

**§ 32304. Passenger motor vehicle country of origin labeling**

(a) DEFINITIONS.—In this section—

(1) “allied supplier” means a supplier of passenger motor vehicle equipment that is wholly owned by the manufacturer, or if a joint venture vehicle assembly arrangement, a supplier that is wholly owned by one member of the joint venture arrangement.

(2)(A) “carline”—

(i) means a name given a group of passenger motor vehicles that has a degree of commonality in construction such as body and chassis;

(ii) does not consider a level of decor or opulence; and

(iii) except for light duty trucks, is not generally distinguished by characteristics such as roof line, number of doors, seats, or windows; and

(B) light duty trucks are different carlines than passenger motor vehicles.

(3) “country of origin”, when referring to the origin of an engine or transmission, means the country from which the largest share of the dollar value added to an engine or transmission has originated—

(A) with the United States and Canada treated as separate countries; and

(B) the estimate of the percentage of the dollar value shall be based on the purchase price of direct materials, as received at individual engine or transmission plants, of engines of the same displacement and transmissions of the same transmission type, plus the assembly and labor costs incurred for the final assembly of such engines and transmissions.

(4) “dealer” means a person residing or located in the United States, including the District of Columbia or a territory or possession of the United States, and engaged in selling or distributing new passenger motor vehicles to the ultimate purchaser.

(5) “final assembly place” means the plant, factory, or other place at which a new passenger motor vehicle is produced or assembled by a manufacturer, and from which the vehicle is delivered to a dealer or importer with all component parts necessary for the mechanical operation of the vehicle included with the vehicle, whether or not the component parts are permanently installed in or on the vehicle. Such term does not include facilities for engine and transmission fabrication and assembly and the facilities for fabrication of motor vehicle equipment component parts which are produced at the same final assembly place using forming processes such as stamping, machining, or molding processes.

(6) “foreign content” means passenger motor vehicle equipment that is not of United States/Canadian origin.

(7) “manufacturer” means a person—

(A) engaged in manufacturing or assembling new passenger motor vehicles;

(B) importing new passenger motor vehicles for resale; or

(C) acting for and under the control of such a manufacturer, assembler, or importer

in connection with the distribution of new passenger motor vehicles.

(8) “new passenger motor vehicle” means a passenger motor vehicle for which a manufacturer, distributor, or dealer has never transferred the equitable or legal title to the vehicle to an ultimate purchaser.

(9) “of United States/Canadian origin”, when referring to passenger motor vehicle equipment, means—

(A) for an outside supplier—

(i) the full purchase price of passenger motor vehicle equipment whose purchase price contains at least 70 percent value added in the United States and Canada; or

(ii) that portion of the purchase price of passenger motor vehicle equipment containing less than 70 percent value added in the United States and Canada that is attributable to the percent value added in the United States and Canada when such percent is expressed to the nearest 5 percent; and

(B) for an allied supplier, that part of the individual passenger motor vehicle equipment whose purchase price the manufacturer determines remains after subtracting the total of the purchase prices of all material of foreign content purchased from outside suppliers, with the determination of the United States/Canadian origin or of the foreign content from outside suppliers being consistent with subclause (A) of this clause.

(10) “outside supplier” means a supplier of passenger motor vehicle equipment to a manufacturer’s allied supplier, or a person other than an allied supplier, who ships directly to the manufacturer’s final assembly place.

(11) “passenger motor vehicle” has the same meaning given that term in section 32101(10) of this title, except that it includes any multipurpose vehicle or light duty truck when that vehicle or truck is rated at not more than 8,500 pounds gross vehicle weight.

(12) “passenger motor vehicle equipment”—

(A) means a system, subassembly, or component received at the final vehicle assembly place for installation on, or attachment to, a passenger motor vehicle at the time of its first shipment by the manufacturer to a dealer for sale to an ultimate purchaser; but

(B) does not include minor parts (including nuts, bolts, clips, screws, pins, braces, and other attachment hardware) and other similar items the Secretary of Transportation may prescribe by regulation after consulting with manufacturers and labor.

