

FASTENER QUALITY ACT AMENDMENTS ACT OF 1999

APRIL 29, 1999.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. SENSENBRENNER, from the Committee on Science,
submitted the following

REPORT

[To accompany H.R. 1183]

[Including cost estimate of the Congressional Budget Office]

The Committee on Science, to whom was referred the bill (H.R. 1183) to amend the Fastener Quality Act to strengthen the protection against the sale of mismarked, misrepresented, and counterfeit fasteners and eliminate unnecessary requirements, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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The amendment is as follows:
Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE

This Act may be cited as the “Fastener Quality Act Amendments Act of 1999”.

SEC. 2. FINDINGS AND PURPOSE.

Section 2 of the Fastener Quality Act (15 U.S.C. 5401) is amended to read as follows:

“SEC. 2. FINDINGS.

“The Congress finds that—

“(1) the United States fastener industry is a significant contributor to the global economy, employing thousands of workers in hundreds of communities;

“(2) the American economy uses billions of fasteners each year;

“(3) state-of-the-art manufacturing and improved quality assurance systems have dramatically improved fastener quality, so virtually all fasteners sold in commerce meet or exceed the consensus standards for the uses to which they are applied;

“(4) a small number of mismarked, misrepresented, and counterfeit fasteners do enter commerce in the United States; and

“(5) multiple criteria for the identification of fasteners exist, including grade identification markings and manufacturer’s insignia, to enable purchasers and users of fasteners to accurately evaluate the characteristics of individual fasteners.”.

SEC. 3. DEFINITIONS.

Section 3 of the Fastener Quality Act (15 U.S.C. 5402) is amended to read as follows:

“SEC. 3. DEFINITIONS.

“As used in this Act, the term—

“(1) ‘accredited laboratory’ means a fastener testing facility used to perform end-of-line testing required by a consensus standard or standards to verify that a lot of fasteners conforms to the grade identification marking called for in the consensus standard or standards to which the lot of fasteners has been manufactured, and which—

“(A) meets the requirements of ISO/IEC Guide 25, including revisions from time to time, or another document approved by the Director under section 10(c); and

“(B) has been accredited by a laboratory accreditation body that meets the requirements of ISO/IEC Guide 58, including revisions from time to time, or another document approved by the Director under section 10(d);

“(2) ‘consensus standard’ means the provisions of a document that describes fastener characteristics published by a consensus standards organization or a Federal agency, and does not include a proprietary standard;

“(3) ‘consensus standards organization’ means the American Society for Testing and Materials, the American National Standards Institute, the American Society of Mechanical Engineers, the Society of Automotive Engineers, the International Organization for Standardization, any other organization identified as a United States consensus standards organization or a foreign and international consensus standards organization in the Federal Register at 61 Fed. Reg. 50582–83 (September 26, 1996), and any successor organizations thereto;

“(4) ‘Director’ means the Director of the National Institute of Standards and Technology;

“(5) ‘distributor’ means a person who purchases fasteners for the purpose of reselling them at wholesale to unaffiliated entities or individuals (an original equipment manufacturer and its dealers shall be considered affiliated entities for purposes of this Act);

“(6) ‘fastener’ means a metallic screw, nut, bolt, or stud having internal or external threads, with a nominal diameter of 6 millimeters or greater, in the case of such items described in metric terms, or ¼ inch or greater, in the case of such items described in terms of the English system of measurement, or a load-indicating washer, that is through-hardened or represented as meeting a consensus standard that calls for through-hardening, and that is grade identification marked or represented as meeting a consensus standard that requires

grade identification marking, except that such term does not include any screw, nut, bolt, stud, or load-indicating washer that is—

- “(A) part of an assembly;
 - “(B) in a package containing no more than 100 of any one screw, nut, bolt, stud, or load-indicating washer at the time of sale;
 - “(C) produced and marked as ASTM A 307 Grade A, or a successor standard thereto;
 - “(D) produced in accordance with ASTM F 432, or a successor standard thereto;
 - “(E) specifically manufactured for use on an aircraft if the quality and suitability of those fasteners for that use has been approved—
 - “(i) by the Federal Aviation Administration; or
 - “(ii) by a foreign airworthiness authority as described in part 21.29, 21.500, 21.502, or 21.617 of title 14 of the Code of Federal Regulations;
 - “(F) manufactured in accordance with a fastener quality assurance system; or
 - “(G) manufactured to a proprietary standard, whether or not such proprietary standard directly or indirectly references a consensus standard or any portion thereof;
- “(7) ‘fastener quality assurance system’ means—
- “(A) a system that meets the requirements, including revisions from time to time, of—
 - “(i) International Organization for Standardization (ISO) Standard 9000, 9001, 9002, or TS16949;
 - “(ii) Quality System (QS) 9000 Standard;
 - “(iii) Verband der Automobilindustrie e. V. (VDA) 6.1 Standard; or
 - “(iv) Aerospace Basic Quality System Standard AS9000; or
 - “(B) any fastener manufacturing system—
 - “(i) that has as a stated goal the prevention of defects through continuous improvement;
 - “(ii) that seeks to attain the goal stated in clause (i) by incorporating—
 - “(I) advance quality planning;
 - “(II) monitoring and control of the manufacturing process;
 - “(III) product verification embodied in a comprehensive written control plan for product and process characteristics, and process controls (including process influence factors and statistical process control), tests, and measurement systems to be used in production; and
 - “(IV) the creation, maintenance, and retention of electronic, photographic, or paper records required by the control plan regarding the inspections, tests, and measurements performed pursuant to the control plan; and
 - “(iii) that—
 - “(I) is subject to certification in accordance with the requirements of ISO/IEC Guide 62, including revisions from time to time (or another document approved by the Director under section 10(a)), by a third party who is accredited by an accreditation body in accordance with the requirements of ISO/IEC Guide 61, including revisions from time to time (or another document approved by the Director under section 10(b)); or
 - “(II) undergoes regular or random evaluation and assessment by the end user or end users of the screws, nuts, bolts, studs, or load-indicating washers produced under such fastener manufacturing system to ensure that such system meets the requirements of clauses (i) and (ii);
- “(8) ‘grade identification marking’ means any grade-mark or property class symbol appearing on a fastener purporting to indicate that the lot of fasteners conforms to a specific consensus standard, but such term does not include a manufacturer’s insignia or part number;
- “(9) ‘lot’ means a quantity of fasteners of one part number fabricated by the same production process from the same coil or heat number of metal as provided by the metal manufacturer;
- “(10) ‘manufacturer’ means a person who fabricates fasteners for sale in commerce;
- “(11) ‘proprietary standard’ means the provisions of a document that describes characteristics of a screw, nut, bolt, stud, or load-indicating washer and is issued by a person who—

- “(A) uses screws, nuts, bolts, studs, or load-indicating washers in the manufacture, assembly, or servicing of its products; and
- “(B) with respect to such screws, nuts, bolts, studs, or washers, is a developer and issuer of descriptions that have characteristics similar to consensus standards and that bear such user’s identification;
- “(12) ‘record of conformance’ means a record or records for each lot of fasteners sold or offered for sale that contains—
- “(A) the name and address of the manufacturer;
- “(B) a description of the type of fastener;
- “(C) the lot number;
- “(D) the nominal dimensions of the fastener (including diameter and length of bolts or screws), thread form, and class of fit;
- “(E) the consensus standard or specifications to which the lot of fasteners has been manufactured, including the date, number, revision, and other information sufficient to identify the particular consensus standard or specifications being referenced;
- “(F) the chemistry and grade of material; and
- “(G) the coating material and characteristics and the applicable consensus standard or specifications for such coating;
- “(13) ‘represent’ means to describe one or more of a fastener’s purported characteristics in a document or statement that is transmitted to a purchaser through any medium;
- “(14) ‘Secretary’ means the Secretary of Commerce;
- “(15) ‘specifications’ means the required characteristics identified in the contractual agreement with the manufacturer or to which a fastener is otherwise produced, except that the term does not include proprietary standards; and
- “(16) ‘through-harden’ means heating above the transformation temperature followed by quenching and tempering for the purpose of achieving uniform hardness.”.

SEC. 4. SALE OF FASTENERS.

Sections 5 through 7 of the Fastener Quality Act (15 U.S.C. 5404–7) are repealed, and the following new section is inserted after section 3 of such Act:

“SEC. 4. SALE OF FASTENERS.

“(a) GENERAL RULE.—It shall be unlawful for a manufacturer or distributor, in conjunction with a sale or offer for sale of a fastener, to knowingly misrepresent or falsify—

- “(1) the record of conformance for the lot of fasteners;
- “(2) the identification, characteristics, properties, mechanical or performance marks, chemistry, or strength of the lot of fasteners; or
- “(3) the manufacturer’s insignia.

“(b) REPRESENTATIONS.—A direct or indirect reference to a consensus standard to represent that a fastener conforms to particular requirements of the consensus standard shall not be construed as a representation that the fastener meets all the requirements of the consensus standard.

“(c) SPECIFICATIONS.—A direct or indirect contractual reference to a consensus standard for the purpose of identifying particular requirements of the consensus standard that serve as specifications shall not be construed to require that the fastener meet all the requirements of the consensus standard.

“(d) USE OF ACCREDITED LABORATORIES.—In the case of fasteners manufactured solely to a consensus standard or standards, end-of-line testing required by the consensus standard or standards, if any, for the purpose of verifying that a lot of fasteners conforms with the grade identification marking called for in the consensus standard or standards to which the lot of fasteners has been manufactured shall be conducted by an accredited laboratory.”.

SEC. 5. MANUFACTURERS’ INSIGNIAS.

Section 8 of the Fastener Quality Act (15 U.S.C. 5407) is redesignated as section 5 and is amended—

- (1) by amending subsection (a) to read as follows:

“(a) GENERAL RULE.—Unless the specifications provide otherwise, a fastener that is required by the applicable consensus standard or standards to bear an insignia identifying its manufacturer shall not be offered for sale or sold in commerce unless—

- “(1) the fastener bears such insignia; and
- “(2) the manufacturer has complied with the insignia recordation requirements established under subsection (b).”; and

(2) in subsection (b), by striking “and private label” and all that follows and inserting “described in subsection (a).”.

SEC. 6. REMEDIES AND PENALTIES.

Section 9 of the Fastener Quality Act (15 U.S.C. 5408) is redesignated as section 6 and is amended—

(1) in subsection (b)(3), by striking “of this section” and inserting “of this subsection”;

(2) in subsection (b)(4), by inserting “arbitrate,” after “Secretary may”;

(3) by striking paragraph (3) of subsection (c); and

(4) in subsection (d)—

(A) by inserting “(1)” after “ENFORCEMENT.—”; and

(B) by adding at the end the following new paragraph:

“(2) The Secretary, acting through the Director, shall establish and maintain a hotline system to facilitate the reporting of alleged violations of this Act, and the Secretary shall investigate credible allegations reported through that system.”.

SEC. 7. RECORDKEEPING REQUIREMENTS.

Section 10 of the Fastener Quality Act (15 U.S.C. 5409) is redesignated as section 7 and is amended by striking subsections (a) and (b) and inserting the following:

“Manufacturers shall retain the record of conformance for fasteners for 5 years, on paper or in photographic or electronic format in a manner that allows for verification of authenticity. Upon request of a distributor who has purchased a fastener, or a person who has purchased a fastener for use in the production of a commercial product, the manufacturer of the fastener shall make available information in the record of conformance to the requester.”.

SEC. 8. RELATIONSHIP TO STATE LAWS.

Section 11 of the Fastener Quality Act (15 U.S.C. 5410) is redesignated as section 8.

SEC. 9. CONSTRUCTION.

Section 12 of the Fastener Quality Act (15 U.S.C. 5411) is redesignated as section 9 and is amended by striking “in effect on the date of enactment of this Act”.

SEC. 10. CERTIFICATION AND ACCREDITATION.

Sections 13 and 15 of the Fastener Quality Act (15 U.S.C. 5412 and 14) are repealed, and the following new section is inserted at the end of that Act:

“SEC. 10. CERTIFICATION AND ACCREDITATION.

“(a) **CERTIFICATION.**—A person publishing a document setting forth guidance or requirements for the certification of manufacturing systems, including fastener manufacturing systems, by an accredited third party may petition the Director to approve such document for use as described in section 3(7)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 62.

“(b) **ACCREDITATION.**—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit third parties described in subsection (a) may petition the Director to approve such document for use as described in section 3(7)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 61.

“(c) **LABORATORY ACCREDITATION.**—A person publishing a document setting forth guidance or requirements for the accreditation of laboratories may petition the Director to approve such document for use as described in section 3(1)(A). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 25.

“(d) **APPROVAL OF ACCREDITATION BODIES.**—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit laboratories may petition the Director to approve such document for use as described in section 3(1)(B). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 58.”.

SEC. 11. APPLICABILITY.

At the end of the Fastener Quality Act, insert the following new section:

“SEC. 11. APPLICABILITY.

“The requirements of this Act shall be applicable only to fasteners fabricated 180 days or more after the date of the enactment of the Fastener Quality Act Amendments of 1999, except that if a manufacturer or distributor of fasteners fabricated before that date prepares a record of conformance for such fasteners, representations about such fasteners shall be subject to the requirements of this Act.”.

SEC. 12. EFFECTIVE DATE.

Section 4(d) of the Fastener Quality Act, as added by section 4 of this Act, shall take effect 2 years after the date of enactment of this Act.

I. PURPOSE OF THE BILL

The purpose of the bill is to amend the Fastener Quality Act of 1990 (FQA) to strengthen the protection against the sale of mismarked, misrepresented, and counterfeit fasteners and eliminate unnecessary requirements, and for other purposes.

II. BACKGROUND AND NEED FOR THE LEGISLATION

Passed by Congress in 1990, the FQA requires all threaded, metallic, through-hardened fasteners of one-quarter inch diameter or greater, that directly or indirectly reference a consensus standard, to be tested by a National Institute of Standards and Technology (NIST) certified laboratory. Despite its enactment in 1990, no implementing regulations for the Act had been finalized until April 14, 1998. The final rule was developed only after legislative changes amended the Act in 1996.

In 1990, Congress was convinced that foreign manufacturers were actively engaged in unfair trade practices that resulted in the dumping of “substandard” fasteners in the United States market. Most of the problems were associated with the federal procurement of fasteners at the Defense Industrial Supply Center (DISC) and National Aeronautics and Space Administration (NASA). It was concluded that substandard fasteners “largely” originated from foreign companies in Japan, Mexico, Spain, Korea, Taiwan, and Poland, and were the result of attempts to undercut legitimate U.S. fastener manufactures with products that were manufactured specifically to a lesser standard rather than the result of poor manufacturing processes.

During the 105th Congress, the Science Committee worked in a bipartisan manner to craft legislation that was enacted into law as P.L. 105–234. The legislation delays implementation of regulations under FQA until June 1, 1999 or 120 days after the Secretary of Commerce issued a report on changes needed to the law, whichever is later. Two regulations are scheduled to be implemented on June 24, 1999.

