



## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

#### Petition for Exemption from the

#### Federal Motor Vehicle Theft Prevention Standard;

#### American Honda Motor Co., Inc.

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

**ACTION:** Grant of petition for exemption.

**SUMMARY:** This document grants in full the American Honda Motor Co., Inc.'s (Honda) petition for exemption of the 2019 Model Year (MY) Passport vehicle line in accordance with Exemption from Vehicle Theft Prevention Standard. NHTSA is granting this petition because the agency has determined that the anti-theft device to be placed on the vehicle line as standard equipment is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Federal Motor Vehicle Theft Prevention Standard (Theft Prevention Standard).

**DATES:** The exemption granted by this notice is effective beginning with the 2019 model year (MY).

**FOR FURTHER INFORMATION CONTACT:** Ms. Carlita Ballard, Office of International Policy, Fuel Economy and Consumer Programs, NHTSA, West Building, W43-439, 1200 New Jersey Avenue, S.E., Washington, D.C. 20590. Ms. Ballard's phone number is 202-366-5222. Her fax number is (202) 493-2990.

**SUPPLEMENTARY INFORMATION:** In a petition dated March 16, 2018, Honda requested an exemption from the parts-marking requirements of the Theft Prevention Standard for the Passport vehicle line beginning with MY 2019. The petition requested an exemption from parts-marking pursuant to 49 CFR part 543, Exemption from Vehicle Theft Prevention Standard, based on the installation of an antitheft device as standard equipment for the entire vehicle line.

Under 49 CFR part 543.5(a), a manufacturer may petition NHTSA to grant an exemption for one vehicle line per model year. In its petition, Honda provided a detailed description and diagram of the identity, design, and location of the components of the antitheft device for the Passport vehicle line. Honda stated that both the 2-wheel drive and all-wheel drive variants of its Passport vehicle line will be equipped with a transponder-based engine immobilizer antitheft device as standard equipment. Honda also stated that the Passport vehicle line will be equipped with a “smart entry with push button start” ignition system (“smart entry”) and an audible and visible vehicle security alarm system as standard equipment on the entire vehicle line. Key components of the antitheft device will include a passive immobilizer, “smart entry” remote, powertrain control module (PCM) and an Immobilizer Entry System (IMOES).

Honda’s submission is considered a complete petition as required by 49 CFR 543.8, in that it meets the general requirements contained in §543.5 and the specific content requirements of §543.6.

In addressing the specific content requirements of §543.6, Honda provided information on the reliability and durability of its proposed device. To ensure the reliability and durability of the device, Honda provided the requirements and results of the testing it conducted based on its own specified standards. Honda believes that the device is reliable and durable since it complied

with the specified requirements for each test and that installation of the antitheft device as standard equipment on the Passport vehicle line will reduce its theft rates and prove to be more effective than parts marking. Honda stated that it also follows a rigorous development process that ensure that its antitheft device is reliable and robust for the life of the vehicle. In further support of the reliability and durability of its antitheft device, Honda also stated that its antitheft device does not require the presence of a key fob remote battery to function nor does it have any moving parts, which it believes reduces the chance for deterioration and wear from normal use

Honda stated that its “smart entry” antitheft device requires a remote fob “smart entry remote/keyless key with a matching code to start the vehicle. Honda stated that its immobilizer device is always active and automatically checks for the matching immobilizer code when the “smart entry” remote is within operating range. Upon validation of the matching code by the IMOES, pushing the engine start/stop button on the vehicle dashboard allows the engine to start and the driver the ability to operate the vehicle. Honda further states that if a “smart entry” remote without a matching code is placed inside the operating range and the engine start/stop button is pushed, the PCM will prevent fueling and starting of the engine and the ignition immobilizer telltale indicator will begin flashing on the instrument panel.

