

Statement of Deepak Gupta, Staff Attorney, Public Citizen

Today Public Citizen, along with Consumers for Auto Reliability and Safety and Consumer Action, is asking a federal court to force the government to do what Congress first required it to do in 1992 – set up a database that will allow consumers to instantly check the validity of any car’s title, mileage, and history of theft or damage.

Specifically, we are filing a lawsuit today in the U.S. District Court in San Francisco against the Attorney General of the United States, the official that Congress entrusted with the responsibility of establishing the database.

Our lawsuit is straightforward: We are asking the Court to declare that the federal government has violated the law by failing to take three specific actions that Congress required it to take: (1) set a start date for reporting of information to the database by insurance companies and junk and salvage yards, (2) issue regulations to facilitate that reporting, (3) provide instant and reliable access to that information to consumers.

Congress originally required that these actions be taken in 1992, and set a statutory deadline of January 31, 1996. When it became clear that the government had missed its deadline, Congress took immediate action. In January of 1996, Congress entrusted the responsibility for setting up the database to the Attorney General, and set a new deadline of December 31, 1997. It’s now been over ten years since that deadline, and the government has not set a start date for reporting by insurance companies or junk and salvage yards, has not issued the regulations that Congress told it to issue, and has not made any vehicle-history information available to consumers.

The importance of the information we’re talking about can’t be overemphasized. Congress mandated that insurance companies and junk and salvage yards send reports every month on their inventory of junk and salvage vehicles. Salvage vehicles are defined as vehicles that are damaged (e.g. by a collision, fire or flood) and for which the cost of repair would be more than the vehicle’s pre-damage value. Junk vehicles are defined as vehicles that can’t operate on public streets and that have no value except as a source of parts or scrap. The fact is that junk and salvage vehicles are being rebuilt and repackaged, and are being sold with ostensibly clean titles to consumers who have no idea that they may be driving a death trap.

The database required by Congress is a common-sense solution to an enormous public safety problem. The government’s failure to implement it is excusable – this information is out there, the law requires it to be made available, it has been more than ten years since the last deadline set by Congress, and there are no technical or funding obstacles in the way. And most importantly, this information will save lives.

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