



National Motor Vehicle Title Information System

# 2011 Annual Report

For Period

October 1, 2010  
through September 30, 2011





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# LETTER FROM NMVTIS OPERATOR

The American Association of Motor Vehicle Administrators (AAMVA) is pleased to present the 2011 Annual Report on the National Motor Vehicle Title Information System (NMVTIS). As the system operator, AAMVA strives to ensure that the system continues to be developed, implemented and operated to meet the full requirements of NMVTIS statute and regulations.

The NMVTIS Final Rule requires the publication of an annual report describing the performance of the system during the preceding year. This is the third report, detailing NMVTIS expenses and all revenues received as a result of the NMVTIS program, as well as, highlights the system's performance and accomplishments. The continued growth and expansion of the system during the reporting period was reflective of the continued benefits of the system. It is doing what it was intended to do for state motor vehicle agencies, consumers and law enforcement. None of the success during the reporting period could have been accomplished without the strong partnership between AAMVA as the system operator and the Department of Justice. AAMVA is privileged to serve as the system operator to ensure the effective and efficient operation of the system and that it meets all of its regulatory requirements.

We are proud to share this report with our stakeholders and look forward to the future of NMVTIS and the full realization of the benefits envisioned in the Anti Car Theft Act of 1992. Lastly, the report is a product of many individuals and organizations that took the time to respond to our request for input and guidance. We truly appreciate all of the valuable input received toward preparation of this final product.

I hope that you find the report informative.

*Best regards,*



**Neil D. Schuster**  
President & CEO  
American Association of Motor Vehicle Administrators

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# Preface

The National Motor Vehicle Title Information System (NMTIS) Final Rule (28 CFR part 25, published January 30, 2009, 74 FR 5740), requires the system operator, the American Association of Motor Vehicle Administrators (AAMVA), to prepare and publish an annual report and procure an independent financial audit. This *NMTIS 2011 Annual Report* is the third publication, covering **October 1, 2010 through September 30, 2011** (“reporting period”). This reporting period was agreed upon between the system operator and the U.S. Department of Justice (DOJ), Office of Justice Programs (OJP), Bureau of Justice Assistance (BJA); it corresponds with the federal fiscal year and AAMVA's audit cycle.

Published in August 2012, this report details the performance of NMTIS during the 12-month reporting period. Future annual reports will also cover a 12-month period, October 1 to September 30 and be published in August of the following year. For a detailed status of the system, information may be found at DOJ's website at [www.vehiclehistory.gov](http://www.vehiclehistory.gov).

# Executive Summary

The previous annual report covered a period of tremendous growth for each of the four NMVTIS program areas - state program, consumer access program, third party reporting program, and law enforcement program.

This reporting period of October 1, 2010 through September 30, 2011 showed a more committed and consistent level of activity within the program areas along with some demonstration of growth by system users of data in the system.

Achievements included:

- state program transactions increased by nearly 120% over the last report period
- one of the two non-participating jurisdictions began development
- inquiries by consumers increased 78% over the last report period
- approved data providers of vehicle information to consumers increased from three to five approved data providers
- use of Junk, Salvage and Insurance (JSI)<sup>1</sup> data was expanded and made available to law enforcement users
- Bureau of Justice Assistance (BJA)<sup>2</sup> continued strategic enforcement initiatives concerning reporting entities
- law enforcement access expanded - both in the number of users and number of inquiries

The consumer access program showed the greatest amount of activity with an increase in the number of providers as well as the number of inquiries. California's state assembly passed legislation ([Assembly Bill 1215](#)) which includes the requirement for used car dealers to make available an NMVTIS report to potential purchasers of a used vehicle. This Bill provides potential for increased inquiries when it becomes effective July 1, 2012. While this may assist with sustaining the system, financial stability continues to be an ongoing program concern. The NMVTIS Advisory Board (NAB) built upon its inaugural meeting held during the last report period and met three times during this reporting period, establishing subcommittees to examine specific opportunities and challenges facing the system.

Considerable progress continues as the benefits and value of NMVTIS increases.

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<sup>1</sup> Junk, Salvage and Insurance - this refers to any individual or entity that meets the NMVTIS definition of junk yard, salvage yard, or insurance carrier.

<sup>2</sup> Bureau of Justice Assistance is a component of the Office of Justice Programs, U.S. Department of Justice.

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# Highlights During Reporting Period

## STATE PROGRAM

- Number of state transactions increased by nearly 120% over the last reporting period
- The District of Columbia began development

## CONSUMER ACCESS PROGRAM

- Two new companies began providing vehicle information to consumers
- Inquiries by consumers increased by nearly 78% over the previous reporting period

## THIRD PARTY REPORTING PROGRAM

- JSI data was made available to law enforcement
- BJA continued enforcement initiatives concerning NMVTIS entities

## LAW ENFORCEMENT ACCESS PROGRAM

- Working with AAMVA, BJA established a web service to the JSI database that provided the law enforcement community the same level of information that is shared with state motor vehicle agencies
- Access was expanded to Law Enforcement Online (LEO) users, along with additional users through the Regional Information Sharing Systems (RISS)

## GOVERNANCE

- The NAB convened meetings in October 2010, March and July 2011, which were open to the public
- The NAB established subcommittees to examine specific system opportunities and challenges in order to better assist the full advisory board in making recommendations to BJA

# Roles of Key Stakeholders

## NMVTIS KEY STAKEHOLDERS

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DOJ • NMVTIS Federal Advisory Board • AAMVA • Data Consolidators  
States • Consumers • Law Enforcement • Junk Yards, Salvage Yards, Insurance Carriers

### ROLE OF DOJ

Within DOJ, the BJA is responsible for overseeing both policy and enforcement elements of the program. BJA coordinates enforcement activities with the Federal Bureau of Investigation, the National Highway Traffic Safety Administration (NHTSA), and state and local law enforcement agencies. BJA works in partnership with the system operator, AAMVA.

### ROLE OF NMVTIS FEDERAL ADVISORY BOARD

In June 2010, the NMVTIS Federal Advisory Board was convened to provide input and recommendations to BJA regarding the operations and administration of NMVTIS. The Advisory Board includes representation from key stakeholders affected by the program, including states, consumers, insurance carriers, auto recyclers, junk and salvage yards, and law enforcement agencies. Meetings are open to the public.

### ROLE OF AAMVA

The Act authorizes the designation of a third party operator of NMVTIS. Since 1992, AAMVA has acted in this capacity and operates the system today. AAMVA is a nonprofit, tax exempt, educational association representing U.S. and Canadian officials responsible for the administration and enforcement of motor vehicle laws. In addition to acting as the NMVTIS Operator, AAMVA supports the Single VIN Reporting Service and is one of four data consolidators.

### ROLE OF DATA CONSOLIDATORS

BJA and AAMVA partnered with the private sector to provide multiple reporting methods to meet the business needs of reporting entities. Currently, there are four reporting methods or services available, offering individual VIN and batch reporting options:

- AAMVA Single VIN Reporting Service
- AUDATEX
- AUTO DATA DIRECT, INC.
- INSURANCE SERVICES OFFICE (ISO)

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## ROLE OF STATES

State titling agencies must perform title verifications and report data to NMVTIS.

- Each state is required to perform an instant title verification check before issuing a certificate of title for a vehicle that an individual or entity is bringing into the state.
- States are required to make selected titling information that they maintain available for use in NMVTIS. States shall provide information on new titles and any updated title information to NMVTIS at least once every 24 hours.
- States are required to pay state user fees.

## ROLE OF CONSUMERS

NMVTIS information is available to consumers (individual and commercial) in an NMVTIS Vehicle History Report. An NMVTIS Vehicle History Report is intended to provide data on five key indicators associated with preventing auto fraud and theft. Prior to purchasing a used vehicle, consumers can search NMVTIS to find information on these five key indicators:

1. Current state of title and last title date
2. Brand<sup>3</sup> history
3. Odometer reading
4. Total loss history
5. Salvage history

The following data sources for an NMVTIS Vehicle History Report are required by federal law to report regularly to NMVTIS:

- States
- [Junk yards](#)
- [Salvage yards](#)
- [Insurance carriers](#)

## ROLE OF LAW ENFORCEMENT

Law enforcement (LE) agencies rely on NMVTIS data to improve their ability to identify vehicle theft rings and combat other criminal enterprises involving vehicles. Therefore, it is imperative that NMVTIS captures vehicle history information throughout the life-cycle of the vehicle. The NMVTIS Law Enforcement Access Tool provides law enforcement with the information necessary to investigate crimes associated with motor vehicles, including vehicles involved in violent crimes, smuggling operations (narcotics, weapons, undocumented aliens, and currency), and fraud.

## ROLE OF JUNK YARDS, SALVAGE YARDS, INSURANCE CARRIERS

All entities meeting the NMVTIS definition for junk yard and salvage yard handling 5 or more junk or salvage vehicles per year are required to report to the System on a monthly basis. By reporting the required information on junk and salvage automobiles to NMVTIS, junk yards, salvage yards, and insurance carriers play an integral role in DOJ's efforts to prevent fraud, reduce theft, and potentially save the lives of consumers who might otherwise unknowingly purchase unsafe vehicles.

