(a) IN GENERAL.—A manufacturer or distributor of a motor vehicle or motor vehicle equipment shall certify to the distributor or dealer at delivery that the vehicle or equipment complies with applicable motor vehicle safety standards prescribed under this chapter. A person may not issue the certificate if, in exercising reasonable care, the person has reason to know the certificate is false or misleading in a material respect. Certification of a vehicle must be shown by a label or tag permanently fixed to the vehicle. Certification of equipment may be shown by a label or tag on the equipment or on the outside of the container in which the equipment is delivered.

(b) CERTIFICATION LABEL.—In the case of the certification label affixed by an intermediate or final stage manufacturer of a motor vehicle built in more than 1 stage, each intermediate or final stage manufacturer shall certify with respect to each applicable Federal motor vehicle safety standard—

(1) that it has complied with the specifications set forth in the compliance documentation provided by the incomplete motor vehicle manufacturer in accordance with regulations prescribed by the Secretary; or

(2) that it has elected to assume responsibility for compliance with that standard.

If the intermediate or final stage manufacturer elects to assume responsibility for compliance with the standard covered by the documentation provided by an incomplete motor vehicle manufacturer, the intermediate or final stage manufacturer shall notify the incomplete motor vehicle manufacturer in writing within a reasonable time of affixing the certification label. A violation of this subsection shall not be subject to a civil penalty under section 30165.

(Pub. L. 103–272, \$1(e), July 5, 1994, 108 Stat. 947; Pub. L. 106–414, \$9, Nov. 1, 2000, 114 Stat. 1805.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
30115	15:1397(a)(1)(C), (E) (related to 15:1403). 15:1403.	Sept. 9, 1966, Pub. L. 89-563, §108(a)(1)(C), (E) (related to §114), 80 Stat. 722; Oct. 27, 1974, Pub. L. 93-492, §103(a)(1)(A), (2)(B), 88 Stat. 1477, 1478, Sept. 9, 1966, Pub. L. 89-563, §114, 80 Stat. 726.

The words "fail to issue a certificate required by section 1403 of this title" in 15:1397(a)(1)(C) and the text of 15:1397(a)(1)(E) (related to 15:1403) are omitted as surplus. The word "certify" is substituted for "furnish... the certification" in 15:1403 to eliminate unnecessary words. The words "the time of" and "of such vehicle or equipment by such manufacturer or distributor" are omitted as surplus. The words "prescribed under this chapter" are added for clarity. The word "reasonable" is substituted for "due" in 15:1397(a)(1)(C) for consistency in the revised title. The words "to the effect that a motor vehicle or item of motor vehicle equipment conforms to all applicable Federal motor vehicle safety standards" are omitted because of the restatement. The words "shown by" are substituted for "in the form of" in 15:1403 for clarity.

Amendments

2000—Pub. L. 106–414 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

FOLLOW-UP REPORT

Pub. L. 106-414, §16, Nov. 1, 2000, 114 Stat. 1808, provided that: "One year after the date of the enactment of this Act [Nov. 1, 2000], the Secretary of Transportation shall report to the Congress on the implementation of the amendments made by this Act [see Short Title of 2000 Amendment note set out under section 30101 of this title] and any recommendations for additional amendments for consumer safety."

§ 30116. Defects and noncompliance found before sale to purchaser

(a) ACTIONS REQUIRED OF MANUFACTURERS AND DISTRIBUTORS.—If, after a manufacturer or distributor sells a motor vehicle or motor vehicle equipment to a distributor or dealer and before the distributor or dealer sells the vehicle or equipment, it is decided that the vehicle or equipment contains a defect related to motor vehicle safety or does not comply with applicable motor vehicle safety standards prescribed under this chapter—

(1) the manufacturer or distributor immediately shall repurchase the vehicle or equipment at the price paid by the distributor or dealer, plus transportation charges and reasonable reimbursement of at least one percent a month of the price paid prorated from the date of notice of noncompliance or defect to the date of repurchase; or

(2) if a vehicle, the manufacturer or distributor immediately shall give to the distributor or dealer at the manufacturer's or distributor's own expense, the part or equipment needed to make the vehicle comply with the standards or correct the defect.

(b) DISTRIBUTOR OR DEALER INSTALLATION.— The distributor or dealer shall install the part or equipment referred to in subsection (a)(2) of this section. If the distributor or dealer installs the part or equipment with reasonable diligence after it is received, the manufacturer shall reimburse the distributor or dealer for the reasonable value of the installation and a reasonable reimbursement of at least one percent a month of the manufacturer's or distributor's selling price prorated from the date of notice of noncompliance or defect to the date the motor vehicle complies with applicable motor vehicle safety standards prescribed under this chapter or the defect is corrected.

(c) ESTABLISHING AMOUNT DUE AND CIVIL AC-TIONS.—The parties shall establish the value of installation and the amount of reimbursement under this section. If the parties do not agree, or if a manufacturer or distributor refuses to comply with subsection (a) or (b) of this section, the distributor or dealer purchasing the motor vehicle or motor vehicle equipment may bring a civil action. The action may be brought in a United States district court for the judicial district in which the manufacturer or distributor resides, is found, or has an agent, to recover damages, court costs, and a reasonable attorney's fee. An action under this section must be brought not later than 3 years after the claim accrues.

(Pub. L. 103–272, §1(e), July 5, 1994, 108 Stat. 947.)