

114TH CONGRESS  
1ST SESSION

# H. R. 2675

To direct the National Highway Traffic Safety Administration to establish a program allowing low volume motor vehicle manufacturers to produce a limited number of vehicles annually within a regulatory system that addresses the unique safety and financial issues associated with limited production, and to direct the Environmental Protection Agency to allow low volume motor vehicle manufacturers to install engines from vehicles that have been issued certificates of conformity.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 4, 2015

Mr. MULLIN (for himself and Mr. GENE GREEN of Texas) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To direct the National Highway Traffic Safety Administration to establish a program allowing low volume motor vehicle manufacturers to produce a limited number of vehicles annually within a regulatory system that addresses the unique safety and financial issues associated with limited production, and to direct the Environmental Protection Agency to allow low volume motor vehicle manufacturers to install engines from vehicles that have been issued certificates of conformity.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Low Volume Motor  
3 Vehicle Manufacturers Act of 2015”.

4 **SEC. 2. EXEMPTION FROM VEHICLE SAFETY STANDARDS**  
5 **FOR LOW VOLUME MANUFACTURERS.**

6 Section 30114 of title 49, United States Code, is  
7 amended—

8 (1) by striking “The” and inserting “(a) VEHI-  
9 CLES USED FOR PARTICULAR PURPOSES.—The”;  
10 and

11 (2) by adding at the end the following new sub-  
12 section:

13 “(b) EXEMPTION FOR LOW VOLUME MANUFACTUR-  
14 ERS.—

15 “(1) IN GENERAL.—The Secretary shall—

16 “(A) exempt from section 30112(a) of this  
17 title not more than 500 replica motor vehicles  
18 per year that are manufactured or imported by  
19 a low volume manufacturer; and

20 “(B) except as provided in paragraph (5)  
21 of this subsection, limit any such exemption to  
22 the Federal Motor Vehicle Safety Standards ap-  
23 plicable to motor vehicles and not motor vehicle  
24 equipment.

25 “(2) REGISTRATION REQUIREMENT.—To qual-  
26 ify for an exemption under paragraph (1), a low vol-

1       ume manufacturer shall register with the Secretary  
2       at such time, in such manner, and under such terms  
3       that the Secretary determines appropriate. The Sec-  
4       retary shall establish terms that ensure that no per-  
5       son may register as a low volume manufacturer if  
6       the person is registered as an importer under section  
7       30141 of this title.

8               “(3) PERMANENT LABEL REQUIREMENT.—

9               “(A) IN GENERAL.—The Secretary shall  
10              require a low volume manufacturer to affix a  
11              permanent label to a motor vehicle exempted  
12              under paragraph (1) that identifies the speci-  
13              fied standards and regulations for which such  
14              vehicle is exempt from section 30112(a) and  
15              designates the model year such vehicle rep-  
16              licates.

17              “(B) WRITTEN NOTICE.—The Secretary  
18              may require a low volume manufacturer of a  
19              motor vehicle exempted under paragraph (1) to  
20              deliver written notice of the exemption to—

21                      “(i) the dealer; and

22                      “(ii) the first purchaser of the motor  
23                      vehicle, if the first purchaser is not an in-  
24                      dividual that purchases the motor vehicle  
25                      for resale.

1           “(C) REPORTING REQUIREMENT.—A low  
2 volume manufacturer shall annually submit a  
3 report to the Secretary including the number  
4 and description of the motor vehicles exempted  
5 under paragraph (1) and a list of the exemp-  
6 tions described on the label affixed under sub-  
7 paragraph (A).

8           “(4) DEFINITIONS.—In this subsection:

9           “(A) LOW VOLUME MANUFACTURER.—The  
10 term ‘low volume manufacturer’ means a motor  
11 vehicle manufacturer, other than a person who  
12 is registered as an importer under section  
13 30141 of this title, whose annual worldwide  
14 production is not more than 5,000 motor vehi-  
15 cles.

16           “(B) REPLICATOR MOTOR VEHICLE.—The  
17 term ‘replica motor vehicle’ means a motor ve-  
18 hicle produced by a low volume manufacturer  
19 and that—

20           “(i) is intended to resemble the body  
21 of another motor vehicle that was manu-  
22 factured not less than 25 years before the  
23 manufacture of the replica motor vehicle;  
24 and

1           “(ii) is manufactured under a license  
2           for the product configuration, trade dress,  
3           trademark or patent for the motor vehicle  
4           that is intended to be replicated from the  
5           original manufacturer, its successors or as-  
6           signees, or current owner of such rights,  
7           unless there is a preponderance of evidence  
8           that such rights have been abandoned for  
9           at least three years.

10           “(5) CONFORMING AMENDMENT.—Any motor  
11           vehicle exempted under this subsection shall also be  
12           exempted from sections 32304, 32502, and 32902 of  
13           this title, and from section 1232 of title 15 of the  
14           United States Code.

15           “(6) LIMITATION AND PUBLIC NOTICE.—The  
16           Secretary shall have 60 days to review and approve  
17           a registration submitted under paragraph (2). Any  
18           registration not approved or denied within 60 days  
19           shall be deemed approved. The Secretary shall have  
20           the authority to revoke an existing registration  
21           based on a failure to comply with requirements set  
22           forth in this subsection. The registrant shall be pro-  
23           vided a reasonable opportunity to correct all defi-  
24           ciencies, if such are correctable based on the sole  
25           discretion of the Secretary. An exemption granted by

1 the Secretary to a low volume manufacturer under  
2 this subsection may not be transferred to any other  
3 person, and any unused allotment of vehicles author-  
4 ized to be manufactured or imported on an annual  
5 basis by a low volume manufacturer shall not carry  
6 forward to another calendar year. The Secretary  
7 shall maintain and update the list of current reg-  
8 istrants on an annual basis and publish such list in  
9 the Federal Register or on a Web page operated by  
10 the Secretary.

