Public Law 102-519
102d Congress

An Act

Oct. 25, 1992
[H.R. 4542]

To prevent and deter auto theft.

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

Anti Car Theft Act of 1992. Inter-governmental relations.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti Car Theft Act of 1992".

TITLE I—TOUGHER LAW ENFORCEMENT AGAINST AUTO THEFT

Subtitle A—Enhanced Penalties for Auto Theft

15 USC 1901 note.

SEC. 101. FEDERAL PENALTIES FOR ARMED ROBBERIES OF AUTOS.

(a) IN GENERAL.—Chapter 103 of title 18, United States Code, is amended by adding at the end the following:

"§ 2119. Motor vehicles

"Whoever, possessing a firearm as defined in section 921 of this title, takes a motor vehicle that has been transported, shipped, or received in interstate or foreign commerce from the person or presence of another by force and violence or by intimidation, or attempts to do so, shall—

"(1) be fined under this title or imprisoned not more than 15 years, or both,

"(2) if serious bodily injury (as defined in section 1365 of this title) results, be fined under this title or imprisoned not more than 25 years, or both, and

"(3) if death results, be fined under this title or imprisoned for any number of years up to life, or both.".

18 USC 2119 note.

(b) FEDERAL COOPERATION TO PREVENT "CARJACKING" AND MOTOR VEHICLE THEFT.—In view of the increase of motor vehicle theft with its growing threat to human life and to the economic well-being of the Nation, the Attorney General, acting through the Federal Bureau of Investigation and the United States Attorneys, is urged to work with State and local officials to investigate car thefts, including violations of section 2119 of title 18, United States Code, for armed carjacking, and as appropriate and consistent with prosecutorial discretion, prosecute persons who allegedly violate such law and other relevant Federal statutes.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 103 of title 18, United States Code, is amended by adding at the end the following new item:

"2119. Motor vehicles.".

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SEC. 102. IMPORTATION AND EXPORTATION.

Section 553(a) of title 18, United States Code, is amended by striking "fined not more than $15,000 or imprisoned not more than five years" and inserting "fined under this title or imprisoned not more than 10 years".

SEC. 103. TRAFFICKING IN STOLEN VEHICLES.

Each of sections 2312 and 2313(a) of title 18, United States Code, are amended by striking "fined not more than $5,000 or imprisoned not more than five years" and inserting "fined under this title or imprisoned not more than 10 years".

SEC. 104. CIVIL AND CRIMINAL FORFEITURE.

(a) CIVIL FORFEITURE.—Section 981(a)(1) of title 18, United States Code, is amended by adding after subparagraph (E) the following:

"(F) Any property, real or personal, which represents or is traceable to the gross proceeds obtained, directly or indirectly, from a violation of—

"(i) section 511 (altering or removing motor vehicle identification numbers);

"(ii) section 553 (importing or exporting stolen motor vehicles);

"(iii) section 2119 (armed robbery of automobiles);

"(iv) section 2312 (transporting stolen motor vehicles in interstate commerce); or

"(v) section 2313 (possessing or selling a stolen motor vehicle that has moved in interstate commerce).".

(b) CRIMINAL FORFEITURE.—Section 982(a) of title 18, United States Code, is amended by adding after paragraph (4) the following:

"(5) The court, in imposing sentence on a person convicted of a violation or conspiracy to violate—

"(A) section 511 (altering or removing motor vehicle identification numbers);

"(B) section 553 (importing or exporting stolen motor vehicles);

"(C) section 2119 (armed robbery of automobiles);

"(D) section 2312 (transporting stolen motor vehicles in interstate commerce); or

"(E) section 2313 (possessing or selling a stolen motor vehicle that has moved in interstate commerce);

shall order that the person forfeit to the United States any property, real or personal, which represents or is traceable to the gross proceeds obtained, directly or indirectly, as a result of such violation.".

SEC. 105. CHOP SHOPS.

(a) AMENDMENT.—Chapter 113 of title 18, United States Code, is amended by adding at the end the following:

"§ 2322. Chop shops.

"(a) IN GENERAL.—

"(1) UNLAWFUL ACTION.—Any person who knowingly owns, operates, maintains, or controls a chop shop or conducts operations in a chop shop shall be punished by a fine under this title or by imprisonment for not more than 15 years, or both. If a conviction of a person under this paragraph is for a violation committed after the first conviction of such person under this

paragraph, the maximum punishment shall be doubled with respect to any fine and imprisonment.

"(2) INJUNCTIONS.—The Attorney General shall, as appropriate, in the case of any person who violates paragraph (1), commence a civil action for permanent or temporary injunction to restrain such violation.".

"(b) DEFINITION.—For purposes of this section, the term 'chop shop' means any building, lot, facility, or other structure or premise where one or more persons engage in receiving, concealing, destroying, disassembling, dismantling, reassembling, or storing any passenger motor vehicle or passenger motor vehicle part which has been unlawfully obtained in order to alter, counterfeit, deface, destroy, disguise, falsify, forge, obliterate, or remove the identity, including the vehicle identification number or derivative thereof, of such vehicle or vehicle part and to distribute, sell, or dispose of such vehicle or vehicle part in interstate or foreign commerce.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 113 of title 18, United States Code, is amended by adding at the end the following new item:

"2322. Chop shops.".