III. SUMMARY OF HEARINGS

On February 25, 1999, the Subcommittee on Technology held a hearing entitled “Unscrewing the Fastener Quality Act” to review the need for the FQA. Witnesses included: George Parker, Vice President Association of International Automobile Manufactures, Inc. Arlington, VA, Ed McIlhon, President Iowa Industrial Products, Inc., Cedar Falls, IA, and Mr. John M. O’Brien, Vice President Federal Screw Works FQA Reform Coalition, Detroit, MI.

John O'Brien, Vice President Federal Screw Works testified to the need to develop a new FQA that would ensure the continued safety of fasteners used for commerce, but would not impose unnecessary and costly burdens on fastener manufacturers or their customers. Mr. O'Brien stated that the FQA as it stands now is flawed because it forces reliance on testing procedures and protocols that have been eclipsed by new technology and improved practices. Mr. O'Brien stated that dramatic advances in manufacturing technology and the implementation of quality assurance systems have resulted in a reduction in the defect rates in the fastener industry from the 60,000ppm allowable under the historic consensus standards, to 300ppm or less today. Furthermore, he stated that purchasers of fasteners today have taken on the responsibility of ensuring the quality of products they buy at the beginning of the transaction—before the fastener reaches the assembly line. Mr. O'Brien suggested that the thrust of the FQA should be to prevent the intentional sale or offering for sale of mismarked, substandard or counterfeit fasteners—not to regulate manufacturing and testing procedures. Mr. O'Brien agreed with the proposed requirement that manufacturers register a copyrighted insignia they imprint of fasteners.

Edward J. McIlhon, President Iowa Industrial Products Corporation testified that there is no longer a basis or need for the FQA. Mr. McIlhon cited the Edgerly Report entitled "Is there Still A Basis For The Fastener Quality Act?" that concluded that the major problems identified in the 1988 Congressional investigation and report have been resolved, and that there is no longer a basis for the finding that the health and safety of Americans is threatened by the widespread sale of mismarked, substandard and counterfeit fasteners. Mr. McIlhon feels that the current solution offered by NIST is still unworkable because it is too encumbered by the original language of the FQA would require redundant and unnecessary testing. Furthermore, he stated that the current Act does not permit retesting and recertification of fasteners produced before its date of implementation, and that this could result in a \$1 billion loss to the industry. Mr. McIlhon testified that the current Act's requirements regarding laboratories are unworkable, and that because a sufficient number of laboratories have not been available to conduct the required testing, the implementation of regulations has been delayed three times. He also mentioned that the current Act is an impediment to trade with our partners in Europe. Mr. McIlhon concluded by stating that certain portions of the Act should be preserved, including; the recording manufacturers' fastener insignias by the Patent and Trademark Office (PTO) to assure the trace-ability of fasteners after they are placed into service; the use of accredited laboratories to assure the quality of laboratories involved in testing fasteners under appropriate consensus and government standards and specifications; the use of grade identification markings on fasteners as a means of helping original equipment manufacturers assure that only properly manufactured and graded fasteners will be used in safety critical applications.

George Parker, Association of International Automobile Manufacturers, Inc. testified that the current FQA would not provide higher levels of fastener quality, would be a step backward and impose

costs without benefits. He also stated that although there is not substantial evidence that there are any fastener quality problems, the auto industry believes that any potential fastener quality problems that produce safety risks would derive from mismarked, substandard, and counterfeit fasteners. Mr. Parker stated that most major end users have systems in place to insure that only the highest quality fasteners are used in their products. Mr. Parker concluded by stating that if the Congress believe that a law was needed on general fastener quality, the auto industry recommends that such a law be directed at deterring the introduction of non-conforming fasteners into commerce and to generally provide commercial and government customers with greater assurance that fasteners meet stated specifications. Finally, Mr. Parker stated that such a law should recognize the actions major end users take to insure that only high quality fasteners are used in their products, and should also recognize the Quality Assurance Systems in place to produce high quality fasteners.

IV. COMMITTEE ACTIONS

On March 25, 1998, the full committee marked up the legislation (H.R. 1183) which was introduced by Chairman Sensenbrenner. The legislation was adopted, as amended (by voice vote) and ordered reported to the full House for consideration (by voice vote). Amendments to the legislation were offered in the following order:

1. Manager's En Bloc Amendment offered by Mrs. Morella and Mr. Barcia to, among other things, make the following changes:

- In the case of fasteners manufactured solely to consensus standards, the amendment ensures that if end-of-line testing is required, then the tests shall be conducted by an accredited laboratory.
- Defines an "accredited laboratory" to be a fastener testing facility that meets certain guidelines established by the International Organization for Standardization (ISO/IEC) in their Guide 25 or another document approved by NIST. In addition, the lab must be accredited by an accreditation body that meets ISO/IEC Guide 58 or another document approved by NIST. In order to give manufacturers time to prepare for this requirement, it does not take effect until 2 years after enactment.
- Clarifies that all fasteners manufactured to consensus standards must bear a trademark that is registered with the Department of Commerce, unless the specifications indicate otherwise. In some instances, fastener end-users do not want any markings on their fasteners because of specific manufacturing processes.
- Eases access to documents contained in the records of conformance by fastener purchasers.

V. SUMMARY OF MAJOR PROVISIONS OF THE BILL

H.R. 1183 modifies the Fastener Quality Act of 1990 (FQA) to recognize new quality practices in the fastener industry, focuses on assuring public safety, and imposes the least possible additional burdens on an already regulated industry. To that end, H.R. 1183 fights fraud by clarifying that anyone intentionally misrepresenting

the strength or other characteristics of a fastener is subject to the criminal penalties and civil remedies of the Act; ensures accountability by requiring that virtually all fasteners sold in commerce to be marked with the registered trademark of their manufacturer; reduces the burdensome paperwork requirements of the Act by allowing documents to be stored and transmitted in electronic format; and, recognizes industry's growing utilization of improved quality assurance and management systems by allowing fasteners manufactured in accordance with certain quality assurance systems to be deemed in compliance with the requirements of the Act.

VI. SECTION-BY-SECTION ANALYSIS (BY TITLE AND SECTION)

SECTION 1. SHORT TITLE

This section cites the Act as "The Fastener Quality Act Amendments Act of 1999".

SECTION 2. FINDINGS AND PURPOSE

This section amends the findings of the Fastener Quality Act (15 U.S.C. 5401) by stating that—the United States fastener industry is a significant contributor to the global economy, employing thousands of workers in hundreds of communities; the American economy uses billions of fasteners each year; state-of-the-art manufacturing and improved quality assurance systems have dramatically improved fastener quality, so virtually all fasteners sold in commerce meet or exceed the consensus standards for the uses to which they are applied; a small number of mismarked, misrepresented, and counterfeit fasteners do enter commerce in the United States market, and multiple criteria for the identification of fasteners exist, including grade identification markings and manufacturer's insignia to enable purchasers and users of fasteners to accurately evaluate the characteristics of individual fasteners.

SECTION 3. DEFINITIONS

As used in this Act, this section defines the following terms—

(1) "accredited laboratory" means a fastener testing facility used to perform end-of-line testing required by a consensus standard or standards to verify that a lot of fasteners conforms to the grade identification marking called for in the consensus standard or standards to which the lot of fasteners has manufactured, and which—

(A) meets certain guidelines established by the International Organization for Standardization (ISO/IEC) in their Guide 25 or another document approved by NIST, and

(B) has been accredited by an accreditation body that meets ISO/IEC Guide 58 or another document approved by NIST.

(2) "consensus standard" means the provisions of a document that describes fastener characteristics published by a consensus standards organization or a Federal agency, and does not include a proprietary standard;

(3) "consensus standards organization" means the American Society for Testing and Materials, the American National

Standards Institute, the American Society of Mechanical Engineers, the Society of Automotive Engineers, the International Organization for Standardization, any other organization identified as a United States consensus standards organization or a foreign and international consensus standards organization in the Federal Register at 61 Fed. Reg. 50582–83 (September 26, 1996), and any successor organizations thereto;

(4) “Director” means the Director of the National Institute of Standards and Technology;

(5) “distributor” means a person who purchases fasteners for the purpose of reselling them at wholesale to unaffiliated entities or individuals (an original equipment manufacturer and its dealers shall be considered affiliated entities for purposes of this Act);

(6) “fastener” means a metallic screw, nut, bolt, or stud having internal or external threads, with a nominal diameter of 6 millimeters or greater, in the case of such items described in metric terms, or ¼ inch or greater, in the case of such items described in terms of the English system of measurement, or a load-indicating washer, that is through-hardened or represented as meeting a consensus standard that calls for through-hardening, and that is grade identification marked or represented as meeting consensus standard that requires grade identification marking. The term “fastener” does not include any screw, nut, bolt, stud, or load-indicating washer that is—

(A) part of an assembly;

(B) in a package containing no more than 100 of any one screw, nut, bolt, stud, or load-indicating washer at the time of sale;

(C) produced and marked as ASTM A 307 Grade A, or a successor standard thereto;

(D) produced in accordance with ASTM F 432, or a successor standard thereto;

(E) specifically manufactured for use on an aircraft if the quality and suitability of those fasteners for that use has been approved—

(i) by the Federal Aviation Administration; or

(ii) by a foreign airworthiness authority as described in part 21.29, 21.500, 21.502, or 21.617 of title 14 of the Code of Federal Regulations;

(F) manufactured in accordance with a fastener quality assurance system; or

(G) manufactured to a proprietary standard, whether or not such proprietary standard directly or indirectly references a consensus standard or any portion thereof;

(7) “fastener quality assurance system” means—

(A) a system that meets the requirements, including revisions from time to time, of—

(i) International Organization for Standardization (ISO) Standard 9000, 9001, 9002, or TS16949;

(ii) Quality System (QS) 9000 Standard;

(iii) Verband der Automobilindustrie e. V. (VDA) 6.1 Standard; or

- (iv) Aerospace Basic Quality System Standard AS9000; or
- (B) any fastener manufacturing system—
 - (i) that has as a stated goal the prevention of defects through continuous improvement;
 - (ii) that seeks to attain the goal stated in clause (i) by incorporating—
 - (I) advance quality planning;
 - (II) monitoring and control of the manufacturing process;
 - (III) product verification embodied in a comprehensive written control plan for product and process characteristics, and process controls (including process influence factors and statistical process control), tests, and measurement systems to be used in production; and
 - (IV) the creation, maintenance, and retention of electronic, photographic, or paper records required by the control plan regarding the inspections, tests, and measurements performed pursuant to the control plan; and
 - (iii) that—
 - (I) is subject to certification in accordance with the requirements of ISO/IEC Guide 62, including revisions from time to time by a third party who is accredited by an accreditation body in accordance with the requirements of ISO/IEC Guide 61, including revisions from time to time, or another document approved by the Director under section 10; or
 - (II) undergoes regular or random evaluation and assessment by the end user or end users of the screws, nuts, bolts, studs, or load-indicating washers produced under such fastener manufacturing system to ensure that such system meets the requirements of clauses (i) and (ii);
- (8) “grade identification marking” means any grade-mark or property class symbol appearing on a fastener purporting to indicate that the lot of fasteners conforms to a specific consensus standard, but such term does not include a manufacturer’s insignia or part number;
- (9) “lot” means a quantity of fasteners of one part number fabricated by the same production process from the same coil or heat number of metal as provided by the metal manufacturer;
- (10) “manufacturer” means a person who fabricates fasteners for sale in commerce;
- (11) “proprietary standard” means the provisions of a document that describes characteristics of a screw, nut, bolt, stud, or load-indicating washer and is issued by a person who—
 - (A) uses screws, nuts, bolts, studs, or load-indicating washers in the manufacture, assembly, or servicing of its products; and

- (B) with respect to such screws, nuts, bolts, studs, or washers, is a developer and issuer of descriptions that have characteristics similar to consensus standards and that bear such user's identification;
- (12) "record of conformance" means a record or records designated for each lot of fasteners sold or offered for sale that contains—
- (A) the name and address of the manufacturer;
 - (B) a description of the type of fastener;
 - (C) the lot number;
 - (D) the nominal dimensions of the fastener (including diameter and length of bolts or screws), thread form, and class of fit;
 - (E) the consensus standard or specifications to which the lot of fasteners has been manufactured, including the date, number, revision, and other information sufficient to identify the particular consensus standard or specifications being referenced;
 - (F) the chemistry and grade of material; and
 - (G) the coating material and characteristics and the applicable consensus standard or specifications for such coating;
- (13) "represent" means to describe one or more of a fastener's purported characteristics in a document or statement that is transmitted to a purchaser through any medium;
- (14) "Secretary" means the Secretary of Commerce;
- (15) "specifications" means the required characteristics identified in the contractual agreement with the manufacturer or to which a fastener is otherwise produced, except that the term does not include proprietary standards; and
- (16) "through-harden" means heating above the transformation temperature followed by quenching and tempering for the purpose of achieving uniform hardness.

Committee views

The Committee intends the definition of the term "distributor" to mean a person who purchases fasteners for the purpose of reselling them at wholesale to unaffiliated entities or individuals. To be a distributor, a person must be involved in the business of trading in fasteners. The definition makes clear that transactions between affiliated entities (such as between an original equipment manufacturer [OEM] and its dealers) do not make the OEM a distributor. The Committee makes this distinction in this bill in order to avoid the unintended effect of creating a principal-agent or related-company relationship between motor vehicle and other product manufacturers and their dealers. The "distributor" definition makes it clear that use of the concept of "affiliation" to describe the relationship between manufacturers and their dealers is solely for purposes of this Act, and is not intended to apply elsewhere.

The Committee intends that the term "fastener," and therefore the requirements of the bill, apply only to fasteners themselves and not to components or products which may contain fasteners. In other words, once a fastener has been incorporated into a product, it is no longer a fastener for the purposes of this legislation. The

Committee also intends that this provision should be interpreted in a manner consistent with an interpretation announced by NIST in a December 10, 1996, memorandum to the Fastener Advisory Committee. In that memorandum, NIST stated that fasteners that are part of a “kit containing a disassembled component would not be subject to the law and regulations.”

The “fastener” definition also excludes items that are sold in packages containing no more than 100 of any one screw, nut, bolt, stud, or washer. This provision applies primarily to spare parts for older equipment, installation kits for large assemblies, and overhaul kits. Fasteners produced in such small lots could become prohibitively expensive if they were subject to the Act, since compliance costs would be distributed over a much smaller number of fasteners than in the case of typical fastener lots used in new manufacturing. The Committee is concerned that the result of such cost increases would be the probable elimination of the fasteners from these kits and the individual sale of the fasteners as separate parts. If that should occur, customers would probably either forgo fastener replacement (during assembly rebuild) or locally source lower cost, non-specification “hardware store” fasteners. This action would result in the increased possibility of fastener related failures in these assemblies. The cost premium for packaging small lots of 100 or less would discourage any efforts to circumvent the law through repackaging of fasteners.

Section 3 exempts from the bill’s coverage those fasteners that are produced under circumstances that inherently provide adequate assurances of quality. One category of exempted fasteners is those screws, nuts, bolts, studs, and washers that are produced to proprietary standards. The definition of “proprietary standards” is intended to include fastener standards that are developed by private companies that use fasteners in the manufacture, assembly, or service of their products and that develop fastener standards under the company’s name.

