Why GAO Did This Study

Traffic fatalities and fatality rates have substantially decreased over the last 10 years, yet far too many people continue to be killed or injured on the nation's roadways. In addition, auto safety recall defects are on the rise. On average, about 70 percent of vehicles subject to a recall are fixed, leaving the remainder to continue posing risks to vehicle owners, passengers, and pedestrians. The National Highway Traffic Safety Administration (NHTSA) administers programs that provide grants to states to improve traffic safety and oversees the identification and remedy of vehicle and equipment defects that could pose an unreasonable risk to safety. The upcoming reauthorization of surface transportation programs affords Congress an opportunity to strengthen these grant programs in several ways and to address gaps GAO identified in NHTSA's auto recall process.

This statement addresses (1) NHTSA's progress in improving oversight and performance measurement for traffic safety grant programs, (2) NHTSA's oversight of the auto safety defect process, and (3) issues for Congress to consider in reauthorizing funding for traffic and vehicle safety programs. This statement is based primarily on reports GAO has issued since enactment of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) on issues related to traffic safety—including NHTSA's oversight of state traffic safety programs, traffic safety grants, and high-visibility enforcement—and NHTSA's auto recall process.

What GAO Found

NHTSA has made good progress in recent years in improving oversight and performance measurement for traffic safety grant programs. As GAO recommended in 2003, NHTSA improved the consistency of its oversight process, including conducting a management review of each state at least once every 3 years. In addition, NHTSA developed a tool to track states' implementation of management review recommendations and encourage states to act on NHTSA's guidance. To improve performance measurement for traffic safety grant programs, NHTSA has published two sets of performance measures to assist states in implementing and improving traffic safety programs and data systems. These measures are an important step in moving toward a more performance-based, data-driven grant structure, and respond wholly or in part to GAO recommendations to improve state accountability for grant funds.

In a June 2011 report on NHTSA's safety defect recall process, GAO identified a number of challenges that affect parts of the recall process, including recall completion rates (the number of defective vehicles that are fixed):

- identifying and notifying vehicle owners of auto safety defects;
- motivating vehicle owners to comply with notification letters;
- providing better information to vehicle owners and the public;
- using existing data to improve completion rates; and,
- lack of authority to notify potential used car buyers about outstanding recalls.

GAO also identified several options or changes that could address some of the challenges to the safety recall process and increase safety for the motoring public. For example, NHTSA could modify the way manufacturers must present information in safety defect notification letters and publicize information resources, like NHTSA's Web site, so that vehicle owners are better motivated and informed. NHTSA may also be able to use manufacturers' data to identify what factors make some recalls more or less successful than others. Most of these options are within the scope of NHTSA's current authorities and would require minimal investment of staff and other resources. NHTSA is currently exploring a few of these options. However, the options have advantages and disadvantages that will require careful consideration before being adopted.

In reauthorizing funding for NHTSA's traffic and vehicle safety programs, Congress has an opportunity to address a number of issues that GAO has previously identified. One such issue is whether to move further toward improving state accountability for traffic safety grant funds by linking state performance with traffic safety grant awards. Another issue is whether the individual safety incentive grant programs can be restructured or their requirements adjusted to simplify application procedures and allow states more flexibility in the use of the grant funds. Still another issue is whether NHTSA's authority should be expanded to help ensure that purchasers of used cars are aware of any defects that have not been remedied following a recall.