CANADIAN VEHICLES IMPORTED TO THE U.S.
Washington State

- Do not have VIN inspections on every vehicle
- Issue quick titles over the counter
- County Auditors and Sub Agents model
- Border state to Canada
Canadian Imports Titled in WA

- Increase in Imports from Canada
- Quick Title Concerns
- Out of State Auctions and Dealers
- Registered Importer Process
- WA DOL Decisions and Requirements
Canadian Imports Titled in WA

Historical Importation Numbers
- In 2008 only 6,000 vehicles imported into US
- In the last year, over 216,000 vehicles imported into US

Historical Quick Title Numbers

<table>
<thead>
<tr>
<th>Year</th>
<th>Auditor</th>
<th>Subagent</th>
<th>DOL</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>20,473</td>
<td>4,833</td>
<td>6</td>
<td>25,312</td>
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<td>2014</td>
<td>17,422</td>
<td>16,264</td>
<td>3</td>
<td>33,689</td>
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<tr>
<td>2015</td>
<td>10,805</td>
<td>42,192</td>
<td>6</td>
<td>53,003</td>
</tr>
</tbody>
</table>
The Registered Importer Process

- Present vehicles at the border
- Declare conforming or non-conforming (HS-7)
  i. Conforming vehicles can be titled and resold
  ii. Non-conforming vehicles are held until they meet safety standards
- Substantiating paperwork showing non-conforming vehicle compliance is sent to NHTSA
  i. NHTSA has 30 days to respond to release vehicle
  ii. Once Bond Release Letter is received, vehicle can be titled and registered in US
  iii. If Bond Release Letter is not received within 30 days, vehicle can be titled and resold. (Title 49, US Code 30141-30147)
Canadian Imports Titled in WA

Current Documentation Required To Title

Conforming
i. US CBP 7501 (or other acceptable Order Entry Summary)
ii. NHTSA HS-7 DOT Declaration of Conformity
iii. Other supporting documentation (Odom, BOS, Etc.)

Non-conforming
i. US CBP 7501 (or other acceptable Order Entry Summary)
ii. NHTSA HS-7 DOT Declaration of Conformity
iii. Bond Release Letter from NHTSA (showing conformity)
iv. Other supporting documentation (Odom, BOS, etc.)

Non-conforming without a Bond Release Letter
i. All above documentation plus
   a. NHTSA Statement of Conformity
   b. Certificate of Fact from importer attesting NHTSA guidelines were followed—30-day time period applies
Canadian Imports Titled in WA

Sample Documents

- Statement of Conformity
- HS-7 Declaration
- Order Entry Summary 7501
Canadian Imports Titled in WA

Reasons behind the new requirements

Public safety
  i. Making sure vehicles are conforming
  ii. Ensuring vehicles are branded correctly

Washington title integrity
  i. Ensuring WA titles are not being used in other states to sell vehicles illegally
Next Steps

- Wholesale Dealer Requirements
- Quick Title Requirements
- System Enhancements
- Fraud and Policy Working Group
- Watch for other exposure in the process