Manufacturers that develop their own proprietary fastener standards typically do so as part of “closed loop” procurement systems. Under these systems, manufacturers establish fastener design criteria that are appropriate for the products they manufacture, designate qualified suppliers, and require that suppliers meet high levels of quality assurance. As the Commerce Department noted in its February 24 report, such manufacturers “have very stringent requirements for their suppliers and adequate controls to ensure consistent quality and fasteners that meet all the requirements of applicable standards and specifications.” The Committee concurs in the Department’s recommendation that fasteners produced to proprietary standards should be exempt from the law.

The excluded category of fasteners produced to proprietary standards expressly encompasses fasteners produced to private standards that reference, to varying degrees, consensus or government standards. This provision is included to reverse an interpretation of the current law by the Commerce Department that would have treated as “consensus standards” those proprietary standards that reference (directly or indirectly) any consensus standard. References to consensus standards that are contained within proprietary standards do not bring proprietary fasteners into the stream

of commerce for generic fasteners. As the Commerce Department's report correctly states, "fasteners manufactured to specifications that merely reference consensus or government standards are made for major end users who are able to ensure they receive precisely the part they seek." Accordingly, no coverage under the amended Act is needed or intended.

Another category of fasteners that are produced under circumstances that provide adequate assurance of quality is fasteners produced in accordance with a quality assurance system. Since the FQA was enacted in 1990, fastener quality assurance procedures have improved substantially over the lot sampling procedure on which the current Act was based. Strong evidence has been presented to the Committee that these modern fastener quality assurance systems (QASs) are both considerably more reliable and less costly than older end-of-production-line sampling and testing techniques. As NIST stated in its April 14, 1998, rule: "A lower defect rate means that fewer fasteners are manufactured that fail to comply with relevant standards and specifications, and thus that fewer defective fasteners will enter into commerce. Public safety is preserved and enhanced * * *"

The administrative record for this rulemaking contains strong evidence that QAS/Statistical Process Control (SPC) systems utilizing continuous monitoring and control in the manufacturing process yields (sic) a substantially lower defect rate than do traditional manufacturing techniques that rely solely upon end-of-line testing. SPC is a manufacturing process control monitoring technique used to reduce variation in the manufacturing process and thereby increase uniformity of the manufactured product. Testimony at the Public Workshop of February 7, 1997, indicates that the use of QAS/SPC may reduce the defect rate from the range of thousands or tens of thousands of parts-per-million experienced by traditional manufacturing techniques to approximately 100 parts-per-million.

The Committee is concerned that the restrictive language in the current law may impede the movement of companies toward the implementation of these advanced quality systems. Therefore, this bill provides an incentive for fastener manufacturers to adopt quality assurance systems, by relieving fasteners produced in accordance with a QAS from meeting any further requirements.

The bill treats three types of advanced quality systems as QASs. The first category is those meeting the requirements of ISO Standard 9000, the fundamental international quality system standard. The second category of qualifying systems includes systems developed by specific industry sectors based on ISO-9000, such as QS-9000, VDA 6.1, and AS-9000 (quality assurance systems based on the basic principles of ISO9000, but specifically tailored and refined for use by a particular industry). These systems are end-user driven, as contrasted with ISO9000, which is manufacturer-driven. The third category includes systems that meet specified performance criteria, including the incorporation of advanced quality planning, monitoring and control of manufacturing processes, use of a written control plan, record retention, and either "second-party" or "third-party" verification. Second-party verification involves evaluation and assessment of the fasteners manufacturer's quality procedures

by the end user, the party with the strongest incentive to insist on high quality levels. Third-party certification of a fastener manufacturer's quality system involves oversight by accredited, independent inspectors. The third-party certification process must meet either (i) the internationally recognized requirements of ISO Guides 61 and 62 or (ii) equivalent requirements, as determined by NIST through a petitioning process. NIST must approve alternative certification/accreditation requirements that are equally rigorous and reliable as compared to ISO Guides 61 and 62. Systems that meet ISO-9000, industry-specific derivatives of that standard, or other systems that meet the specified performance criteria of the bill are automatically deemed to be qualifying QASs. The Department's role is to determine the equivalence of certain third-party certification processes to the ISO Guide 61/62 process in a timely manner.

SECTION 4. SALE OF FASTENERS

This section establishes that it shall be unlawful for a manufacturer or distributor, in conjunction with a sale or offer for sale of a fastener, to knowingly misrepresent or falsify—

- (1) the record of conformance for the lot of fasteners;
- (2) the identification, characteristics, properties, mechanical or performance marks, chemistry, or strength of the lot of fasteners; or
- (3) the manufacturer's insignia.

Subsection (b) establishes that a direct or indirect reference to a consensus standard to represent that a fastener conforms to particular requirements of the consensus standard shall not be construed as a representation that the fastener conforms to all the requirements of the consensus standard.

Subsection (c) establishes that a direct or indirect contractual reference to a consensus standard for the purpose of identifying particular requirements of the consensus standard that serve as specifications shall not be construed to require that the fastener meet all the requirements of the consensus standard.

Subsection (d) establishes that in the case of fasteners manufactured solely to consensus standards, if end-of-line testing is required by the consensus standard or standards, then the tests shall be conducted by an accredited laboratory.

Committee view

The Committee recognizes that many of the original problems that led to the passage of the FQA in 1990 were attributed to mismarked or fraudulent fasteners. Section 4 fights fastener fraud by clarifying that it is unlawful for any manufacturer or distributor to intentionally misrepresent or falsify the required fastener documentation requirements. Manufacturers of fasteners bear the responsibility to provide proof that the chemical and physical properties of their product are what they are represented to be. Those who intentionally commit fraud during the sale of fasteners may be subject to both the criminal penalties and civil remedies detailed in Section 6 of this bill.

This bill amends the FQA to clarify that all fasteners, whether foreign or domestic in origin, must be treated the same for pur-

poses of complying with the Act. The Committee intends that the provisions of this bill be implemented in the least trade restrictive manner as possible.

This section requires the use of accredited laboratories only for end-of-line testing that is specified in a consensus standard for the purpose of verifying that a lot of fasteners conforms with the applicable grade identification marking in the standard. In this context, “end-of-line” testing refers to tests conducted on finished fasteners, as opposed to process controls that check an ongoing production process.

SECTION 5. MANUFACTURERS’ INSIGNIAS

This section redesignates Section 8 of the Fastener Quality Act (15 U.S.C. 5407) as section 5.

Subsection (a) establishes the following new general rule—“Unless the specifications provide otherwise, a fastener that is required by the applicable consensus standard or standards to bear an insignia identifying its manufacturer shall not be offered for sale or sold in commerce unless—(1) the fastener bears such insignia; and (2) the manufacturer has complied with the insignia recordation requirements established under subsection (b)”.

Committee view

The Committee believes that Section 5 ensures manufacturer accountability by requiring most fasteners sold in commerce include the registered trademark of their manufacturer.

SECTION 6. REMEDIES AND PENALTIES

This section redesignates Section 9 of the Fastener Quality Act (15 U.S.C. 5408) as section 6.

Subsection (b)(3) is amended to clarify the reference to this subsection.

Subsection (b)(4) is amended to allow the Secretary to arbitrate civil penalties imposed under this section prior to referral to the Attorney General.

Paragraph (3) of subsection (c)—which allowed criminal penalties of up to 2 years in prison for individuals who negligently failed to maintain the fastener records required by the Act—is stricken.

A new paragraph (2) is added to Subsection (d) as follows:

“(2) The Secretary, acting through the Director, shall establish and maintain a hotline system to facilitate the reporting of alleged violations of this Act, and the Secretary shall investigate credible allegations reported through that system.”.

Committee view

The Committee recognizes that the fastener industry continues to do a satisfactory job of monitoring their own manufacturers and distributors. To assist in this effort, Section 6 directs the Department to establish and maintain a hotline system to facilitate the reporting of alleged violations of this Act.

SECTION 7. RECORDKEEPING REQUIREMENTS

Section 10 of the Fastener Quality Act (15 U.S.C. 5409) is redesignated as section 7 and is amended by striking subsections (a) and (b) and inserting the following:

“Manufacturers shall retain the record of conformance for fasteners for 5 years, on paper or in photographic or electronic format in a manner that allows for verification of authenticity. Upon request of a distributor who has purchased a fastener, or a person who has purchased a fastener for use in the production of a commercial product, the manufacturer of the fastener shall make available information in the record of conformance to the requester.”

Committee view

To ensure accountability, Section 7 requires manufacturers to retain a record of conformance for fasteners for 5 years. The Committee intends for commercial end-users of purchased fasteners to have access to the documents upon reasonable demand. Finally, the Committee intends to reduce the burdensome paperwork requirements of the FQA by allowing documents to be stored and transmitted in electronic format.

SECTION 8. RELATIONSHIP TO STATE LAWS

Section 11 of the Fastener Quality Act (15 U.S.C. 5410) is redesignated as section 8.

SECTION 9. CONSTRUCTION

Section 12 of the Fastener Quality Act (15 U.S.C. 5411) is redesignated as section 9 and is amended by striking “in effect on the date of enactment of this Act.”

SECTION 10. CERTIFICATION AND ACCREDITATION

Sections 13 and 15 of the Fastener Quality Act (15 U.S.C. 5412 and 14) are repealed, and the following new section is inserted at the end of that Act:

“(a) CERTIFICATION.—A person publishing a document setting forth guidance or requirements for the certification of manufacturing systems, including fastener manufacturing systems, by an accredited third party may petition the Director to approve such document for use as described in section 3(6)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 62.

“(b) ACCREDITATION.—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit third parties described in subsection (a) may petition the Director to approve such document for use as described in section 3(6)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 61.

“(c) LABORATORY ACCREDITATION.—A person publishing a document setting forth guidance or requirements for the accreditation of laboratories may petition the Director to approve such document

for use as described in section 3(1)(A). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 25.

“(d) APPROVAL OF ACCREDITATION BODIES.—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit laboratories may petition the Director to approve such document for use as described in section 3(1)(B). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 58.”.

Committee view

As discussed in Section 3, systems that meet ISO–9000, industry-specific derivatives of that standard, or other systems that meet the specified performance criteria of the bill are automatically deemed to be qualifying QASs. The Committee believes the Department’s role is to determine the equivalence of certain third-party certification processes to the ISO Guide 61/62 process in a timely manner.

The Committee recognizes that quality management systems are dynamic, as are the recognized means of evaluating them. According, Section 10 is intended to give the Director the ability to expand the universe of quality management systems and the means of evaluating those systems. At the same time, Section 10 requires that such new systems or evaluation methods be recognized as providing the same or greater rigor and reliability as those referenced in the bill.

SECTION 11. APPLICABILITY

At the end of the Fastener Quality Act, insert the following new section:

“The requirements of this Act shall be applicable only to fasteners fabricated 180 days or more after the date of the enactment of the Fastener Quality Act Amendments of 1999, except that if a manufacturer or distributor of fasteners fabricated before that date designates a record of conformance for such fasteners, representations about such fasteners shall be subject to the requirements of this Act.”.

Committee view

Recognizing that manufacturers and distributors of fasteners may have fasteners in stock that were fabricated before enactment of this legislation, Section 11 allows those fasteners to be represented as in compliance with the FQA if the manufacturer or distributor designates a record of conformance for such fasteners. The representations about such fasteners shall be subject to the requirements and penalties of this Act.

SECTION 12. EFFECTIVE DATE

Section 4(d) of the Fastener Quality Act, as added by section 4 of this Act, shall take effect 2 years after the date of enactment of this Act.

Committee view

Section 12 states that the requirement for the use of accredited labs takes effect 2 years after the enactment date of this Act. This is necessary and appropriate for several reasons. First, although a number of labs have been accredited by NIST, the committee is not convinced that a sufficient number of labs are available to do all required tests within a reasonable time. The 2-year time period allows manufacturers adequate time to locate an accredited lab or to accredit their own in-house facility if desired.

Second, the committee is concerned that existing business relationships could be disrupted unintentionally without the 2-year delay. If a manufacturer is currently using a lab that is not accredited, but is providing good results, the committee does not envision that the manufacturer would be forced to choose another lab immediately. The 2-year delay allows time for the lab to become accredited, if it so chooses, without an interruption in the business relationship.

Finally, the committee wishes to encourage manufacturers to improve their manufacturing quality procedures. Accordingly, if manufacturers currently have internal labs, the 2-year delay gives adequate time to meet the new requirements.

VII. COMMITTEE VIEWS

[Committee Views are included in Section by Section]

VIII. COST ESTIMATE

Rule XIII, clause 3(d)(2) of the House of Representatives requires each committee report accompanying each bill or joint resolution of a public character to contain: (1) an estimate, made by such committee, of the costs which would be incurred in carrying out such bill or joint resolution in the fiscal year in which it is reported and in each of the five fiscal years following such fiscal year (or for the authorized duration of any program authorized by such bill or joint resolution, if less than five years); (2) a comparison of the estimate of costs described in subparagraph (1) of this paragraph made by such committee with an estimate of such costs made by any Government agency and submitted to such committee; and (3) when practicable a comparison of the total estimated funding level for the relevant program (or programs) with the appropriate levels under current law. However, House Rule XIII, clause 3(d)(3)(B) provides that this requirement does not apply when a cost estimate and comparison prepared by the Director of Congressional Budget Office under section 403 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and included in the report pursuant to House Rule XIII, clause 3(c)(3). A cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of this report and is included in Section XI of this report pursuant to House Rule XIII, clause 3(c)(3).

Rule XIII, clause 3(c)(2) of the House of Representatives requires each committee report that accompanies a measure providing new budget authority (other than continuing appropriations), new

spending authority, or new credit authority, or changes in revenues or tax expenditures to contain a cost estimate, as required by section 308(a)(1) of the Congressional Budget Act of 1974 and, when practicable with respect to estimates of new budget authority, a comparison of the total estimated funding level for the relevant program (or programs) to the appropriate levels under current law. H.R. 1183 does not contain any new budget authority, credit authority, or changes in revenues or tax expenditures.

IX. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, April 8, 1999.

Hon. F. JAMES SENSENBRENNER, Jr.,
*Chairman, Committee on Science,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1183, the Fastener Quality Act Amendments Act of 1999.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Mark Hadley (for federal costs) and Lesley Frymier (for the private-sector impact).

Sincerely,

DAN L. CRIPPEN, *Director.*

Enclosure.

H.R. 1183—Fastener Quality Act Amendments Act of 1999

The Fastener Quality Act (Public Law 101-592) imposes testing, recordkeeping, and disclosure requirements on manufacturers, distributors, and importers of certain screws, bolts, nuts, studs, and load-bearing washers. H.R. 1183 would change the requirements for certifying documents and accrediting laboratories that test fasteners.

Based on information from the National Institute of Standards and Technology (NIST), CBO estimates that NIST would spend less than \$500,000 a year to implement the bill, subject to the availability of appropriated funds. H.R. 1183 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 1183 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The bill would have significant effects on the private sector. Under current law, regulations to implement the Fastener Quality Act will go into effect on June 1, 1999. As currently written, those regulations will impose testing, certification, insignia, and recordkeeping requirements on manufacturers, distributors, importers, and other private-sector entities in the fastener industry. According to industry sources, the pending regulations will impose significant costs on those entities. H.R. 1183 would amend the law that underlies the new regulations, and NIST would have to modify the regulations to conform with the provisions of the bill. Based on information provided by government and industry sources, CBO esti-

mates that the resulting new regulations would significantly reduce the requirements imposed on the private sector relative to current law.

