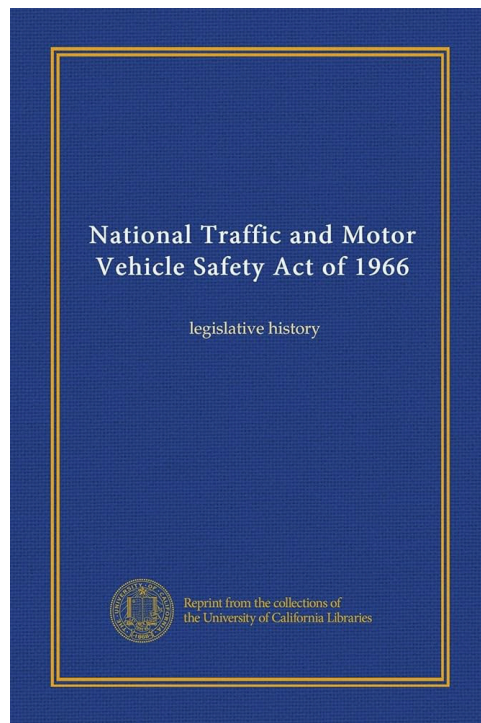


Public policy paper

National Traffic and Motor Vehicle Safety Act of 1966



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Introduction

The overarching theme of this public policy paper serves to develop the genesis of crucial regulatory provisions in the United States. The National Traffic and Motor Vehicle Safety Act of 1966 depicts the powerful impact that our democratic government and its people have on the rule of the land. Without the voices and public outcry of several influential individuals at the time , there is no telling how long it would have taken to finally address one of America's most dire issues at the time.

The Act itself established the first federal motor vehicle safety standards, fundamentally transforming the automotive industry for the better during a time of massive economic overhaul. While the Act could have been swept under the rug due to its complications with American business interest , public good and safety prevailed and set the standard for the America we see today. The first addressment of the national traffic and safety act initiated the start of several departments such as the department of transportation and the federal highway administration. (*FHWA*. (2021). These departments now had a foot in the water of the enormous pool of corporate america. What later prevailed were measures of mandated safety standards that aimed to reduce traffic accidents and fatalities. The framework of legislature and statistical measures in this paper will further establish and overview the initiative of the three fundamental priorities for safer vehicles in America.

1. Standards [shall] include implementation of “Federal Motor Vehicle Safety Standards ” (National Traffic and Motor Vehicle Safety Act, 1966).
2. “Mandate Vehicle Recalls for Non-Compliance” (National Traffic and Motor Vehicle Safety Act, 1966).

3. “Establish the National Highway Safety Bureau” (NHSB) (National Traffic and Motor Vehicle Safety Act, 1966).

It is important to emphasize the act authorized federal agencies to not only create regulatory measures but also emphasize substantive policy for the betterment of all American people. This multi-pronged approach served to improve driver competency and standardize traffic laws across states by putting the right people in charge. In the years following the Act's passage, the NHTSA developed guidelines and provided support for driver education programs across the United States that are still seen today. For instance, the NHTSA's "National Overview of Driver Education" are still measures used today to educate young drivers by instituting a verified due process towards receiving a license. (*Driver's Licenses*.(n.d.).CaliforniaDMV) The role of this agency further highlights the importance of standardized training to ensure new drivers are well-prepared for the road.

History

After World War II, America experienced a period of time known as “the baby boom”, a sequence of economic growth and prosperity fueled by the long restless years of war and suffering in Europe. From the long awaited growth came the expansion of stylish automobile ownership as well as highway infrastructure. This “fast lane” lifestyle became synonymous with freedom and modernity and brought about the next big thing Americans would send their money on. By the 1960s , nearly 79 percent of American households owned a car (*Bureau of Transportation Statistics*) , counting for nearly 61 million cars in the U.S(*autos.yahoo.com*). Although this economic uplift in the automotive industry created jobs and a peak in “motor vehicle output’s share in GDP reaching 4.9% in Q1 1973”(deloitte.com), traffic fatalities had

reached alarming levels. Deadly highway accidents claimed three times as many lives as all U.S. wars combined in the 20th century (washingtonpost.com)

This public safety crisis sought answers as to why such a massive part of American production was also experiencing such horrible outcomes. A few American government officials blamed the rising death toll on negligible flaws in vehicle designs. The scapegoat at the time, being the major automobile manufacturers in Detroit, denied the claims. It was not until statistics came out on these “unintentional deaths” that a new movement for change emerged. Annually, it was reported that over 30 thousand Americans died in the 1950s alone (washingtonpost.com). These numbers brought fury as well as a deep concern for the safety of American vehicles. However, car makers in Detroit continued to maintain that accidents were due to driver error and not design defects, reflecting the prevailing belief by them that “accidents are people’s problems.”

