

insights

California Highway Patrol seeks to eliminate identity theft in vehicle purchases with proposed new thumbprint requirement

Every year, millions of dollars are lost by finance companies and dealerships due to fraud and identity theft related crimes. Even worse, due to the lack of accurate personal information on an identity theft suspect, identifying and convicting such criminals is nearly impossible. The California Highway Patrol (CHP) is seeking to significantly decrease identity theft arising out of vehicle sales by proposing a legislative bill requiring all licensed vehicle dealers to obtain a customer thumbprint prior to any vehicle sale. The rationale behind the proposed bill is to deter would-be criminals from purchasing a vehicle in the first place by requiring personal information. An additional benefit for law enforcement is the identification and tracking of a criminal will be made much easier with the thumbprint on record.

How it works

If approved, all licensed dealers will be required to obtain a thumbprint of the purchaser of the vehicle at the time of sale. The thumbprint will be maintained for the life of the sales contract and thereafter destroyed or deleted. A digital copy of the thumbprint will be maintained with the deal file or a third party service provider with a secure database and is not accessible to the public or law enforcement without probable cause or a search warrant. Once a dealer is notified that it is a victim of fraud, law enforcement will then have requisite probable cause to inspect, copy or seize the print for investigation.

Will it work?

The thumb printing policies of a large southern California dealer group are a good example of how thumbprinting aids in the prevention of identity theft. Of the many dealerships owned and operated by the dealer group, 17 locations have instituted a customer thumbprint policy. According to dealership executives, they know of just five customers in six years that refused to give a thumbprint and left the dealership without purchasing a vehicle. Of those five, three later returned to the dealership to purchase a vehicle and left a thumbprint at the time of purchase. In addition to requiring a thumbprint, the dealer group also provides a fraud training program for its employees, which includes the proper procedures for obtaining thumbprints. In the six-year lifespan of customer thumbprint policies at this dealer group, vehicle losses due to fraud or identity theft have been nearly nonexistent.

Status of the proposed bill

Todd Wolf, Vehicle Theft Investigator with the California Highway Patrol, authored this proposed California legislative bill. The bill is in the approval stages at the CHP and a co-sponsor for the bill is currently pending. The bill is also supported by The California New Car Dealers Association, Taskforce for Regional Auto-theft Prevention and Western States Auto Theft Investigators Association.

If you have any questions about this topic, please contact [James Shreve](#) or [Luke Sosnicki](#).

authorsTest