The CBO staff contacts are Mark Hadley for federal costs and Lesley Frymier for the private-sector impact. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

X. COMPLIANCE WITH PUBLIC LAW 104-4

H.R. 1183 contains no unfunded mandates.

XI. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Rule XIII, clause 3(c)(1) of the House of Representatives requires each committee report to include oversight findings and recommendations required pursuant to clause 2(b)(1) of rule X. The Committee has no oversight findings.

XII. OVERSIGHT FINDINGS AND RECOMMENDATIONS BY THE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Rule XIII, clause 3(c)(4) of the House of Representatives requires each committee report to contain a summary of the oversight findings and recommendations made by the House Government Reform and Oversight Committee pursuant to clause 4(c)(2) of rule X, whenever such findings and recommendations have been submitted to the Committee in a timely fashion. The Committee on Science has received no such findings or recommendations from the Committee on Government Reform and Oversight.

XIII. CONSTITUTIONAL AUTHORITY STATEMENT

Rule XIII, clause 3(d)(1) of the House of Representatives requires each report of a committee on a bill or joint resolution of a public character to include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution. Article I, section 8 of the Constitution of the United States grants Congress the authority to enact H.R. 1183.

XIV. FEDERAL ADVISORY COMMITTEE STATEMENT

H.R. 1183 does not establish nor authorize the establishment of any advisory committee.

XV. CONGRESSIONAL ACCOUNTABILITY ACT

The Committee finds that H.R. 1183 does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

FASTENER QUALITY ACT

* * * * *

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the American economy uses billions of fasteners each year;

(2) millions of mismarked, substandard, counterfeit, and other nonconforming fasteners have been sold in commerce to end-users in the United States, and their use has dramatically increased the risk of equipment and infrastructure failures;

(3) both the military and civilian sectors of the economy have encountered unnecessary, unwarranted, and dangerous equipment and construction failures, as well as extraordinary expenses, as a result of the use of nonconforming fasteners;

(4) the purchase and use of nonconforming fasteners stem from material misrepresentations about such fasteners made by certain manufacturers, importers, and distributors engaged in commerce;

(5) current fastener standards of measurement evaluate bolts and other fasteners according to multiple criteria, including strength, hardness, and composition, and provide grade identification markings on fasteners to make the characteristics of individual fasteners clear to purchasers and users;

(6) current tests required by consensus standards, designed to ensure that fasteners are of standard measure, are adequate and appropriate for use as standards in a program of high-strength fastener testing;

(7) the lack of traceability of fasteners sold in commerce is a serious impediment to effective quality control efforts; and

(8) the health and safety of Americans is threatened by the widespread sale in commerce of mismarked, substandard, and counterfeit fasteners, a practice which also harms American manufacturers, importers, and distributors of safe and conforming fasteners, and workers in the American fastener industry.

(b) PURPOSE.—In order to protect public safety, to deter the introduction of nonconforming fasteners into commerce, to improve the traceability of fasteners in commerce, and generally to provide commercial and governmental customers with greater assurance that fasteners meet stated specifications, it is the purpose of this Act to create procedures for the testing, certification, and distribution of certain fasteners used in commerce within the United States.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) “alter” means to alter—

(A) by through-hardening,

(B) by electroplating of fasteners, or

(C) by machining;

[(2) “consensus standards organization” means the American Society for Testing and Materials, American National Standards Institute, American Society of Mechanical Engineers, Society of Automotive Engineers, or any other consensus standard-setting organization determined by the Secretary to have comparable knowledge, expertise, and concern for health and safety in the field for which such organization purports to set standards;

[(3) “container” means any package of fasteners traded in commerce;

[(4) “Director” means the Director of the National Institute of Standards and Technology;

[(5) “fastener” means—

[(A) a—

[(i) screw, nut, bolt, or stud having internal or external threads, or

[(ii) a load-indicating washer,

with a nominal diameter of 5 millimeters or greater, in the case of such items described in metric terms, or ¼ inch or greater, in the case of such items described in terms of the English system of measurement, which contains any quantity of metal and is held out as meeting a standard or specification which requires through-hardening,

[(B) a screw, nut, bolt, or stud having internal or external threads which bears a grade identification marking required by a standard or specification, or

[(C) a washer to the extent that it is subject to a standard or specification applicable to a screw, nut, bolt, or stud described in subparagraph (B),

except that such term does not include any screw, nut, bolt, or stud that is produced and marked as ASTM A 307 Grade A or produced in accordance with ASTM F 432;

[(6) “grade identification marking” means any symbol appearing on a fastener purporting to indicate that the fastener’s base material, strength properties, or performance capabilities conform to a specific standard of a consensus standards organization or government agency;

[(7) “importer” means a person located within the United States who contracts for the initial purchase of fasteners manufactured outside the United States for resale or such person’s use within the United States;

[(8) “Institute” means the National Institute of Standards and Technology;

[(9) “lot” means a quantity of fasteners of one part number fabricated by the same production process from the same coil or heat number of metal as provided by the metal manufacturer and submitted for inspection and testing at one time;

[(10) “manufacturer” means a person who fabricates fasteners, or who alters any item so that it becomes a fastener;

[(11) “private label distributor” means a person who contracts with a manufacturer for the fabrication of fasteners bearing the distributor’s distinguishing insignia;

[(12) “Secretary” means the Secretary of Commerce;

[(13) “standards and specifications” means the provisions of a document published by a consensus standards organization or a government agency; and

[(14) “through-harden” means heating above the transformation temperature followed by quenching and tempering for the purpose of achieving a uniform hardness.]]

SEC. 2. FINDINGS.

The Congress finds that—

(1) *the United States fastener industry is a significant contributor to the global economy, employing thousands of workers in hundreds of communities;*

(2) *the American economy uses billions of fasteners each year;*

(3) *state-of-the-art manufacturing and improved quality assurance systems have dramatically improved fastener quality, so virtually all fasteners sold in commerce meet or exceed the consensus standards for the uses to which they are applied;*

(4) *a small number of mismarked, misrepresented, and counterfeit fasteners do enter commerce in the United States; and*

(5) *multiple criteria for the identification of fasteners exist, including grade identification markings and manufacturer’s insignia, to enable purchasers and users of fasteners to accurately evaluate the characteristics of individual fasteners.*

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) *“accredited laboratory” means a fastener testing facility used to perform end-of-line testing required by a consensus standard or standards to verify that a lot of fasteners conforms to the grade identification marking called for in the consensus standard or standards to which the lot of fasteners has been manufactured, and which—*

(A) *meets the requirements of ISO/IEC Guide 25, including revisions from time to time, or another document approved by the Director under section 10(c); and*

(B) *has been accredited by a laboratory accreditation body that meets the requirements of ISO/IEC Guide 58, including revisions from time to time, or another document approved by the Director under section 10(d);*

(2) *“consensus standard” means the provisions of a document that describes fastener characteristics published by a consensus standards organization or a Federal agency, and does not include a proprietary standard;*

(3) *“consensus standards organization” means the American Society for Testing and Materials, the American National Standards Institute, the American Society of Mechanical Engineers, the Society of Automotive Engineers, the International Organization for Standardization, any other organization identified as a United States consensus standards organization or a foreign and international consensus standards organization in the Federal Register at 61 Fed. Reg. 50582–83 (September 26, 1996), and any successor organizations thereto;*

(4) *“Director” means the Director of the National Institute of Standards and Technology;*

(5) “distributor” means a person who purchases fasteners for the purpose of reselling them at wholesale to unaffiliated entities or individuals (an original equipment manufacturer and its dealers shall be considered affiliated entities for purposes of this Act);

(6) “fastener” means a metallic screw, nut, bolt, or stud having internal or external threads, with a nominal diameter of 6 millimeters or greater, in the case of such items described in metric terms, or 1/4 inch or greater, in the case of such items described in terms of the English system of measurement, or a load-indicating washer, that is through-hardened or represented as meeting a consensus standard that calls for through-hardening, and that is grade identification marked or represented as meeting a consensus standard that requires grade identification marking, except that such term does not include any screw, nut, bolt, stud, or load-indicating washer that is—

(A) part of an assembly;

(B) in a package containing no more than 100 of any one screw, nut, bolt, stud, or load-indicating washer at the time of sale;

(C) produced and marked as ASTM A 307 Grade A, or a successor standard thereto;

(D) produced in accordance with ASTM F 432, or a successor standard thereto;

(E) specifically manufactured for use on an aircraft if the quality and suitability of those fasteners for that use has been approved—

(i) by the Federal Aviation Administration; or

(ii) by a foreign airworthiness authority as described in part 21.29, 21.500, 21.502, or 21.617 of title 14 of the Code of Federal Regulations;

(F) manufactured in accordance with a fastener quality assurance system; or

(G) manufactured to a proprietary standard, whether or not such proprietary standard directly or indirectly references a consensus standard or any portion thereof;

(7) “fastener quality assurance system” means—

(A) a system that meets the requirements, including revisions from time to time, of—

(i) International Organization for Standardization (ISO) Standard 9000, 9001, 9002, or TS16949;

(ii) Quality System (QS) 9000 Standard;

(iii) Verband der Automobilindustrie e. V. (VDA) 6.1 Standard; or

(iv) Aerospace Basic Quality System Standard AS9000; or

(B) any fastener manufacturing system—

(i) that has as a stated goal the prevention of defects through continuous improvement;

(ii) that seeks to attain the goal stated in clause (i) by incorporating—

(I) advance quality planning;

(II) monitoring and control of the manufacturing process;

(III) product verification embodied in a comprehensive written control plan for product and process characteristics, and process controls (including process influence factors and statistical process control), tests, and measurement systems to be used in production; and

(IV) the creation, maintenance, and retention of electronic, photographic, or paper records required by the control plan regarding the inspections, tests, and measurements performed pursuant to the control plan; and

(iii) that—

(I) is subject to certification in accordance with the requirements of ISO/IEC Guide 62, including revisions from time to time (or another document approved by the Director under section 10(a)), by a third party who is accredited by an accreditation body in accordance with the requirements of ISO/IEC Guide 61, including revisions from time to time (or another document approved by the Director under section 10(b)); or

(II) undergoes regular or random evaluation and assessment by the end user or end users of the screws, nuts, bolts, studs, or load-indicating washers produced under such fastener manufacturing system to ensure that such system meets the requirements of clauses (i) and (ii);

(8) “grade identification marking” means any grade-mark or property class symbol appearing on a fastener purporting to indicate that the lot of fasteners conforms to a specific consensus standard, but such term does not include a manufacturer’s insignia or part number;

(9) “lot” means a quantity of fasteners of one part number fabricated by the same production process from the same coil or heat number of metal as provided by the metal manufacturer;

(10) “manufacturer” means a person who fabricates fasteners for sale in commerce;

(11) “proprietary standard” means the provisions of a document that describes characteristics of a screw, nut, bolt, stud, or load-indicating washer and is issued by a person who—

(A) uses screws, nuts, bolts, studs, or load-indicating washers in the manufacture, assembly, or servicing of its products; and

(B) with respect to such screws, nuts, bolts, studs, or washers, is a developer and issuer of descriptions that have characteristics similar to consensus standards and that bear such user’s identification;

(12) “record of conformance” means a record or records for each lot of fasteners sold or offered for sale that contains—

(A) the name and address of the manufacturer;

(B) a description of the type of fastener;

(C) the lot number;

(D) the nominal dimensions of the fastener (including diameter and length of bolts or screws), thread form, and class of fit;

(E) the consensus standard or specifications to which the lot of fasteners has been manufactured, including the date, number, revision, and other information sufficient to identify the particular consensus standard or specifications being referenced;

(F) the chemistry and grade of material; and

(G) the coating material and characteristics and the applicable consensus standard or specifications for such coating;

(13) “represent” means to describe one or more of a fastener’s purported characteristics in a document or statement that is transmitted to a purchaser through any medium;

(14) “Secretary” means the Secretary of Commerce;

(15) “specifications” means the required characteristics identified in the contractual agreement with the manufacturer or to which a fastener is otherwise produced, except that the term does not include proprietary standards; and

(16) “through-harden” means heating above the transformation temperature followed by quenching and tempering for the purpose of achieving uniform hardness.

§ 5. TESTING AND CERTIFICATION OF FASTENERS.

[(a) REQUIREMENT.—(1) No fastener shall be offered for sale or sold in commerce unless it is part of a lot which—

[(A) conforms to the standards and specifications to which the manufacturer represents it has been manufactured; and

[(B) has been inspected, tested, and certified as provided in subsections (b), (c), and (d) of this section.

[(2)(A) Paragraph (1)(B) of this subsection shall not apply to fasteners which are part of a lot of 50 fasteners or less if, within 10 working days after the delivery of such fasteners, or as soon as practicable thereafter—

[(i) inspection, testing, and certification as provided in subsections (b), (c), and (d) is carried out; and

[(ii) written notice detailing the results of such inspection, testing, and certification is sent (I) to all purchasers of such fasteners, except retail sellers and retail consumers, and (II) to any retail seller or retail consumer who, prior to delivery, requests such written notice.

[(B) If a fastener is sold under this paragraph, each purchaser of such fastener, except for retail sellers and retail consumers unless such retail sellers and retail consumers request such notice in advance, shall be provided, contemporaneously with each sale and delivery, written notice stating that such fastener has not yet been inspected, tested, and certified as required by this Act.

[(b) INSPECTION AND TESTING.—(1) The manufacturer of a lot of fasteners shall cause to be inspected and tested a representative sample, as provided in paragraph (2) of this subsection, of the fasteners in such lot to determine whether the lot conforms to the standards and specifications to which the manufacturer represents it has been manufactured. Such inspection and testing shall be performed by a laboratory accredited in accordance with the proce-

dures and conditions specified by the Secretary under section 6. The standards and specifications to which the manufacturer represents such lot has been manufactured shall be disclosed by the manufacturer to the laboratory at the time the lot is submitted for inspection and testing under this paragraph. The manufacturer of a lot may perform the inspection and testing required by this paragraph in a laboratory which it owns or with which it is otherwise affiliated, if such laboratory is accredited in accordance with the procedures and conditions specified by the Secretary under section 6; unless the Secretary finds that, as to a specific type of fastener and as to a specific type of inspection or testing, a ban on manufacturer ownership or affiliation with the accredited laboratory would increase the protection of health and safety of the public or industrial workers.

[(2) The size, selection, and integrity of the sample to be inspected and tested under paragraph (1) shall be governed—

[(A) by the standards and specifications to which the manufacturer represents the fasteners in the sample have been manufactured; or

[(B) if such standards and specifications do not provide for the size, selection, or integrity of the sample, by sampling procedures prescribed by the Secretary, who shall to the extent practicable use consensus testing standards and related materials.

Nothing in this paragraph shall prohibit a purchaser from requiring the inspection and testing of a greater number of fasteners from a lot than is specified in the applicable standards and specifications or in the applicable sampling procedures prescribed by the Secretary.

