

ONE HUNDRED TWELFTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

March 21, 2012

The Honorable Ray LaHood
Secretary
United States Department of Transportation
U.S. Department of Transportation
1200 New Jersey Ave, SE
Washington, DC 20590

Dear Secretary LaHood:

We are writing to request that you continue your fight to combat odometer fraud by updating the rule governing odometer disclosure requirements.

Under current law, a person transferring ownership of a motor vehicle must disclose to the future owner the mileage registered on the odometer.¹ The Secretary is permitted to exempt from that requirement certain classes or categories of vehicles he deems appropriate.² Originally, this exemption was granted to vehicles over 25 years old.³ In 1988, under the Administration of President George H.W. Bush, the Secretary of Transportation expanded this exemption to any vehicle that is over ten years old.⁴

Odometer disclosure requirements are invaluable to consumers. These disclosures help consumers understand the condition, safety, reliability, and needed service of a used car and, in turn, help ensure the sale price reflects the true value.

Recently, RL Polk, an automotive information and data collection organization, found that the average age of a used car for sale is over 11 years old.⁵ This means that used cars of

¹ 49 USC 32705.

² *Id.*

³ 53 FR 29476, Aug. 5, 1988, as amended at 54 FR 35888, Aug. 30, 1989.

⁴ 49 C.F.R. 580.17, formerly found at 49 C.F.R. 580.6

⁵ Available at

www.polk.com/company/news/average_age_of_vehicles_reaches_record_high_according_to_po

The Honorable Ray LaHood

March 21, 2012

Page 2

average resale age are not covered by these disclosure requirements when they are sold. The number of cars exempt from the disclosure requirement is likely to expand as the average life of vehicles continues to increase.

We recommend that you revise the disclosure requirements rule to remove this ten year exemption or at least consider reinstating the exemption limited to cars over 24 years old, which was in place prior to 1988.

If you have any questions regarding this request, contact Michelle Ash with the Energy and Commerce Committee Staff at 202-226-3400.

Sincerely,


G. K. Butterfield
Ranking Member
Subcommittee on Commerce,
Manufacturing and Trade


Henry A. Waxman
Ranking Member