(13) “percentage (by value)”, when referring to passenger motor vehicle equipment of United States/Canadian origin, means the percentage remaining after subtracting the percentage (by value) of passenger motor vehicle equipment that is not of United States/Canadian origin that will be installed or included on those vehicles produced in a carline, from 100 percent—

(A) with value being expressed in terms of the purchase price; and

(B) for outside suppliers and allied suppliers, the value used is the purchase price of

the equipment paid at the final assembly place.

(14) "State" means a State of the United States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, and the Virgin Islands.

(15) "value added in the United States and Canada" means a percentage determined by subtracting the total purchase price of foreign content from the total purchase price, and dividing the remainder by the total purchase price, excluding costs incurred or profits made at the final assembly place and beyond (including advertising, assembly, labor, interest payments, and profits), with the following groupings being used:

(A) engines of same displacement produced at the same plant.

(B) transmissions of the same type produced at the same plant.

(b) MANUFACTURER REQUIREMENT.—(1) Each manufacturer of a new passenger motor vehicle manufactured after September 30, 1994, and distributed in commerce for sale in the United States, shall establish each year for each model year and cause to be attached in a prominent place on each of those vehicles, at least one label. The label shall contain the following information:

(A) the percentage (by value) of passenger motor vehicle equipment of United States/Canadian origin installed on vehicles in the carline to which that vehicle belongs, identified by the words "U.S./Canadian content".

(B) the final assembly place for that vehicle by city, State (where appropriate) and country.

(C) if at least 15 percent (by value) of equipment installed on passenger motor vehicles in a carline originated in any country other than the United States and Canada, the names of at least the 2 countries in which the greatest amount (by value) of that equipment originated and the percentage (by value) of the equipment originating in each country.

(D) the country of origin of the engine and the transmission for each vehicle.

(2) At the beginning of each model year, each manufacturer shall establish the percentages required for each carline to be indicated on the label under this subsection. Those percentages are applicable to that carline for the entire model year. A manufacturer may round those percentages to the nearest 5 percent.

(3) A manufacturer complying with the requirement of paragraph (1)(B) of this subsection satisfies the disclosure requirement of section 3(b) of the Automobile Information Disclosure Act (15 U.S.C. 1232(b)).

(c) VEHICLE CONTENT PERCENTAGE BY ASSEMBLY PLANT.—A manufacturer may display separately on the label required by subsection (b) the domestic content of a vehicle based on the assembly plant. Such display shall occur after the matter required to be in the label by subsection (b)(1)(A).

(d) VALUE ADDED DETERMINATION.—If a manufacturer or allied supplier requests information in a timely manner from one or more of its outside suppliers concerning the United States/

Canadian content of particular equipment, but does not receive that information despite a good faith effort to obtain it, the manufacturer or allied supplier may make its own good faith value added determinations, subject to the following:

(1) The manufacturer or allied supplier shall make the same value added determinations as would be made by the outside supplier, that is, whether 70 percent or more of the value of equipment is added in the United States and/or Canada.

(2) The manufacturer or allied supplier shall consider the amount of value added and the location in which the value was added for all of the stages that the outside supplier would be required to consider.

(3) The manufacturer or allied supplier may determine that the value added in the United States and/or Canada is 70 percent or more only if it has a good faith basis to make that determination.

(4) A manufacturer and its allied suppliers may, on a combined basis, make value added determinations for no more than 10 percent, by value, of a carline's total parts content from outside suppliers.

(5) Value added determinations made by a manufacturer or allied supplier under this paragraph shall have the same effect as if they were made by the outside supplier.

(6) This provision does not affect the obligation of outside suppliers to provide the requested information.

(e) SMALL PARTS.—The country of origin of nuts, bolts, clips, screws, pins, braces, gasoline, oil, blackout, phosphate rinse, windshield washer fluid, fasteners, tire assembly fluid, rivets, adhesives, and grommets, of any system, sub-assembly, or component installed in a vehicle shall be considered to be the country in which such parts were included in the final assembly of such vehicle.

(f) DEALER REQUIREMENT.—Each dealer engaged in the sale or distribution of a new passenger motor vehicle manufactured after September 30, 1994, shall cause to be maintained on that vehicle the label required to be attached to that vehicle under subsection (b) of this section.