[(c) LABORATORY REPORT OF TESTING.—If a laboratory performing the inspection and testing under subsection (b)(1) determines, as to the characteristics selected under the sampling procedures prescribed by the Secretary and based on the sample examined, that a lot conforms to the standards and specifications to which the manufacturer represents it has been manufactured, the laboratory shall provide to the manufacturer a written inspection and testing report with respect to such lot. The report, which shall be in a form prescribed by the Secretary by regulation, shall—

[(1) state the manufacturer's name, the part description, and the lot number and note the grade identification mark and insignia found on the fastener;

[(2) reference the standards and specifications disclosed by the manufacturer with respect to such lot under subsection (b)(1);

[(3) list the markings and characteristics selected under the Secretary's procedures for testing significant characteristics required by the standards and specifications described in paragraph (2) and specify the results of the inspection and testing under subsection (b)(1);

[(4) except as provided in subsection (d), state whether, based on the samples provided as representative of the lot, such lot has been found after such inspection and testing to conform to such standards and specifications; and

[(5) bear the original signature of a laboratory employee or officer determined by the Secretary to be responsible for the accuracy of the report and of the inspection and testing to which it relates.

[(d) ALTERNATIVE PROCEDURE FOR CHEMICAL CHARACTERISTICS.—Notwithstanding the requirements of subsections (b) and (c), a manufacturer shall be deemed to have demonstrated, for purposes of subsection (a)(1), that the chemical characteristics of a lot conform to the standards and specifications to which the manufacturer represents such lot has been manufactured if the following requirements are met:

[(1) The coil or heat number of metal from which such lot was fabricated has been inspected and tested with respect to its chemical characteristics by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6.

[(2) Such laboratory has provided to the manufacturer, either directly or through the metal manufacturer, a written inspection and testing report, which shall be in a form prescribed by the Secretary by regulation, listing the chemical characteristics of such coil or heat number.

[(3) The report described in paragraph (2) indicates that the chemical characteristics of such coil or heat number conform to those required by the standards and specifications to which the manufacturer represents such lot has been manufactured.

[(4) The manufacturer demonstrates that such lot has been fabricated from the coil or heat number of metal to which the report described in paragraphs (2) and (3) relates.

In prescribing the form of report required by subsection (c), the Secretary shall provide for an alternative to the statement required by subsection (c)(4), insofar as such statement pertains to chemical characteristics, for cases in which a manufacturer elects to use the procedure permitted by this subsection.

[(SEC. 6. LABORATORY ACCREDITATION.)

[(a) ESTABLISHMENT OF ACCREDITATION PROGRAM.—(1) The Secretary, acting through the Director, shall issue regulations which shall include—

[(A) procedures and conditions, including sampling procedures referred to in section 5, for the accreditation by the Institute of laboratories engaged in the inspection and testing of fasteners under section 5;

[(B) procedures and conditions (which shall be consistent with the procedures and conditions established under subparagraph (A)), using to the extent practicable the requirements of national or international consensus documents intended to govern the operation of accreditation bodies, under which private entities may apply for approval by the Secretary to engage directly in the accreditation of laboratories in accordance with the requirements of this Act; and

[(C) conditions (which shall be consistent with the procedures and conditions established under subparagraph (A)), under which the accreditation of foreign laboratories by their governments or organizations recognized by the Director shall

be deemed to satisfy the laboratory accreditation requirements of this section.

[(2) Upon establishing a laboratory accreditation program under paragraph (1), the Secretary shall publish a notice in the Federal Register stating that the Secretary is prepared to accept applications for accreditation of such laboratories.

[(3) No accreditation provided under the terms of this subsection shall be effective for a period of greater than 3 years.

[(b) LABORATORY ACCREDITATION PROCEDURES.—Existing Institute accreditation procedures stated in part 7 of title 15, Code of Federal Regulations, as in effect on the date of enactment of this Act, supplemented as the Secretary considers necessary, shall be used to accredit laboratories under the accreditation program established under subsection (a).

[(c) ENSURING COMPLIANCE.—(1) The Secretary shall ensure that—

[(A) private entities accrediting laboratories under procedures and conditions established under subsection (a)(1)(B) comply with such procedures and conditions, and

[(B) laboratories accredited by such private entities, or by foreign governments pursuant to subsection (a)(1)(C), comply with the requirements for such accreditation.

[(2) The Secretary may require any such private entity or laboratory to provide all records and materials that may be necessary to allow the Secretary to carry out this subsection.

[(d) OPERATION OF LABORATORY ACCREDITATION PROGRAM.—(1) The Director may hire such contractors as are necessary to carry out the accreditation program established under subsection (a).

[(2) Costs to the Institute and to the Secretary for the establishment and operation of the accreditation program under this section shall be fully reimbursable to the Institute or to the Secretary, as appropriate, through fees or other charges for accreditation services under such program.

[(e) RECOMMENDATIONS TO CONSENSUS STANDARDS ORGANIZATIONS.—The Director shall periodically transmit to appropriate consensus standards organizations any information or recommendations that may be useful in the establishment or application by such organizations of standards and specifications for fasteners.

[SEC. 7. SALE OF FASTENERS SUBSEQUENT TO MANUFACTURE.

[(a) DOMESTICALLY PRODUCED FASTENERS.—It shall be unlawful for a manufacturer to sell any shipment of fasteners covered by this Act which are manufactured in the United States unless the fasteners—

[(1) have been manufactured according to the requirements of the applicable standards and specifications and have been inspected and tested by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6; and

[(2) an original laboratory testing report described in section 5(c) and a manufacturer's certificate of conformance are on file with the manufacturer, or under such custody as may be prescribed by the Secretary, and available for inspection.

[(b) FASTENERS OF FOREIGN ORIGIN.—(1) Except as provided in paragraph (2) of this subsection, it shall be unlawful—

[(A) for any person to sell to any importer, and

[(B) for any importer to purchase,

any shipment of fasteners which are manufactured outside the United States unless delivery of such shipment to such importer is accompanied by a manufacturer's certificate as described in subsection (a), an original laboratory testing report described in section 5(c), with respect to each lot from which such fasteners were taken, and any other relevant lot identification information.

[(2) The requirement under paragraph (1) of this subsection that the delivery of such a shipment to such importer be accompanied by an original laboratory testing report shall not apply in the case of fasteners imported into the United States—

[(A) as products manufactured within a nation which is party to a congressionally-approved free trade agreement with the United States that is in effect, so long as the Secretary certifies that satisfactory arrangements have been reached by which purchasers within the United States can readily gain access to an original laboratory testing report for such fasteners; or

[(B) as Canadian-origin products under the United States-Canada Automobile Pact for use as original equipment in the manufacture of motor vehicles.

[(c) OPTION FOR IMPORTERS AND PRIVATE LABEL DISTRIBUTORS.—

(1) Notwithstanding section 5(a) and subsections (a) and (b) of this section, delivery of a lot, or portion of a lot, of fasteners may be made to an importer or private label distributor without the required original copy of the laboratory testing report if—

[(A) the manufacturer provides to the importer or private label distributor a manufacturer's certificate certifying that the fasteners have been manufactured according to the requirements of the applicable standards and specifications; and

[(B) the importer or private label distributor assumes responsibility in writing for the inspection and testing of such lot or portion by a laboratory accredited in accordance with the procedures and conditions specified by the Secretary under section 6.

[(2) If the importer or private distributor assumes the responsibility in writing for the inspection and testing of such lot or portion, the provisions of section 5(a) and subsections (a) and (b) of this section shall apply to the importer or private label distributor in the same manner and to the same extent as to a manufacturer; except that the importer or private label distributor shall provide to the testing laboratory the manufacturer's certificate described under paragraph (1) of this subsection.

[(d) ALTERATIONS SUBSEQUENT TO MANUFACTURE.—(1) Any person who significantly alters a fastener so that such fastener no longer conforms to the description in the relevant test report issued under section 5(c), and who thereafter offers for sale or sells such altered fastener, shall be treated as a manufacturer for purposes of this Act and shall cause such altered fastener to be inspected and tested under section 5 or this section as though it were newly manufactured, unless delivery of such fastener to the purchaser is accompanied by a written statement noting the original lot number, disclosing the subsequent alteration, and warning that such al-

teration may affect the dimensional or physical characteristics of the fastener.

[(2) Any person who knowingly sells an altered fastener and who did not alter such fastener shall provide to the purchaser a copy of the statement required by paragraph (1).

[(e) COMMINGLING.—It shall be unlawful for any manufacturer, importer, or private label distributor to commingle like fasteners from different lots in the same container, except that such manufacturer, importer, or private label distributor may commingle like fasteners of the same type, grade, and dimension from not more than two tested and certified lots in the same container during repackaging and plating operations. Any container which contains fasteners from two lots shall be conspicuously marked with the lot identification numbers of both lots.

[(f) SUBSEQUENT PURCHASER.—If a person who purchases fasteners for any purpose so requests either prior to the sale or at the time of sale, the seller shall conspicuously mark the container of the fasteners with the lot number from which such fasteners were taken.]

SEC. 4. SALE OF FASTENERS.

(a) *GENERAL RULE.*—It shall be unlawful for a manufacturer or distributor, in conjunction with a sale or offer for sale of a fastener, to knowingly misrepresent or falsify—

(1) *the record of conformance for the lot of fasteners;*

(2) *the identification, characteristics, properties, mechanical or performance marks, chemistry, or strength of the lot of fasteners; or*

(3) *the manufacturer's insignia.*

(b) *REPRESENTATIONS.*—A direct or indirect reference to a consensus standard to represent that a fastener conforms to particular requirements of the consensus standard shall not be construed as a representation that the fastener meets all the requirements of the consensus standard.

(c) *SPECIFICATIONS.*—A direct or indirect contractual reference to a consensus standard for the purpose of identifying particular requirements of the consensus standard that serve as specifications shall not be construed to require that the fastener meet all the requirements of the consensus standard.

(d) *USE OF ACCREDITED LABORATORIES.*—In the case of fasteners manufactured solely to a consensus standard or standards, end-of-line testing required by the consensus standard or standards, if any, for the purpose of verifying that a lot of fasteners conforms with the grade identification marking called for in the consensus standard or standards to which the lot of fasteners has been manufactured shall be conducted by an accredited laboratory.

SEC. [8.] 5. MANUFACTURERS' INSIGNIAS.

[(a) *GENERAL RULE.*—No fastener which is required by the standards and specifications to which it was manufactured to bear a raised or depressed insignia identifying its manufacturer or private label distributor shall be offered for sale or sold in commerce unless the manufacturer or private label distributor of such fastener has complied with the requirements prescribed by the Sec-

retary in connection with the program established under subsection (b) of this section.]

(a) *GENERAL RULE.*—Unless the specifications provide otherwise, a fastener that is required by the applicable consensus standard or standards to bear an insignia identifying its manufacturer shall not be offered for sale or sold in commerce unless—

- (1) the fastener bears such insignia; and
- (2) the manufacturer has complied with the insignia recordation requirements established under subsection (b).

(b) *RECORDATION.*—The Secretary shall establish, by regulation, a program to provide for the recordation of the insignias of manufacturers [and private label distributors described in subsection (a), to ensure the traceability of a fastener to its manufacturer or private label distributor.] described in subsection (a).

SEC. [9.] 6. REMEDIES AND PENALTIES.

(a) * * *

(b) *CIVIL PENALTIES.*—(1) * * *

* * * * *

(3) Any person against whom a civil penalty is assessed under paragraph (2) [of this section] of this subsection may obtain review thereof in the appropriate court of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Secretary. The findings and order of the Secretary shall be set aside by such court if they are found to be unsupported by substantial evidence, as provided in section 706(2) of title 5, United States Code.

(4) The Secretary may *arbitrate*, compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this section prior to referral to the Attorney General under paragraph (5).

* * * * *

(c) *CRIMINAL PENALTIES.*—(1) * * *

* * * * *

[(3) Whoever negligently fails to maintain records relating to a fastener in violation of this Act or a regulation under this Act shall be fined under title 18, United States Code, or imprisoned not more than 2 years, or both.]

(d) *ENFORCEMENT.*—(1) The Secretary may designate officers or employees of the Department of Commerce to conduct investigations pursuant to this Act. In conducting such investigations, those officers or employees may, to the extent necessary or appropriate to the enforcement of this Act, exercise such authorities as are conferred upon them by other laws of the United States, subject to policies and procedures approved by the Attorney General.

(2) *The Secretary, acting through the Director, shall establish and maintain a hotline system to facilitate the reporting of alleged violations of this Act, and the Secretary shall investigate credible allegations reported through that system.*

SEC. [10.] 7. RECORDKEEPING REQUIREMENTS.

[(a) *LABORATORIES.*—Laboratories which perform inspections and testing under section 5(b) shall retain for 5 years all records con-

cerning the inspection and testing, and certification, of fasteners under section 5.

[(b) MANUFACTURERS, IMPORTERS, PRIVATE LABEL DISTRIBUTORS, AND PERSONS WHO MAKE SIGNIFICANT ALTERATIONS.—Manufacturers, importers, private label distributors, and persons who make significant alterations shall retain for 5 years all records concerning the inspection and testing, and certification, of fasteners under section 5, and shall provide copies of any applicable laboratory testing report or manufacturer's certificate upon request to the subsequent purchaser of fasteners taken from the lot to which such testing report or manufacturer's certificate relates.]

Manufacturers shall retain the record of conformance for fasteners for 5 years, on paper or in photographic or electronic format in a manner that allows for verification of authenticity. Upon request of a distributor who has purchased a fastener, or a person who has purchased a fastener for use in the production of a commercial product, the manufacturer of the fastener shall make available information in the record of conformance to the requester.

SEC. [11.] 8. RELATIONSHIP TO STATE LAWS.

Nothing in this Act shall be construed to preempt any rights or causes of action that any buyer may have with respect to any seller of fasteners under the law of any State, except to the extent that the provisions of this Act are in conflict with such State law.

SEC. [12.] 9. CONSTRUCTION.

Nothing in this Act shall be construed to limit or otherwise affect the authority of any consensus standards organization to establish, modify, or withdraw any standards and specifications under any other law or authority [in effect on the date of enactment of this Act].

[SEC. 13. REGULATIONS.

The Secretary shall issue such regulations as may be necessary to implement this Act.

[SEC. 15. APPLICABILITY.

(a) **TRANSITIONAL RULE.—**The requirements of this Act shall be applicable only to fasteners fabricated 180 days or more after the Secretary issues final regulations required under sections 5, 6, and 8, except that the Secretary may extend such time period if the Secretary determines that an insufficient number of laboratories have been accredited to perform the volume of inspection and testing required. Upon any such extension, and every 6 months thereafter during such extension, the Secretary shall submit a report to the Congress explaining the reasons for such extension and the steps being taken to ensure the accreditation of a sufficient number of laboratories.

[(b) AIRCRAFT EXEMPTION.—

[(1) IN GENERAL.—The requirements of this Act shall not apply to fasteners specifically manufactured or altered for use on an aircraft if the quality and suitability of those fasteners for that use has been approved by the Federal Aviation Administration, except as provided in paragraph (2).

[(2) EXCEPTION.—Paragraph (1) shall not apply to fasteners represented by the fastener manufacturer as having been man-

ufactured in conformance with standards or specifications established by a consensus standards organization or a Federal agency other than the Federal Aviation Administration.】

SEC. 10. CERTIFICATION AND ACCREDITATION.