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<sup>3</sup> Descriptive labels used in regard to the status of motor vehicle, such as "junk," "salvage," and "flood." Brands are designated by states.

# OVERVIEW

## BACKGROUND

NMVTIS was established by Congress under Title II of the Anti Car Theft Act of 1992 (Public Law No. 102-519). It was created to address the growing issues associated with auto theft and vehicle fraud—specifically, to:

- Prevent the introduction or reintroduction of stolen motor vehicles into interstate commerce
- Protect states, consumers (both individual and commercial) and other entities from vehicle fraud
- Reduce the use of stolen vehicles for illicit purposes, including funding of criminal enterprises
- Provide consumer protection from unsafe vehicles

The intent of NMVTIS was to establish an information system to enable motor vehicle titling agencies, law enforcement, prospective and current purchasers (individual and commercial), insurance carriers and junk and salvage yard operators to access vehicle titling information.

Specifically, in accordance with 49 U.S.C. 30502, NMVTIS must provide a means of determining whether a title is valid, where a vehicle bearing a known vehicle identification number (VIN) is currently titled, a vehicle's reported mileage, if a vehicle is titled as a junk or salvage vehicle in another state and whether a vehicle has been reported as a junk or salvage vehicle under 49 U.S.C. 30504.

The types of vehicles included in NMVTIS are automobiles, buses, trucks, motorcycles, motor homes (e.g. recreational vehicles or RVs), and tractors. In general, NMVTIS contains titles for vehicles that meet the definition of a junk or salvage automobile according to the regulations or at least one of the following criteria:

- The vehicle has an active registration and an active title
- The vehicle has an active title
- The vehicle has an active registration and the registration is the proof of ownership

Vehicles excluded from NMVTIS include trailers, mobile homes (i.e. prefabricated homes, typically permanent), special machinery, vessels, mopeds, semi-trailers, golf carts and boats.

AAMVA has worked closely with BJA over the years on the overall strategic direction of NMVTIS. BJA has awarded federal grants to help AAMVA create the system and support state development and implementation. To date, funds received by AAMVA during the period FY 1996 – FY 2011 include:

FISCAL YEAR (FY)	AMOUNT
1996 (DOT) <sup>4</sup>	\$890,000
1997	\$1,000,000
1998	\$2,800,000
1999/2000	\$6,100,000
2003	\$3,000,000
2004	\$494,739
2007	\$499,204
2008	\$271,680
2009	\$5,700,000
2010	\$5,700,000
2011 <sup>5</sup>	\$5,000,000
<b>TOTAL</b>	<b>\$31,455,623</b>

<sup>4</sup> U.S. Department of Transportation

<sup>5</sup> 2010 grant supplement awarded in September 2011; activity to begin October 1, 2011.

A number of validation studies have been conducted over the life of NMVTIS. These studies cite the system’s benefits and/or potential cost savings to its stakeholders. Links to these are provided in the [Appendix](#). Further, NMVTIS received wide support from motor vehicle and auto industry organizations, including the AAMVA and the National Automobile Dealers Association (NADA); from law enforcement organizations such as the International Association of Chiefs of Police (IACP) and the National Sheriffs’ Association (NSA); from the North American Export Committee (NAEC) and from the International Association of Auto Theft Investigators (IAATI). The benefits of NMVTIS have also been recognized by national consumer advocacy organizations and industry-affiliated groups, including the National Salvage Vehicle Reporting Program (NSVRP).

Recipients of BJA grants are required to submit semi-annual progress reports, quarterly training and technical assistance activity and quarterly financial status reports. Reports submitted by AAMVA are on file with BJA.

### SYSTEM OPERATOR AND RESPONSIBILITIES

Under the Anti Car Theft Act of 1992, DOT was authorized to designate a third party operator of NMVTIS. Since 1992, AAMVA has acted in this capacity. AAMVA is a nonprofit association representing U.S. and Canadian officials responsible for the administration and enforcement of motor vehicle laws.

Pursuant to the NMVTIS Final Rule, the operator must provide services to 1) state motor vehicle title agencies, 2) junk, salvage and insurance entities, 3) law enforcement, and 4) support consumer access to the system.

### FUNDING

During this reporting period, program funding was made available through both federal and non-federal sources. BJA awarded grant funding to AAMVA in FY2009 (2009-DD-BX-K033) and FY2010 (2010-DG-BX-K039), each in the amount of \$5.7 million to further implement, operate and enhance NMVTIS. Funds were expended totaling \$5,264,015 from both the FY2009 and FY2010 grants, while during this same period, consumer access related program income of \$53,084 was earned. Finally, during this reporting period, BJA awarded supplemental funding to the FY2010 grant (2010-DG-BX-K039S1) for \$5 million. Activities related to this funding will be reported in the next annual report. BJA advised that the supplemental funds would be the final grant awarded to AAMVA to implement the system and to offset state fees. Therefore, AAMVA developed and BJA approved a state fee model to help financially sustain the system.

## NMVTIS VEHICLES

**AUTOMOBILES**



**BUSES**



**TRUCKS**



**MOTORCYCLES**



**MOTOR HOMES**



**TRACTORS**



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## OVERVIEW

### GOVERNANCE

BJA is responsible for the oversight of NMVTIS consistent with key regulatory and statutory requirements (e.g., system must be self-sustainable, funded by user fees; if a third party operates system, the third party must represent the interests of the states, etc.). Pursuant to the NMVTIS Final Rule, BJA convened a NMVTIS Advisory Board (NAB) that includes representation from key stakeholders affected by the program—states, consumers, insurance carriers, auto recyclers, junk and salvage yards, law enforcement agencies, auto industry, technology partners, independent organizations focused on reducing vehicle-related crime and the operator. The NAB was established in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C., App. 2 and is tasked to make recommendations to DOJ's Office of Justice Programs regarding program operation and administration issues, such as establishing NMVTIS performance measures, accessing additional data within the system that is not required by the Anti Car Theft Act, assessing program costs and revenues, and evaluating quality assurance.

The inaugural meeting of the NAB occurred during the last reporting period. That meeting provided an opportunity for NMVTIS stakeholders to share information, discuss the interconnectedness of the system and ways to enhance NMVTIS in order to make it more effective and economically self-sustainable. During this reporting period, three NAB meetings were held. The first, in October 2010, included discussions on the vehicle "life cycle" and NMVTIS reporting events; terminology and definitions of common terms used by member industries; and members had the opportunity to raise specific topics for discussion that impact their constituencies' implementation of NMVTIS or use of NMVTIS. Additionally, it was during this meeting that the NAB established two subcommittees – Revenue Options and Technological Capabilities. The subcommittee tasks were to prepare deliverables and recommendations to the Board. Subcommittees do not provide advice or work products directly to BJA. In addition to holding in person meetings prior to the meeting of the full board, the subcommittees also held conference calls.

A third and temporary, ad hoc subcommittee was established – the Definitions and Terminology subcommittee. It functioned under the same guidance as the formal subcommittees. This group worked throughout this reporting period to develop suggested definitions consistent with the NMVTIS statute and regulations to describe and define various distinctions between the recycling, salvage and dismantling

industries. The goal of this effort, which will likely continue into the next reporting period, was to enhance the understanding of NAB members in the JSI sector and help reduce confusion over commonly used terms. One of the greatest challenges was the development of a comprehensive picture, or [flow-chart](#), of the "life-cycle" of vehicles, illustrating the various reporting points.

The second NAB meeting during the reporting period was held in March 2011 and included discussion of the importance and value of NMVTIS to auto theft and fraud investigations, consideration of including additional data in the system and the marketing of NMVTIS. Additionally, the subcommittees met in person just prior to the meeting of the full board. As part of the meeting of the full board, the subcommittees reported on their progress, to date. The third meeting during the reporting period was held in July 2011 and provided a discussion of cross-border issues related to vehicle theft and fraud, an update on California legislation AB1215 and activities conducted by the subcommittees.

All NAB meetings include an NMVTIS financial and program status update and are open to the public. Meeting summaries can be found on the [NMVTIS website](#).

### FIND MEETING SUMMARIES



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# What People Are Saying

“The Institute of Scrap Recycling Industries, Inc (ISRI) was very pleased to continue its active role on the NMTIS Advisory Board, working with a range of stakeholders to find ways to further improve the effectiveness of the NMTIS program. The experience has been very valuable for ISRI, enabling us to learn more about the important role that the NMTIS program plays in law enforcement, and also offer our industry’s assistance and efforts to strengthen the program.”

ROBIN WIENER, President of ISRI

“The American Salvage Pool Association (ASPA) was grateful to participate on the NMTIS Advisory Board. As a major stakeholder in the submission of data to NMTIS, we found the board extremely helpful in understanding and better appreciating the needs, goals and concerns of the diverse industries, consumer groups, state and local governments that submit data and utilize this important information exchange.