This narrative was effectively challenged by consumer advocate Ralph Nader, whose groundbreaking book, *“Unsafe at Any Speed”*, exposed the American automobile industry's negligence. Nader's first target of evidence for design negligence was the *“Chevy Corvair”*. Considered a revolutionary vehicle at the time, the Corvair flaunted a “rear mounted engine and 4 wheel Independent suspension”(Reuters Staff. (2012, May 9).)Nader revealed design flaws that made the car prone to dangerous rollovers, leading him to assert that the vehicle was “unsafe at any speed”. Nader criticized automakers for their reluctance to prioritize safety, arguing that “the safe car you can buy” was intentionally kept off the market because “safety doesn’t sell.” He revealed how manufacturers prioritized profits over public safety, contributing to a significant

market failure. The American industry had neglected essential safety features, creating a negative externality which was paid by consumers at a cost of safety.

Nader's revelations marked a turning point, exposing the “GM goliath” and other automakers for suppressing safety innovations, ultimately leading to a public demand for accountability. As a result Corvair production dropped to significant levels , decreasing overall sales and prompting a ploy by American automobile manufacturers to thwart Nader's ideas from hitting the public mainstream . (Reuters Staff. (2012, May 9).)

General Motors attempted to discredit him rather than address safety concerns. This scandal amplified public outcry and led to the realization that industry self-regulation was insufficient. The Corvair, the vehicle at the center of the debate, became a symbol of the industry's negligence as its production crashed due to safety concerns tarnishing its reputation. The public backlash highlighted the industry's flawed philosophy that “accidents are people's problems,” underscoring the need for federal intervention. This growing awareness catalyzed the push for government regulations, marking the beginning of a new era of consumer protection and corporate accountability.

Implementation

On September 9th 1966 the historic declaration of the National Traffic and Motor Vehicle Safety Act took place in front of two hundred people. It marked the beginning of a new era of preservation of life by means of innovation and regulation. The federal government now had authority to “regulate vehicle design, enforce safety recalls, and conduct research on traffic safety”(FHWA. (2021).). Safety would now prevail in our society and improvements to motor

vehicles would be guaranteed on a periodic basis so long as automakers abided by the standard of scientific research and technological advancements.

The Act required states to adopt uniform traffic safety programs, stating that “each State shall have a highway safety program approved by the Secretary, designed to reduce traffic accidents and deaths, injuries, and property damage resulting therefrom” (Sielski, M. C. (1967)). Federal funding for highways now became contingent on states implementing these standards, ensuring national consistency in traffic safety enforcement. Stipulations on funding were also emphasized and development by the state government became a target focus for the Act. As a result of the implementation came the “Manual on Uniform Traffic Control Devices (*FHWA*. (2021)”, a manual consisting of road signs , signals , and standardized marking across the country.

States were also required to establish or significantly enhance driver education programs within their school systems. With the new regulatory practices , programs became flexible and administered by appropriate school officials under the supervision of the Governor, ensuring that young drivers received proper training before obtaining their licenses. Overall the act integrated federal oversight with state-level initiatives, deeming a sense of accountability within the state government that could be followed by the federal framework all while having the opportunity for differentiation.

So far two major motions are highlighted , yet the long term success of the act depended on the creation of standardized safety regulations and the legal framework for enforcement, ensuring that automakers complied with newly mandated safety measures. The contingencies

grew and evolved into a list of obligations to ensure the utmost safety of Americans and the standard for automobile regulations in Detroit , the heart of car manufacturing.

U.S. Code of Federal Regulations (CFR), Title 49, Part 571 and included:

FMVSS 208 – Mandatory seat belts and crash protection.

FMVSS 214 – Side-impact crash protection.

FMVSS 216 – Roof crush resistance for rollover protection.

FMVSS 301 – Fuel system integrity to prevent post-crash fires.

FMVSS 305 – Electric vehicle safety standards (introduced later).