Subtitle B—Targeted Law Enforcement

42 USC 3750a.

SEC. 130. GRANT AUTHORIZATION.

(a) PURPOSE.—The purpose of this subtitle is to supplement the provisions of the Edward Byrne Memorial State and Local Law Enforcement Assistance Program to help the States to curb motor vehicle thefts and the related violence.

(b) GRANTS.—The Director of the Bureau of Justice Assistance shall make grants to Anti Car Theft Committees submitting applications in compliance with the requirements of this subtitle.

42 USC 3750b.

SEC. 131. APPLICATION.

(a) SUBMISSION.—To be eligible to receive a grant under this subtitle, a chief executive of an Anti Car Theft Committee shall submit an application to the Director of the Bureau of Justice Assistance.

(b) CONTENT.—The application submitted under subsection (a) shall include the following:

(1) A statement that the applicant Anti Car Theft Committee is either a State agency or an agency of a unit of local government.

(2) A statement that the applicant Anti Car Theft Committee is or will be financed in part (A) by a fee on motor vehicles registered by the State or possessed or insured within the State (and that such fee is not less than $1 per vehicle), or (B) in the same manner and to the same extent as is a similar program financed and implemented in a State like Michigan.

(3) An assurance that Federal funds received under a grant under this subtitle shall be used to supplement and not supplant non-Federal funds that would otherwise be available for activities funded under such grant.

(4) A statement that the resources of the applicant Anti Car Theft Committee will be devoted entirely to combating motor vehicle theft, including any or all of the following:

(A) Financing law enforcement officers or investigators whose duties are entirely or primarily related to investigating cases of motor vehicle theft or of trafficking in stolen motor vehicles or motor vehicle parts.

(B) Financing prosecutors whose duties are entirely or primarily related to prosecuting cases of motor vehicle theft or of trafficking in stolen motor vehicles or motor vehicle parts.

(C) Motor vehicle theft prevention programs, including vehicle identification number etching programs, programs implemented by law enforcement agencies and designed to enable the electronic tracking of stolen automobiles, and programs designed to prevent the export of stolen vehicles.

(5) A description of the budget for the applicant Anti Car Theft Committee for the fiscal year for which a grant is sought.

SEC. 132. AWARD OF GRANTS. 42 USC 3750c.

(a) IN GENERAL.—The Director shall allocate to each State a proportion of the total funds available under this subtitle that is equal to the proportion of the number of motor vehicles registered in such State to the total number of motor vehicles registered in the United States. The Director shall ensure that all applicant States have an opportunity to receive grants from an available appropriation. Any State that has not met the requirements described in section 203 of this Act shall be excluded from any allocation under this subsection.

(b) GRANT AMOUNTS.—If one Anti Car Theft Committee within a State submits an application in compliance with section 131, the Director shall award to such Anti Car Theft Committee a grant equal to the total amount of funds allocated to such State under this section. In no case shall the Anti Car Theft Committee receive a grant that is more than 50 percent of the preaward budget for such Anti Car Theft Committee.

(c) MULTIPLE COMMITTEES.—If two or more Anti Car Theft Committees within a State submit applications in compliance with section 131, the Director shall award to such Anti Car Theft Committees grants that in sum are equal to the total amount of funds allocated to such State under this section. In no case shall an Anti Car Theft Committee receive a grant that is more than 50 percent of the preaward budget for such Anti Car Theft Committee. The Director shall allocate funds among two or more Anti Car Theft Committees with a State according to the proportion of the preaward budget of each Anti Car Theft Committee to the total preaward budget for all grant recipient Anti Car Theft Committees within such State.

(d) RENEWAL OF GRANTS.—Subject to the availability of funds, a grant under this subtitle may be renewed for up to 2 additional years after the first fiscal year during which the recipient receives an initial grant under this subtitle if the Director determines that the funds made available to the recipient during the previous year were used in the manner required under the approved application.

SEC. 133. AUTHORIZATION OF APPROPRIATIONS. 42 USC 3750d.

There are authorized to be appropriated $10,000,000 to carry out this subtitle for each of the fiscal years 1993, 1994, and 1995.

Subtitle C—Report Regarding State Motor Vehicle Titling Programs to Combat Motor Vehicle Thefts and Fraud

15 USC 2041 note.

SEC. 140. ESTABLISHMENT OF TASK FORCE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Transportation and the Attorney General of the United States, working together, shall, as soon as practicable after the date of the enactment of this Act but not later than 180 days after such date, establish a task force to study problems which relate to motor vehicle titling, vehicle registration, and controls over motor vehicle salvage which may affect the motor vehicle theft problem. The study shall include an examination of the extent to which the absence of uniformity and integration in State laws regulating vehicle titling and registration and salvage of used vehicles allows enterprising criminals to find the weakest link to "wash" the stolen character of the vehicles. It shall also consider the adoption of a title brand on all certificates of title indicating that the applicable vehicle was previously issued a title brand or a title signifying "rebuilt", "reconstructed", or "flood".

(2) REPORT.—The task force shall prepare a report containing the results of such study and shall submit such report to the President and the Congress and to the chief executive officer of each State not later than 12 months after the task force is established, together with appropriate recommendations to solve these problems.

