

**Statement of the Honorable David L. Strickland
Administrator, National Highway Traffic Safety Administration**

**Senate Committee on Commerce, Science, and Transportation
Subcommittee on Consumer Protection,
Product Safety, and Insurance**

Hearing on

**S. 921, the “Raechel and Jacqueline Houck
Safe Rental Car Act of 2013”**

May 21, 2013

Mr. Chairman, Ranking Member, and members of the Subcommittee, thank you for the opportunity to return again to the Commerce Committee to testify about S. 921, the “Raechel and Jacqueline Houck Safe Rental Car Act of 2013.” I would also like to thank Senators Schumer and Boxer, for introducing and reintroducing this bill in the 112th and 113th Congresses. It is important legislation that would protect the American motoring public.

The tragedy surrounding the deaths of the two young women for whom this legislation is named cannot be overstated. Their mother, Cally Houck has worked tirelessly to ensure that this does not happen to another family, and her efforts have served to highlight a very serious gap in federal law.

The National Highway Traffic Safety Administration (NHTSA) is tasked with ensuring the safety and reliability of the U.S. vehicle fleet; we play a critical role in protecting drivers from the risks associated with auto safety recalls. The NHTSA has one of the most effective defect investigation programs in the world. We receive and screen more than 40,000 consumer complaints every year, and we pursue investigations and recalls when warranted. We are continually working to provide drivers with the information that they need to stay safe behind the wheel. All NHTSA safety recalls address an unreasonable risk to safety and should not be ignored. Unfortunately, we do not have the statutory authority to protect rental car consumers. Currently, there is no prohibition on rental car companies renting vehicles that are under a recall, but have not yet been remedied. That is precisely why the legislation you are considering today is so critical.

In November of 2010, NHTSA opened an inquiry to learn more about rental car companies’ recall completion rates and policies concerning the rental of recalled vehicles. We sent formal information requests to various auto manufacturers, seeking information on recall completion rates for several different recall campaigns. The information requests focused on recall campaigns that involved new vehicles and were likely to include large numbers of vehicles typically found in rental vehicle fleets. The information submitted by the manufacturers provided an indication of the volume and speed with which recall-related repairs were performed in rental car fleets.

NHTSA also sent information requests to the major rental car companies asking them to provide information about their recall policies. The information that we received at the time indicated that the major rental car companies did not have firm written policies requiring a vehicle to be grounded until repaired. Instead, the companies allowed recalled vehicles to be rented under certain circumstances.

While this inquiry is still ongoing, the information submitted by the manufacturers indicated that the recall completion rates for the major rental fleets were about 50% at 120 days after the start of the recall, and about 60% one year after the start of the recall.

We want all drivers to be safe on the road, whether they are driving rental vehicles or their own personal vehicles. We believe that rental car companies should provide safe vehicles

for consumers and that the companies should promptly remedy recalled vehicles. We understand that the major rental car companies are supportive of this legislation, and we appreciate their efforts to prevent tragedies, like what occurred to the Houck family, from happening again.

At NHTSA, we will continue to work to ensure the highest standards of safety on our nation's roadways. S. 921 will close a gap in current law and give us one more tool in protecting the public.

Thank you for the opportunity to testify and I am happy to take any questions.