ASPA members contribute approximately 4 million records to the NMTIS database annually. We are fortunate that our membership is currently near 100% compliance with reporting requirements. This would not have been possible during the period October 1, 2010 to September 30, 2011 without two very important considerations: First, the open dialogue and educational aspects of the Advisory Board, which has enabled our membership to understand and appreciate their role in fulfilling the Regulation. Second, is the efficiency of the system itself, as administered by AAMVA. Our members are experiencing less than a fraction of a percentage of exceptions, and corrections have been promptly and efficiently resolved by the administrators at AAMVA.

Challenges remain. Funding and access to the system are top priorities. ASPA remains steadfast in its support of NMTIS, and continuing its participation in finding solutions to these and any other challenges that may arise.”

JERRY SULLIVAN, Director of ASPA & Partner at QCSA Auto Auctions

# PROGRAM AREAS

## STATE PROGRAM

The Anti Car Theft Act (ACTA) and its implementing regulations require each state to perform an *instant title verification check* before issuing a certificate of title for a vehicle that an individual or entity brings into the state. Additionally, each state is required to *report data into the system* and *pay user fees*—and all states were required to be fully compliant by January 1, 2010. For further details on the approaches for title verification and reporting of data, please see the [Exhibits](#) section of this report.

A substantial increase in NMVTIS participation by states was reported in the [last \(second\) annual report](#). It was noted that the Final Rule was the overarching drive for states to participate, along with a number of outreach, technology and development support efforts to states by both AAMVA and BJA.

During this (third) reporting period, the primary trend showed an overall steady level of participation with shifts between the areas of participation for states:

Arkansas and Georgia moved from “Providing Data Only” to fully “Participating” and Alaska also moved into “Participating” from “In Development.” Finally, in early 2011, the District of Columbia finalized plans to fully integrate NMVTIS into its business processes, thereby moving into “In Development.” A total of 50 jurisdictions participated at some level at the end of this reporting period. Further, Illinois began taking steps toward development. It is important to note, the DMV data represented in the system remained at 87% due to Alaska’s vehicle population totaling less than one-third of a percent of the overall U.S. vehicle population (see Figure 1).

This was a period of significant and continued usage – both in the amount of data in the system and by its number of

users. For example, during this reporting period, over 230 million transactions<sup>6</sup> were conducted (see Figure 2) compared with 104 million transactions during the last report period – an increase of approximately 120%! There was an increase in the states’ use of not just title and brand data, but also JSI data. For example, during this reporting period, New York discussed with BJA its desire to obtain JSI data on VINs that were reported by reporting entities doing business in New York in order to update its title system with the appropriate salvage brand. BJA agreed and in the fall of 2010, New York began updating its title records with applicable brand information. As a result, New York provided updated brand data to NMVTIS.

### State Program Benefits

States that inquire into NMVTIS (i.e. conduct an instant title verification check), receive data on the specific vehicle, the current title, any brand information and whether the vehicle is stolen. Based on this collection of data, the state determines whether to issue a new title. When a vehicle is retitled, NMVTIS is automatically updated to show the current state of title. During this reporting period, states reported a number of beneficial results from participating in NMVTIS:

<sup>6</sup> A transaction may be a title inquiry, title update or a brand update

PARTICIPATION STATUS OF STATES	REPORTING PERIOD		
	First Report February 1, 2009- Sept. 30, 2009	Second Report October 1, 2009- September 30, 2010	Third Report October 1, 2010- September 30, 2011
Participating	14	28	31
Providing Data Only	14	10	8
In Development	11	11	11
Not Participating	12	2	1

**Arkansas** reported:

- 20 stolen vehicle hits<sup>7</sup> were identified through the NMVTIS theft file, prompting investigations.
- 58 vehicle brands were identified by using NMVTIS and recaptured on the title document after they had been “washed”<sup>8</sup> from it, providing more accurate vehicle history information to the consumer.
- 185 incidents of fraudulent activity were identified, as a result of NMVTIS related information. 181 were researched and resolved; four are pending.

**Colorado** reported:

- 2 stolen vehicles were identified as a result of using NMVTIS, initiating investigations.
- 374 vehicle brands were identified by using NMVTIS and recaptured on the title document after they had been washed from it, providing more accurate vehicle history information to the consumer.

**Minnesota** reported:

- 15 stolen vehicle hits were identified as a result of using NMVTIS, prompting investigations.
- 5 “cloned”<sup>9</sup> VINs were identified, as a result of using NMVTIS, initiating investigations.
- Complete and accurate vehicle information passed along to customers as a result of NMVTIS being checked. For example, 60 vehicle brands were identified by using NMVTIS and recaptured on the title document after they had been “washed” from it.
- MN has carried forward brands onto the title document that were previously unknown, providing more accurate vehicle history information to the consumer.
- 12 incidents of fraudulent activity were reported, as a result of NMVTIS related information. For example, a bar code was placed over a brand on a title presented. Additionally, several VINs failed that were recorded on stolen California title stock (sent for recycling). NMVTIS VIN information was crucial when verifying that the VIN did not exist. NMVTIS contact information for other states was vital when confirming the nonexistence of a VIN/title in that state’s database.

**WHAT PEOPLE ARE SAYING**

“As a batch state with stand-alone inquiries, all records are checked individually and manually by staff. This procedure adds time to our overall production process; however, NMVTIS provides detailed information that allows our state the opportunity to generate a higher quality motor vehicle title and maintain the integrity of the overall vehicle history. Our Summary of Errors and Warnings (SEW) report allows us the ability to research duplicate VINs without contacting other states which is a valuable time-saving tool.”

**DARCEL LEWIS**  
Minnesota Title & Registration  
Program Supervisor

“The NMVTIS JSI data provided the complete/correct history of the vehicle, and MN was able to maintain the integrity of the vehicle’s record. MN also accesses the help desk contact information provided in the NMVTIS report to research and analyze records in conjunction with other jurisdictions. On several occasions, the state of record or a state of history had missed vital information and corrected their data base as well.”

**KAREN JOHNSON**  
Minnesota Title & Registration  
Supervisor & NMVTIS Help Desk Supervisor

<sup>7</sup> A “hit” occurs when a VIN inquiry results in a match being found on the vehicle theft file.

<sup>8</sup> “Brand washing” refers to the brand being removed from a title. Brand washing can occur if the motor vehicle is retitled in another state and the new state does not check with the originating state or with all states that previously issued a title on that vehicle, to determine whether the vehicle has any existing brands on their records. Such brands may not have been noted on the current title document.

<sup>9</sup> A vehicle is “cloned” when a legitimate VIN plate is replicated and placed on a stolen vehicle making that vehicle appear to be valid.

**New Hampshire** reported:

- 666 stolen vehicle hits as a result of inquiring on the NMVTIS theft file, prompting investigations.
- They identified and carried forward 15,803 brands onto titles where they had been washed, providing more accurate vehicle history information to the consumer.

“New Hampshire has very few manual surrender reports to input thanks to NMVTIS. Each time a state implements NMVTIS the need to manually surrender the prior title is not needed, NMVTIS takes care of this electronically. The state of New Hampshire has approximately 22,500 out of state titles surrendered yearly. The approximate savings to manually input that many title records equals a data entry clerk position for a half of a year’s salary – or approximately \$13,000 a year in savings.”

**PRISCILLA VAUGHAN**

Chief Supervisor, New Hampshire  
Division of Motor Vehicles, Bureau of Title & Anti-Theft

**Ohio** reported:

- 3,144 VINs returned with stolen vehicle hits, prompting investigations.
- Approximately 150 customers did not realize there were brands on their vehicles until the brands were captured and forwarded from the previously issued state onto the new Ohio title through the NMVTIS check.

**Pennsylvania** reported:

- 351 vehicles were identified as stolen through NMVTIS, prompting investigations.
- 44 vehicles were identified through NMVTIS as they were attempted to be titled that carried the “CARS”<sup>10</sup> brand; all were investigated and for three customers it was discovered the VINs were entered incorrectly.
- 1,121 total transactions were forwarded to the Department’s fraud unit for investigation.

<sup>10</sup> Indicates the vehicle was traded in under the Car Allowance Rebate System and was required to be destroyed and carry a brand that denotes the vehicle is not roadworthy.

<sup>11</sup> “NH” is the message abbreviation/notification to states meaning “moved to history”

“One agency enhancement that was made as a result of NMVTIS is the identification on PennDOT’s system when a vehicle has been transferred to another state. As a result of this indicator, PennDOT does not mail an invitation to renew the vehicle registration to any vehicle which has been identified as “moved out of state.” Although data cannot be identified for the specific time period requested, there have been over 997,000 vehicles moved out of state since Pennsylvania became fully compliant with NMVTIS. The cost savings by not mailing out renewal applications to customers whose vehicles have been moved out of state is nearly \$400,000 in postage alone.”