(b) MEMBERSHIP.—The task force shall consist of—

(1) the Secretary of Transportation, or the Secretary's delegate;

(2) the Attorney General of the United States, or the Attorney General's delegate;

(3) the Secretary of Commerce, or the Secretary's delegate;

(4) the Secretary of the Treasury, or the Secretary's delegate;

(5) at least 3 representatives, to be designated by the Attorney General of the United States;

(6) at least 5 representatives of State motor vehicle departments, to be designated by the Secretary of Transportation; and

(7) at least 1 representative, to be designated by the Secretary of Transportation, from each of the following groups:

(A) Motor vehicle manufacturers.

(B) Motor vehicle dealers and distributors.

(C) Motor vehicle dismantlers, recyclers, and salvage dealers.

(D) Motor vehicle repair and body shop operators.

(E) Motor vehicle scrap processors.

(F) Insurers of motor vehicles.

(G) State law enforcement officials.

(H) Local law enforcement officials.

(I) The American Association of Motor Vehicle Administrators.

(J) The National Insurance Crime Bureau.

(K) The National Committee on Traffic Laws and Ordinances.

(c) REIMBURSEMENT.—

(1) SALARY.—The members of the task force shall serve without pay.

(2) TRAVEL EXPENSES.—While away from their residences or regular places of business in performance of services for the Federal Government, members of the task force shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Federal Government service are allowed expenses under section 5703 of title 5, United States Code.

(3) CHAIR.—The Secretary of Transportation, or the Secretary's delegate, shall serve as chairman of the task force. The task force may also invite representatives of the Governors and State legislators to participate.

(d) REPORT.—

(1) BASIS.—The report required by subsection (a)(2) shall be made after a meaningful consultative process and review of existing laws, practices, studies, and recommendations regarding the problems specified in subsection (a)(1).

(2) CONTENT.—The report shall specify the key aspects of motor vehicle antitheft measures necessary to prevent the disposition or use of stolen motor vehicles, or the major components of motor vehicles, and to prevent insurance and other fraud based upon false reports of stolen motor vehicles. The report shall indicate any of the antitheft measures for which national uniformity would be crucial in order for the measure to be adequately effective. The report shall recommend viable ways of obtaining any national uniformity which is necessary.

(3) RECOMMENDATIONS.—The report also shall include other recommendations for legislative or administrative action at the State level or at the Federal level, and recommendations for industry and public actions.

TITLE II—AUTOMOBILE TITLE FRAUD

SEC. 201. DEFINITIONS. 15 USC 2041.

For purposes of this title:

(1) The term "automobile" has the meaning given such term by section 501(1) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(1)).

(2) The term "certificate of title" means a document issued by a State evidencing ownership of an automobile.

(3) The term "insurance carrier" means an individual, corporation, or other entity which is engaged in the business of underwriting automobile insurance.

(4) The term "junk automobile" means any automobile which is incapable of operation on roads or highways and which has no value except as a source of parts or scrap.

(5) The term "junk yard" means any individual, corporation, or other entity which is engaged in the business of acquiring or owning junk automobiles for resale, either in their entirety or as spare parts, for rebuilding or restoration, or for crushing.

(6) The term "operator" means a person or entity authorized or designated as the operator of the information system pursu-

ant to section 202(a)(2) or if no such person or entity is authorized, the Secretary.

(7) The term "salvage automobile" means any automobile which is damaged by collision, fire, flood, accident, trespass, or other occurrence to the extent that its fair salvage value plus the cost of repairing the automobile for legal operation on roads or highways would exceed the fair market value of the automobile immediately prior to the occurrence causing its damage.

(8) The term "salvage yard" means any individual, corporation, or other entity which is engaged in the business of acquiring or owning salvage automobiles for resale, either in their entirety or as spare parts, or for rebuilding or restoration, or for crushing.

(9) The term "Secretary" means the Secretary of Transportation.

(10) The term "State" means any State of the United States or the District of Columbia.

15 USC 2042.

SEC. 202. NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.

(a) INFORMATION SYSTEM.—

(1) ESTABLISHMENT.—Not later than January 1996, the Secretary, in cooperation with the States, shall establish an information system (in this title referred to as the "National Motor Vehicle Title Information System") which will enable States and others to gain instant and reliable access to information maintained by other States pertaining to the titling of automobiles, unless the Secretary determines that an existing information system meets the requirements of subsections (b) and (c) of this section and will enable the Secretary to implement this title as early as possible and designates, in consultation with the Attorney General of the United States, such system as the information system for purposes of this title. In establishing the system, the Secretary, working with the Attorney General of the United States and the States, shall ascertain the extent to which title and related information to be included in the system will be adequate, timely, reliable, uniform, and capable of aiding in efforts to prevent the introduction or reintroduction into interstate commerce of stolen vehicles or parts.

(2) OPERATION.—The Secretary may authorize the operation of the information system established or designated under paragraph (1) by contract through an agreement with a State or States, or by redesignating, after consultation with the States, a third party which represents the interests of the States.

