AMENDMENT TO THE SENATE AMENDMENTS TO
H.R. 22
OFFERED BY MR. MULLIN OF OKLAHOMA

At the end of subtitle B of part IV of title XXXIV, insert the following new section:

SEC. 34216. TREATMENT OF LOW-VOLUME MANUFACTURERS.

(a) Exemption From Vehicle Safety Standards for Low-volume Manufacturers.—Section 30114 of title 49, United States Code, is amended—

(1) by striking “The” and inserting “(a) Vehicles Used for Particular Purposes.—The”;

and

(2) by adding at the end the following new subsection:

“(b) Exemption for Low-volume Manufacturers.—

“(1) In general.—The Secretary shall—

“(A) exempt from section 30112(a) of this title not more than 500 replica motor vehicles per year that are manufactured or imported by a low-volume manufacturer; and
“(B) except as provided in paragraph (4) of this subsection, limit any such exemption to the Federal Motor Vehicle Safety Standards applicable to motor vehicles and not motor vehicle equipment.

“(2) REGISTRATION REQUIREMENT.—To qualify for an exemption under paragraph (1), a low-volume manufacturer shall register with the Secretary at such time, in such manner, and under such terms that the Secretary determines appropriate. The Secretary shall establish terms that ensure that no person may register as a low-volume manufacturer if the person is registered as an importer under section 30141 of this title.

“(3) PERMANENT LABEL REQUIREMENT.—

“(A) IN GENERAL.—The Secretary shall require a low-volume manufacturer to affix a permanent label to a motor vehicle exempted under paragraph (1) that identifies the specified standards and regulations for which such vehicle is exempt from section 30112(a) and designates the model year such vehicle replicates.

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

“(i) the dealer; and

“(ii) the first purchaser of the motor vehicle, if the first purchaser is not an individual that purchases the motor vehicle for resale.

“(C) REPORTING REQUIREMENT.—A low-volume manufacturer shall annually submit a report to the Secretary including the number and description of the motor vehicles exempted under paragraph (1) and a list of the exemptions described on the label affixed under subparagraph (A).

“(4) EFFECT ON OTHER PROVISIONS.—Any motor vehicle exempted under this subsection shall also be exempted from sections 32304, 32502, and 32902 of this title and from section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232).

“(5) LIMITATION AND PUBLIC NOTICE.—The Secretary shall have 60 days to review and approve a registration submitted under paragraph (2). Any registration not approved or denied within 60 days after submission shall be deemed approved.
retary shall have the authority to revoke an existing registration based on a failure to comply with requirements set forth in this subsection. The registrant shall be provided a reasonable opportunity to correct all deficiencies, if such are correctable based on the sole discretion of the Secretary. An exemption granted by the Secretary to a low-volume manufacturer under this subsection may not be transferred to any other person, and shall expire at the end of the calendar year for which it was granted with respect to any volume authorized by the exemption that was not applied by the low-volume manufacturer to vehicles built during that calendar year. The Secretary shall maintain an up-to-date list of registrants on an annual basis and publish such list in the Federal Register or on a website operated by the Secretary.

“(6) LIMITATION OF LIABILITY FOR ORIGINAL MANUFACTURERS, LICENSORS OR OWNERS OF PRODUCT CONFIGURATION, TRADE DRESS, OR DESIGN PATENTS.—The original manufacturer, its successor or assignee, or current owner, who grants a license or otherwise transfers rights to a low-volume manufacturer shall incur no liability to any person or entity under Federal or State statute, regulation, local
ordinance, or under any Federal or State common
law for such license or assignment to a low-volume
manufacturer.

“(7) DEFINITIONS.—In this subsection:

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

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

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

“(ii) is manufactured under a license
for the product configuration, trade dress,
trademark, or patent, for the motor vehicle
that is intended to be replicated from the
original manufacturer, its successors or as-
signees, or current owner of such product
configuration, trade dress, trademark, or
patent rights.”.

(b) VEHICLE EMISSION COMPLIANCE STANDARDS
for LOW-_VOLUME MOTOR VEHICLE MANUFACTURERS.—
Part A of title II of the Clean Air Act (42 U.S.C. 7521
et seq.) is amended—

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

“(5)(A) A motor vehicle engine (including all engine
emission controls) from a motor vehicle that has been
granted a certificate of conformity by the Administrator
for the model year in which the motor vehicle is assembled,
or a motor vehicle engine that has been granted an Execu-
tive order subject to regulations promulgated by the Cali-
for nia Air Resources Board for the model year in which
the motor vehicle is assembled, may be installed in an ex-
empted specially produced motor vehicle, if—

“(i) the manufacturer of the engine supplies
written instructions explaining how to install the en-
gine and maintain functionality of the engine’s emis-
sion control system and the on-board diagnostic sys-
tem (commonly known as ‘OBD II’), except with re-
spect to evaporative emissions diagnosti c s;
“(ii) the manufacturer of the exempted specially produced motor vehicle installs the engine in accordance with such instructions; and

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

“(B) A motor vehicle containing an engine compliant with the requirements of subparagraph (A) shall be treated as meeting the requirements of section 202 applicable to new vehicles manufactured or imported in the model year in which the exempted specially produced motor vehicle is assembled.

“(C) Engine installations that are not performed in accordance with installation instructions provided by the manufacturer and alterations to the engine not in accordance with the installation instructions shall—

“(i) be treated as prohibited acts by the installer under section 203; and
“(ii) subject to civil penalties under the first and third sentences of section 205(a), civil actions under section 205(b), and administrative assessment of penalties under section 205(c).

“(D) The manufacturer of an exempted specially produced motor vehicle that has an engine compliant with the requirements of subparagraph (A) shall provide to the purchaser of such vehicle all information received by the manufacturer from the engine manufacturer, including information regarding emissions warranties from the engine manufacturer and all emissions-related recalls by the engine manufacturer.

“(E) To qualify to install an engine under this paragraph, a manufacturer of exempted specially produced motor vehicles shall register with the Administrator at such time and in such manner as the Administrator determines appropriate. The manufacturer shall submit an annual report to the Administrator that includes—

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

“(ii) the certificate of conformity number issued to the motor vehicle in which the engine was originally intended or the applicable Executive order number for the engine.
“(F) Exempted specially produced motor vehicles compliant with this paragraph shall be exempted from—

“(i) motor vehicle certification testing under this section; and

“(ii) vehicle emission control inspection and maintenance programs required under section 110.

“(G) A person engaged in the manufacturing or assembling of exempted specially produced motor vehicles shall not be treated as a manufacturer for purposes of this Act by virtue of such manufacturing or assembling, so long as such person complies with subparagraphs (A) through (E).”; and

(2) in section 216 by adding at the end the following new paragraph:

“(12) EXEMPTED SPECIALLY PRODUCED MOTOR VEHICLE.—The term ‘exempted specially produced motor vehicle’ means a replica motor vehicle that is exempt from specified standards pursuant to section 30114(b) of title 49, United States Code.”.

(c) IMPLEMENTATION.—Not later than 12 months after the date of enactment of this Act, the Secretary of Transportation and the Administrator of the Environmental Protection Agency shall issue such regulations as
may be necessary to implement the amendments made by subsections (a) and (b), respectively.