(a) *CERTIFICATION.*—A person publishing a document setting forth guidance or requirements for the certification of manufacturing systems, including fastener manufacturing systems, by an accredited third party may petition the Director to approve such document for use as described in section 3(7)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 62.

(b) *ACCREDITATION.*—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit third parties described in subsection (a) may petition the Director to approve such document for use as described in section 3(7)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 61.

(c) *LABORATORY ACCREDITATION.*—A person publishing a document setting forth guidance or requirements for the accreditation of laboratories may petition the Director to approve such document for use as described in section 3(1)(A). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 25.

(d) *APPROVAL OF ACCREDITATION BODIES.*—A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit laboratories may petition the Director to approve such document for use as described in section 3(1)(B). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 58.

SEC. 11. APPLICABILITY.

The requirements of this Act shall be applicable only to fasteners fabricated 180 days or more after the date of the enactment of the Fastener Quality Act Amendments of 1999, except that if a manufacturer or distributor of fasteners fabricated before that date prepares a record of conformance for such fasteners, representations about such fasteners shall be subject to the requirements of this Act.

XVII. COMMITTEE RECOMMENDATIONS

On March 25, 1999, a quorum being present, the Committee favorably reported H.R. 1183, The Fastener Quality Amendments Act of 1999, by a voice vote, and recommends its enacted.

XVIII. EXCHANGE OF COMMITTEE CORRESPONDENCE

HOUSE OF REPRESENTATIVES,
 COMMITTEE ON COMMERCE,
Washington, DC, April 17, 1999.

Hon. F. JAMES SENSENBRENNER, Jr.,
*Chairman, Committee on Science,
 Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN SENSENBRENNER: On March 25, 1999, the Committee on Science ordered reported H.R. 1183, the Fastener Quality Act Amendments Act of 1999, with amendments. As you know, the Committee on Commerce was named as an additional committee of jurisdiction and has had a longstanding interest in the issue of fastener quality and the Fastener Quality Act (15 U.S.C. § 5401 et al). This interest goes back at least to the 100th Congress, at which time the Committee undertook an investigation of counterfeit and substandard fasteners. This investigation resulted in the issuance of a unanimously approved Subcommittee report—"The Threat from Substandard Fasteners: Is America Losing Its Grip?"—which ultimately led to the approval by our respective committees of the Fastener Quality Act of 1990.

As you know, the legislation, as amended, significantly restructures the Fastener Quality Act and adopts suggestions from both the Department of Commerce and the affected industries regarding changes in the Act. These changes must be enacted before June 23, 1999, when the rules promulgated by the Department of Commerce would otherwise become effective.

In light of the upcoming deadline, I recognize your desire to bring this legislation before the House in an expeditious manner. Given our involvement in the process thus far, and your assurance that we will work to address concerns raised by our minority before this legislation is considered by the House, I will not exercise the Committee's right to a referral. By agreeing to waive its consideration of the bill, however, the Commerce Committee does not waive its jurisdiction over H.R. 1183. In addition, the Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation. I ask for your commitment to support any request by the Commerce Committee for conferees on H.R. 1183 or similar legislation.

I request that you include this letter as a part of the Committee's report on H.R. 1183 and as part of the Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

TOM BLILEY, *Chairman.*

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SCIENCE,
Washington, DC, April 22, 1999.

Hon. TOM BLILEY,
*Chairman, House Committee on Commerce,
Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN BLILEY: Thank you for your letter of April 17, 1999 regarding H.R. 1183, the Fastener Quality Amendments Act of 1999.

I appreciate your waiving your Committee's right to a referral on this bill so that it can move expeditiously to the floor. I recognize your historic jurisdiction in this area and will support any request you may make to have conferees on H.R. 1183 or similar legislation.

The exchange of letters between our two committees will be included in the Committee report on H.R. 1183 and will be made part of the floor record.

Sincerely,

F. JAMES SENSENBRENNER, Jr.,
Chairman.

XIX. PROCEEDINGS OF THE FULL COMMITTEE MARKUP

THURSDAY, MARCH 25, 1999, HOUSE OF REPRESENTATIVES, COMMITTEE
ON SCIENCE, WASHINGTON, DC

H.R. 1183, Fastener Quality Act Amendments Act of 1999

Chairman SENSENBRENNER. The last bill on our agenda today is H.R. 1183, a Fastener Quality Act Amendments of 1999. This bill continues the Science Committee's commitment to streamlining the provisions of the Fastener Quality Act. The intent of H.R. 1183 is to modify the act in a way that recognizes new quality practices in the fastener industry, focuses on ensuring public safety, and imposes the least possible additional burdens on an already heavily regulated industry.

To that end, this bill: first, fights fraud by clarifying that anyone intentionally misrepresenting the strength or other characteristic of a fastener is subject to the criminal penalties and civil remedies of the act. Second, it ensures accountability by requiring that virtually all fasteners sold in commerce include the registered trademark of their manufacturer. Third, reduces some of the burdensome paperwork requirements of the act by allowing documents to be stored and transmitted in electronic format. And fourth, recognizes the industry's growing utilization of dramatically improved quality assurance in management systems by allowing fasteners manufactured in accordance with certain quality systems to be deemed in compliance with the requirements of the act.

The current law of the Fastener Quality Act of 1990 is unworkable and would cause great disruption to the U.S. economy without providing any significant public safety benefit. Last Congress, the Science Committee drafted bipartisan legislation enacted as Public Law 105-234, that delayed NIST from implementing costly and bureaucratic regulations that were inconsistent with the original Congressional intent of the act.

So I would urge members to support this legislation, and recognize Mr. Brown for an opening statement.

Mr. BROWN. Mr. Chairman, I am having trouble distinguishing the green color here as to when the thing is on and off. Could you have a correction made on that as quickly as possible?

Chairman SENSENBRENNER. If the gentleman will yield. If you push the red button, then the missiles start flying here. So stay away from that. [Laughter.]

Mr. BROWN. Mr. Chairman, there is very little I can add to what you have already said about this bill. It is one we have wrestled with for a number of years. It will never end up being perfect or maybe even fully satisfactory to most of the people who are involved. But it is very important, and as we all recall, there was a time a few years back when it was a matter of urgency and of national security that we do something to improve the quality of fasteners that were used in critical applications in defense, space, and many other things.

This bill is the best possible approach that I can envision to continuing and improving on this process. I am wholeheartedly in support of it.

Chairman SENSENBRENNER. The gentleman yields back the balance of his time. I am informed that neither the gentlewoman from Maryland or the gentleman from Michigan have opening statements, and would ask unanimous consent that all members may insert opening statements in the record at this point. Without objection, it is so ordered.

[The information follows:]

HOUSE COMMITTEE ON SCIENCE
FULL COMMITTEE MARKUP OF VARIOUS LEGISLATION

March 25, 1999

Opening Statement of Congresswoman Debbie Stabenow
of the 8th District, State of Michigan

Mr. Chairman, Ranking Member Brown, thank you for holding today's markup and addressing this legislation. The bills before us today build on recent House priorities concerning disaster mitigation, the commercialization of federal research, and easing the regulatory burden for business. I support all of these concepts and applaud the Committee for its efforts.

Representing a district in Michigan which relies on the auto industry, I am particularly interested in H.R. 1183, The Fastener Quality Act Amendments of 1999. I have been monitoring the discussions between the Committee staffs and the Fastener Reform Coalition, and am pleased that all sides agree that the bill before us today and the anticipated amendments are an important step forward. I understand that the Commerce Committee still has some concerns with this legislation, and I look forward to continuing our work to reach a final agreement. While safety must always be our foremost concern, wherever possible we must endeavor to give U.S. industries the most flexible environment to work in to ensure global competitiveness.

The other bills before us, H.R. 209, The Technology Transfer Commercialization Act, and H.R. 1184, The Earthquake Hazards Reduction Act of 1999, are also important. Michigan State University is located in the heart of my district and conducts a great deal of federally-funded research. The health of the U.S. economy is greatly improved when we take full advantage of the innovations fostered at our national labs and universities, and H.R. 209 will help us optimize the commercialization of these ideas. H.R. 1184 will reauthorize the National Earthquake Hazards Reduction Program, which will help mitigate future damage from these natural disasters. This program also places a focus on developing earth science teaching materials for elementary and secondary schools, which fits nicely with the emphasis the Committee places on science and math education.

Mr. Chairman, thank you again for addressing these issues today. I am sure we will have a productive session.

Chairman SENSENBRENNER. Furthermore, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

[The information follows:]

106TH CONGRESS
1ST SESSION

H. R. 1183

To amend the Fastener Quality Act to strengthen the protection against the sale of mismarked, misrepresented, and counterfeit fasteners and eliminate unnecessary requirements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 18, 1999

Mr. SENSENBRENNER (for himself, Mr. BROWN of California, Mrs. MORELLA, Mr. GREEN of Wisconsin, Mr. COOK, Mrs. BIGGERT, and Mr. KUYKENDALL) introduced the following bill; which was referred to the Committee on Science, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Fastener Quality Act to strengthen the protection against the sale of mismarked, misrepresented, and counterfeit fasteners and eliminate unnecessary requirements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Fastener Quality Act
5 Amendments Act of 1999".

1 **SEC. 2. FINDINGS AND PURPOSE.**

2 Section 2 of the Fastener Quality Act (15 U.S.C.
3 5401) is amended to read as follows:

4 **“SEC. 2. FINDINGS.**

5 “The Congress finds that—

6 “(1) the United States fastener industry is a
7 significant contributor to the global economy, em-
8 ploying thousands of workers in hundreds of commu-
9 nities;

10 “(2) the American economy uses billions of fas-
11 teners each year;

12 “(3) state-of-the-art manufacturing and im-
13 proved quality assurance systems have dramatically
14 improved fastener quality, so virtually all fasteners
15 sold in commerce meet or exceed the consensus
16 standards for the uses to which they are applied;

17 “(4) a small number of mismarked, misrepre-
18 sented, and counterfeit fasteners do enter commerce
19 in the United States; and

20 “(5) multiple criteria for the identification of
21 fasteners exist, including grade identification mark-
22 ings and manufacturer’s insignia, to enable pur-
23 chasers and users of fasteners to accurately evaluate
24 the characteristics of individual fasteners.”.

1 **SEC. 3. DEFINITIONS.**

2 Section 3 of the Fastener Quality Act (15 U.S.C.
3 5402) is amended to read as follows:

4 **“SEC. 3. DEFINITIONS.**

5 “As used in this Act, the term—

6 “(1) ‘consensus standard’ means the provisions
7 of a document that describes fastener characteristics
8 published by a consensus standards organization or
9 a Federal agency, and does not include a proprietary
10 standard;

11 “(2) ‘consensus standards organization’ means
12 the American Society for Testing and Materials, the
13 American National Standards Institute, the Amer-
14 ican Society of Mechanical Engineers, the Society of
15 Automotive Engineers, the International Organiza-
16 tion for Standardization, any other organization
17 identified as a United States consensus standards
18 organization or a foreign and international con-
19 sensus standards organization in the Federal Reg-
20 ister at 61 Fed. Reg. 50582–83 (September 26,
21 1996), and any successor organizations thereto;

22 “(3) ‘Director’ means the Director of the Na-
23 tional Institute of Standards and Technology;

24 “(4) ‘distributor’ means a person who pur-
25 chases fasteners for the purpose of reselling them at
26 wholesale to unaffiliated entities or individuals (an

1 original equipment manufacturer and its dealers
2 shall be considered affiliated entities for purposes of
3 this Act);

4 “(5) ‘fastener’ means a metallic screw, nut,
5 bolt, or stud having internal or external threads,
6 with a nominal diameter of 6 millimeters or greater,
7 in the case of such items described in metric terms,
8 or 1/4 inch or greater, in the case of such items de-
9 scribed in terms of the English system of measure-
10 ment, or a load-indicating washer, that is through-
11 hardened or represented as meeting a consensus
12 standard that calls for through-hardening, and that
13 is grade identification marked or represented as
14 meeting a consensus standard that requires grade
15 identification marking, except that such term does
16 not include any screw, nut, bolt, stud, or load-indi-
17 cating washer that is—

18 “(A) part of an assembly;

19 “(B) in a package containing no more than
20 100 of any one screw, nut, bolt, stud, or load-
21 indicating washer at the time of sale;

22 “(C) produced and marked as ASTM A
23 307 Grade A, or a successor standard thereto;

24 “(D) produced in accordance with ASTM
25 F 432, or a successor standard thereto;

1 “(E) specifically manufactured for use on
2 an aircraft if the quality and suitability of those
3 fasteners for that use has been approved—

4 “(i) by the Federal Aviation Adminis-
5 tration; or

6 “(ii) by a foreign airworthiness au-
7 thority as described in part 21.29, 21.500,
8 21.502, or 21.617 of title 14 of the Code
9 of Federal Regulations;

10 “(F) manufactured in accordance with a
11 fastener quality assurance system; or

12 “(G) manufactured to a proprietary stand-
13 ard, whether or not such proprietary standard
14 directly or indirectly references a consensus
15 standard or any portion thereof;

16 “(6) ‘fastener quality assurance system’
17 means—

18 “(A) a system that meets the require-
19 ments, including revisions from time to time,
20 of—

21 “(i) International Organization for
22 Standardization (ISO) Standard 9000,
23 9001, 9002, or TS16949;

24 “(ii) Quality System (QS) 9000
25 Standard;

- 1 “(iii) Verband der Automobilindustrie
2 e. V. (VDA) 6.1 Standard; or
3 “(iv) Aerospace Basic Quality System
4 Standard AS9000; or
5 “(B) any fastener manufacturing system—
6 “(i) that has as a stated goal the pre-
7 vention of defects through continuous im-
8 provement;
9 “(ii) that seeks to attain the goal stat-
10 ed in clause (i) by incorporating—
11 “(I) advance quality planning;
12 “(II) monitoring and control of
13 the manufacturing process;
14 “(III) product verification em-
15 bodied in a comprehensive written
16 control plan for product and process
17 characteristics, and process controls
18 (including process influence factors
19 and statistical process control), tests,
20 and measurement systems to be used
21 in production; and
22 “(IV) the creation, maintenance,
23 and retention of electronic, photo-
24 graphic, or paper records required by
25 the control plan regarding the inspec-

1 tions, tests, and measurements per-
2 formed pursuant to the control plan;
3 and

4 “(iii) that—

5 “(I) is subject to certification in
6 accordance with the requirements of
7 ISO/IEC Guide 62, including revisions
8 from time to time, by a third party
9 who is accredited by an accreditation
10 body in accordance with the require-
11 ments of ISO/IEC Guide 61, includ-
12 ing revisions from time to time, or an-
13 other document approved by the Di-
14 rector under section 10; or

15 “(II) undergoes regular or ran-
16 dom evaluation and assessment by the
17 end user or end users of the screws,
18 nuts, bolts, studs, or load-indicating
19 washers produced under such fastener
20 manufacturing system to ensure that
21 such system meets the requirements
22 of clauses (i) and (ii);

23 “(7) ‘grade identification marking’ means any
24 grade-mark or property class symbol appearing on a
25 fastener purporting to indicate that the lot of fas-

1 teners conforms to a specific consensus standard,
2 but such term does not include a manufacturer's in-
3 signia or part number;

4 “(8) ‘lot’ means a quantity of fasteners of one
5 part number fabricated by the same production
6 process from the same coil or heat number of metal
7 as provided by the metal manufacturer;

8 “(9) ‘manufacturer’ means a person who fab-
9 ricates fasteners for sale in commerce;

10 “(10) ‘proprietary standard’ means the provi-
11 sions of a document that describes characteristics of
12 a screw, nut, bolt, stud, or load-indicating washer
13 and is issued by a person who—

14 “(A) uses screws, nuts, bolts, studs, or
15 load-indicating washers in the manufacture, as-
16 sembly, or servicing of its products; and

17 “(B) with respect to such screws, nuts,
18 bolts, studs, or washers, is a developer and
19 issuer of descriptions that have characteristics
20 similar to consensus standards and that bear
21 such user's identification;

22 “(11) ‘record of conformance’ means a record
23 or records designated for each lot of fasteners sold
24 or offered for sale that contains—

1 “(A) the name and address of the manu-
2 facturer;

3 “(B) a description of the type of fastener;

4 “(C) the lot number;

5 “(D) the nominal dimensions of the fas-
6 tener (including diameter and length of bolts or
7 screws), thread form, and class of fit;

8 “(E) the consensus standard or specifica-
9 tions to which the lot of fasteners has been
10 manufactured, including the date, number, revi-
11 sion, and other information sufficient to iden-
12 tify the particular consensus standard or speci-
13 fications being referenced;

14 “(F) the chemistry and grade of material;
15 and

16 “(G) the coating material and characteris-
17 tics and the applicable consensus standard or
18 specifications for such coating;

19 “(12) ‘represent’ means to describe one or more
20 of a fastener’s purported characteristics in a docu-
21 ment or statement that is transmitted to a pur-
22 chaser through any medium;

23 “(13) ‘Secretary’ means the Secretary of Com-
24 merce;

1 “(14) ‘specifications’ means the required char-
2 acteristics identified in the contractual agreement
3 with the manufacturer or to which a fastener is oth-
4 erwise produced, except that the term does not in-
5 clude proprietary standards; and

6 “(15) ‘through-harden’ means heating above
7 the transformation temperature followed by quench-
8 ing and tempering for the purpose of achieving uni-
9 form hardness.”.

