

(5) The reasons for the petitioner's belief that the agency should determine that the antitheft device is likely to be as effective as compliance with the parts-marking requirements of part 541 in reducing and deterring motor vehicle theft, including any statistical data that are available to the petitioner and form a basis for petitioner's belief that a line of passenger motor vehicles equipped with the antitheft device is likely to have a theft rate equal to or less than that of passenger motor vehicles of the same, or a similar, line which have parts marked in compliance with part 541.

(b) Any petitioner submitting data under paragraph (a) (4) or (5) of this section shall submit an explanation of its belief that the data are sufficiently representative and reliable to warrant NHTSA's reliance upon them.

[52 FR 33829, Sept. 8, 1987, as amended at 59 FR 10758, Mar. 8, 1994]

#### **§ 543.7 Processing an exemption petition.**

(a) NHTSA processes any complete petition. If a manufacturer submits a petition that does not contain all the information required by this part, NHTSA informs the manufacturer of the areas of insufficiency and advises the manufacturer that the agency does not process the petition until it receives the required information.

(b) The agency grants a petition for an exemption from the parts-marking requirements of part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of part 541.

(c) The agency issues its decision either to grant or deny an exemption petition not later than 120 days after the date on which a complete petition is filed.

(d) Any exemption granted under this part applies only to the vehicle line or lines that are the subject of the grant, and are equipped with the antitheft device on which the line's exemption was based.

(e) An exemption granted under this part is effective for the model year be-

ginning after the model year in which NHTSA issue the notice of exemption, unless the notice of exemption specifies a later model year.

(f) NHTSA publishes a notice of its decision to grant or deny an exemption petition in the FEDERAL REGISTER, and notifies the petitioner in writing of the agency's decision.

#### **§ 543.8 Duration of exemption.**

Each exemption under this part continues in effect unless it is modified or terminated under § 543.9, or the manufacturer ceases production of the exempted line.

#### **§ 543.9 Terminating or modifying an exemption.**

(a) On its own initiative or in response to a petition, NHTSA may commence a proceeding to terminate or modify any exemption granted under this part.

(b) Any interested person may petition the agency to commence a proceeding to terminate or modify an exemption.

(c)(1) In a petition to terminate an exemption, the petitioner must:

(i) Identify the vehicle line or lines that are the subject of the exemption;

(ii) State the reasons for petitioner's belief that the standard equipment antitheft device installed under the exemption is not as effective as compliance with the parts-marking requirements of part 541 in reducing and deterring motor vehicle theft;

(iii) Comply with § 543.5, paragraphs (b) (1) through (3) and (7).

(2) In a petition to modify an exemption, the petitioner must:

(i) Identify the vehicle line or lines that are the subject of the exemption;

(ii) Request permission to use an antitheft device similar to, but different from the standard equipment antitheft device which is installed under the exemption;

(iii) Comply with § 543.5, paragraphs (b) (1) through (3) and (7); and

(iv) Provide the same information for the modified device that is required under § 543.6 for a new device, except that the information specified by § 543.6(a)(3) need be provided only to the extent that the modified device differs from the standard equipment

antitheft device installed under the exemption.

(d) NHTSA processes any complete petition. If a person submits a petition under this section that does not contain all the information required by it, NHTSA informs the manufacturer of the areas of insufficiency and advises the manufacturer that the agency does not process the petition until it receives the required information.

(e) If NHTSA denies a petition requesting a proceeding to terminate or modify an exemption, the agency notifies the petitioner by letter.

(f) If NHTSA commences a termination proceeding on its own initiative or in response to a petition, the agency provides the manufacturer of the exempted line with a copy of the petition, if any, a written statement of NHTSA's reasons for commencing the proceeding, and an opportunity to present its written views.

(g)(1) The agency terminates an exemption if it determines that the antitheft device installed under the exemption has not been as effective as parts-marking in reducing and deterring motor vehicle theft.

(2) Except as provided in paragraph (g)(3) of this section, a decision to terminate an exemption under this section takes effect on the later of the following dates:

(i) The last day of the model year in which NHTSA issues the termination decision, or

(ii) Six months after the manufacturer receives written notice of the termination.

(3) If a manufacturer shows good cause why terminating its exemption effective on a date later than the one specified in paragraph (g)(2) of this section is consistent with the public interest and the purposes of the Act, the agency may set such later date.

(h)(1) The agency modifies an exemption if it determines, based on substantial evidence, that the modified antitheft device described in the petition is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of part 541.

(2)(i) Except as provided in paragraph (h)(2)(ii) of this section, a decision to modify an exemption under this sec-

tion takes effect on the first day of the model year following the model year in which NHTSA issued the modification decision.

(ii) If a manufacturer shows good cause why modifying its exemption effective on a date earlier than the one specified in paragraph (h)(2)(i) of this section is consistent with the public interest and the purposes of the Act, the agency may set such earlier date.

(i) [Reserved]

(j) NHTSA publishes notice in the FEDERAL REGISTER of any agency decision terminating or modifying an exemption, and notifies the affected manufacturer in writing.

## PART 544—INSURER REPORTING REQUIREMENTS

Sec.

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APPENDIX A TO PART 544—INSURERS OF MOTOR VEHICLE INSURANCE POLICIES SUBJECT TO THE REPORTING REQUIREMENTS IN EACH STATE IN WHICH THEY DO BUSINESS

APPENDIX B TO PART 544—ISSUERS OF MOTOR VEHICLE INSURANCE POLICIES SUBJECT TO THE REPORTING REQUIREMENTS ONLY IN DESIGNATED STATES

APPENDIX C TO PART 544—MOTOR VEHICLE RENTAL AND LEASING COMPANIES (INCLUDING LICENSEES AND FRANCHISEES) SUBJECT TO THE REPORTING REQUIREMENTS OF PART 544

AUTHORITY: 49 U.S.C. 33112; delegation of authority at 49 CFR 1.50.

SOURCE: 52 FR 76, Jan. 2, 1987, unless otherwise noted.

### § 544.1 Scope.

This part sets forth requirements for insurers to report to the National Highway Traffic Safety Administration information about motor vehicle thefts and recoveries, the effects of the Federal motor vehicle theft prevention standard on those thefts and recoveries, and related insurance practices.