their products are the subject of a recall.

On behalf of my company and the thousands of independent tire retailers across the country, I am asking you to strike the tire registration language in the GROW AMERICA Act if it is introduced in your Committee.

Sincerely,

