The Presiding Officer. Without objection, it is so ordered.

NATIONAL SALVAGE MOTOR VEHICLE CONSUMER PROTECTION ACT

S. 655. Mr. President, I am proud to add the American Automobile Association (AAA) and the California DMV to the long list of organizations that support S. 655, the National Salvage Motor Vehicle Consumer Protection Act that I introduced during this session to protect consumers from title fraud.


I also think it is worth recognizing 23 of our colleagues who have actively signaled their intention to protect motorists in their state and throughout the nation by formally supporting S. 655. Senators McCain, Breaux, Stevens, Conrad, Burns, Hutchinson, Frist, Abraham, Mack, Warner, Bennett, Sessions, Murkowski, Shelby, Inhofe, Grams, Thomas, Roberts, Hatch, Thompson, Enzi, Kyl, and Huntington are to be commended for cosponsoring this important consumer protection measure.

The American Automobile Association represents over 40 million drivers. It is a nonpartisan organization that champions the interests of the driving public in virtually every city, county, and state across this great land. AAA supports S. 655 because it shares my belief that national standards for titling salvage, rebuilt salvage, non-repairable and flood damaged vehicles will help prevent the fraudulent sale of damaged vehicles and protect consumers from unknowingly purchasing them. Mr. President, I ask unanimous consent to
CONGRESSIONAL RECORD—SENATE 30629

November 18, 1999

Mr. LEAHY. Mr. President, I ask unanimous consent that the text of the bill, S. 1949, the “Clean Power Plant and Modernization Act,” introduced on November 18, 1999, be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

print AAA’s letter of support for S. 655 in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:


Hon. Trent Lott, Majority Leader, U.S. Senate, Washington, DC.

Dear Senator Lott:

As a representative of 42 million motorists, AAA appreciates your effort to establish more uniformity in the titling and registration of salvage and other damaged vehicles.

AAA shares your concern about the practice of unscrupulous individuals buying damaged vehicles at low cost, rebuilding them, and then retitling them in another state with less or no protections. A “washed” title does not disclose previous damage to a vehicle and therefore, subsequent purchasers have no knowledge of the damage. Unwitting consumers are the victims of such fraudulent practices.

In an effort to help AAA members avoid the pitfalls of buying damaged or rebuilt vehicles, AAA provides tips on ways to identify damaged or rebuilt vehicles. AAA also recommends that consumers have used cars checked for safety and reliability by a reputable auto technician before they purchase the vehicle.

Minimum standards for titling salvage, rebuilt salvage, non-repairable and flood-damaged vehicles will help prevent the fraudulent sale of damaged vehicles and protect consumers from unknowingly purchasing them. However, because states often have unique and various problems relating specifically to individual states, AAA recommends that states be provided flexibility to enact stricter standards that address individual state concerns as your bill allows.

S. 655 represents an important step toward addressing the problem, while recognizing the legitimate role states have in motor vehicle licensing and titling laws. AAA commends legislation that works with all parties to craft a workable solution and is pleased to support your bill.

Sincerely,

Susan G. Pikilladas, Interim Vice President, Public & Government Relations.

Mr. LOTT. Mr. President, my goal from the outset has been to protect used car buyers from title fraud. The solution I proposed was simple, straightforward, and modeled after the recommendations of the Motor Vehicle Titling, Registration, and Salvage Advisory Committee, S. 655 merely establishes model uniform definitions and disclosure requirements for four basic terms: salvage; rebuilt salvage; flood; and nonrepairable vehicles. Under the legislation reported out by the Senate Commerce Committee, states would be free to utilize additional terms and to provide additional disclosure requirements beyond those provided for in this bill. States that choose to adopt the four uniform terms and related provisions would be eligible for incentive grants. No state would be penalized for non-participation or for retaining different standards.

While there is substantial and broad support for this much needed legislation, there continues to be resistance to moving forward with this legislation in the Senate. Unfortunately, this resistance has the effect of allowing unscrupulous individuals to continue to purchase and drive potentially life-threatening vehicles. Delaying this legislation will cost used car buyers another $4 billion this year and place millions of structurally unsafe vehicles back on America’s roads and highways. Roads that our family, friends, and neighbors share every day.

Even though S. 655 has wide-spread support and follows the recommendations of the Congressionally-chartered Salvage Advisory Committee, a few groups have attempted to undermine this measure at every stage of the process. Unfortunately, these groups seemed to have convinced some of my colleagues that it is better to delay the implementation of crippled consumer protections and continue to press for the imposition of untried, untested and in many cases anti-consumer requirements. Requirements that states have rejected time and again. Provisions that focus on post-purchase redress rather than pre-purchase disclosure. Definitions and standards that would perpetuate confusion among the states, undermining the very purpose of this legislation. These groups claim to have the interests of consumers in mind, yet the best representative of car-buying consumers, the American Automobile Association, has rejected their approach and supports passage of S. 655.

As I am sure my colleagues will agree, advancing titling definitions and standards that states have rejected, and will continue to reject, will only exacerbate title fraud. Such an approach only benefits those who prey on unsuspecting car buyers and would jeopardize the minimum standards required to make the program work, unnecessarily harm many vehicle owners and buyers by needlessly reducing the value of their vehicles, create unreasonable or contested standards, foster unnecessary litigation, impinge on states rights, and promote a scheme that states will reject.

During the 104th and 105th Congresses, this was a bipartisan, better states rights, and promote a scheme that states will reject. Instead of gaining acceptance, I was recently presented with yet another round of proposed modifications. AAMVA reviewed these proposed changes and determined they would eviscerate the purpose of this legislation. AAMVA opposes these additional changes because they could potentially harm the very people this legislation aims to protect, create a mountain of unnecessary paperwork, and would create a substantial amount of bureaucracy with no added value.

It makes no sense to adopt provisions that the experts on titling matters believe are harmful to used car consumers, the very people this balanced legislation aims to protect. AAMVA, Secretaries of State, local and state law enforcement, state legislators, and the automotive and insurance industries have repeatedly pronounced their support for S. 655. AAA and the California DMV also agree that my substitute bill is the right legislative solution.

Mr. President, if we do not pass this legislation, the real loser is the unfortunate used car buyer in these and other states who unknowingly purchases a wreck on wheels, perhaps a previously totaled government crash test vehicle. Every day that Congress fails to act on this prudent title brand-legislation, thousands of individuals are harmed and millions of dollars are lost to the unscrupulous practice of title laundering. Let’s pass this bill now.

S. 1949

Mr. LEAHY. Mr. President, I ask unanimous consent that the text of the bill, S. 1949, the “Clean Power Plant and Modernization Act,” introduced on November 18, 1999, be printed in the RECORD.