(3) FEES.—Operation of the information system established or designated under paragraph (1) shall be paid for by a system of user fees and should be self-sufficient and not be dependent on Federal funds. The amount of fees collected and retained subject to annual appropriation Acts, by the operator pursuant to this paragraph, not including fees collected by the operator and passed on to a State or other entity providing information to the operator, shall not exceed the costs of operating the system.

(b) MINIMUM FUNCTIONAL CAPABILITIES.—The information system established or designated under subsection (a)(1) shall, at a

minimum, enable a user of the system instantly and reliably to determine—

(1) the validity and status of a document purporting to be a certification of title,

(2) whether an automobile bearing a known vehicle identification number is titled in a particular State,

(3) whether an automobile known to be titled in a particular State is or has been a junk vehicle or a salvage vehicle,

(4) for an automobile known to be titled in a particular State, the odometer reading information, as required in section 408 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 1988), of such vehicle on the date its certificate of title was issued and such later odometer information, if noted by the State, and

(5) whether an automobile bearing a known vehicle identification number has been reported as a junk vehicle or a salvage vehicle pursuant to section 204.

(c) AVAILABILITY OF INFORMATION.—

(1) TO STATE.—Upon request of a participating State, the operator makes available to such State information in the information system pertaining to any automobile.

(2) TO LAW ENFORCEMENT.—Upon request of a Federal, State, or local law enforcement official, the operator makes available to such official information in the information system pertaining to a particular automobile, salvage yard, or junk yard.

(3) TO PROSPECTIVE PURCHASERS.—Upon request of a prospective purchaser of an automobile, including an auction company or an entity that is in the business of purchasing used automobiles, the operator makes available to such prospective purchaser information in the information system pertaining to such automobile.

(4) TO INSURANCE CARRIERS.—Upon request of a prospective or current insurer of an automobile, the operator makes available to such prospective or current insurer information in the information system pertaining to such automobile.

(5) PRIVACY.—Notwithstanding any provision of paragraphs (1) through (4), the operator shall release no information other than what is necessary to reasonably satisfy the requirements of subsection (b). In no event shall the operator collect an individual's social security number or enable users of the information system to obtain an individual's address or social security number.

SEC. 203. STATE PARTICIPATION IN THE NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM. 15 USC 2043.

(a) REQUIREMENTS.—

(1) INFORMATION SHARING.—Each State shall make titling information maintained by such State available for use in establishing the National Motor Vehicle Title Information System established under section 202.

(2) TITLE VERIFICATION.—Each State shall establish a practice of performing an instant title verification check before issuing a certificate of title to an individual or entity claiming to have purchased an automobile from an individual or entity in another State. Such instant title verification check shall consist of—

(A) communicating to the operator the vehicle identification number of the vehicle for which the certificate of title is sought, the name of the State which issued the most recent certificate of title pertaining to the vehicle, and the name of the individual or entity to whom such certificate was issued; and

(B) affording the operator an opportunity to communicate to the participating State the results of a search of the information.

(b) GRANTS TO STATES.—

(1) REVIEW OF STATE SYSTEMS.—Not later than January 1, 1994, the Secretary, in cooperation with the States, shall—

(A) conduct a review of systems used by the States to compile and maintain information concerning the titling of automobiles, and

(B) determine, for each State, the cost of making titling information maintained by such State available to the operator of the National Motor Vehicle Title Information System for the purpose of meeting the requirements of subsection (b).

(2) AWARD OF GRANTS.—The Secretary may award grants to participating States to be used in making titling information maintained by such States available to the operator of the National Motor Vehicle Title Information System if—

(A) for any State that is a recipient of such a grant, the grant does not exceed—

(i) 25 percent of the cost of making titling information maintained by such State available to the operator of the National Motor Vehicle Title Information System as determined by the Secretary under subsection (d)(1)(B); or

(ii) $300,000;

whichever is lower; and

(B) the Secretary determined that such grants are fair, reasonable, and necessary for the establishment of the National Motor Vehicle Title Information System under section 202(a)(1).

(c) REPORT TO CONGRESS.—No later than January 1, 1997, the Secretary shall report to Congress which States have met the requirements imposed by section 203. If any State has not met these requirements, the Secretary shall describe the impediments that have resulted in the State's failure to meet the requirements.

15 USC 2044.

SEC. 204. REPORTING.

(a) OPERATORS OF JUNK OR SALVAGE YARD.—

(1) INVENTORY REPORT.—Beginning at a time determined by the Secretary, but no earlier than 3 months prior to the establishment of the National Motor Vehicle Title Information System, any person or entity in the business of operating an automobile junk yard or automobile salvage yard shall file a monthly report with the operator. Such report shall contain an inventory of all junk vehicles or salvage vehicles obtained by the junk yard or salvage yard during the preceding month. Such inventory shall contain the vehicle identification number of each vehicle obtained, the date on which it was obtained, the name of the person or entity from whom the reporter

obtained the vehicle, and a statement of whether the vehicle was crushed or otherwise disposed of for sale or other purposes.

(2) APPLICATION.—Paragraph (1) shall not apply to—

(A) persons or entities that are required by State law to report the acquisition of junk vehicles or salvage vehicles to State or local authorities if such authorities make such information available to the operator, or

(B) any person who is issued a verification under section 607 of the Motor Vehicle Information and Cost Savings Act stating that the vehicle or parts from such vehicle are not reported as stolen.

