

APR 29 2003

Mr. Gary Satterfield
Vice President
Waste Equipment Technology Association
4301 Connecticut Avenue, N.W., Suite 300
Washington, D.C. 20008

Re: Request for Interpretive Letter – TREAD Act Regulations

Dear Mr. Satterfield:

This is in reply to your letter of March 10, 2003, received on March 26, asking several questions about the status of members of the Waste Equipment Technology Association (WASTEC) under the early warning reporting (EWR) regulations (Subpart C, 49 CFR Part 579). You presented five possible scenarios in seeking our guidance. Your first scenario is:

1. A customer . . . purchases a chassis . . . and arranges delivery of the chassis to the waste vehicle equipment manufacturer. Th[is] . . . manufacturer builds a . . . body and mounts [it] onto the chassis. . . . The chassis manufacturer is responsible for vehicle certification under 49 C.F.R. Part 567. Under this scenario, WASTEC . . . suggests that the waste vehicle equipment manufacturer should be classified as an “equipment manufacturer” for TREAD Act purposes.

As we read your letter, the second scenario is identical to the first scenario except that the waste vehicle equipment manufacturer, rather than its customer, is the purchaser of the chassis. We have not defined “chassis” for purposes of compliance with either the early warning reporting requirements or the Federal motor vehicle safety standards. For the purpose of answering your questions, we shall assume that a chassis is an “incomplete motor vehicle” as defined by 49 CFR Part 568.

Furthermore, under these first two scenarios, we interpret the words “is responsible for vehicle certification” as meaning that the chassis manufacturer, as an “incomplete vehicle manufacturer” and as permitted by 49 CFR 568.7(a), assumes responsibility for certifying compliance of the completed vehicle in the manner specified by Part 567. Where a vehicle is manufactured in two or more stages, we regard the manufacturer that certifies the completed vehicle as the one who must report as a vehicle manufacturer for purposes of the EWR regulation. If they produced 500 or more vehicles

per year, such manufacturers would be subject to the reporting requirements of Section 579.22, applicable to medium/heavy truck manufacturers, or Section 579.21, applicable to light vehicle manufacturers, as discussed below. The waste vehicle equipment manufacturer therefore would be regarded as a manufacturer of original equipment, subject to the reporting responsibilities of 49 CFR 579.27.

Under the third scenario, the waste vehicle equipment manufacturer certifies compliance of the completed vehicle as its manufacturer. You believe that “the waste vehicle equipment manufacturer should be classified as a “Medium/Heavy Truck Manufacturer” for EWR purposes. You have not provided the GVWR of a representative certified vehicle, but a vehicle is classified as a “medium/heavy vehicle” for purposes of early warning reporting by its manufacturer if the vehicle’s GVWR is greater than 10,000 lbs. If the completed vehicle certified by the waste vehicle equipment manufacturer has a GVWR greater than 10,000 lbs, then the manufacturer would report as the manufacturer of a “medium-heavy vehicle.” See Section 579.22. If the GVWR is 10,000 lbs. or less, the manufacturer would report as the manufacturer of a “light vehicle.” See Section 579.21.

The fourth scenario is similar to that of the first two scenarios in that the waste vehicle equipment manufacturer manufactures a body and the chassis manufacturer certifies the completed vehicle. However, in this scenario, the distributor of the vehicle mounts the body to the chassis. In this case, the distributor would be the vehicle manufacturer, and the waste vehicle equipment manufacturer that provides a body but does not certify the completed vehicle would be a manufacturer of original equipment that would report under Section 579.27.

Under the fifth scenario:

5. A waste vehicle equipment manufacturer purchases a chassis from a chassis manufacturer [and] manufactures a trailer unit that includes a compaction system, and installs it onto the chassis. The chassis manufacturer is responsible for vehicle certification under 49 C.F.R. Part 567. Under this scenario, WASTEC respectfully suggests that the waste vehicle equipment manufacturer should be classified as a “Trailer Manufacturer” for TREAD Act purposes.


As with earlier scenarios, this scenario concerns a vehicle manufactured in two stages, in this instance, a trailer. Part 568 allows certification of the completed trailer by either the manufacturer of the incomplete vehicle or by the final stage manufacturer. In your scenario the trailer would be certified by the incomplete vehicle manufacturer, i.e., the chassis manufacturer. Therefore, it is the chassis manufacturer who would report as a trailer manufacturer under the early warning regulation, not the waste vehicle equipment manufacturer, even though the latter completed the assembly of the vehicle. A final stage manufacturer that does not certify the vehicle is, as in the other scenarios, a manufacturer of original equipment under Section 579.27.

You have also presented a hypothetical situation under all five scenarios in which some chassis components might be modified during the assembly process either by the waste vehicle equipment manufacturer or by a third party under contract with it. You believe that "the waste equipment manufacturer should continue to be classified as suggested in scenarios 1 through 5 above." We note that our opinion regarding scenario 3 differed from your suggested resolution. However, our previous answers remain valid, and are not affected by the hypothetical in which chassis components are modified either by the waste equipment manufacturer or its agent.

Finally, you have asked whether these interpretations would change if less than 500 vehicles are "produced, offered for sale, or sold during the applicable calendar year." The answer is no; the relationship between the incomplete and final stage manufacturers (for EWR purposes as, respectively, a vehicle manufacturer and an original equipment manufacturer) would not change unless the final stage manufacturer assumed the obligation to certify the vehicle. However, the chassis manufacturer-certifier, as a manufacturer of fewer than 500 vehicles in each of the categories of the early warning rule, would need to report only the information required by Section 579.27.

If you have further questions, you may call Taylor Vinson of this Office (202-366-5263).

Sincerely,


Jacqueline Glassman
Chief Counsel