10 **SEC. 4. SALE OF FASTENERS.**

11 Sections 5 through 7 of the Fastener Quality Act (15
12 U.S.C. 5404–7) are repealed, and the following new sec-
13 tion is inserted after section 3 of such Act:

14 **“SEC. 4. SALE OF FASTENERS.**

15 “(a) GENERAL RULE.—It shall be unlawful for a
16 manufacturer or distributor, in conjunction with a sale or
17 offer for sale of a fastener, to knowingly misrepresent or
18 falsify—

19 “(1) the record of conformance for the lot of
20 fasteners;

21 “(2) the identification, characteristics, prop-
22 erties, mechanical or performance marks, chemistry,
23 or strength of the lot of fasteners; or

24 “(3) the manufacturer’s insignia.

1 “(b) REPRESENTATIONS.—A direct or indirect ref-
2 erence to a consensus standard to represent that a fas-
3 tener conforms to particular requirements of the con-
4 sensus standard shall not be construed as a representation
5 that the fastener meets all the requirements of the con-
6 sensus standard.

7 “(c) SPECIFICATIONS.—A direct or indirect contrac-
8 tual reference to a consensus standard for the purpose of
9 identifying particular requirements of the consensus
10 standard that serve as specifications shall not be con-
11 strued to require that the fastener meet all the require-
12 ments of the consensus standard.

13 “(d) VOLUNTARY ACCREDITATION OF LABORA-
14 TORIES.—The Secretary, acting through the Director,
15 shall maintain a program for the voluntary accreditation
16 of laboratories, and shall make information about such
17 laboratories available to the public. If the parties to the
18 sale of a fastener agree, a laboratory accredited under
19 such voluntary program shall be used to perform tests that
20 may be required by consensus standards or specifica-
21 tions.”.

22 **SEC. 5. MANUFACTURERS' INSIGNIAS.**

23 Section 8 of the Fastener Quality Act (15 U.S.C.
24 5407) is redesignated as section 5 and is amended—

1 (1) in subsection (a), by striking “which is re-
2 quired” and all that follows through “by the Sec-
3 retary” and inserting “that is required by the speci-
4 fications or applicable consensus standard or stand-
5 ards in the record of conformance to bear an insig-
6 nia identifying its manufacturer shall be offered for
7 sale or sold in commerce unless the manufacturer of
8 such fastener has complied with the insignia rec-
9 ordation requirements prescribed by the Secretary,
10 acting through the Director,”; and

11 (2) in subsection (b), by striking “and private
12 label” and all that follows and inserting “described
13 in subsection (a).”.

14 **SEC. 6. REMEDIES AND PENALTIES.**

15 Section 9 of the Fastener Quality Act (15 U.S.C.
16 5408) is redesignated as section 6 and is amended—

17 (1) in subsection (b)(3), by striking “of this
18 section” and inserting “of this subsection”;

19 (2) in subsection (b)(4), by inserting “arbi-
20 trate,” after “Secretary may”;

21 (3) by striking paragraph (3) of subsection (c);
22 and

23 (4) in subsection (d)—

24 (A) by inserting “(1)” after “ENFORCE-
25 MENT.—”; and

1 (B) by adding at the end the following new
2 paragraph:

3 “(2) The Secretary, acting through the Director,
4 shall establish and maintain a hotline system to facilitate
5 the reporting of alleged violations of this Act, and the Sec-
6 retary shall investigate credible allegations reported
7 through that system.”.

8 **SEC. 7. RECORDKEEPING REQUIREMENTS.**

9 Section 10 of the Fastener Quality Act (15 U.S.C.
10 5409) is redesignated as section 7 and is amended by
11 striking subsections (a) and (b) and inserting the fol-
12 lowing:

13 “Manufacturers shall retain the record of conform-
14 ance for fasteners for 5 years, on paper or in photographic
15 or electronic format in a manner that allows for
16 verification of authenticity.”.

17 **SEC. 8. RELATIONSHIP TO STATE LAWS.**

18 Section 11 of the Fastener Quality Act (15 U.S.C.
19 5410) is redesignated as section 8.

20 **SEC. 9. CONSTRUCTION.**

21 Section 12 of the Fastener Quality Act (15 U.S.C.
22 5411) is redesignated as section 9 and is amended by
23 striking “in effect on the date of enactment of this Act”.

1 **SEC. 10. CERTIFICATION AND ACCREDITATION.**

2 Sections 13 and 15 of the Fastener Quality Act (15
3 U.S.C. 5412 and 14) are repealed, and the following new
4 section is inserted at the end of that Act:

5 **“SEC. 10. CERTIFICATION AND ACCREDITATION.**

6 “(a) **CERTIFICATION.**—A person publishing a docu-
7 ment setting forth guidance or requirements for the cer-
8 tification of manufacturing systems, including fastener
9 manufacturing systems, by an accredited third party may
10 petition the Director to approve such document for use
11 as described in section 3(6)(B)(iii)(I). The Director shall
12 act upon a petition within 180 days after its filing, and
13 shall approve such petition if the document provides equal
14 or greater rigor and reliability as compared to ISO/IEC
15 Guide 62.

16 “(b) **ACCREDITATION.**—A person publishing a docu-
17 ment setting forth guidance or requirements for the ap-
18 proval of accreditation bodies to accredit third parties de-
19 scribed in subsection (a) may petition the Director to ap-
20 prove such document for use as described in section
21 3(6)(B)(iii)(I). The Director shall act upon a petition
22 within 180 days after its filing, and shall approve such
23 petition if the document provides equal or greater rigor
24 and reliability as compared to ISO/IEC Guide 61.”.

1 **SEC. 11. APPLICABILITY.**

2 At the end of the Fastener Quality Act, insert the
3 following new section:

4 **“SEC. 11. APPLICABILITY.**

5 “The requirements of this Act shall be applicable only
6 to fasteners fabricated 180 days or more after the date
7 of the enactment of the Fastener Quality Act Amendments
8 of 1999, except that if a manufacturer or distributor of
9 fasteners fabricated before that date designates a record
10 of conformance for such fasteners, representations about
11 such fasteners shall be subject to the requirements of this
12 Act.”.

○

THE FASTENER QUALITY ACT AMENDMENTS ACT OF 1999

H.R. 1183

SECTION-BY-SECTION
ANALYSIS

SECTION 1. SHORT TITLE.

This section cites the Act as “The Fastener Quality Act Amendments Act of 1999”.

SECTION 2. FINDINGS AND PURPOSE.

This section amends the findings of the Fastener Quality Act (15 U.S.C. 5401) by stating that—the United States fastener industry is a significant contributor to the global economy, employing thousands of workers in hundreds of communities; the American economy uses billions of fasteners each year; state-of-the-art manufacturing and improved quality assurance systems have dramatically improved fastener quality, so virtually all fasteners sold in commerce meet or exceed the consensus standards for the uses to which they are applied; a small number of mismarked, misrepresented, and counterfeit fasteners do enter commerce in the United States; and multiple criteria for the identification of fasteners exist, including grade identification markings and manufacturer's insignia, to enable purchasers and users of fasteners to accurately evaluate the characteristics of individual fasteners.

SECTION 3. DEFINITIONS.

As used in this Act, this section defines the following terms--

- (1) 'consensus standard' means the provisions of a document that describes fastener characteristics published by a consensus standards organization or a Federal agency, and does not include a proprietary standard;
- (2) 'consensus standards organization' means the American Society for Testing and Materials, the American National Standards Institute, the American Society of Mechanical Engineers, the Society of Automotive Engineers, the International Organization for Standardization, any other organization identified as a United States consensus standards organization or a foreign and international consensus standards organization in the Federal Register at 61 Fed. Reg. 50582-83 (September 26, 1996), and any successor organizations thereto;
- (3) 'Director' means the Director of the National Institute of Standards and

Technology;

(4) 'distributor' means a person who purchases fasteners for the purpose of reselling them at wholesale to unaffiliated entities or individuals (an original equipment manufacturer and its dealers shall be considered affiliated entities for purposes of this Act);

(5) 'fastener' means a metallic screw, nut, bolt, or stud having internal or external threads, with a nominal diameter of 6 millimeters or greater, in the case of such items described in metric terms, or 1/4 inch or greater, in the case of such items described in terms of the English system of measurement, or a load-indicating washer, that is through-hardened or represented as meeting a consensus standard that calls for through-hardening, and that is grade identification marked or represented as meeting consensus standard that requires grade identification marking.

The term 'fastener' does not include any screw, nut, bolt, stud, or load-indicating washer that is--

(A) part of an assembly;

(B) in a package containing no more than 100 of any one screw, nut, bolt, stud, or load-indicating washer at the time of sale;

(C) produced and marked as ASTM A 307 Grade A, or a successor standard thereto;

(D) produced in accordance with ASTM F 432, or a successor standard thereto;

(E) specifically manufactured for use on an aircraft if the quality and suitability of those fasteners for that use has been approved--

(i) by the Federal Aviation Administration; or

(ii) by a foreign airworthiness authority as described in part 21.29, 21.500, 21.502, or 21.617 of title 14 of the Code of Federal Regulations;

(F) manufactured in accordance with a fastener quality assurance system; or

(G) manufactured to a proprietary standard, whether or not such proprietary standard directly or indirectly references a consensus standard or any portion thereof;

(6) 'fastener quality assurance system' means--

(A) a system that meets the requirements, including revisions from time to time, of--

(i) International Organization for Standardization (ISO) Standard 9000, 9001, 9002, or TS16949;

(ii) Quality System (QS) 9000 Standard;

(iii) Verband der Automobilindustrie e. V. (VDA) 6.1 Standard; or

(iv) Aerospace Basic Quality System Standard AS9000; or

(B) any fastener manufacturing system--

(i) that has as a stated goal the prevention of defects through continuous improvement;

(ii) that seeks to attain the goal stated in clause (i) by incorporating--

(I) advance quality planning;

(II) monitoring and control of the manufacturing process;

(III) product verification embodied in a comprehensive written control plan for product and process characteristics, and process controls (including process influence factors and statistical process control), tests, and measurement systems to be used in production; and

(IV) the creation, maintenance, and retention of electronic, photographic, or paper records required by the control plan regarding the inspections, tests, and measurements performed pursuant to the control plan; and

(iii) that--

(I) is subject to certification in accordance with the requirements of ISO/IEC Guide 62, including revisions from time to time by a third party who is accredited by an accreditation body in accordance with the requirements of ISO/IEC Guide 61, including revisions from time to time, or another document approved by the Director under section 10; or

(II) undergoes regular or random evaluation and assessment by the end user or end users of the screws, nuts, bolts, studs, or load-indicating washers produced under such fastener manufacturing system to ensure that such system meets the requirements of clauses (i) and (ii);

(7) 'grade identification marking' means any grade-mark or property class symbol appearing on a fastener purporting to indicate that the lot of fasteners conforms to a specific consensus standard, but such term does not include a manufacturer's insignia or part number;

(8) 'lot' means a quantity of fasteners of one part number fabricated by the same production process from the same coil or heat number of metal as provided by the metal manufacturer;

(9) 'manufacturer' means a person who fabricates fasteners for sale in commerce;

(10) 'proprietary standard' means the provisions of a document that describes characteristics of a screw, nut, bolt, stud, or load-indicating washer and is issued by a person who--

(A) uses screws, nuts, bolts, studs, or load-indicating washers in the manufacture, assembly, or servicing of its products; and

(B) with respect to such screws, nuts, bolts, studs, or washers, is a developer and issuer of descriptions that have characteristics similar to consensus standards and that bear such user's identification;

(11) 'record of conformance' means a record or records designated for each lot of fasteners sold or offered for sale that contains--

(A) the name and address of the manufacturer;

(B) a description of the type of fastener;

(C) the lot number;

(D) the nominal dimensions of the fastener (including diameter and length of bolts or screws), thread form, and class of fit;

(E) the consensus standard or specifications to which the lot of fasteners has been manufactured, including the date, number, revision, and other information sufficient to identify the particular consensus standard or specifications being referenced;

(F) the chemistry and grade of material; and

(G) the coating material and characteristics and the applicable consensus standard or specifications for such coating;

(12) 'represent' means to describe one or more of a fastener's purported characteristics in a document or statement that is transmitted to a purchaser through any medium;

(13) 'Secretary' means the Secretary of Commerce;

(14) 'specifications' means the required characteristics identified in the contractual agreement with the manufacturer or to which a fastener is otherwise produced, except that the term does not include proprietary standards; and

(15) 'through-harden' means heating above the transformation temperature followed by quenching and tempering for the purpose of achieving uniform hardness.'

SECTION 4. SALE OF FASTENERS.

This section establishes that it shall be unlawful for a manufacturer or distributor, in conjunction with a sale or offer for sale of a fastener, to knowingly misrepresent or falsify-

(1) the record of conformance for the lot of fasteners;

(2) the identification, characteristics, properties, mechanical or performance marks, chemistry, or strength of the lot of fasteners; or

(3) the manufacturer's insignia.