(b) INSURANCE CARRIERS.—Beginning at a time determined by the Secretary, but no earlier than 3 months prior to the establishment of the National Motor Vehicle Title Information System, any person or entity engaged in the business of an insurance carrier shall file, directly or through a designated agent, a monthly report with the operator. Such report shall contain an inventory of all vehicles of the current model year or any of the 4 preceding model years which such carrier has, during the preceding month, obtained possession of and determined to be salvage or junk vehicles. Such inventory shall contain the vehicle identification number of each vehicle obtained, the date on which it was obtained, the name of the person or entity from whom the reporter obtained the vehicle, and the owner of the vehicle at the time of the filing of the report.

(c) ENFORCEMENT PROVISIONS.—

(1) PENALTY AMOUNT.—Whoever violates this section may be assessed a civil penalty of not to exceed $1,000 for each violation.

(2) PENALTY PROCEDURE.—Any such penalty shall be assessed by the Secretary and collected in a civil action brought by the Attorney General of the United States. Any such penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, finally determined, or the amount agreed upon in compromise, may be deducted from any sums owed by the United States to the person charged.

(d) PROCEDURES AND PRACTICES.—The Secretary shall establish by rule procedures and practices to facilitate reporting in the least burdensome and costly fashion.

TITLE III—AMENDMENTS ON THEFT PREVENTION REGARDING "CHOP SHOP" RELATED THEFTS

SEC. 301. DEFINITIONS.

(a) CARS, SPECIALTY VEHICLES, AND LIGHT-DUTY TRUCKS.—Section 601(1) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2021(1)) is amended to read as follows:

"(1) The term 'passenger motor vehicle' includes any multipurpose passenger vehicle and light-duty truck that is rated at 6,000 pounds gross vehicle weight or less.".

(b) CHOP SHOP DEFINITION.—Section 601 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2021) is amended by adding at the end the following:

"(11) The term 'chop shop' means any building, lot, facility, or other structure or premise where one or more persons engage in receiving, concealing, destroying, disassembling, dismantling, reassembling, or storing any passenger motor vehicle or passenger motor vehicle part which has been unlawfully obtained in order to alter, counterfeit, deface, destroy, disguise, falsify, forge, obliterate, or remove the identity, including the vehicle identification number or derivative thereof, of such vehicle or vehicle part and to distribute, sell, or dispose of such vehicle or vehicle part in interstate or foreign commerce.".

(c) MAJOR REPLACEMENT PART.—Section 601(8) (15 U.S.C. 2021(8)) is amended to read as follows:

"(8) The term 'major replacement part' means any major part—

"(A) which is not installed in or on a motor vehicle at the time of its delivery to the first purchaser and the equitable or legal title to which has not been transferred to any first purchaser, or

"(B) which is a customized or modified version of an original major part in or on a completed motor vehicle after the manufacture of such vehicle but before the time of its delivery to the first purchaser.".

SEC. 302. THEFT PREVENTION STANDARD.

Section 602 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2022) is amended—

(1) by amending subsection (d)(1) to read as follows:

"(d)(1) In the case of major parts installed by the motor vehicle manufacturer, the standard under this section may not require any part to have more than a single identification.", and

(2) by adding at the end the following:

Regulations.

"(f)(1) Within 2 years after the date of the enactment of the Anti Car Theft Act of 1992, the Secretary shall promulgate a vehicle theft standard which conforms to the requirements of this title and which applies with respect to the covered major parts which are installed by all foreign and domestic manufacturers into passenger motor vehicles (other than light-duty trucks) in not to exceed one-half of the lines not designated under section 603 as high theft lines. Such rule shall be effective for model years applicable to such passenger motor vehicles as provided in subsection (c)(4) of this section.

"(2) Within 3 years after the rule under paragraph (1) is promulgated, the Secretary, based on the Attorney General's finding under paragraph (3), shall designate all the remaining such lines of such passenger motor vehicles (other than light-duty trucks) and apply such standard to such lines in conformance with the requirements of this title. Such rule shall also apply to the major replacement parts for the major parts described in this paragraph. Such rule shall be effective, for model years applicable to such passenger motor vehicles as provided in subsection (c)(4) of this section.

"(3) The Attorney General shall make a finding prior to the Secretary's initiation and promulgation of a rule under paragraph (2) that the rule shall be promulgated unless the Attorney General finds, based upon the information collected and analyzed under

section 615 and such other information as the Attorney General may develop (after notice and after a public hearing), that requiring such additional parts marking for all of the applicable passenger motor vehicles would not substantially inhibit chop shop operations and vehicle thefts. The Attorney General shall also take into account as part of the record additional costs, effectiveness, competition, and available alternatives factors. The Attorney General shall transmit the finding and the record upon which the finding is based to the Secretary. Such finding and record shall be a part of the Secretary's rulemaking record.