Honda stated that it will also install an audible and visible vehicle security system as standard equipment on all its Passport vehicles to attract attention to an unauthorized person attempting to enter its vehicles without a key or remote through the doors, hood, or trunk. Whenever an attempt is made to open one of its protected areas without using the correct key in one of the key cylinders or the key fob to disarm the vehicle, the vehicle’s horn will sound and its lights will flash. Honda further stated that its antitheft device is activated when all the doors are locked and the hood and trunk are closed and locked. Honda’s antitheft device is deactivated

when either of the key fob buttons are used to unlock the vehicle doors, the driver's door is unlocked by using the key in the key cylinder or either of the front door handles are grabbed when the "smart entry remote" is within operating range of the vehicle. Honda further stated that its antitheft device automatically activates at every vehicle shutdown and deactivates at every vehicle start, without requiring any action from the vehicle operator.

Honda believes that the design of its door keys and key cylinders will provide additional reliability, durability and security. Honda stated that its door keys and key cylinders will prohibit theft because they are designed to be more resistant to picking and duplication is controlled by authorized dealers. Honda further stated that the key fob remotes will also utilize rolling codes for the lock and unlock features, the hood release lever will be securely located inside the vehicle, the vehicle will be equipped with counterfeit-resistant vehicle identification number (VIN) plates and secondary VINs will be inscribed on the vehicle frame, ensuring further reliability, durability and vehicle security.

In support of its belief that its antitheft device will be as or more effective in reducing and deterring vehicle theft than the parts-marking requirement, Honda referenced data showing several instances of the effectiveness of its proposed immobilizer device. Honda stated that it believes the immobilizer antitheft device proposed for installation on its Passport vehicle line will be as effective in reducing and deterring theft as the antitheft device installed on its MY 2003-2014 Honda Pilot vehicle line because both vehicles will be installed with the same basic immobilizer and share the same platform. Honda also provided the testing results for the immobilizer device currently installed on its Pilot vehicle line. Honda stated that the Pilot's antitheft device is similar in design to that proposed for installation on its Passport vehicle line

and has already been granted an exemption from the parts marking requirements (See 81 FR 12197, March 8, 2016).

Honda also submitted supporting data from the Insurance Institute for Highway Safety (IIHS) and the agency for the years after installation of the immobilizer device on the Pilot vehicle, showing a sustained decreasing theft rate trend over the years. Honda first installed an immobilizer device as standard equipment on its MY 2003 Honda Pilot vehicles. Honda also referenced NHTSA's theft rate data for MYs 2003-2014 showing a consistent rate of thefts well below the 1990/91 median theft rate (3.5826) since the installation of its immobilizer device on the Honda Pilot vehicle line. NHTSA notes that the theft rates for the MYs 2012-2014 Honda Pilot vehicle line are 0.9846, 1.2111 and 0.5446 respectively. Using an average of three MYs' theft data (2012-2014), the theft rate for the Honda Pilot vehicle line is well below the median at 0.9134. Additionally, Honda referenced the IIHS 2003-2015 Insurance Theft Report showing an overall reduction in theft claims for the Honda Pilot vehicles after introduction of its immobilizer device on the vehicle line. Specifically, the IIHS data showed for years 2003 through 2015, theft claims for the Honda Pilot were 427 (2003-2005), 563 (2006-2008), 361 (2009-2011), 389 (2012-2014) and 335 (2012-2015) respectively. Honda also stated that the IIHS data further revealed that while the Pilot vehicle line has sustained lower theft rates over the years, it has also experienced the top ten lowest theft rates from 2006-2009 when compared to other competitive vehicles that have already been granted an exemption by the agency.

Additionally, Honda stated that the immobilizer device proposed for the Passport vehicle line is similar to the design of antitheft devices installed on its 2014 Honda Civic, 2015 Honda Accord, 2016 Honda CR-V, 2017 Honda Pilot and 2018 Acura MDX vehicles which have already been granted parts-marking exemptions by the agency. The agency granted the petitions

for the Honda Civic vehicle line in full beginning with MY 2014 (see 61 FR 19363, March 29, 2013), the Honda Accord vehicle line beginning with MY 2015 (see 79 FR 18409, April 1, 2014), the Honda CR-V vehicle line beginning with MY 2016 (see 80 FR 3733, January 23, 2015), the Honda Pilot beginning with MY 2017 (see 81 FR 12197, March 8, 2016) and the Acura MDX beginning with MY 2018 (see 82 FR 22055, May 11, 2017). The agency notes that the average theft rate for the Honda Civic, Accord, CR-V, Pilot and MDX vehicle lines using three MYs' data (MYs 2012 through 2014) are 0.6611, 0.7139, 0.3203, 0.9134 and 0.4630 respectively.

