Odometer Disclosure
Transitions in Technology

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Office of Odometer Fraud Investigation

March 14, 2012
• Odometer Fraud Program Overview
• Odometer Fraud Trends
• E-Odometer Disclosure
• Discussion
Transition
155 Years

Odometer
• **Mission:** Reduce the cost of vehicle ownership and promote vehicle safety by deterring odometer fraud

• Criminal Investigations

  • NHTSA investigations have resulted in more **260 criminal convictions**, more than **$15 million** court ordered restitution, and **$3 million** in fines
• Federal / State **Partnerships**
  
  • Cooperative Agreements with State enforcement agencies  
  • Joint field operations  

• Consumer Outreach  

• Collaborate with **NHTSA Chief Counsel** & US DOJ prosecutors
Transition
55 Years

Enforcement
Odometer Fraud Trends

Comprehensive Electronic Odometer Correction Tool

Cyber Security
OBD II
$4,000
75% of Fleet
Odometer Fraud Trends

NEW PRODUCTS

Hardware include:
Main hardware, OBD adapter, USB cable, SD card and Power cables.

Price: 500USD

M-CORRECTOR:
mileage correction tool for driver use

DSP3+ AND DATASMART3+
AIRBAG RESETER
PROGRAMMERS
ECU FLASHERS
IMMO-ECU DECODE
ODOMETER CORRECTION
TV/DVD ACTIVATORS
CONNECTORS
KEY TOOLS
REPAIR PARTS
IC "semiconductor"
CAN FILTER

www.nhtsa.gov
<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
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<td>CHRYSLER-018</td>
<td>SEBRING 10-UP DIAG, AVenger 10-UP</td>
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<td>CALIBER 09-UP DIAG</td>
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Auto Center Sales

Report Summary

Confirmed Rollbacks
346

Average Miles Begin (high mileage)
105,620

Average Miles Removed
68,998

Average Miles End (altered low mileage)
36,623

Average Purchase Price (high mileage)
$7,940

Average "Wholesale" Sale Price (low mileage)
$12,449

Average Gross Margin
$4,509
November 1, 2006

**NEWS RELEASE**

**FORMER PENNDOT EMPLOYEE SENTENCED TO 21 MONTHS IN PRISON FOR ACCEPTING MONEY TO PROCESS FRAUDULENT VEHICLE TITLES**

Thomas A. Marino, United States Attorney for the Middle District of Pennsylvania announced today that James Russell Bradbury, age 35, of Harrisburg, Pennsylvania, a former PennDOT title clerk, was sentenced by United States District Judge Yvette Kane to a term of imprisonment for bribery concerning a program receiving Federal funds. Federal law prohibits an employee of a
…Yakov Babchinetskiy, 43, was sentenced today in Philadelphia to 100 months in prison plus three years of supervised release for his role in a conspiracy to alter odometers on used motor vehicles, provide false odometer statements, and commit wire and securities fraud, the Justice Department announced. He was also ordered to pay restitution of more than $4,098,165 to the victims of the fraud, which include consumers, retail automobile dealers and insurance companies…
Transition
40 Plus Years

Odometer Disclosure
112TH CONGRESS  
1ST SESSION  

S. 1449

To authorize the appropriation of funds for highway safety programs and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JULY 29, 2011

Mr. Pryor (for himself, Mr. Rockefeller, Ms. Klobuchar, Mr. Udall of New Mexico, and Mrs. Gillibrand) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation
SEC. 206. ELECTRONIC DISCLOSURES OF ODOMETER INFORMATION.

Section 32705 of title 49, United States Code, is amended by adding at the end the following:

“(g) ELECTRONIC DISCLOSURES.—In carrying out this section, the Secretary may prescribe regulations permitting any written disclosures or notices and related matters to be provided electronically.”.
• Petition for Approval of Alternate Odometer Disclosure Requirements

• 49 U.S.C. 32705(d)

• …Secretary shall approve alternate motor vehicle mileage disclosure requirements submitted by a State unless the Secretary decides that the requirements are not consistent with the purpose of the disclosure required by subsection…
1. 76 FR 55465 - Petition for Approval of Alternate Odometer Disclosure Requirements [PDF 77 KB]
   ...Notice 1. Petition for Approval of Alternate Odometer Disclosure Requirements...State may Petition NHTSA for approval of such alternate odometer disclosure requirements...System, petitions for approval of alternate odometer disclosure... More Information

2. 76 FR 48101 - Petition for Approval of Alternate Odometer Disclosure Requirements [PDF 113 KB]
   ...Notice 1. Petition for Approval of Alternate Odometer Disclosure Requirements...State may petition NHTSA for approval of such alternate odometer disclosure requirements...c-title, petitions for approval of alternate odometer disclosure... More Information

3. 73 FR 35617 - Petition for Approval of Alternate Odometer Disclosure Requirements [PDF 78 KB]
   ...DEPARTMENT OF TRANSPORTATION...Notice 1. Petition for Approval of Alternate Odometer Disclosure Requirements...petitioned for approval of alternate requirements...the Federal Register...NHTSA...odometer disclosure... Accordingly...Virginia's petition. This... More Information

4. 59 FR. Petition for Approval of Alternate Odometer Disclosure Requirements
   ...Notice 4. Petition for Approval of Alternate Odometer Disclosure Requirements...denies the petition submitted by the State of Florida for approval of alternate odometer disclosure requirements...Florida's petition for approval of alternate odometer... More Information
E-Odometer Disclosure

- Purposes of Truth in Mileage Act (TIMA)
  - Protect consumers by assuring valid mileage representation
  - A form of disclosure that precludes odometer fraud
  - Disclosure on the title & a condition of title application
E-Odometer Disclosure

• Purposes of Truth in Mileage Act (TIMA)
  • Prevent alterations through secure processes
  • Create a record of the mileage on vehicles & a paper trail
  • Disclosure statement retention by dealers
The greatest deterrent to vehicle fraud is transparency in a vehicle’s history...
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