"(4) The Attorney General of the United States shall by December 31, 1999, determine, after notice and a public hearing, whether one or both rules promulgated under this subsection have been an effective means to substantially inhibit the operation of chop shops and vehicle theft, taking into account the additional cost, competition, and available alternatives. The Attorney General shall base his determination on information collected and analyzed under section 615, the 3-year and 5-year reports issued by the Secretary under this title, and such other information as he may develop and include in the public record. He shall take into consideration the effectiveness, extent of use, and the extent to which civil and criminal penalties under section 610(b) of this title and 18 U.S.C. 2322 regarding chop shops have been effective in substantially inhibiting chop shop operations and vehicle theft. The Attorney General shall promptly transmit his finding to the Secretary. If the determination is that one or both rules have not been an effective means to substantially inhibit chop shop operation and vehicle theft, the Secretary shall within 180 days after receipt of such finding terminate by order 1 or both of the rules promulgated under this subsection effective the next model year following the issuance of such order.

Termination date.

"(5) The Attorney General shall make a separate determination by December 31, 1999, after notice and a public hearing, as to whether the antitheft devices for which an exemption under section 605 is authorized are an effective substitute for parts marking in substantially inhibiting vehicle theft, taking into account the additional cost, competition, and available alternatives. If the Attorney General determines that such antitheft devices are an effective substitute for parts marking in substantially inhibiting vehicle theft, the Secretary shall continue to grant exemptions under section 605 at the level authorized prior to the date of the enactment of the Anti Car Theft Act of 1992 or at the level authorized for model year 2000, as determined by the Attorney General. Nothing in this paragraph affects exemptions granted in model year 2000 or earlier to any manufacturer.

"(6) The Secretary and the Attorney General shall keep the appropriate legislative committees of Congress with jurisdiction over this Act and 18 U.S.C. 2322 informed about the actions taken or planned under this subsection.

"(g) The Secretary is authorized to periodically redetermine and establish by rule the median theft rate under subsection (a)(1), but not more than every 2 years.".

SEC. 303. DESIGNATION OF HIGH THEFT VEHICLE LINES AND PARTS.

Section 603 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2023) is amended—

(1) by striking in subsection (a)(1)(A) "in which the final standard is promulgated" and inserting in lieu thereof "in which the Anti Car Theft Act of 1992 is enacted";

(2) by striking out paragraph (3) of subsection (a) and by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively;

(3) by striking "or (3)" in redesignated paragraphs (3) and (4) of subsection (a);

(4) by adding at the end of subsection (a) (as amended by paragraph (2)) the following:

"(5) Any motor vehicle line subject, on the date of enactment of the Anti Car Theft Act of 1992, to parts marking requirements under section 602 and this section shall continue to be subject to such requirements unless such motor vehicle line becomes exempt from such requirements under section 605.", and

(5) by striking paragraph (4) of subsection (b) and redesignating paragraph (5) as paragraph (4).

SEC. 304. LIMITED EXEMPTION FOR NEW VEHICLES EQUIPPED WITH EFFECTIVE ANTITHEFT AS ORIGINAL EQUIPMENT.

(a) CONTINUING CURRENT LAW.—The second sentence of section 605(a)(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2025(a)(2)) is amended by inserting "through model year 1996" after "model year".

(b) MODEL YEARS AFTER MODEL YEAR 1996.—Section 605(a)(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2025(a)(2)) is amended by adding at the end the following: "For model year 1997 through model year 2000, the Secretary may grant such an exemption for not more than 1 additional line of any manufacturer and such exemption shall not affect the validity of the exemption of any line previously exempted under this paragraph. For model years subsequent to 2000, the number of lines for which the Secretary may grant such an exemption (if any) shall be determined by the Attorney General under section 602(f)(5).

SEC. 305. PROHIBITED ACTS.

(a) RULES.—Section 610(a)(2) of the Motor Vehicle Information and Cost Savings Act (as so redesignated by section 306 of this Act) is amended by inserting "or Attorney General" after "Secretary".

15 USC 2027.

(b) CHOP SHOPS.—Section 610 of the Motor Vehicle Information and Cost Savings Act (as so redesignated by section 306 of this Act) (15 U.S.C. 2027) is amended by adding at the end the following:

"(c)(1) It shall be unlawful for any person to knowingly own, operate, maintain, or control a chop shop or conduct operations in a chop shop of any kind or transport by any means any passenger motor vehicle or passenger motor vehicle part to or from a chop shop.

"(2) The Secretary shall, as appropriate and in consultation with the Attorney General, in the case of any person who violates paragraph (1), commence a civil action for permanent or temporary injunction to restrain such violation or the Secretary shall assess and recover a civil penalty of not more than $100,000 per day for each such violation, or both.".

SEC. 306. VERIFICATION.

(a) IN GENERAL.—Title VI of the Motor Vehicle Information and Cost Savings Act is amended by redesignating sections 607 through 614 as sections 610 through 617, respectively, by striking in section 602(e) "and 612" and inserting "and 615", and by inserting after section 606 the following:

15 USC 2027–2034.
15 USC 2022.

"VERIFICATION OF VEHICLE AS LEGAL SALVAGE OR JUNK VEHICLE

"SEC. 607. (a) Any person engaged in business as an insurance carrier to sell comprehensive insurance coverage for motor vehicles shall, if such carrier obtains possession of and transfers a junk motor vehicle or a salvage motor vehicle—

15 USC 2026a.

"(1) verify, in accordance with procedures established by rule under section 609 by the Attorney General and in consultation with the Secretary of Transportation, whether that motor vehicle is reported as stolen, and

"(2) provide verification to whomever such carrier transfers or sells any such salvage or junk motor vehicle identifying the vehicle identification number or derivative thereof of such vehicle and verifying that such vehicle has not been reported as stolen or, if reported as stolen, that such insurance carrier has recovered the vehicle and has proper legal title to the vehicle.