Beyond safety regulations and legal enforcement, the Act relied on the federal oversight administered by the newly formed (NHTSA) established in 1970 under the Department of Transportation. NHTSA became the central regulatory body responsible for monitoring compliance, investigating vehicle defects, and enforcing recalls. It was tasked with:

- Setting mandatory safety standards for new vehicles.
- Conducting crash tests and performance evaluations.
- Investigating vehicle defects and issuing recalls when necessary.
- Administering state-level highway safety programs to encourage safe driving behavior.
- Funding research into emerging automotive safety technologies (airbags, anti-lock brakes, and impact-resistant materials).

If the (NHTSA) were to identify safety-related defects in vehicles, it followed its comprehensive process to recall vehicles which would benefit drivers since it came at no cost to them. Automakers would thus benefit from creating cars that would abide by safety standards to avoid any penalties for delayed or inadequate action. For example, in November 2024, Ford Motor Company agreed to pay up to \$165 million in fines for delaying the recall of vehicles with defective rear view cameras ([AP News](#)).

Impact on Business and Society

At first , the regulatory policies that were inflicted on American companies left a break in the relationship between corporations and the government. What was once a free market now had the hand of the government implementing measures that many thought would hurt the American economy. General Motors(GM), Ford , and Chrysler , the three major automotive corporations in the United states had no other choice but to adapt. Proponents in the economic sector, corporate responsibility, and safety measures took on a new definition and substantially benefited automakers to their surprise.

With the act in full effect , secondary effects would include the preservation of human capital , further enhancing economic productivity. In order to get a better perspective of the impact of the act on society we must scale the amount of human life preserved in the past two decades as a result of the implementation of the national traffic safety act. According to the National Highway Traffic Safety Administration , motor vehicle crashes in 2019 resulted in economic costs totaling \$340 billion, made up of medical expenses, lost productivity, legal costs, and property damage.(highways.dot.gov). These costs are scaled at a lower fatality rate per

100,000 miles traveled , maintaining the 1966 fatality rate could have resulted in an economic cost of approximately \$2 trillion in 2022.

While these statistics are not proven by real data , real time measures for the role of seat belt usage has played a crucial role in mitigating losses. In 2019, seat belt use prevented over 14,600 fatalities, 450,000 serious injuries, and \$93 billion in injury-related economic costs.(NHTSA. (2023, January 10).) The financial burden uplifted by such important implementations has allowed for funds to travel into other fields and decreased the financial burden on employers and the healthcare system. Furthermore, safer roads allowed for more reliable transportation of goods, which reduced delivery delays and better efficiency of transportation. Considering that there are an estimated 8 million trucks being driven spanning from all classes, this is a major contribution to overall economic efficiency. The emphasis on safety translated into a secondary effect of tangible economic benefits, which proved to benefit despite what many believed would decrease economic productivity.

Safety has since garnered a new form of necessity in America and as characterized in Maslow's Maslow's Hierarchy of Needs, safety is nothing less than a fundamental human requirement. With this new found need for safety , automaker corporations have made it a part of their marketing criteria to to supply their cars with the highest safety grades. Not doing so could result in incompetence in the name of their brand. Each year, the IIHS releases its Top Safety Pick and Top Safety Pick+ awards, recognizing vehicles that excel in crashworthiness and crash prevention. It has become a necessity for corporations to at least try and qualify for the awards before they are left behind by other competitive models. In order for these vehicles to be considered they must achieve high ratings in several crash tests, including “small overlap front,

moderate overlap front, side, roof strength, and head restraints, as well as performance in front crash prevention and headlight evaluations”([iihs.org](https://www.iihs.org)). America's most purchased car for example , the Ford f-150 Ford F-150 received multiple Top Safety Pick awards from the IIHS in the last decade , showcasing good ratings in various crash tests.

To further derive the effects of this public policy we will consider the further effects of the competitive advantage seen from these marketing tactics. Corporations have become encouraged to voluntarily integrate these safety features not just for compliance but for the long term viability of the company through their dedication to Corporate social responsibility. A reputable example of this is the mission of Volvo Automotive. In 2019, Volvo announced that it would share over 40 years of safety research with the global automotive industry to improve vehicle safety for all consumers, regardless of brand. “We have data on tens of thousands of real-life accidents to make our cars safer and help others make safer cars,” Volvo stated, demonstrating an unprecedented commitment to public welfare over corporate secrecy (Volvo Cars). To this day Volvo is characterized not by its speed or luxury but its commitment to safety standards.