**ANITA WASKO**

Director, Pennsylvania Bureau of Motor Vehicles

**South Carolina** reported:

- 14,426 titles were stopped from being processed because the brand information entered in their titling system did not coincide with the information received back from NMVTIS; it was determined that nearly 50% of the title brands were washed from the title issued previously from another state. These washed brands were recaptured onto the title documents, providing a more accurate vehicle history for the consumer.
- 9,910 titles were stopped in processing due to a variance in odometer information between what was entered in their titling system and what was received back from NMVTIS, prompting investigations.
- 101,490 titles were stopped from being processed because the state titling information entered in their titling system did not match with the information received back from NMVTIS, prompting investigations.

“NMVTIS has helped SCDMV to clear up title entry errors, and we can be sure we are receiving the correct titles from previous jurisdictions. We have realized a significant cost savings from not having to manually indicate vehicles that have been transferred out of state because of the NMVTIS NH<sup>11</sup> messages. In addition, we have recommended that South Carolina dealers conduct a NMVTIS check before offering a used vehicle for sale. We hope that by doing so, this will minimize NMVTIS stops when titling used vehicles.”

**SHARON MADISON**

Deputy Director, South Carolina Department of Motor Vehicles  
Titles & Registration System

**South Dakota** reported:

- 35 active stolen vehicles were identified through inquiring on the NMVTIS theft file; 4 vehicles were recovered by law enforcement, 13 were cleared and the remaining 18 were still under investigation.
- About one-fifth of the Change State of Title functions<sup>12</sup> were done by NMVTIS. NMVTIS information prevented about 60 duplicate titles from being issued because South Dakota was no longer the State of Title.

**West Virginia** reported:

- 1 active stolen vehicle was identified through inquiring on NMVTIS; other stolen “hits” were investigated and confirmed recovered.

**Wisconsin** reported:

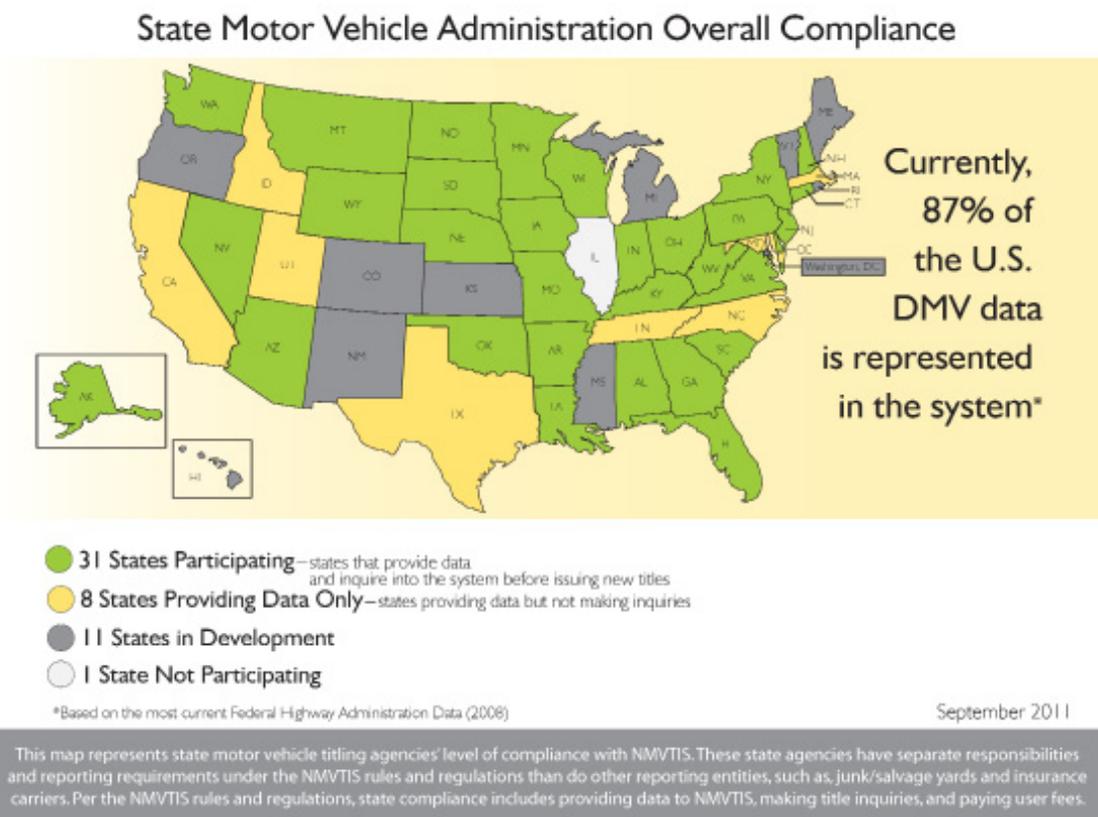
- 1,244 stolen vehicle hits as a result of using NMVTIS, initiating investigations.
- NMVTIS provides an incredible financial savings to Wisconsin DOT through its use by third party vendors who handle title services. NMVTIS’ automation allows time savings for our vendors, which translate into savings for Wisconsin DOT.
- Wisconsin DOT uses NMVTIS for standalone inquiries to confirm whether a vehicle has been junked and the entity that provided that information.

**Wyoming** reported:

- Recovering 100% of vehicle brands that were washed off of titles in other jurisdictions.
- Using the junk, salvage and insurance information regularly, titling offices are well trained to check in these areas to issue a Salvage (or other appropriate) brand if the vehicle is within its eight years of service; this enhances the accuracy of the vehicle record.

<sup>12</sup> When an out of state title is presented in a state participating in NMVTIS, NMVTIS will automatically update to reflect the current state of title.

**FIGURE 1: NMVTIS STATE PROGRAM STATUS MAP**



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## PROGRAM AREAS

### *Paying User Fees*

States are required to pay user fees as established by the operator with the approval of BJA. In 2001 AAMVA established a tier-based system of state user fees based on the number of vehicles titled in each state. Should revenue from other system services reach a sufficient level, state user fees may be offset or possibly eliminated. This provision, in conjunction with other aspects of NMVTIS administration, is designed to limit any negative financial impact on states.

As mentioned earlier under the [Funding](#) section, BJA awarded AAMVA a FY2010 grant, just prior to this reporting period, for NMVTIS implementation to begin October 1, 2010. The FY2010 grant precluded the need for states to remit user fees during this reporting period. At the end of this reporting period, BJA announced a supplemental award to the FY2010 grant; which will cover NMVTIS operating and implementation costs for FY2012. At this time, BJA also advised AAMVA the supplemental award would be the final grant awarded. Therefore, state fees will be reinstated to cover the period starting October 1, 2012 through September 30, 2013.

Consistent with discussions held at AAMVA regional conferences and via webinars with the AAMVA Board of Directors, a revised fee model was approved by both AAMVA and BJA. The model is based on the following key tenets:

- State fees will cover a maximum 50% of total NMVTIS operational costs.
- An equitable 51-tier structure, calculated by each state's number of registered vehicles (as reported by jurisdictions to the Federal Highway Administration) as a percentage of the total U.S. registered vehicle population assigns each state a percentage of responsibility from the total system operating costs.
- The remaining 50% of operating costs will be covered by a combination of other sources of funding (such as program income) and/or AAMVA's association funds.
- States may receive a 50% credit of the revenue associated with each consumer access transaction that results in data returned for a VIN pointing to that state as the current state of title. BJA will make the determination whether states are currently in compliance and, therefore, eligible to receive the applicable credit.

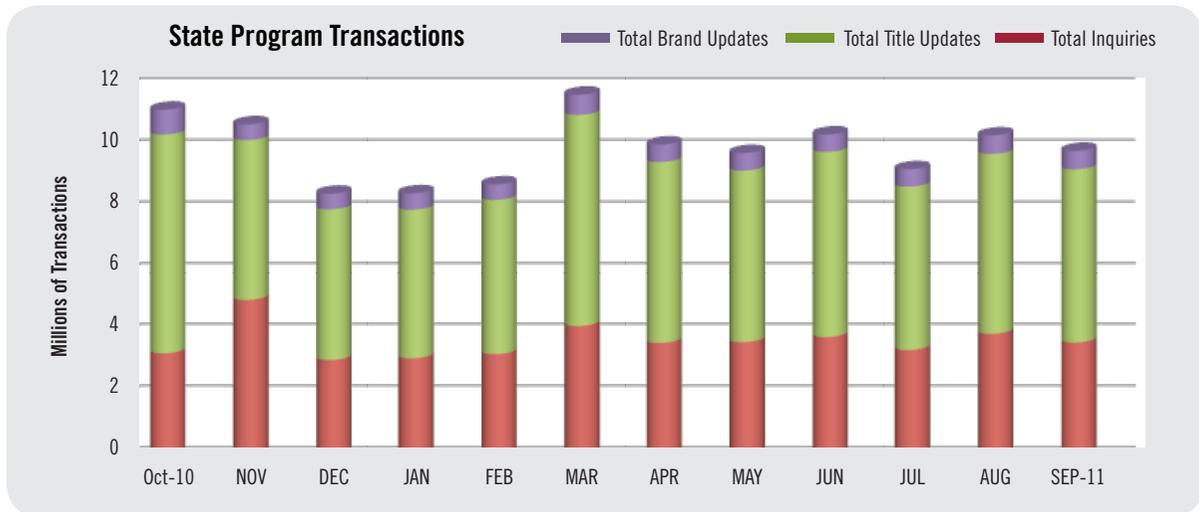
## FUTURE OF STATE USER FEES

**In September 2011, AAMVA issued its formal notice to all of the state motor vehicle agencies regarding the future of state user fees. The notice was issued in accordance with the NMVTIS Final Rule, which requires a 12 month advance notification before changing state fees.**

