

motor vehicle manufacturer, importer, or distributor sells motor vehicles to any other person for resale to an ultimate purchaser and authorizes such other person to repair and service the manufacturer's motor vehicles.

**(2) Consent required**

Notwithstanding any other provision of law, whenever a motor vehicle franchise contract provides for the use of arbitration to resolve a controversy arising out of or relating to such contract, arbitration may be used to settle such controversy only if after such controversy arises all parties to such controversy consent in writing to use arbitration to settle such controversy.

**(3) Explanation required**

Notwithstanding any other provision of law, whenever arbitration is elected to settle a dispute under a motor vehicle franchise contract, the arbitrator shall provide the parties to such contract with a written explanation of the factual and legal basis for the award.

**(b) Application**

Subsection (a) shall apply to contracts entered into, amended, altered, modified, renewed, or extended after November 2, 2002.

(Pub. L. 107-273, div. C, title I, §11028, Nov. 2, 2002, 116 Stat. 1835.)

REFERENCES IN TEXT

Section 30102(6) of title 49, referred to in subsec. (a)(1)(A), probably should be "section 30102(a)(6) of title 49", which was redesignated section 30102(a)(7) of title 49 by section 24109(b)(2) of Pub. L. 114-94, div. B, title XXIV, Dec. 4, 2015, 129 Stat. 1706.

CODIFICATION

Section was enacted as part of the 21st Century Department of Justice Appropriations Authorization Act, and not as part of act Aug. 8, 1956, ch. 1038, which comprises this chapter.

**CHAPTER 28—DISCLOSURE OF AUTOMOBILE INFORMATION**

Sec.	
1231.	Definitions.
1232.	Label and entry requirements.
1232a.	Repealed.
1233.	Violations and penalties.

**§ 1231. Definitions**

For purposes of this chapter—

(a) The term "manufacturer" shall mean any person engaged in the manufacturing or assembling of new automobiles, including any person importing new automobiles for resale and any person who acts for and is under the control of such manufacturer, assembler, or importer in connection with the distribution of new automobiles.

(b) The term "person" means an individual, partnership, corporation, business trust, or any organized group of persons.

(c) The term "automobile" includes any passenger car or station wagon.

(d) The term "new automobile" means an automobile the equitable or legal title to which has never been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

(e) The term "dealer" shall mean any person resident or located in the United States or any Territory thereof or in the District of Columbia engaged in the sale or the distribution of new automobiles to the ultimate purchaser.

(f) The term "final assembly point" means—

(1) in the case of a new automobile manufactured or assembled in the United States, or in any Territory of the United States, the plant, factory, or other place at which a new automobile is produced or assembled by a manufacturer and from which such automobile is delivered to a dealer in such a condition that all component parts necessary to the mechanical operation of such automobile are included with such automobile, whether or not such component parts are permanently installed in or on such automobile; and

(2) in the case of a new automobile imported into the United States, the port of importation.

(g) The term "ultimate purchaser" means, with respect to any new automobile, the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases such new automobile for purposes other than resale.

(h) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation. New automobiles delivered to, or for further delivery to, ultimate purchasers within the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, the Trust Territories of the Pacific, the Canal Zone, Wake Island, Midway Island, Kingman Reef, Johnson Island, or within any other place under the jurisdiction of the United States shall be deemed to have been distributed in commerce.

(Pub. L. 85-506, §2, July 7, 1958, 72 Stat. 325; Pub. L. 92-359, July 28, 1972, 86 Stat. 502.)

REFERENCES IN TEXT

For definition of Canal Zone, referred to in subsec. (h), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

AMENDMENTS

1972—Subsec. (h). Pub. L. 92-359 inserted provision that new automobiles delivered to ultimate purchasers within the United States and other enumerated areas shall be deemed to have been distributed in commerce.

EFFECTIVE DATE

Pub. L. 85-506, §5, July 7, 1958, 72 Stat. 327, provided that: "This Act [enacting this chapter] shall take effect on the first day of October 1958 or on the first day of the introduction of any new model of automobile in any line of automobile beginning after the date of enactment of this Act [July 7, 1958], whichever date shall last occur."

SHORT TITLE

Pub. L. 85-506, §1, July 7, 1958, 72 Stat. 325, provided: "This Act [enacting this chapter] may be cited as the 'Automobile Information Disclosure Act'."