For purposes of paragraph (2), the term 'vehicle identification number' means a unique identification number assigned to a passenger motor vehicle by a manufacturer in compliance with applicable regulations or a derivative thereof. Nothing in this paragraph shall be construed to prohibit such carrier from transferring a motor vehicle if, within a reasonable period of time during normal business operations (as determined by the Attorney General under section 609 of this title) using reasonable efforts, such carrier has not received a determination under section 609 that the vehicle has not been reported as stolen or to otherwise determine whether such vehicle has been reported as stolen, except that such carrier shall provide a written certification of such lack of determination.

"(b) The Attorney General, in consultation with the Secretary, shall promulgate such regulations as are needed to ensure that verification performed and provided by insurance carriers under subsection (a)(2) is uniform, effective, and resistant to fraudulent use.".

Regulations.

(b) EFFECTIVE DATE.—The regulations required by section 607(b) of the Motor Vehicle Information and Cost Savings Act shall be promulgated within 6 months after the date of the enactment of this subsection. The amendment made by subsection (a) shall take effect within 3 months after such regulations are promulgated, but not before the system in section 609 of the Motor Vehicle Information and Cost Savings Act is operational.

15 USC 2026a note.

(c) PARTS.—Title VI of such Act, as amended by subsection (a), is amended by inserting after section 607 the following new section:

"PARTS

"SEC. 608. (a) No person engaged in the business of salvaging, dismantling, recycling, or repairing passenger motor vehicles shall knowingly sell or distribute in commerce or transfer or install a major part marked with an identification number without—

15 USC 2026b.

"(1) first determining, through a procedure established by rule by the Attorney General in consultation with the Secretary of Transportation under section 609 that such major part has not been reported as stolen; and

"(2) providing the purchaser or transferee with a verification identifying the vehicle identification number or derivative thereof of such major part, and verifying that such major part has not been reported as stolen.

Regulations.

"(b) The Attorney General, in consultation with the Secretary of Transportation, shall promulgate such regulations as are needed to ensure that verifications provided by persons under subsection (a)(2) are uniform, effective, and resistant to fraudulent use.

"(c) Subsection (a) shall not apply to a person who is the manufacturer of the major part, who has purchased the major part directly from the manufacturer, who has received a verification from an insurance carrier pursuant to section 607 that the motor vehicle from which such major part is derived has not been reported as stolen, or that such carrier has failed, in accordance with section 607, to determine whether such vehicle has been stolen. Such person shall be required to provide such verification to any person to whom such vehicle, or any major part of such vehicle, is thereafter transferred or sold in commerce. The Attorney General shall promulgate regulations to implement this section.".

Regulations.

15 USC 2026b note.

(d) EFFECTIVE DATE.—The amendment made by subsection (c) shall be effective on the date that the system required by section 609 is established.

(e) NATIONAL STOLEN AUTO PART INFORMATION SYSTEM.—Title VI of such Act, as amended by subsection (c), is amended by inserting after section 608 the following new section:

"NATIONAL STOLEN AUTO PART INFORMATION SYSTEM

15 USC 2026c.

"SEC. 609. (a) The Attorney General shall, within 9 months of the date of the enactment of the Anti Car Theft Act of 1992, maintain in the National Crime Information Center an information system containing the identification numbers of stolen passenger motor vehicles and stolen passenger motor vehicle parts. The Attorney General shall also consult with State and local law enforcement agencies in the establishment of such system. The Attorney General shall also consult with the National Crime Information Center Policy Advisory Board to ensure the security of the information in such system and that such system will not compromise the security of stolen vehicle and vehicle parts information in such information system.

"(b) The Attorney General shall specify procedures by rule by which individuals or entities seeking to transfer a vehicle or vehicle parts may obtain a determination whether a part is listed in the system as stolen. If the Attorney General determines that the National Crime Information Center is not able to perform the functions of the information system required under subsection (a), the Attorney General shall enter into an agreement for the operation of such a system separate from the National Crime Information Center.

"(c) The information system under subsection (a) shall, at a minimum, include the following information pertaining to each passenger motor vehicle reported to a law enforcement authority as stolen and not recovered:

"(1) The vehicle identification number of such passenger motor vehicle.

"(2) The make and model year of such passenger motor vehicle.

"(3) The date on which the passenger motor vehicle was reported as stolen.

"(4) The location of the law enforcement authority that received the reports of the passenger motor vehicle's theft.

"(5) If the passenger motor vehicle at the time of its theft contained parts bearing identification numbers or the derivative thereof different from the vehicle identification number of the stolen passenger motor vehicle, the identification numbers of such parts.

"(d) ADVISORY COMMITTEE.—

"(1) IN GENERAL.—The National Stolen Auto Part Information System to be maintained under subsection (a) is to be developed by the Attorney General with the advice and recommendation of the advisory committee established under paragraph (2).