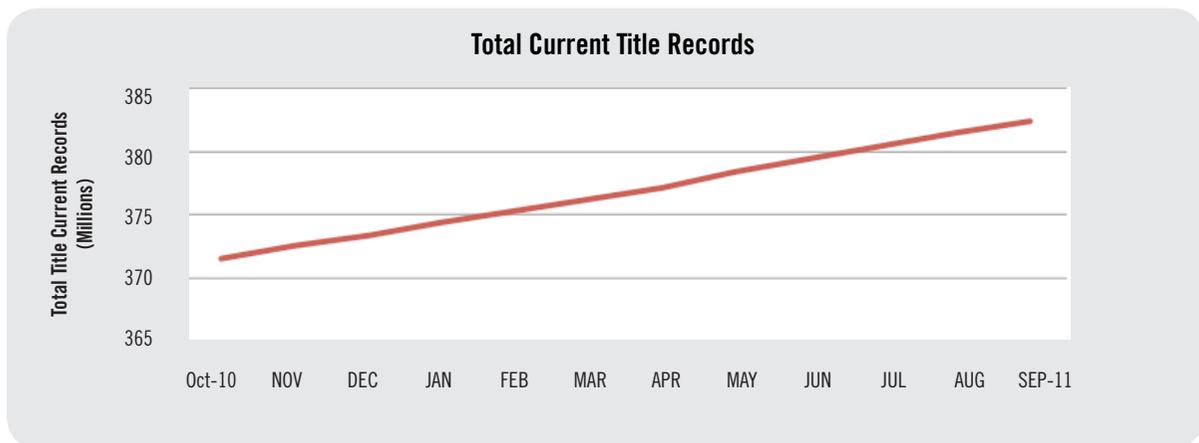
**State Program Statistics**

**Note:** These counts are based on records versus the number of VINs in the system (see figures 2–4).

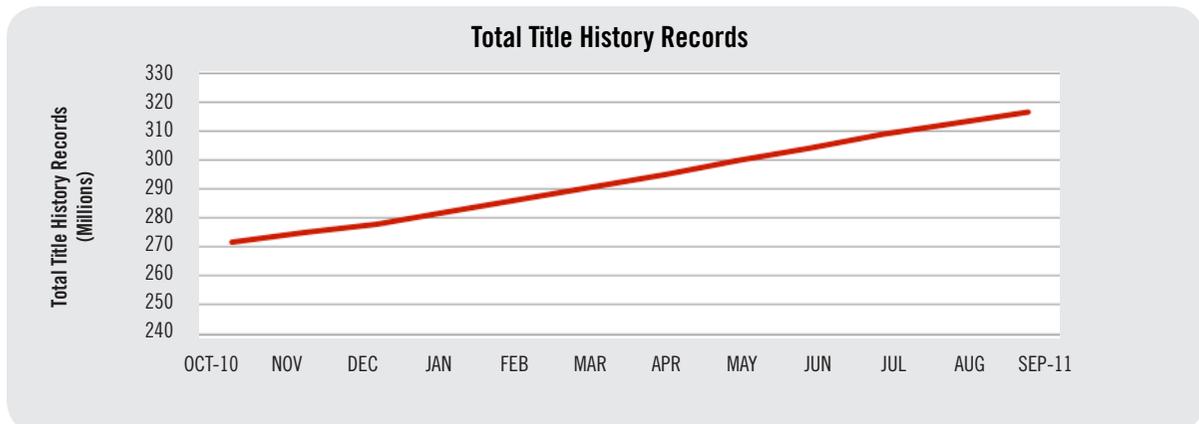
**FIGURE 2:** Over 230 million transactions (title inquiries, title updates and brand updates) were conducted by states during the reporting period. This is up by nearly 120% from the last report period.



**FIGURE 3:** Current title records from the 31 states participating in NMVTIS during this reporting period numbered approximately 382 million.

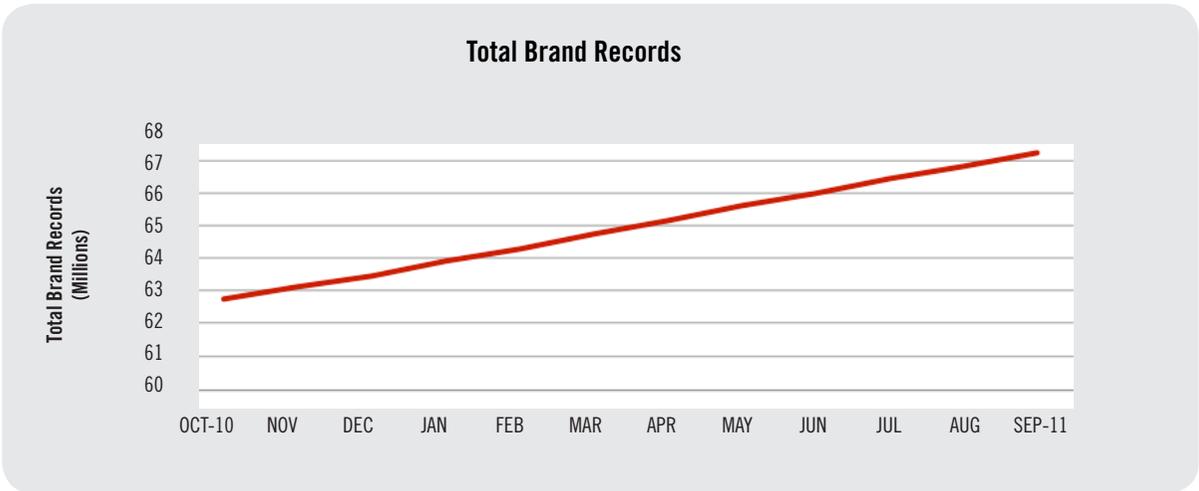


**FIGURE 4:** During the reporting period, more than 317 million vehicle records were moved from the Current Title file into the Title History file due to those vehicles being transferred from one state to another.

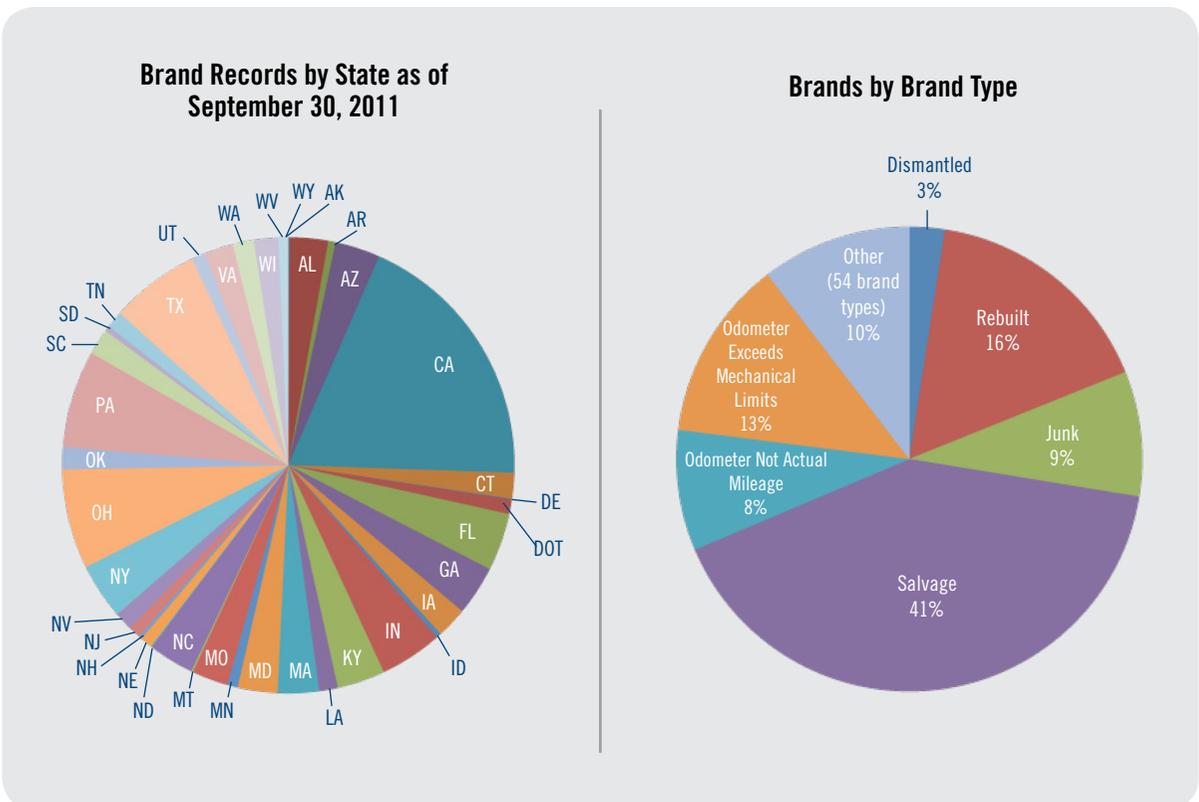


PROGRAM AREAS

**FIGURE 5:** Brands captured in NMVTIS steadily increased during the reporting period – brands increased from nearly 63 million to more than 67 million.