(g) FORM AND CONTENT OF LABEL.—The Secretary of Transportation shall prescribe by regulation the form and content of the label required under subsection (b) of this section and the manner and location in which the label is attached. The Secretary shall permit a manufacturer to comply with this section by allowing the manufacturer to disclose the information required under subsection (b)(1) on the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232), on the label required by section 32908 of this title, or on a separate label that is readily visible. A manufacturer may add to the label required under subsection (b) a line stating the country in which vehicle assembly was completed.

(h) REGULATIONS.—In consultation with the Secretaries of Commerce and the Treasury, the Secretary of Transportation shall prescribe regulations necessary to carry out this section, including regulations establishing a procedure to verify the label information required under subsection (b)(1) of this section. Those regulations

shall provide the ultimate purchaser of a new passenger motor vehicle with the best and most understandable information possible about the foreign content and United States/Canadian origin of the equipment of the vehicles without imposing costly and unnecessary burdens on the manufacturers. The Secretary of Transportation shall prescribe the regulations promptly to provide adequate lead time for each manufacturer to comply with this section. The regulations shall include provisions applicable to outside suppliers and allied suppliers to require those suppliers to certify whether passenger motor vehicle equipment provided by those suppliers is of United States origin, of United States/Canadian origin, or of foreign content and to provide other information the Secretary of Transportation decides is necessary to allow each manufacturer to comply reasonably with this section and to rely on that certification and information.

(i) PREEMPTION.—(1) When a label content requirement prescribed under this section is in effect, a State or a political subdivision of a State may not adopt or enforce a law or regulation related to the content of vehicles covered by a requirement under this section.

(2) A State or a political subdivision of a State may prescribe requirements related to the content of passenger motor vehicles obtained for its own use.

(Pub. L. 103-272, §1(e), July 5, 1994, 108 Stat. 1036; Pub. L. 103-429, §6(29), (30), Oct. 31, 1994, 108 Stat. 4380; Pub. L. 105-178, title VII, §7106(d), June 9, 1998, 112 Stat. 467.)

HISTORICAL AND REVISION NOTES  
PUB. L. 103-272

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
32304(a) .....	15:1950(f).	Oct. 20, 1972, Pub. L. 92-513, 86 Stat. 947, §210(b)-(d), (f), (g), added Oct. 6, 1992, Pub. L. 102-388, §355, 106 Stat. 1556, 1557.
32304(b)(1), (2).	15:1950(b)(1) (less words between 1st and 2d commas), (2).	
32304(b)(3) ..	15:1950(b)(3).	
32304(c) .....	15:1950(b)(1) (words between 1st and 2d commas).	
32304(d) .....	15:1950(c).	
32304(e) .....	15:1950(d).	
32304(f) .....	15:1950(g).	

In this section, the words “passenger motor vehicle” and “vehicle” are substituted for “automobile” because the defined terms used in the operative provisions of the law being restated are “passenger motor vehicle” and “new passenger motor vehicle”. The words “final assembly place” are substituted for “final assembly point” for clarity and consistency in the revised title and with other titles of the United States Code.

In subsection (a)(2)(A)(i), the word “given” is substituted for “denoting” for clarity. The words “passenger motor” are added for clarity and consistency in the revised section.

In section (a)(2)(A)(ii), the words “decor or opulence” are substituted for “decor of opulence” for clarity.

In subsection (a)(3), before subclause (A), the words “from which the largest share of the dollar value added to . . . has originated” are substituted for “in which 50 percent or more of the dollar value added of . . . originated. If no country accounts for 50 percent or more of the dollar value, then the country of origin is the coun-

try from which the largest share of the value added originated” for clarity and to eliminate unnecessary words. In subclause (A), the word “with” is substituted for “For the purpose of determining the country of origin for engines and transmissions” are omitted as unnecessary.

In subsection (a)(4), the word “possession” is added for clarity and consistency in the revised title and with other titles of the Code.

In subsection (a)(5), the words “in such a condition” are omitted as surplus.

In subsection (a)(6), the words “United States/Canadian origin” are substituted for “U.S./Canadian origin” for consistency with the defined term restated in the revised section. The word “foreign” is omitted as being included in “foreign content”.

