

Advocacy Supports Internet Registration Provisions in NHTSA's Proposed Tire Registry Rule

On March 14, 2008, the U.S. Small Business Administration's Office of Advocacy (Advocacy) submitted comments to the National Highway Traffic Safety Administration (NHTSA) on its *Proposed Tire Registration and Recordkeeping Rule* (72 Fed. Reg. 4157; January 24, 2008). NHTSA's proposed rule would allow for the Internet registration of tires that consumers purchase. Because the proposed rule would reduce costs and recordkeeping requirements for small automobile and tire dealers (and improve registration rates so that consumers get notified of tire safety recalls), Advocacy strongly supports the proposed rule.

A complete copy of Advocacy's letter to NHTSA is available at www.sba.gov/advo/laws/comments/.

- In order to notify consumers of tire safety recalls, Congress required all tire manufacturers to maintain records of the names and addresses of the first purchasers of tires.
- Under the current system, automobile and tire dealers give consumers a registration card which the consumer completes and mails back to the manufacturer. This has resulted in low registration rates for consumers and requires dealers to physically retain records.
- NHTSA's proposed rule would improve this situation by specifically allowing tire dealers to electronically register tires at the point of sale and transmit the consumer's information to the manufacturer via the Internet. The proposed rule is supported by small automobile and tire dealers.
- The current tire registration system was nominated as a regulation in need of review and reform under Advocacy's new Regulatory Review and Reform (r3) Initiative (www.sba.gov/advo/r3/).
- The r3 Initiative is designed to identify and address existing federal regulations that should be revised because they are ineffective, duplicative, or out of date. NHTSA's proposed rule would satisfy the r3 nomination by modernizing the current NHTSA rule to allow for Internet registration of tires.

For more information about NHTSA's *Proposed Tire Registration and Recordkeeping Rule*, please visit Advocacy's Web page at www.sba.gov/advo or contact Bruce Lundegren, Assistant Chief Counsel, at (202) 205-6144 or bruce.lundegren@sba.gov.