

**Opening Statement of the Honorable Fred Upton  
Subcommittee on Commerce, Manufacturing, and Trade  
Hearing on “Takata Airbag Ruptures and Recalls”  
December 3, 2014**

*(As Prepared for Delivery)*

I'm from the auto state, and I'm sorry to say it's been a bad year for auto safety. The latest danger for drivers? Malfunctioning air bags that can shoot shrapnel through the air and make a bad accident worse. Drivers are being told their vehicle is subject to a recall but there are not enough parts to fix it, and if they do get a replacement, that airbag may be subject to the same safety failure in the future because we still don't know if the root problem has been addressed. There are still a lot of questions surrounding these airbag defects and recalls, and today I want some answers. The American people deserve to have confidence that the cars they drive are safe and that industry and the government are doing everything they can to improve safety. I don't understand, after all these years, whether it is a design flaw or a manufacturing issue. You can't fix the problem until the basic question is answered.

Unfortunately, deadly auto defects and massive recalls are not new subjects for this committee. I've listened to and led multiple recall hearings, ranging from the Ford/Firestone crisis, to the Toyota floor mats problem, to the GM ignition switch debacle earlier this year. Over a decade ago, I authored the bipartisan TREAD Act so we could help catch and fix defects sooner and avoid the kind of disaster we are facing today. Yet, here we are.

The TREAD Act is simple – it requires manufacturers to report the information needed to help NHTSA quickly identify vehicle defects and remove flawed cars from the road immediately. Our goal was to prevent injuries and save lives, but we need industry and NHTSA to do their part.

Cars are safer today, but not because a company hires lawyers and consultants to avoid reporting safety incidents. I am going to ask some tough questions today about what we have read and heard about Honda manipulating the system to report as little as possible. Companies need to know that there isn't anything safe about shorting safety. We need more automakers to make safety a priority and institute safety incentives. In the case of GM, they acknowledged their safety failure, their CEO volunteered to testify, and they hired a new safety officer to implement company-wide culture changes. I'd like to see that same level of urgency, that same admission of mistakes, and that same commitment to do better today.

Complex safety technology can lead to complex problems, and the Takata airbag issues are complex. There were manufacturing issues and there were handling issues. As soon as one problem was identified another one sprang up. Now we are waiting to find out if humidity is the issue or if there are other manufacturing concerns. In the meantime, testing is slow and we are short on the replacement parts. What is worse, no one can say for sure that the replacement parts are any safer than the originals. We may be right back here after the replacements have reached their humidity half-life.

But complexity is not an excuse for incompetence. We need to make sure that companies and regulators can keep pace with innovation. And we need a regulatory agency that breeds confidence and offers solutions, not one that is too often part of the problem.

To our witnesses, I pose this question: What should I say to the mom in Michigan who asks me if she and her family are safe behind the wheel? Families across the country expect the safety devices in their vehicles to work; they expect them to provide lifesaving protection they can count on in the event of an accident. They expect problems from earlier models to be reported and fixed, and they expect to be able to get a defect repaired when they find out about it. But sadly, I can't give those assurances right now. One thing is for sure – we have a lot of issues to resolve. I thank Chairman Terry for calling this hearing to start the process, and I want to thank him for his service as a leader of this Subcommittee and wish him well in his next endeavor.

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