

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 beginning 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 section 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 (INCLUD-

ING 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.

§ 544.2 Purpose.

The purpose of these reporting requirements in this part is to aid in implementing and evaluating the provisions of 49 U.S.C. Chapter 331 Theft Prevention to prevent or discourage the theft of motor vehicles, to prevent or discourage the sale or distribution in interstate commerce of used parts removed from stolen motor vehicles, and to help reduce the cost to consumers of comprehensive insurance coverage for motor vehicles.

[62 FR 33756, June 23, 1997]

§ 544.3 Application.

This part applies to the motor vehicle insurance policy issuers listed in appendices A or B, and to the motor vehicle rental and leasing companies listed in appendix C.

[55 FR 25609, June 22, 1990]

§ 544.4 Definitions.

(a) *Statutory terms.* All terms defined in 49 U.S.C. 33101 and 33112 are used in accordance with their statutory meanings unless otherwise defined in paragraph (b) of this section.

(b) *Other definitions.* (1) *Comprehensive insurance coverage* means the indemnification of motor vehicle owners by an insurer against losses due to fire, theft, robbery, pilferage, malicious mischief and vandalism, and damage resulting from floods, water, tornadoes, cyclones, or windstorms.

(2) *Gross vehicle weight rating* is used as defined at § 571.3 of this chapter.