Subsection (b) establishes that a direct or indirect reference to a consensus standard to represent that a fastener conforms to particular requirements of the consensus standard shall not be construed as a representation that the fastener meets all the requirements of the consensus standard.

Subsection (c) establishes that a direct or indirect contractual reference to a consensus standard for the purpose of identifying particular requirements of the consensus standard that serve as specifications shall not be construed to require that the fastener meet all the requirements of the consensus standard.

Subsection (d) establishes that the Secretary, acting through the Director, shall maintain a program for the voluntary accreditation of laboratories, and shall make

information about such laboratories available to the public. If the parties to the sale of a fastener agree, a laboratory accredited under such voluntary program shall be used to perform tests that may be required by consensus standards or specifications.

SECTION 5. MANUFACTURERS' INSIGNIAS.

This section redesignates Section 8 of the Fastener Quality Act (15 U.S.C. 5407) as section 5.

The new subsection (a) states - 'No Fastener that is required by the specifications or applicable consensus standard or standards in the record of conformance to bear an insignia identifying its manufacturer shall be offered for sale or sold in commerce unless the manufacturer of such fastener has complied with the insignia recordation requirements prescribed by the Secretary, acting through the Director,'; and

Subsection (b) is amended to state - 'The Secretary shall establish, by regulation, a program to provide for the recordation of the insignias of manufacturers described in subsection (a).'

SECTION 6. REMEDIES AND PENALTIES.

This section redesignates Section 9 of the Fastener Quality Act (15 U.S.C. 5408) as section 6.

Subsection (b)(3) is amended to clarify the reference to this subsection.

Subsection (b)(4) is amended to allow the Secretary to arbitrate civil penalties imposed under this section prior to referral to the Attorney General.

Paragraph (3) of subsection (c) - which allowed criminal penalties of up to 2 years in prison for individuals who intentionally failed to maintain the fastener records required by the Act - is stricken.

A new paragraph (2) is added to Subsection (d) as follows:

'(2) The Secretary, acting through the Director, shall establish and maintain a hotline system to facilitate the reporting of alleged violations of this Act, and the Secretary shall investigate credible allegations reported through that system.'

SECTION 7. RECORDKEEPING REQUIREMENTS.

Section 10 of the Fastener Quality Act (15 U.S.C. 5409) is redesignated as section 7 and is amended by striking subsections (a) and (b) and inserting the following:

'Manufacturers shall retain the record of conformance for fasteners for 5 years, on paper or in photographic or electronic format in a manner that allows for verification of authenticity.'

SECTION 8. RELATIONSHIP TO STATE LAWS.

Section 11 of the Fastener Quality Act (15 U.S.C. 5410) is redesignated as section 8.

SECTION 9. CONSTRUCTION.

Section 12 of the Fastener Quality Act (15 U.S.C. 5411) is redesignated as section 9 and is amended by striking 'in effect on the date of enactment of this Act'.

SECTION 10. CERTIFICATION AND ACCREDITATION.

Sections 13 and 15 of the Fastener Quality Act (15 U.S.C. 5412 and 14) are repealed, and the following new section is inserted at the end of that Act:

'(a) CERTIFICATION- A person publishing a document setting forth guidance or requirements for the certification of manufacturing systems, including fastener manufacturing systems, by an accredited third party may petition the Director to approve such document for use as described in section 3(6)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 62.

'(b) ACCREDITATION- A person publishing a document setting forth guidance or requirements for the approval of accreditation bodies to accredit third parties described in subsection (a) may petition the Director to approve such document for use as described in section 3(6)(B)(iii)(I). The Director shall act upon a petition within 180 days after its filing, and shall approve such petition if the document provides equal or greater rigor and reliability as compared to ISO/IEC Guide 61.'

SECTION 11. APPLICABILITY.

At the end of the Fastener Quality Act, insert the following new section:

'The requirements of this Act shall be applicable only to fasteners fabricated 180 days or more after the date of the enactment of the Fastener Quality Act Amendments of 1999, except that if a manufacturer or distributor of fasteners fabricated before that date designates a record of conformance for such fasteners, representations about such fasteners shall be subject to the requirements of this Act.'

Chairman SENSENBRENNER. I ask that members proceed with amendments in the order on the roster. The first one is by Mrs. Morella and Mr. Barcia. The Chair recognizes the gentlewoman from Maryland to offer her amendment.

Mrs. MORELLA. Thank you very much, Mr. Chairman. I have an amendment at the desk.

Chairman SENSENBRENNER. The clerk will report the amendment.

The CLERK. "En bloc amendment to H.R. 1183"——

Chairman SENSENBRENNER. Without objection, the amendment is considered as read, and open for amendment at any point.

[The information follows:]

COMMITTEE ON SCIENCE
FULL COMMITTEE MARKUP
MARCH 25, 1999

AMENDMENT ROSTER

H.R. 1183, Fastener Quality Act Amendments Act of 1999

No.	Sponsor	Description	Results
1.	Mrs. Morella and Mr. Barcia	En bloc amendment	ADOPTED BY VOICE VOTE

EN BLOC AMENDMENTS TO H.R. 1183
OFFERED BY MRS. MORELLA AND MR. BARCIA

Page 3, line 6, through page 10, line 6, redesignate paragraphs (1) through (15) as paragraphs (2) through (16), respectively.

Page 3, after line 5, insert the following new paragraph:

1 “(1) ‘accredited laboratory’ means a fastener
2 testing facility used to perform end-of-line testing
3 required by a consensus standard or standards to
4 verify that a lot of fasteners conforms to the grade
5 identification marking called for in the consensus
6 standard or standards to which the lot of fasteners
7 has been manufactured, and which—
8 “(A) meets the requirements of ISO/IEC
9 Guide 25, including revisions from time to time,
10 or another document approved by the Director
11 under section 10(e); and
12 “(B) has been accredited by a laboratory
13 accreditation body that meets the requirements
14 of ISO/IEC Guide 58, including revisions from
15 time to time, or another document approved by
16 the Director under section 10(d);”.

Page 7, line 8, insert “(or another document approved by the Director under section 10(a))” after “time to time”.

Page 7, lines 12 through 14, strike “, or another document approved by the Director under section 10” and inserting “(or another document approved by the Director under section 10(b))”.

Page 8, line 23, strike “designated”.

Page 11, lines 13 through 21, amend subsection (d) to read as follows:

1 “(d) USE OF ACCREDITED LABORATORIES.—In the
2 case of fasteners manufactured solely to a consensus
3 standard or standards, end-of-line testing required by the
4 consensus standard or standards, if any, for the purpose
5 of verifying that a lot of fasteners conforms with the grade
6 identification marking called for in the consensus standard
7 or standards to which the lot of fasteners has been manu-
8 factured shall be conducted by an accredited laboratory.”.

Page 12, lines 1 through 10, amend paragraph (1) to read as follows:

9 (1) by amending subsection (a) to read as fol-
10 lows:

1 “(a) GENERAL RULE.—Unless the specifications pro-
2 vide otherwise, a fastener that is required by the applica-
3 ble consensus standard or standards to bear an insignia
4 identifying its manufacturer shall not be offered for sale
5 or sold in commerce unless—

6 “(1) the fastener bears such insignia; and

7 “(2) the manufacturer has complied with the
8 insignia recordation requirements established under
9 subsection (b).”; and

Page 13, line 16, insert “Upon request of a distribu-
tor who has purchased a fastener, or a person who has
purchased a fastener for use in the production of a com-
mercial product, the manufacturer of the fastener shall
make available information in the record of conformance
to the requester.” after “verification of authenticity.”.

Page 14, line 11, strike “section 3(6)” and insert
“section 3(7)”.

Page 14, lines 20 and 21, strike “section 3(6)” and
insert “section 3(7)”.

Page 14, after line 24, insert the following new sub-
sections:

10 “(c) LABORATORY ACCREDITATION.—A person pub-
11 lishing a document setting forth guidance or requirements
12 for the accreditation of laboratories may petition the Di-

1 rector to approve such document for use as described in
2 section 3(1)(A). The Director shall act upon a petition
3 within 180 days after its filing, and shall approve such
4 petition if the document provides equal or greater rigor
5 and reliability as compared to ISO/IEC Guide 25.

6 “(d) APPROVAL OF ACCREDITATION BODIES.—A
7 person publishing a document setting forth guidance or
8 requirements for the approval of accreditation bodies to
9 accredit laboratories may petition the Director to approve
10 such document for use as described in section 3(1)(B).
11 The Director shall act upon a petition within 180 days
12 after its filing, and shall approve such petition if the docu-
13 ment provides equal or greater rigor and reliability as
14 compared to ISO/IEC Guide 58.”

Page 15, line 9, strike “designates” and insert “pre-
pares”.

Page 15, after line 12, insert the following new sec-
tion:

15 **SEC. 12. EFFECTIVE DATE.**

16 Section 4(d) of the Fastener Quality Act, as added
17 by section 4 of this Act, shall take effect 2 years after
18 the date of enactment of this Act.

Chairman SENSENBRENNER. The gentlewoman from Maryland is recognized for five minutes.

Mrs. MORELLA. Thank you, Mr. Chairman. You know, when I was first elected, to me a fastener meant something that you used to enclose clothing and in other manners. But now I understand through experience and through the Subcommittee and full Committee, that a fastener is defined as a nut, a bolt, a screw, or a stud. All I can say is I hope Jay Leno doesn't get word of that. [Laughter.]

But our Technology Subcommittee held a hearing on this issue in the last Congress, and also held a hearing in February to discuss the need for the existing Fastener Quality Act, as well as to consider any changes to the act that may be warranted. At the hearing, the Subcommittee received testimony from fastener manufacturers, distributors, and consumers, and we realized how important fasteners are.

There is a clear consensus that two factors have dramatically changed since the passage of the FQA in 1990. First, the implementation of modern manufacturing quality procedures have dramatically increased the quality of fasteners used in U.S. commerce. In today's business place, heavy volume fastener users like automobile, aerospace, heavy equipment manufacturers, invent, demand and ensure quality from their suppliers. They have a clear economic incentive to do so.

Secondly, the implementation of more stringent Government procurement practices have eliminated the military's problems with sub-standard or mis-marked fasteners. In fact, the Defense Industrial Supply Center has checked military inventories over the past four years, found no evidence of faulty fasteners at all.

Recognizing these important developments, H.R. 1183 is intended to modernize the existing 9-year-old act to better reflect the practices of today's fastener industry and to ensure that the flow of the 200 billion fasteners used annually in our Nation's chain of commerce not unnecessarily disrupted. The legislation that we are considering also creates a level playing ground for all fastener manufacturers, distributors and consumers. It does not drive small manufacturers out of business, nor does it place U.S. manufacturers at a competitive disadvantage with their foreign competitors.

Mr. Chairman, as Chair of the Technology Subcommittee, I am pleased to offer this bipartisan en bloc amendment with Mr. Jim Barcia, the Ranking Member of the Subcommittee. The amendment makes certain changes to H.R. 1183 as follows: First, in the case of fasteners manufactured solely to consensus standards, the amendment ensures that any required end-of-line testing is conducted by an accredited laboratory. An accredited laboratory is defined to include a fastener testing facility that meets certain guidelines established by the International Organization for Standardization, or that is approved by the National Institute of Standards and Technology. In addition, the definition also requires accreditation by the International Organization for Standardization, or by NIST.

I could go on, because the amendment then takes additional steps to ensure traceability by requiring that all fasteners that are manufactured to consensus standards bear a trademark that's reg-

istered with the Department of Commerce. Finally, it ensures disclosure of critical information by requiring fastener manufacturer to make certain documents available.

I just want to remind members too that without prompt enactment of this legislation, the current FQA regulations are slated to be implemented on June 24th of this year. So with that in mind, I ask for swift passage. I yield back, Mr. Chairman.

Chairman SENSENBRENNER. The gentlewoman's time has expired. Further discussion on the Morella-Barcia amendment, with the caveat that we are losing our reporting quorum.

The gentleman from Michigan is recognized for five minutes.

Mr. BARCIA. I won't take the full five minutes. I will try to be very brief. Mr. Chairman, I want to begin by concurring with Mr. Brown's comments about the bipartisan way in which we developed H.R. 1183 and this en bloc amendment. I also want to thank Chairman Sensenbrenner and Chairwoman Morella for their diligence and efforts on this very important issue.

Chairwoman Morella has articulately explained the provisions in the en bloc amendments. I won't repeat those explanations. The en bloc amendment ensures that fasteners manufactured to consensus standards must be tested in accredited labs, that high strength bolts must carry a manufacturer's mark except when the end-user specifies otherwise, and that records on the physical and chemical properties of fasteners are available to everyone in the supply chain.

The goal of this en bloc amendment is to ensure the traceability of fasteners once they leave the manufacturer, and that the testing of fasteners is reliable and accurate. This en bloc amendment substantially improves H.R. 1183, and addresses some of the most serious concerns that were raised with the text as introduced. H.R. 1183, along with the en bloc amendment, is a product that probably doesn't entirely satisfy everyone. However, I believe that it reduces the cumbersome regulatory burdens that resulted from the original Fastener Quality Act. It recognizes advancements made in manufacturing processes, and attempts to maintain credible standards to ensure that fasteners are of high quality. I urge my colleagues to support this amendment.

Chairman SENSENBRENNER. The gentleman yields back the balance of his time. Further discussion on the Morella-Barcia amendment?

[No response.]

Hearing none, all those in favor signify by saying aye.

Opposed, no.

The ayes appear to have it. The ayes have it, and the amendment is agreed to.

Are there further amendments to the bill?

[No response.]

If not, is there any report language?

[No response.]

If not, the question is on the bill. All those in favor will signify by saying aye.

Opposed, no.

The ayes appear to have it. The ayes have it. The motion is agreed to.

The Chair recognizes the gentleman from Michigan for a motion to report the bill.

Mr. BARCIA. Thank you, Mr. Chairman. I move that the Committee report the bill, H.R. 1183 as amended. Furthermore, I move to instruct the staff to prepare the legislative report to make technical and conforming amendments, and that the Chairman take all necessary steps to bring the bill before the House for its consideration.

Chairman SENSENBRENNER. You have heard the motion. The question is on reporting the bill. The Chair notes the presence of a reporting quorum. Those in favor will signify by saying aye.

Opposed, no.

The ayes appear to have it. The ayes have it, and the bill is favorably reported.

Without objection, the bill will be reported as a single amendment in the nature of a substitute reflecting the amendment adopted today. Members will have two subsequent calendar days in which to submit supplemental minority or additional views on the measure. Without objection, pursuant to clause 1 of rule 22 of the rules of the House of Representatives, the Committee authorizes the Chair to offer such motions as may be necessary in the House to go to conference on the bill. Without objection, so ordered.

I thank everybody for their patience. We put the timing pretty good today in getting done just when the bell rang.

The Chair recognizes the gentleman from the California.

Mr. BROWN. Thank you, Mr. Chairman. I ask unanimous consent that Ms. Sheila Jackson Lee, who is detained in another committee, be allowed to insert her brief statement in the record expressing her appreciation to the great Chairman that we have.

Chairman SENSENBRENNER. Without objection, that is certainly so ordered.

The Chair will quit while he is ahead, and the Committee is adjourned.

[Whereupon, at 11:18 a.m., the committee was adjourned.]