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

**§ 1232. Label and entry requirements**

Every manufacturer of new automobiles distributed in commerce shall, prior to the delivery of any new automobile to any dealer, or at or prior to the introduction date of new models delivered to a dealer prior to such introduction date, securely affix to the windshield, or side window of such automobile a label on which such manufacturer shall endorse clearly, distinctly and legibly true and correct entries disclosing the following information concerning such automobile—

- (a) the make, model, and serial or identification number or numbers;
- (b) the final assembly point;
- (c) the name, and the location of the place of business, of the dealer to whom it is to be delivered;
- (d) the name of the city or town at which it is to be delivered to such dealer;
- (e) the method of transportation used in making delivery of such automobile, if driven or towed from final assembly point to place of delivery;
- (f) the following information:

(1) the retail price of such automobile suggested by the manufacturer;

(2) the retail delivered price suggested by the manufacturer for each accessory or item of optional equipment, physically attached to such automobile at the time of its delivery to such dealer, which is not included within the price of such automobile as stated pursuant to paragraph (1);

(3) the amount charged, if any, to such dealer for the transportation of such automobile to the location at which it is delivered to such dealer; and

(4) the total of the amounts specified pursuant to paragraphs (1), (2), and (3);

(g) if one or more safety ratings for such automobile have been assigned and formally published or released by the National Highway Traffic Safety Administration under the New Car Assessment Program, information about safety ratings that—

(1) includes a graphic depiction of the number of stars, or other applicable rating, that corresponds to each such assigned safety rating displayed in a clearly differentiated fashion indicating the maximum possible safety rating;

(2) refers to safety rating categories that may include frontal impact crash tests, side impact crash tests, and rollover resistance tests (whether or not such automobile has been assigned a safety rating for such tests);

(3) contains information describing the nature and meaning of the crash test data presented and a reference to additional vehicle safety resources, including <http://www.safercar.gov>;<sup>1</sup> and

(4) is presented in a legible, visible, and prominent fashion and covers at least—

(A) 8 percent of the total area of the label; or

(B) an area with a minimum length of 4½ inches and a minimum height of 3½ inches; and

(h) if an automobile has not been tested by the National Highway Traffic Safety Administration under the New Car Assessment Program, or safety ratings for such automobile have not been assigned in one or more rating categories, a statement to that effect.

(Pub. L. 85-506, §3, July 7, 1958, 72 Stat. 326; Pub. L. 109-59, title X, §10307(a), Aug. 10, 2005, 119 Stat. 1941; Pub. L. 112-141, div. C, title I, §31314, July 6, 2012, 126 Stat. 772.)

AMENDMENTS

2012—Subsec. (g)(2). Pub. L. 112-141 inserted “safety rating categories that may include” after “refers to”.

2005—Subsec. (f)(3). Pub. L. 109-59, §10307(a)(2), inserted “and” at end.

Subsecs. (g), (h). Pub. L. 109-59, §10307(a)(1), (3), (4), added subsecs. (g) and (h).

EFFECTIVE DATE OF 2012 AMENDMENT

Amendment by Pub. L. 112-141 effective Oct. 1, 2012, see section 3(a) of Pub. L. 112-141, set out as an Effective and Termination Dates of 2012 Amendment note under section 101 of Title 23, Highways.

EFFECTIVE DATE

Section effective on the later of Oct. 1, 1958, or the first day of the introduction of any new model of automobile in any line of automobile beginning after July 7, 1958, see section 5 of Pub. L. 85-506, set out as a note under section 1231 of this title.

REGULATIONS

Pub. L. 109-59, title X, §10307(b), Aug. 10, 2005, 119 Stat. 1942, provided that: “The Secretary of Transportation shall issue regulations to ensure that the labeling requirements under subsections (g) and (h) of section 3 of the Automobile Information Disclosure Act [15 U.S.C. 1232(g), (h)], as added by subsection (a), are implemented by September 1, 2007.”

**§ 1232a. Repealed. Pub. L. 92-178, title IV, § 401(g)(7)(A), Dec. 10, 1971, 85 Stat. 534**

Section, Pub. L. 91-614, title III, §304, Dec. 31, 1970, 84 Stat. 1845, related to Federal manufacturers excise tax on labels and provided for violations and penalties. It was not a part of the Automobile Information Disclosure Act, which comprises this chapter generally.

EFFECTIVE DATE OF REPEAL

Pub. L. 92-178, title IV, §401(g)(7)(B), Dec. 10, 1971, 85 Stat. 534, provided that: “Subparagraph (A) [repealing this section] shall apply to acts (or failures to act) after the date of the enactment of this Act [Dec. 10, 1971].”

**§ 1233. Violations and penalties**

**(a) Failure to affix required label**

Any manufacturer of automobiles distributed in commerce who willfully fails to affix to any new automobile manufactured or imported by him the label required by section 1232 of this title shall be fined not more than \$1,000. Such failure with respect to each automobile shall constitute a separate offense.

**(b) Failure to endorse required label**

Any manufacturer of automobiles distributed in commerce who willfully fails to endorse

<sup>1</sup> So in original. Probably should be “<http://www.safercar.gov>.”