11 “(7) LIMITATION OF LIABILITY FOR ORIGINAL  
12 MANUFACTURERS, LICENSORS, OR OWNERS OF  
13 PRODUCT CONFIGURATION, TRADE DRESS OR DE-  
14 SIGN PATENTS.—The original manufacturer, its suc-  
15 cessor or assignee, or current owner who grants a li-  
16 cense or otherwise transfers rights to a low volume  
17 manufacturer as defined in this section shall incur  
18 no liability to any person or entity under Federal or  
19 State statute, regulation, local ordinance, or under  
20 any Federal or State common law for such license  
21 or assignment to a low volume manufacturer.”.

1 **SEC. 3. VEHICLE EMISSION COMPLIANCE STANDARDS FOR**  
2 **LOW VOLUME MOTOR VEHICLE MANUFAC-**  
3 **TURERS.**

4 Part A of title II of the Clean Air Act (42 U.S.C.  
5 7521 et seq.) is amended—

6 (1) in section 206(a) by adding at the end the  
7 following new paragraph:

8 “(5)(A) A motor vehicle engine (including all  
9 engine emission controls) from a motor vehicle that  
10 has been granted a certificate of conformity by the  
11 Administrator for the model year in which the motor  
12 vehicle is assembled, or an engine that has been  
13 granted an Executive order for the model year in  
14 which the motor vehicle is assembled subject to reg-  
15 ulations promulgated by the California Air Re-  
16 sources Board, may be installed in an exempted spe-  
17 cially produced motor vehicle, if—

18 “(i) the manufacturer of the engine sup-  
19 plies written instructions explaining how to in-  
20 stall the engine and maintain functionality of  
21 the engine’s emission control system and the  
22 on-board diagnostic system (commonly known  
23 as ‘OBD II’), except with respect to evaporative  
24 emissions diagnostics;

1           “(ii) the producer of the exempted specially  
2 produced motor vehicle installs the engine in ac-  
3 cordance with such instructions; and

4           “(iii) the installation instructions include  
5 emission control warranty information from the  
6 engine manufacturer in compliance with section  
7 207, including where warranty repairs can be  
8 made, emission control labels to be affixed to  
9 the vehicle, and the certificate of conformity  
10 number for the applicable vehicle in which the  
11 engine was originally intended or the applicable  
12 Executive order number for the engine.

13           “(B) A motor vehicle containing an engine com-  
14 pliant with the requirements of subparagraph (A)  
15 shall be treated as meeting the requirements of sec-  
16 tion 202 applicable to new vehicles manufactured or  
17 imported in the model year in which the exempted  
18 specially produced motor vehicle is assembled.

19           “(C) Engine installations that are not per-  
20 formed in accordance with installation instructions  
21 provided by the manufacturer and alterations to the  
22 engine not in accordance with the installation in-  
23 structions shall be treated as prohibited acts by the  
24 installer under section 203 and subject to penalties  
25 under section 205.



1           “(D) The producer of an exempted specially  
2 produced motor vehicle that has an engine compliant  
3 with the requirements of subparagraph (A) shall  
4 provide to the purchaser of such vehicle all informa-  
5 tion received by the producer from the engine manu-  
6 facturer, including information regarding emissions  
7 warranties from the engine manufacturer and all  
8 emissions-related recalls by the engine manufacturer.

9           “(E) To qualify to install an engine under this  
10 paragraph, a producer of exempted specially pro-  
11 duced motor vehicles shall register with the Adminis-  
12 trator at such time and in such manner as the Ad-  
13 ministrator determines appropriate. The producer  
14 shall submit an annual report to the Administrator  
15 that includes—

16                   “(i) a description of the exempted specially  
17 produced motor vehicles produced and engines  
18 installed in such vehicles; and

19                   “(ii) the certificate of conformity number  
20 issued to the motor vehicle in which the engine  
21 was originally intended or the applicable Execu-  
22 tive order number for the engine.

23           “(F) Exempted specially produced motor vehi-  
24 cles compliant with this paragraph shall be exempted  
25 from—

1           “(i) motor vehicle certification testing that  
2           might otherwise be required under section 206;  
3           and

4           “(ii) vehicle emission control inspection  
5           and maintenance programs required under sec-  
6           tion 110.

7           “(G) A producer of exempted specially produced  
8           motor vehicles that is compliant with subparagraphs  
9           (A) through (E) of this paragraph is not considered  
10          a manufacturer for the purposes of this Act.”; and

11          (2) in section 216 by adding at the end the fol-  
12          lowing new paragraph:

13          “(12) EXEMPTED SPECIALLY PRODUCED  
14          MOTOR VEHICLE.—The term ‘exempted specially  
15          produced motor vehicle’ means a replica motor vehi-  
16          cle that is exempt from specified standards as de-  
17          fined in section 30114(b) of title 49, United States  
18          Code.”.

19 **SEC. 4. IMPLEMENTATION.**

20          Not later than 12 months after the date of the enact-  
21          ment of this Act, the Secretary of Transportation and the  
22          Administrator of the Environmental Protection Agency  
23          shall issue such regulations as may be necessary to imple-  
24          ment sections 2 and 3 of this Act, respectively.

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