**FIGURES 6 & 7:** The number of brand records by state varies. For purposes of reporting here, the top seven brands are illustrated along with an “Other” category that includes up to 54 other brands. Please note these also reflect the brand records added to NMVTIS by DOT under the CARS program.



# What People Are Saying

“NMVTIS has been a reliable source of current title information as a reference guide when customers request a duplicate title from our state but actually require the duplicate title from another state. NMVTIS provides detailed information, which enhances our decision-making processes. The connection between the JSI information, AAMVA and NMVTIS has been an enhancement, which delivers timely resolution to erroneous salvage records. Information reported to NMVTIS is shared with our Fraud Unit, when applicable, which provides greater consumer protection.”

**DARCEL LEWIS**  
Minnesota Title & Registration Program Supervisor

“NMVTIS ROCKS! The DMV would be lost without this important tool to assist on detecting fraud and assuring a valid document is being supplied to our states. Go NMVTIS!”

**PRISCILLA VAUGHAN**  
Chief Supervisor, New Hampshire Division  
of motor Vehicles, Bureau of Title & Anti-Theft

“As a fully functioning online state, South Dakota, completely endorses NMVTIS. Not only does it identify stolen vehicles or changes in State of Title status, but it prevents titles issued with missed brands or lower odometers that are not necessarily fraud related, but also human error.”

**BONNIE GLODT**  
Revenue Section Coordinator, South Dakota  
Division of Motor Vehicles

“I am sure our use of NMVTIS is helping WI DOT prevent fraud, regardless of it being intentional or it being innocently committed. It is also helping us to do a better job of keeping our WI consumers and customers properly informed about the history of their newly purchased vehicles.”

**ANDREA O'BRIEN**  
Supervisor, Wisconsin DOT  
Research & Information

“NMVTIS has been such a useful tool; I can't even begin to imagine how many errors we had before it!”

**SHANNON DEGRAZIO**  
Wyoming NMVTIS  
Jurisdiction Administrator

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## PROGRAM AREAS

### CONSUMER ACCESS PROGRAM

The Anti Car Theft Act allows “prospective purchasers” (commercial and individual consumers) to inquire to NMVTIS to investigate used cars they are considering for purchase. A federal court ruling in September 2008 required that information from NMVTIS be available to the public by January 30, 2009. Effectively, consumers have access to online, real-time NMVTIS current title, vehicle brand and title history along with junk, salvage and insurance total loss data. NMVTIS is the only publicly available system in the United States to which all insurance carriers, auto recyclers, junk yards, and salvage yards, are required, under federal law, to report to on a regular basis.

Through NMVTIS, once a vehicle is branded by a state motor vehicle titling agency, that brand becomes a permanent part of the vehicle’s NMVTIS record. Vehicles that incur significant damage are often branded “junk” or “salvage.” Without a fully operational NMVTIS, motor vehicles with brands on their titles can, without much difficulty, have their brands washed. Fraud occurs when these vehicles are presented for sale to unsuspecting consumers without disclosure of their true condition, including brand history. These consumers may pay more than the vehicle’s fair market value and may purchase an unsafe vehicle. NMVTIS is effective in greatly reducing vehicle fraud, preventing a significant number of crimes and potentially saving the lives of consumers who might otherwise and unknowingly purchase unsafe vehicles<sup>13</sup>.

Although a vehicle history report is not a substitute for an independent vehicle inspection, an NMVTIS Vehicle History Report is intended to provide data on five key indicators associated with prevention of auto fraud and theft. The following identifies these key indicators along with how they inform the consumer:

- 1) current state of title and last title data – verifying the validity of the title helps prevent auto fraud and theft.
- 2) brand history – NMVTIS keeps a history of brands that have been applied to the vehicle by any state. Brand information helps protect consumers from purchasing a damaged vehicle that is presented for sale without disclosure of the vehicle’s real condition. Without knowing the brand history, a consumer may pay more than a vehicle’s true value or purchase a vehicle that has not been adequately repaired and is not safe to drive.
- 3) odometer reading – The crime of odometer fraud may result in a consumer paying more than the vehicle’s fair market value or cause the consumer to purchase an unsafe vehicle. Also, checking the odometer reading helps consumers to identify discrepancies in the vehicle’s history.
- 4) total loss history - When a vehicle has been deemed a total loss, generally the vehicle has had severe damage. Knowing whether a vehicle has been declared a total loss helps consumers avoid purchasing a potentially unsafe vehicle.
- 5) salvage history - Similar to a vehicle with a total loss history, a vehicle that has a salvage history has had severe damage. Salvage history helps consumers avoid purchasing a potentially unsafe vehicle<sup>14</sup>.

There were steady increases in inquiries made by consumers during the reporting period (see Figure 8). Additionally, during this reporting period, the consumer access program continued to grow from the levels attained in past reporting periods. The number of inquiries that were conducted during this reporting period increased 78% (167,427) from the last reporting period (94,051) and 457% over the first reporting period (30,000). The year-to-year comparison of the number of consumer access inquiries (see Figure 9) illustrates the steady growth. This growth is likely attributed to a number of factors, including an increase in the number of approved data providers.

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<sup>13</sup> [www.vehiclehistory.gov](http://www.vehiclehistory.gov)

<sup>14</sup> [www.vehiclehistory.gov](http://www.vehiclehistory.gov)

The number of approved data providers grew from three to five, with the addition of RigDig™ and DMVDesk®. Interested data providers must apply to the system operator to be considered to serve under contract as an approved data provider. A list of approved providers can be found on the [NMVTIS website](#). The addition of the two new entrants into the marketplace provided consumers more options for obtaining a low cost vehicle history report. DMVDesk®'s service offering was directed to a specific target market – motor vehicle dealers in the state of California. They added an NMVTIS Vehicle History Report as an optional search to their existing product offering for those dealers that wanted to conduct a national low cost vehicle history search. The other new provider RigDig™ developed an NMVTIS Vehicle History Report that targeted the specialized market that included buyers of commercial vehicles.

In an effort to provide consumers with additional information to assist in making an informed vehicle purchase decision, a number of the approved providers began combining NMVTIS data with other key vehicle data such as accidents and lien information. When NMVTIS data is combined with other data to create an NMVTIS Vehicle History Report, the NMVTIS data must be clearly marked as such.

The approved NMVTIS data providers also took steps to segment the consumer market into the public (individual) and commercial (motor vehicle dealers, insurer, etc.) markets. With that segmentation, they were able to develop and execute targeted strategies to raise awareness of the NMVTIS Vehicle History Report as well as the additional value that it could add to specific commercial enterprises. As the profile of an NMVTIS Vehicle History Report continued to grow, a number of the approved data providers continued to reinforce the importance of having all of the state title and brand data within NMVTIS. The states that represent 13% of the total U.S. vehicle population - that have yet to provide their title and brand data into NMVTIS - were viewed as key obstacles to the system's full success.

**California AB1215** was introduced during the reporting period. The bill prohibits a dealer from displaying or offering a used vehicle for retail sale unless the dealer first obtains a vehicle history report from NMVTIS. If the NMVTIS Vehicle History Report indicates that the vehicle is or has been a junk or salvage automobile, or the vehicle has been reported as such by a junk or a salvage yard, or an insurance carrier, or the certificate of title contains a brand, the bill requires the

dealer to post a specified disclosure and provide the consumer with a copy of the NMVTIS report upon request prior to sale. Notwithstanding the strong opposition from other vehicle history report providers, the bill passed with an effective date of July 1, 2012. The successful passage of California AB 1215 can be attributed to strong support from the California dealer community through the California New Car Dealers Association (CNCDA); consumer groups such as Consumers for Auto Reliability and Safety (CARS) and the National Salvage Vehicle Reporting Programs (NSVRP) as well as a number of the approved NMVTIS data providers.

