ONE HUNDRED THIRTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515-6115

Majority (202) 225-2927 Minority (202) 225-3641

November 7, 2014

The Honorable Fred Upton Chairman Committee on Energy and Commerce 2125 Rayburn House Office Building Washington, D.C. 20515

The Honorable Tim Murphy Chairman Subcommittee on Oversight & Investigations 2125 Rayburn House Office Building Washington, D.C. 20515

The Honorable Lee Terry Chairman Subcommittee on Commerce, Manufacturing, and Trade 2125 Rayburn House Office Building Washington, D.C. 20515

Dear Chairman Upton, Chairman Murphy, and Chairman Terry:

We are writing to request a hearing and investigation of the safety risks posed by defective Takata airbags that have been installed in vehicles driven by millions of Americans. This investigation should focus on allegations that Takata and automobile manufacturers may have been aware of these risks for years before the defective vehicles were recalled.

Last month, the National Highway Traffic Safety Administration (NHTSA) issued a rare consumer advisory, urging owners of millions of vehicles to "act immediately on recall notices to replace defective Takata airbags" installed as original equipment in cars built by several different manufacturers. This serious defect involves faulty airbag inflators that can explode,

¹ National Highway Traffic Safety Administration, *Consumer Advisory: Vehicle Owners with Defective Airbags Urged to Take Immediate Action* (Oct. 20, 2014). The recall now covers more than 7.8 million vehicles, including certain models by Toyota, Honda, Mazda, BMW, Nissan, Mitsubishi, Subaru, Chrysler, Ford and General Motors

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sending sharp metal fragments into drivers and passengers at approximately 200 miles per hour. Preliminary estimates indicate that dozens of injuries and at least four deaths are linked to these exploding Takata airbags.² NHTSA has also sent special orders – the functional equivalent of subpoenas – to Takata and Honda relating to the defective airbags and to the companies' potential failure to provide information about them to NHTSA.³

The first recalls of vehicles with defective Takata airbags occurred in 2009. But the *New York Times* reported in September that Honda and Takata first became aware of explosion risks from airbags in 2004 and failed to detail these risks to federal safety regulators until years later. ⁴ Today, the *New York Times* reported a set of even more disturbing allegations: that Takata secretly conducted tests of defective airbags in 2004, identified problems, and – instead of alerting federal safety regulators – ordered employees to delete the testing results and throw away defective parts that were part of the tests. ⁵

These allegations, if true, are deeply troubling. They come in the wake of the Committee's investigation into General Motors's defective ignition switches, which revealed that key GM employees were aware of faulty parts long before they were reported to safety regulators, and they raise numerous questions about whether NHTSA has the budget and statutory tools it needs to prevent defective vehicles from being sold to consumers.

The Committee should act quickly to investigate these new allegations. We should seek documents from Takata, Honda, and other auto manufacturers, and interview key employees of these companies. The investigation should seek to identify what Takata knew about the defective air bags, when the company knew about them, and whether Takata reported all appropriate information to federal safety authorities.

We should also move quickly on legislation to address the Committee's findings. We are in the midst of the second significant auto safety recall in the last six months, and we need to take steps to restore the public's confidence in the ability of auto manufacturers and the government to keep their vehicles safe.

² Fourth U.S. traffic death linked to Takata air bags, Reuters (Oct. 17, 2014).

³ National Highway Traffic Safety Administration, *Special Order Directed to TK Holdings, Inc.* (Oct. 30, 2014); National Highway Traffic Safety Administration, *Special Order Directed to American Honda Motor Co., Inc.* (Nov. 3, 2014); National Highway Traffic Safety Administration, *Special Order Directed to American Honda Motor Co., Inc.* (Nov. 5, 2014).

⁴ Air Bag Flaw, Long Known to Honda and Takata, Led to Recalls, New York Times (Sept. 11, 2014).

⁵ Takata Saw and Hid Risk in Airbags in 2004, Former Workers Say, New York Times (Nov. 6, 2014)

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We have introduced legislation that would address many of the concerns raised by the Takata recall and by the Committee's GM investigation. Our legislation would impose increased penalties on manufacturers that fail to report safety information and would give NHTSA and the public new and more detailed data to identify defective vehicles.

There are still five weeks until the Congress adjourns for the year, and we hope that we can move forward rapidly and work together in bipartisan fashion on the investigation and on motor vehicle safety legislation to respond to its findings.

Thank you for your consideration.

Sincerely,

Henry A. Waxman Ranking Member Diana DeGette
Ranking Member
Subcommittee on Oversight
and Investigations

Jan Schakowsky Panking Member

Subcommittee on Commerce, Manufacturing, and Trade