



December 7, 2012

Chairman Jay Hottinger
77 S. High St
12th Floor
Columbus, OH 43215-6111

Chairman Hottinger:

As a member of the board of the National Salvage Vehicle Reporting Program (NSVRP) and a retired FBI Supervisory Special Agent who for many years managed the FBI's Major Theft program, I urge Ohio's legislators to oppose SB 273.

NSVRP's review of Ohio salvage statutes shows that current law does not meet the standards of best practices for branding, titling and registration of salvaged and rebuilt vehicles. As a result, cars that are catastrophically damaged and should be destined for the scrap heap are sold with titles that allow for reuse of the paperwork as a rebuildable VIN. This opens the door to numerous types of fraud and abuse that all reasonable people would agree are best avoided – from criminal entities using the paperwork to change the identity of a stolen vehicle to unscrupulous purchasers 'flipping' the cars by selling them to unsuspecting buyers after making cosmetic enhancements.

NSVRP has identified numerous examples of badly damaged salvage vehicles that were offered for resale in Ohio either with clean titles or with salvage paperwork that labels the vehicles as repairable. These examples from CoPart and Insurance Auto Auctions (IAA) salvage auctions held in Ohio during the period of July 17 to July 30, 2012, can be accessed at http://nsvrp.com/uploads/Ohio_vehicle_examples_junk_cars_with_repairable_titles_Redacted.pdf.

Rather than seeking to further reduce oversight at Ohio's salvage auctions, Ohio legislators should be addressing serious issues with the current law by: 1) establishing a mandatory threshold for branding a vehicle as a non-repairable or junk vehicle; 2) requiring that flood damaged vehicles for which total loss payouts have been made have flood non-repairable title branding; and 3) including language making National Motor Vehicle Title Information System violations a violation of Ohio law, thus allowing Ohio authorities to enforce NMVTIS and collect fines for violations.

Consumers should not be given access to buying at salvage auctions without first making significant changes to strengthen the current salvage statutes. Exposing the public to these auctions while at the same time stripping from the Senate-passed version of SB 273 the few consumer protections and the recording and reporting tools that would help law enforcement detect and prosecute criminals is not appropriate public policy.

I am available to discuss this issue further at your convenience.

Sincerely,

Ryan Toole
Member of the Board of Directors, NSVRP
FBI SSA (Ret)