

**STATEMENT OF
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BEFORE THE
COMMITTEE ON ENERGY AND COMMERCE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
U.S. HOUSE OF REPRESENTATIVES**

HEARING ON

***UPDATE ON TOYOTA AND NHTSA'S RESPONSE TO THE PROBLEM OF
SUDDEN UNINTENDED ACCELERATION***

May 20, 2010

Chairman Stupak, Ranking Member Burgess and Members of the Committee:

I appreciate the opportunity to provide the committee an update on the activities of the National Highway Traffic Safety Administration (NHTSA) concerning unintended acceleration incidents involving Toyota vehicles. Since Secretary LaHood testified before this committee on this subject in February, NHTSA has been very active.

Last week, Secretary LaHood and I traveled to Japan to meet with officials of the Japanese government and Toyota. We have a very good working relationship with our counterparts in the Japanese government and had a productive meeting with them. Our meeting with Toyota provided another opportunity to emphasize to the company's leadership the importance of making the safety of its vehicles the company's highest priority. The company has recently made changes in its organization and processes that are designed to ensure that Toyota officials here in the United States have a direct role in making vehicle recall decisions for the company. We reinforced with Toyota officials, including Chairman Toyoda himself, that the value of these organizational changes will be determined by the company's future safety actions.

As you know, we initiated three separate actions in February: a timeliness query (TQ) related to the pedal entrapment recall; a TQ related to the "sticky pedal" recall; and a recall query (RQ) looking at whether those two recalls were sufficient in scope and whether there are other matters related to unintended acceleration in Toyota vehicles that should have been addressed by the company. On April 19, Toyota agreed to pay \$16,375,000 in civil penalties in connection with the sticky pedal TQ. This is the maximum penalty available under current law. NHTSA believed the penalty was warranted due to the company's failure to inform the agency in a timely way about the safety defect involved in that recall.

We are continuing to review the large number of documents submitted by Toyota in response to the pedal entrapment TQ. We have not reached a decision yet on whether the facts of that case warrant a civil penalty. We have recently begun to review the huge volume of documents received in response to the RQ. The documents are so numerous that we have entered into an agreement with the Department of Justice to help us categorize and analyze the documents. That task will take some time.

At the same time we have undertaken two important reviews related to unintended acceleration. The first is a review of the electronic throttle control (ETC) system in Toyota vehicles. This review entails in-depth research into the design, function, and safety measures associated with that system, including all of its electronic components and software. The National Aeronautics and Space Administration (NASA) is assisting us in this effort, which is well underway. NASA brings its great expertise in electronic control systems, forensic analysis, and fail-safe design to the project. NASA's expertise is being complemented by specific automotive electronics and safety systems expertise from both inside and outside of NHTSA. The team is working to identify any vulnerabilities and possible failure modes in the ETC system that can lead to unintended acceleration and that involve conditions that can realistically be expected to occur in consumers' use of these vehicles. However, as is typical in any review of the design and operation of very complex systems, we and our partners on this project are finding the search for possible flaws quite time consuming. We are hoping to complete this review of the ETC system by the end of August, but that will depend on just how quickly the necessary analysis and testing can be done. If we do find such possible failure modes that might explain any of the unintended acceleration events reported to NHTSA, we will open a defect investigation.

The second review will be conducted by an independent panel of experts chosen by the National Academy of Sciences. This group will study the broad subject of unintended acceleration and electronic control systems across the automotive industry. They will look at subjects such as electronic vehicle control systems' design and reliability (including hardware and software issues), electromagnetic compatibility and electromagnetic interference, existing relevant design and testing standards, human factors and the possibility of human error, and mechanical failure. The panel will make recommendations to NHTSA on research, rulemaking, and enforcement activities and the personnel, infrastructure, and financial resources required for NHTSA to help ensure the future safety of ETC systems and other electronic vehicle control functions. NAS has begun the process of identifying panel members, and we have been informed that the panel will be established by July and will complete its work within 15 months. We think this group's work comes at a very opportune moment, not only to provide advice to the agency on the unintended acceleration issue, but also to provide such advice on the range of electronics issues that might affect motor vehicle safety as new electronic crash avoidance and other technologies rapidly proliferate in the vehicle fleet.

The major recalls that Toyota has initiated concerning unintended acceleration involved two distinct issues, pedal entrapment by floor mats and “sticky” pedals resulting from a particular defective pedal. Some consumers who have had their vehicles repaired under these recalls have complained to NHTSA about incidents of unintended acceleration occurring after the repairs. NHTSA has spoken to nearly a hundred vehicle owners and inspected a number of vehicles involved in these incidents. We have found just a few instances where a dealer apparently performed a recall remedy incorrectly and have worked with Toyota to ensure corrections were made. We have not found evidence that properly performed recall repairs did not address the problem they were intended to address. That is, we have not seen pedal entrapment in a vehicle that has had the correct pedal entrapment repair or a sticky pedal in a vehicle that has had the correct repair. Nor have we yet found evidence from these recent vehicle inspections that gives us the basis for opening a new defect investigation of unintended acceleration in these vehicles. We will continue to look for such evidence through field inspections, review of incoming complaints and early warning data and, of course, the comprehensive review of Toyota’s ETC system discussed above.

Pressure applied by NHTSA has been instrumental in bringing about all of the recalls Toyota has undertaken thus far to address unintended acceleration. We will go wherever the evidence leads us to address the root causes of this phenomenon, including additional investigations and recalls if necessary. Toyota’s recently revamped approach to its recall responsibilities will hopefully result in the company’s being very proactive in addressing the unintended acceleration issue wherever it sees opportunities for improvement.

Of course, we are working with this committee and the Senate Commerce Committee on legislative proposals that would address the unintended acceleration issue across the industry through various requirements for new standards. The legislation would also give NHTSA enhanced authority to address situations where manufacturers are reluctant to perform necessary safety recalls or not completely truthful in submitting information to the agency.

Thank you and I look forward to answering your questions.