Based on the supporting evidence submitted by Honda on its device, the agency believes that the antitheft device for the Passport vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of the Theft Prevention Standard (49 CFR 541). The agency concludes that the device will: promote activation; attract attention to the efforts of an unauthorized person to enter or move a vehicle by means other than a key; prevent defeat or circumvention of the device by unauthorized persons; prevent operation of the vehicle by unauthorized entrants; and ensure the reliability and durability of the device, as required by §543.6(a)(3).

Pursuant to 49 U.S.C. 33106 and 49 CFR 543.8 (b), the agency grants a petition for exemption from the parts-marking requirements of part 541 either in whole or in part, if it determines that, based upon substantial evidence, the standard equipment antitheft device is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements of part 541. The agency finds that Honda has provided adequate reasons for its belief that the antitheft device for the Passport vehicle line is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking

requirements of the Theft Prevention Standard. This conclusion is based on the information Honda provided about its device.

The agency notes that 49 CFR part 541, Appendix A-1, identifies those lines that are exempted from the Theft Prevention Standard for a given model year. 49 CFR part 543.8(f) contains publication requirements incident to the disposition of all part 543 petitions. Advanced listing, including the release of future product nameplates, the beginning model year for which the petition is granted and a general description of the antitheft device is necessary in order to notify law enforcement agencies of new vehicle lines exempted from the parts-marking requirements of the Theft Prevention Standard.

If Honda decides not to use the exemption for this line, it must formally notify the agency. If such a decision is made, the line must be fully marked according to the requirements under 49 CFR parts 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if Honda wishes in the future to modify the device on which this exemption is based, the company may have to submit a petition to modify the exemption. Part 543.8(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Part 543.10(c)(2) provides for the submission of petitions "to modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption."

The agency wishes to minimize the administrative burden that Part 543.10(c)(2) could place on exempted vehicle manufacturers and itself. In order to reduce the administrative burden, at the manufacturer's option, the agency can be consulted about whether a change can be characterized as *de minimis*. This may save the manufacturer the time to prepare and submit a

petition to modify its antitheft device if indeed the agency determines the change to be *de minimis*. Therefore, NHTSA suggests that if the manufacturer contemplates making any changes, the effects of which might be characterized as *de minimis*, it should consult the agency before preparing and submitting a petition to modify its exemption.

NHTSA also notes that Honda has requested confidential treatment seeking, among other things, that NHTSA keep the model name and release date of the Passport vehicle line confidential until the “model is announced by Honda.” Although the agency has found several Honda dealer websites announcing the future arrival of the 2019 Passport, Honda reports that the company has not announced the MY or intended name of this model. As noted at the time NHTSA issued the final rule establishing Part 543, manufacturers requested that NHTSA treat a model name as confidential until the model is introduced rather than at the time the agency granted an exemption petition.<sup>1</sup> The Agency stated that any secrecy regarding a model name must be balanced against the need of law enforcement agencies to know which car lines will be required to be marked under the theft prevention standard.<sup>2</sup> NHTSA determined that it will treat a model name as confidential until the June 1 immediately preceding the new vehicle’s first model year if a manufacturer can show that it has not released a new model’s nameplate either to dealers or to any other portion of the public. *Id.* Because June 1, 2018 has now passed, the Agency is releasing the model name and year in deference to the need of law enforcement to identify exempt vehicles.

---

<sup>1</sup> 52 FR 33821, 33824, September 8, 1987

<sup>2</sup> *Id.*

For the foregoing reasons, the agency hereby grants in full Honda's petition for exemption for the Passport vehicle line from the parts-marking requirements of 49 CFR part 541, beginning with the 2019 model year vehicles.

Issued in Washington, D.C., under authority delegated in 49 CFR 1.95 and 501.8.

**Raymond R. Posten,**  
*Associate Administrator for Rulemaking.*

**BILLING CODE: 4910-59-P**

[FR Doc. 2019-02723 Filed: 2/19/2019 8:45 am; Publication Date: 2/20/2019]