



# **New Federal Rule Changes Odometer Discloser Requirements Impacting Automobile Industry**

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**SPRINGFIELD** - Illinois Secretary of State Jesse White is alerting the automobile industry, along with private party vehicle sellers, of a new federal odometer disclosure rule that increases the amount of time odometer readings must be declared at the time of a vehicle sale. The new federal rule takes effect Jan. 1, 2021.

The new federal rule, which was issued by the National Highway Traffic Safety Administration, is intended to help combat odometer fraud as the nation's fleet of vehicles ages. The average age of a vehicle in the United States is now almost 12 years, up from 7.6 years when the odometer rules were last changed in 1988.

Under this new federal rule, vehicles made in 2011 and newer will be subject to odometer disclosure for 20 years rather than the current 10 years. Under the old rule, a 2011 vehicle would have become exempt from disclosure in 2021. Beginning Jan. 1, the odometer reading must be disclosed at the sale of a 2011 vehicle until 2031. For example, 2012 vehicles will become exempt in 2032, and so on.

The immediate impact is that 2011 vehicles will not become odometer exempt on Jan. 1, 2021, as they would have under the old rule. The new rule applies even if the existing title says "Exempt - Model year over 9 years old." This applies to automobile dealers and private party vehicle sellers.

**Simple guidelines to help ensure compliance include:**

- If the vehicle is a 2011 model or newer, the seller must enter the current mileage in the Odometer Reading section of the title upon sale of the vehicle.
- If the vehicle is a 2010 model or older, the seller may check the "Exempt" box on the title.

Due to the new federal rule, the Secretary of State Vehicle Services Department must reject paperwork for sales of vehicles 2011 or newer unless the odometer disclosure is completed.

For used vehicle dealers and other businesses in the automobile industry, the new federal rule means they will be required to disclose the odometer reading on a greater number of vehicles.