Fees charged to consumers for an NMVTIS Vehicle History Report continue to remain within the range from as low as \$2.95 to \$6.99 even as some of the providers have included additional vehicle data from other sources. The authorized providers also established varied pricing to provide more options for consumers.

Auto Data Direct continued to utilize its customer survey feature as part of its NMVTIS Vehicle History Report service offering. Their survey results showed that 76% of their customers who completed the survey thought that the NMVTIS Vehicle History Report was useful. A number of respondents commented on the reasonableness of the price of an NMVTIS report given the information that it provided. The NMVTIS data was viewed as good value when compared to other available vehicle history reports.

#### ***Consumer Access Program Benefits***

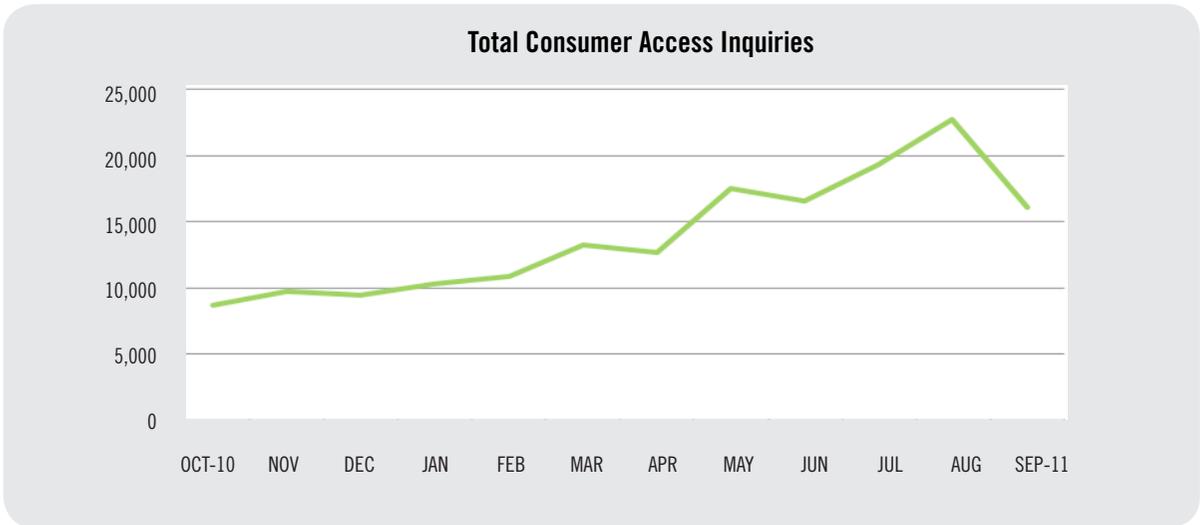
Consumers can search NMVTIS to discover:

- Information from a vehicle's current title, including the vehicle's brand history
- The latest reported odometer readings
- Any determination that the vehicle is "salvage" by an insurance company or a self-insuring organization (including those vehicles determined to be a "total loss")
- Any reports of the vehicle being transferred or sold to an auto recycler, junk yard or salvage yard.

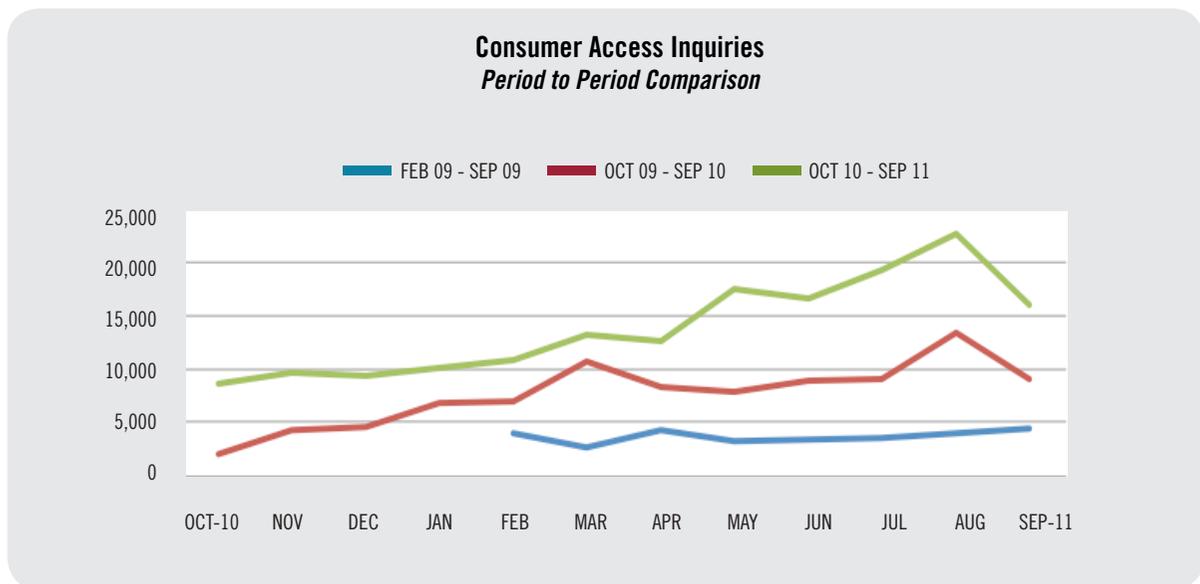
PROGRAM AREAS

Consumer Access Program Statistics

**FIGURE 8:** There were steady increases in inquiries made by consumers during the reporting period. The peak during the month of August was attributed to one of the providers handling a large volume customer.



**FIGURE 9:** More than 167,000 inquiries were made by consumers during this third reporting period. During the second reporting period, 94,000 inquiries were made and 30,000 inquiries were made during the first reporting period.



## WHAT PEOPLE ARE SAYING

“We continue to communicate to all potential buyers the value of the NMVTIS reports, especially as they pertain to the timeliness of the NMVTIS data and the robust information, particularly, in the salvage arena. As NMVTIS gains acceptance nationwide, and is being perceived by consumer groups, business trade associations and law enforcement as an authoritative, trusted source of vehicle data, it is increasingly important that it have participation from all 50 states.”

**JAMES OWENS**  
President, CARGO Group, Inc

“In general, NMVTIS made significant inroads to overall market awareness and customer trial through the combined efforts of the existing Consumer Access Providers and it has translated into significant growth in all channels of access.

With the support of consumer groups, new legislation in California has paved the way for radical growth of NMVTIS data in the vehicle history data services industry. The success and adoption of this legislation by other states will likely propel NMVTIS to the single largest data provider in the market in the next two or three years.”

**JIM IRISH**  
Chief Executive Officer, instaVIN™

## THIRD PARTY REPORTING PROGRAM

The Anti Car Theft Act requires that, in addition to state motor vehicle agencies, other third parties must report vehicle information into NMVTIS. Specifically, junk and salvage yards, auto recyclers and insurance companies are required to report (not less frequently than monthly) vehicles deemed “junk,” “salvage” or “total loss” to NMVTIS beginning March 31, 2009. There are a couple of reporting exceptions: 1) entities that handle fewer than five vehicles per year deemed salvage (including total loss) or junk and 2) entities that currently report the required data elements to the state in which they are located and that state provides the required information to NMVTIS.

The number of data consolidators providing data reporting services to junk and salvage yards, auto recyclers and insurance companies during this reporting period remained at four – AAMVA’s Single VIN Reporting Service, Audatex, Auto Data Direct and Insurance Services Office. There were no state agencies capturing and reporting the required data on behalf of JSI entities operating businesses in their state. However, there were a number of activities that occurred during the period that could change that situation in the future. For example, key stakeholders in the junk and salvage motor vehicle sector – the Institute of Scrap Recycling Industries (ISRI) and American Recyclers Association (ARA) – continued to raise concerns about the financial and administrative burdens that the NMVTIS reporting requirement places on their industry members and expressed intent to approach state legislators to consider new legislation to allow states to report on behalf of their entities.

During the second complete year of reporting activity, the number of records reported on a monthly basis was approximately 1.1 million records for a total of 13,726,470 million records during the reporting period. At the end of the reporting period, a total of 35.3 million junk, salvage and insurance total loss records were in the NMVTIS system.

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## PROGRAM AREAS

### ***States and Third Party Reporting***

#### **Maryland:**

Toward the end of the last reporting period, the Maryland Department of State Police (MDSP) successfully negotiated an agreement with AAMVA to allow them to serve as a “data consolidator” for a segment of reporting entities within the state. MDSP envisioned using the opportunity as an incentive for the applicable reporting entities to also participate in a new state program. During the reporting period, Maryland continued to work with the system operator on their development efforts. An implementation date remained undetermined as of the end of the reporting period.