In subsection (a)(9), before subclause (A), the words “originated in the United States and Canada” and “U.S./Canadian origin” are omitted as unnecessary because of the defined term “of United States/Canadian origin”. In subclause (A), the words “passenger motor vehicle equipment whose purchase price contains” are substituted for “the purchase price of automotive equipment which contains” for clarity. In subclause (B), the words “that part of the individual passenger motor vehicle equipment whose purchase price the manufacturer determines remains after subtracting the total of the purchase price of all material of foreign content purchased from outside suppliers” are substituted for “the manufacturer shall determine the foreign content of any passenger motor vehicle equipment supplied by the allied supplier by adding up the purchase price of all foreign material purchased from outside suppliers that comprise the individual passenger motor vehicle equipment and subtracting such purchase price from the total purchase price of such equipment” for clarity.

In subsection (a)(10), the word “person” is substituted for “anyone” for clarity and consistency in the revised title.

In subsection (a)(11), the words “a motor vehicle with motive power, manufactured primarily for use on public streets, roads, and highways, and designed to carry not more than 12 individuals . . . not including . . . a motorcycle; or . . . a truck not designed primarily to carry its operator or passengers” are substituted for “has the meaning provided in section 1901(1) of this title” for clarity.

In subsection (a)(13), before subclause (A), the words “the percentage remaining after subtracting” are substituted for “the resulting percentage when . . . is subtracted” for clarity.

In subsection (a)(15), before subclause (A), the words “Value added equals” are omitted as unnecessary because of the restatement.

The text of 15:1950(f)(2) is omitted as unnecessary because of 1:1. The text of 15:1950(f)(8) is omitted because the complete title of the Secretary of Transportation is used the first time the term appears in a section.

In subsection (b)(1)(A), the words “to which that vehicle belongs” are added for clarity.

In subsection (b)(3), the text of 15:1950(b)(3) (1st sentence) is omitted as unnecessary because of the source provisions restated in this subsection.

Subsection (c) is substituted for “and each dealer shall cause to be maintained” for clarity and because of the restatement.

In subsection (e), the words “passenger motor vehicle equipment” are substituted for “a component” for clarity and for consistency with the defined term. The text of 15:1950(d) (last sentence) is omitted as unnecessary because of section 32308 of the revised title. The words “foreign content” are substituted for “foreign” for clarity and consistency with the defined term.

PUB. L. 103-429, §6(29)

This amends 32304(a)(11) to clarify the restatement of 15:1950(f)(3) by section 1 of the Act of July 5, 1994 (Public Law 103-272, 108 Stat. 1038).

## PUB. L. 103-429, §6(30)

This amends 49:32304(a)(14) to reflect the inclusion of the Northern Mariana Islands and the exclusion of the Canal Zone. The words "the Northern Mariana Islands" are added because of section 502(a)(2) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, as enacted by the Act of March 24, 1976 (Public Law 94-241, 90 Stat. 268), and as proclaimed to be in effect by the President on January 9, 1978 (Proc. No. 4534, Oct. 24, 1977, 42 F.R. 56593). The words "the Canal Zone" are omitted because of the Panama Canal Treaty of 1977.

**Editorial Notes**

## AMENDMENTS

1998—Subsec. (a)(3)(B). Pub. L. 105-178, §7106(d)(1)(A), inserted before period at end " , plus the assembly and labor costs incurred for the final assembly of such engines and transmissions".

Subsec. (a)(5). Pub. L. 105-178, §7106(d)(1)(B), inserted at end "Such term does not include facilities for engine and transmission fabrication and assembly and the facilities for fabrication of motor vehicle equipment component parts which are produced at the same final assembly place using forming processes such as stamping, machining, or molding processes."

Subsec. (a)(9)(A). Pub. L. 105-178, §7106(d)(1)(C), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "for an outside supplier, passenger motor vehicle equipment whose purchase price contains at least 70 percent value added in the United States and Canada; and".

Subsec. (c). Pub. L. 105-178, §7106(d)(3), added subsec. (c). Former subsec. (c) redesignated (f).