Policy Analysis

The NHTSA of 1966 was a groundbreaking piece of legislation that fundamentally reshaped vehicle safety in the United States in a positive manner . The Act contributed to a significant decline in traffic fatalities per mile driven. According to the National Highway Traffic Safety Administration , the fatality rate per 100 million vehicle miles traveled (VMT) dropped from 5.50 in 1966 to 1.10 in 2019, demonstrating its effectiveness (NHTSA. (2023, January 10). To a much greater extent the act of public policy has created a much needed psychological effect

on drivers , ensuring their confidence on the road and faith in the government process. Although the statistics on the number of car accidents per capita are still here in the United states due to its high necessity for highway infrastructure , it is safe to say the act has done more good than bad. Advancements such as seat belts, airbags, and anti-lock braking systems which were later mandated or developed in response to NTSA regulations have saved hundreds of thousands of lives over the past five decades.

The United States has continued to be one of the top automakers and taken great pride in the safety implemented into their products. However , the NTSA was not without its weaknesses. One major challenge was automaker resistance to regulations, particularly in the early years, where companies lobbied against mandates and delayed compliance. Additionally, initial enforcement mechanisms were weak, relying on voluntary manufacturer recalls rather than strict penalties. Over time, loopholes in vehicle testing standards also became apparent, leading to concerns about whether safety requirements kept pace with technological advancements. Furthermore, while the Act made vehicles safer, it did not fully address behavioral factors such as distracted driving, speeding, and impaired driving, which continue to contribute to traffic fatalities today.

For future policymakers, strengthening enforcement mechanisms should be a priority. This includes stricter penalties for automakers who fail to comply with safety regulations as well as drivers that fail to act accordingly on the road. Both speed and slowness have proven to still be a large component of American fatalities in the U.S. I encourage policymakers to stay up to date with trends and continue the frequent updates to federal safety standards to accommodate technological innovations like autonomous driving which is still in early development stages.

Accountability in both the actions of drivers and automakers must be the priority for lawmakers. policymakers should broaden the scope of safety initiatives to address driver behavior through nationwide distracted driving laws, standardized driver education programs, and AI-driven safety monitoring systems. Investing in smart infrastructure, such as collision-preventing road systems and intelligent traffic management, could further complement vehicle safety measures and reduce accidents.

Appendix

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PUBLIC LAW 89-563—SEPT. 9, 1966

[80 STAT.

Public Law 89-563

September 9, 1966
[S. 3005]

AN ACT

To provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce the deaths and injuries occurring in such accidents.

National Traffic
and Motor Vehicle
Safety Act of 1966.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress hereby declares that the purpose of this Act is to reduce traffic accidents and deaths and injuries to persons resulting from traffic accidents. Therefore, Congress determines that it is necessary to establish motor vehicle safety standards for motor vehicles and equipment in interstate commerce; to undertake and support necessary safety research and development; and to expand the national driver register.

TITLE I—MOTOR VEHICLE SAFETY STANDARDS

Short title.

SEC. 101. This Act may be cited as the "National Traffic and Motor Vehicle Safety Act of 1966".

Definitions.

SEC. 102. As used in this title—

(1) "Motor vehicle safety" means the performance of motor vehicles or motor vehicle equipment in such a manner that the public is protected against unreasonable risk of accidents occurring as a result of the design, construction or performance of motor vehicles and is also protected against unreasonable risk of death or injury to persons in the event accidents do occur, and includes nonoperational safety of such vehicles.

(2) "Motor vehicle safety standards" means a minimum standard for motor vehicle performance, or motor vehicle equipment performance, which is practicable, which meets the need for motor vehicle safety and which provides objective criteria.

(3) "Motor vehicle" means any vehicle driven or drawn by mechanical power manufactured primarily for use on the public streets, roads, and highways, except any vehicle operated exclusively on a rail or rails.

(4) "Motor vehicle equipment" means any system, part, or component of a motor vehicle as originally manufactured or any similar part or component manufactured or sold for replacement or improvement of such system, part, or component or as an accessory, or addition to the motor vehicle.

(5) "Manufacturer" means any person engaged in the manufacturing or assembling of motor vehicles or motor vehicle equipment, including any person importing motor vehicles or motor vehicle equipment for resale.

(6) "Distributor" means any person primarily engaged in the sale and distribution of motor vehicles or motor vehicle equipment for resale.

(7) "Dealer" means any person who is engaged in the sale and distribution of new motor vehicles or motor vehicle equipment primarily to purchasers who in good faith purchase any such vehicle or equipment for purposes other than resale.

(8) "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa.

(9) "Interstate commerce" means commerce between any place in a State and any place in another State, or between places in the same State through another State.

(10) "Secretary" means Secretary of Commerce.

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