

June 28, 2011

Re: Support for Assembly Bill 1215 of the State of California

By way of introduction, my name is Ryan Toole and until my recent retirement from the FBI in August 2010 I was a Supervisory Special Agent assigned at FBI headquarters. From 2005-2010 I was the Program Manager for the Auto Theft Program in the Criminal Investigation Division of the FBI. Auto theft has historically been the focus of the FBI, as a dangerous gateway crime and a significant health and safety risk to the public. The National Motor Vehicle Title Information System (NMVTIS) was established to address these issues and combat this national problem.

Legislation such as AB 1215 that supports NMVTIS is essential to arresting organized crime rings and to protecting consumers against health and safety risks, corrupt title branding, and the economic repercussions of undiscovered thefts. These are the three most serious risks that consumers face in the auto industry and only NMVTIS can protect them.

Private car history companies do collect useful information such as mileage and emissions reports but are severely deficient regarding total-loss/salvage vehicle data. NMVTIS is the only system mandated by law to provide this information and it is imperative that it be made available to the public.

NMVTIS is also the only recognized source of salvage/total-loss data that legally requires reporting by salvage dealers and similarly defined entities. Without NMVTIS, private reporting companies have no direct source of salvage/total-loss information. Neither of the top two private services presently incorporates NMVTIS data into their reports and therefore lacks a vast majority of total-loss information which is the most critical information for a consumer to be aware of.

Private vehicle history reporting companies have contractual agreements with state and local agencies to provide them with vehicle history information but none of these entities has access to the salvage/total loss vehicle history information stored on the NMVTIS database. The only salvage/total loss vehicle data that commercial reporting companies have access to are police accident reports or an insurance accident reports resulting in a title transfer. Simply making an insurance claim does not ensure that private vehicle history reporting companies will be notified of the damage and if a title transfer is delayed, an expired registration won't signal any alarms on a commercial report.

Furthermore, salvage/total-loss vehicles often show up on private vehicle history reports as roadworthy despite the fact that they have often been completely shredded. Examples were documented and provided to the NMVTIS Federal Advisory Board as recently as September, 2010. This information was also provided to Carfax and Experian but despite efforts made by DOJ and AAMVA to work with them, NMVTIS reports are still not incorporated into private vehicle history reports. Today, an extremely large number of totaled, dismantled and shredded vehicles remain documented by private vehicle history companies as roadworthy.

The requirements in AB 1215 are critical to protecting consumers from uninformed and potentially harmful purchases. The economic toll of purchasing an undisclosed salvage vehicle is astronomical, not to mention the countless cases that have left consumers physically or fatally wounded. AB1215 will provide strong protection to the citizens of California, and should hopefully serve as a model for similar legislation in other jurisdictions as well.

Ryan Toole