Subsec. (d). Pub. L. 105-178, §7106(d)(4), added subsec. (d). Former subsec. (d) redesignated (g).

Pub. L. 105-178, §7106(d)(2), inserted at end "A manufacturer may add to the label required under subsection (b) a line stating the country in which vehicle assembly was completed."

Subsec. (e). Pub. L. 105-178, §7106(d)(5), added subsec. (e). Former subsec. (e) redesignated (h).

Subsecs. (f) to (i). Pub. L. 105-178, §7106(d)(3), redesignated subsecs. (c) to (f) as (f) to (i), respectively.

1994—Subsec. (a)(11). Pub. L. 103-429, §6(29), amended par. (11) generally. Prior to amendment, par. (11) read as follows: " 'passenger motor vehicle' means a motor vehicle with motive power, manufactured primarily for use on public streets, roads, and highways, and designed to carry not more than 12 individuals—

"(A) including a multipurpose vehicle or light duty truck when the vehicle or truck is rated at not more than 8,500 pounds gross vehicle weight; but

"(B) not including—

"(i) a motorcycle;

"(ii) a truck not designed primarily to carry its operator or passengers; or

"(iii) a vehicle operated only on a rail line."

Subsec. (a)(14). Pub. L. 103-429, §6(30), inserted "the Northern Mariana Islands," after "Puerto Rico," and struck out "the Canal Zone," after "Guam,".

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-429 effective July 5, 1994, see section 9 of Pub. L. 103-429, set out as a note under section 321 of this title.

**§ 32304A. Consumer tire information and standards**

(a) CONSUMER TIRE INFORMATION.—

(1) IN GENERAL.—Not later than 24 months after the date of enactment of the Ten-in-Ten Fuel Economy Act, the Secretary of Transpor-

tation (referred to in this section as the "Secretary") shall, after notice and opportunity for comment, promulgate rules establishing a national tire fuel efficiency consumer information program for replacement tires designed for use on motor vehicles to educate consumers about the effect of tires on automobile fuel efficiency, safety, and durability.

(2) ITEMS INCLUDED IN RULE.—The rule-making shall include—

(A) a national tire fuel efficiency rating system for motor vehicle replacement tires to assist consumers in making more educated tire purchasing decisions;

(B) requirements for providing information to consumers, including information at the point of sale and other potential information dissemination methods, including the Internet;

(C) specifications for test methods for manufacturers to use in assessing and rating tires to avoid variation among test equipment and manufacturers; and

(D) a national tire maintenance consumer education program including,<sup>1</sup> information on tire inflation pressure, alignment, rotation, and tread wear to maximize fuel efficiency, safety, and durability of replacement tires.

(3) APPLICABILITY.—This section shall apply only to replacement tires covered under section 575.104(c) of title 49, Code of Federal Regulations, in effect on the date of the enactment of the Ten-in-Ten Fuel Economy Act.

(b) PROMULGATION OF REGULATIONS FOR TIRE FUEL EFFICIENCY MINIMUM PERFORMANCE STANDARDS.—

(1) IN GENERAL.—The Secretary, after consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, shall promulgate regulations for tire fuel efficiency minimum performance standards for—

(A) passenger car tires with a maximum speed capability equal to or less than 149 miles per hour or 240 kilometers per hour; and

(B) passenger car tires with a maximum speed capability greater than 149 miles per hour or 240 kilometers per hour.

(2) TIRE FUEL EFFICIENCY MINIMUM PERFORMANCE STANDARDS.—

(A) STANDARD BASIS AND TEST PROCEDURES.—The minimum performance standards promulgated under paragraph (1) shall be expressed in terms of the rolling resistance coefficient measured using the test procedure specified in section 575.106 of title 49, Code of Federal Regulations (as in effect on the date of enactment of this Act).<sup>2</sup>

(B) NO DISPARATE EFFECT ON HIGH PERFORMANCE TIRES.—The Secretary shall ensure that the minimum performance standards promulgated under paragraph (1) will not have a disproportionate effect on passenger car high performance tires with a maximum speed capability greater than 149 miles per hour or 240 kilometers per hour.

<sup>1</sup> So in original. Probably should be " , including".

<sup>2</sup> See References in Text note below.