"(2) ESTABLISHMENT.—Not later than 60 days after the date of the enactment of this Act, the Attorney General shall establish in the Department of Justice and appoint an advisory committee with respect to the National Stolen Auto Part Information System to be maintained under subsection (a).

"(3) MEMBERSHIP.—The advisory committee established under paragraph (2) shall be composed of 10 members as follows:

"(A) The Attorney General shall serve as the chairperson of the advisory committee.

"(B) The Secretary of Transportation.

"(C) One individual appointed by the Attorney General who is qualified to represent the interests of the law enforcement community at the State level.

"(D) One individual appointed by the Attorney General who is qualified to represent the interests of the law enforcement community at the local level.

"(E) One individual appointed by the Attorney General who is qualified to represent the interests of the automotive recycling industry.

"(F) One individual appointed by the Attorney General who is qualified to represent the interests of the automotive repair industry.

"(G) One individual appointed by the Attorney General who is qualified to represent the interests of the automotive rebuilders industry.

"(H) One individual appointed by the Attorney General who is qualified to represent the interests of the automotive parts suppliers industry.

"(I) One individual appointed by the Attorney General who is qualified to represent the interests of the insurance industry.

"(J) One individual appointed by the Attorney General who is qualified to represent the interests of consumers.

"(4) DUTIES.—The advisory committee established under paragraph (2) shall make recommendations regarding—

"(A) the development and implementation of the National Stolen Auto Part Information System, and

"(B) the development and implementation of a verification system as required by section 607.

"(5) REPORT.—Not later than 6 months after the date of the enactment of the Anti Car Theft Act of 1992, the advisory committee established under paragraph (2) shall submit to the Attorney General, the Secretary of Transportation, and the Congress a report containing the committee's recommendations.".

"(e) Upon request by an insurance carrier, a person lawfully selling or distributing in interstate commerce passenger motor vehicle parts, or an individual or enterprise engaged in the business of repairing passenger motor vehicles, the Attorney General, or the entity or entities designated by the Attorney General, shall immediately provide such insurance carrier or person with a determination as to whether the information system under subsection (a) contains a record of an passenger motor vehicle or a passenger motor vehicle part bearing a particular vehicle identification number or derivative thereof having been reported stolen. The Attorney General may require such verification as the Attorney General deems appropriate to ensure that the request is legitimate and will not compromise the security of the system.

Appropriation authorization.

"(f) There are authorized to be appropriated such sums as may be necessary to carry out this section. The information system established under subsection (a) shall be effective as provided in the rules promulgated by the Attorney General.".

15 USC 2034.

(e) STUDY.—Section 617 of the Motor Vehicle Information and Cost Savings Act (as so redesignated) is amended in subsection (a)(1) by striking "after the date of the enactment of this title" and in subsection (b)(1) by striking "after the promulgation of the standard required by this title" and inserting in each place "after the date of the enactment of the Anti Car Theft Act of 1992".

TITLE IV—EXPORT OF STOLEN AUTOMOBILES

SEC. 401. RANDOM CUSTOMS INSPECTIONS FOR STOLEN AUTOMOBILES BEING EXPORTED.

Part VI of title IV of the Tariff Act of 1930 is amended by inserting after section 646 the following new sections:

19 USC 1646b.

"SEC. 646A. RANDOM CUSTOMS INSPECTIONS FOR STOLEN AUTOMOBILES BEING EXPORTED.

"The Commissioner of Customs shall direct customs officers to conduct at random inspections of automobiles, and of shipping containers that may contain automobiles that are being exported, for purposes of determining whether such automobiles were stolen.

"SEC. 646B. EXPORT REPORTING REQUIREMENT.

19 USC 1646c.

"The Commissioner of Customs shall require all persons or entities exporting used automobiles, including automobiles exported for personal use, by air or ship to provide to the Customs Service, at least 72 hours before the export, the vehicle identification number of each such automobile and proof of ownership of such automobile. The Commissioner shall establish specific criteria for randomly selecting used automobiles scheduled to be exported, consistent

with the risk of stolen automobiles being exported and shall check the vehicle identification number of each automobile selected pursuant to such criteria against the information in the National Crime Information Center to determine whether such automobile has been reported stolen. At the request of the Director of the Federal Bureau of Investigation, the Commissioner shall make available to the Director all vehicle identification numbers obtained under this section.".

SEC. 402. PILOT STUDY AUTHORIZING UTILITY OF NONDESTRUCTIVE EXAMINATION SYSTEM.

19 USC 1646b note.

The Secretary of the Treasury, acting through the Commissioner of Customs, shall conduct a pilot study of the utility of a nondestructive examination system to be used for inspection of containers that may contain automobiles leaving the country for the purpose of determining whether such automobiles have been stolen.

Approved October 25, 1992.

LEGISLATIVE HISTORY—H.R. 4542:

HOUSE REPORTS: No. 102-851, Pt. 1 (Comm. on the Judiciary), Pt. 2 (Comm. on Energy and Commerce), and Pt. 3 (Comm. on Ways and Means).
CONGRESSIONAL RECORD, Vol. 138 (1992):
Oct. 5, considered and passed House.
Oct. 8, considered and passed Senate.
WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS, Vol. 28 (1992):
Oct. 25, Presidential statement.