Overview

• Increase in Imports from Canada
  • Background
  • WA Import Data

• Impacts of the Increase

• Registered Importer Process

• WA DOL Procedures and Requirements
Background

- WA county auditors and subagents issued titles using the CBP 7501 entry document, including real-time over the counter titles (Quick Titles).

- WA experienced significant increase in vehicle imports, along with the rest of U.S. Nationwide: 6,000 imports to US in 2008 increased to 216,000 in 2016.

- Imports from Canada really high in WA.

- Research highlighted several alarming indicators.

- WA stopped all Canadian import title issuances for about 30 day to assess the problem.
Washington Import Numbers

Increase in Canadian imports titled in WA
Why are imports increasing?
  • Dollar Exchange Rate
  • Substantial incentives for dealer and importers
  • WA had inconsistent application of NHTSA process

Concerns with increase?
  • Higher risk for customers if importers/dealers are not following all the requirements
  • Increased workload for DMVs
  • Potential for increased fraud

What are we doing about it?
Updated Registered Importer Process

Declare conforming or non-conforming

- Conforming vehicles meet safety, environmental, and other regulatory standards set by the NHTSA to protect U.S. consumers
- Conforming vehicles can be titled and resold
- Non-conforming vehicles are held until they meet safety standards
The Registered Importer Process

Conforming vehicles

- US CBP 7501 Form
- NHTSA HS-7 DOT Declaration of Conformity
- Other supporting documentation (Odom, BOS, Etc.)
The Registered Importer Process

Non-conforming vehicles

- Paperwork sent to NHTSA
- NHTSA has 30 days to respond to release vehicle
- Once Bond Release Letter is received, vehicle can be titled and registered in US

If Bond Release Letter is not received within 30 days, the vehicle can still be titled and resold. (Title 49, US Code 30141-30147)
WA Procedures and Required Documents

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

If no bond letter, WA requires a NHTSA Statement of conformity and a Certificate of Fact from importer attesting NHTSA guidelines were followed. A 30-day time period applies.
Canadian Imports Titled in WA

Sample Documents

- Statement of Conformity
- HS-7 Declaration
- Order Entry Summary 7501

Safe Drivers • Safe Vehicles • Secure Identities • Saving Lives
Reasons Behind the New Requirements

Public safety
- Making sure vehicles are conforming
- Ensuring vehicles are branded correctly
- Mitigating any additional risks of fraud

Washington title integrity
- Ensuring WA titles are not being used in other states to sell vehicles illegally
Follow up and Results

- Implementation and Training - June 2016
- Reviewing Data for Trends and Impact
Questions?

For More Information
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