#### **New York:**

In the fall 2010, the New York State Department of Motor Vehicles (NYSDMV) approached AAMVA to explore the opportunity of using JSI data to help supplement New York State’s destroyed vehicle program. The result of the exploration was the successful development and implementation of a weekly extract program that included all vehicles reported with a disposition of “scrap” or “crush” to NMVTIS, by reporting entities with business addresses in New York. The new protocol enabled NYSDMV to significantly reduce a manual process that was prone to backlogs and expedited the update of title information into the state titling system and into NMVTIS.

#### **Georgia:**

The State of Georgia passed legislation that requires the Georgia Department of Revenue (DOR) to collect the required NMVTIS data from its metals recyclers, used motor vehicle parts dealers, or scrap metal processors and report to NMVTIS on their behalf. The effective date of the Georgia legislation is tied to availability of funding. At the time of this reporting period, funding was still unavailable; the effective date is still to be determined.

#### **Alabama:**

Toward the end of the reporting period, AAMVA began discussions with the state of Alabama Department of Revenue (DOR) about a new state law that became effective October 1, 2011. The law requires scrap recyclers and dismantlers to have an NMVTIS ID number prior to being issued a state business license. This state law resulted in an increase in entity registrations with some of the NMVTIS data consolidators. As a result of the law, all of the data consolidator services experienced increases in the inquiries from businesses need-

ing to register to obtain an NMVTIS ID number. To support the business license issuance process for DOR, a manual protocol was implemented. The protocol provided reporting entity registration information (business name, reporting ID number) to the Alabama DOR on a weekly basis.

### ***Third Party Reporting Program Benefits***

- By reporting VINs of vehicles that are deemed junk, salvage or insurance total loss to NMVTIS, NMVTIS serves to help prevent fraud and theft as well as protect families from unsafe vehicles
- States and law enforcement rely on NMVTIS data to obtain the full vehicle life cycle.

### ***Third Party Reporting Program Compliance Efforts***

BJA is responsible for enforcing civil penalties on those individuals or entities engaged in the business of acquiring or owning junk automobiles or salvage automobiles for resale, rebuilding, restoration, or crushing. Failure to report to NMVTIS is punishable by a civil penalty of \$1,000 per violation.

During this period, BJA continued to educate the field about NMVTIS reporting requirements, while working to finalize a civil penalty assessment process.

Working with the NMVTIS system operator and state and local law enforcement, BJA endeavors, wherever possible, to secure voluntary compliance. As part of that effort in 2011, BJA continued a major NMVTIS awareness campaign that included mass mailings of thousands of letters to industry businesses (e.g., junk and salvage yards, automobile recyclers, towing/wrecker operators, dealers of used automobiles and parts, and insurance companies) and making presentations regarding NMVTIS reporting requirements at national industry conferences.

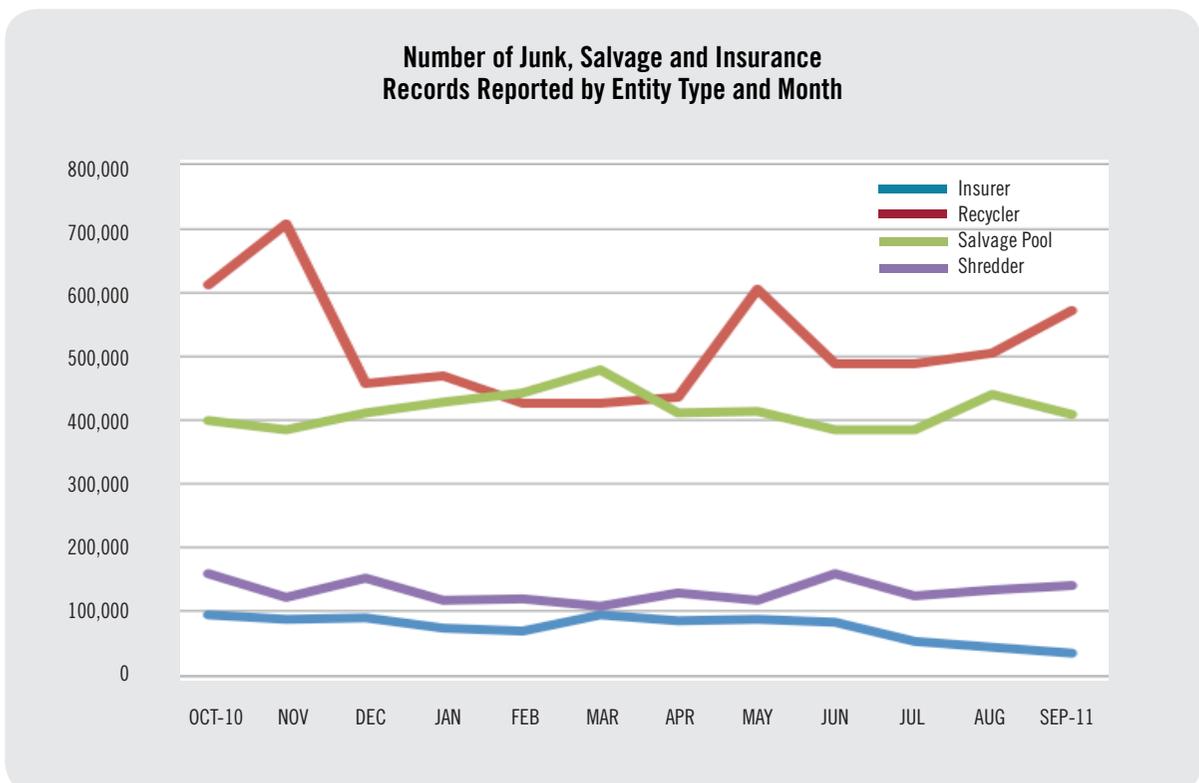
On January 27, 2011, the DOJ issued a [policy clarification](#) in response to the influx of questions from tow operators, towing companies, similar business entities, and their representatives regarding the reporting requirements. The policy clarification resulted in an increase in entities registering to report their vehicles to NMVTIS. Tow operators were directed to register under the “salvage pool” entity type given the nature of their operations.

While emphasizing awareness, BJA also responded to both public and law enforcement generated referrals for non-reporting by investigating and mailing over 100 non-reporting warning letters across the country. In addition, BJA issued one Notice of Civil Penalty during this period. BJA continues to coordinate its enforcement efforts with the National Highway Traffic Safety Administration (NHTSA), the Federal Bureau of Investigation (FBI), and state and local law enforcement to identify and investigate NMVTIS reporting violations.

Through discussions with the system operator, BJA identified the need for a compliance enforcement tool that would provide BJA access to the junk, salvage and insurance total loss information database. This capability strengthened BJA's overall enforcement efforts. As a result, the JSI Compliance Enforcement Report portal was successfully developed and implemented. The portal provides BJA with access to pre-defined reports that can assist in verifying an individual business entity's reporting level and identify those businesses that are not in compliance with NMVTIS reporting requirements.

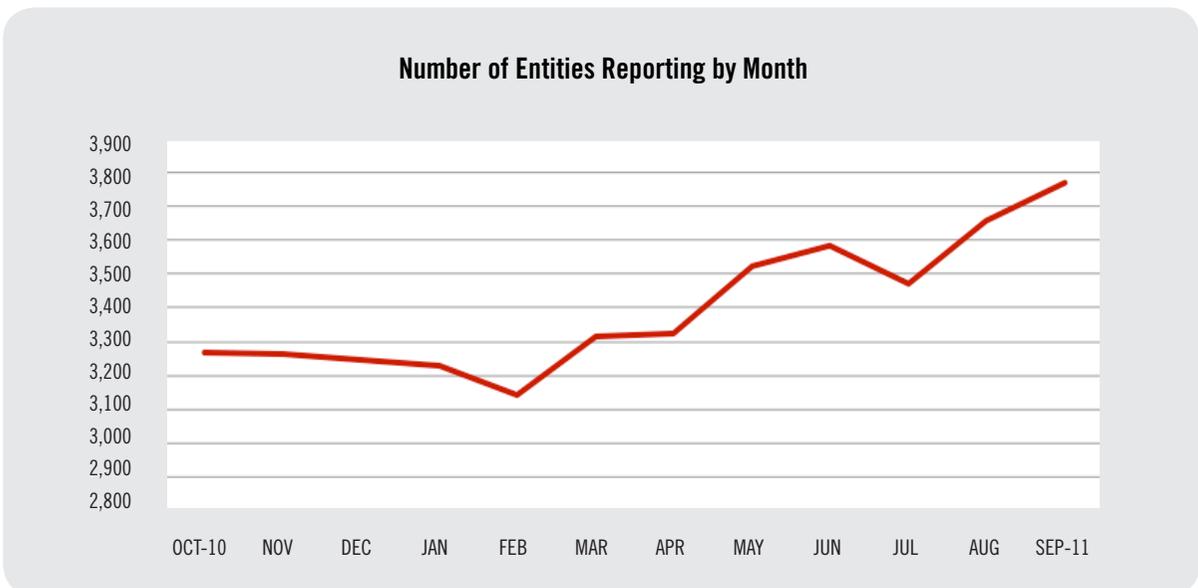
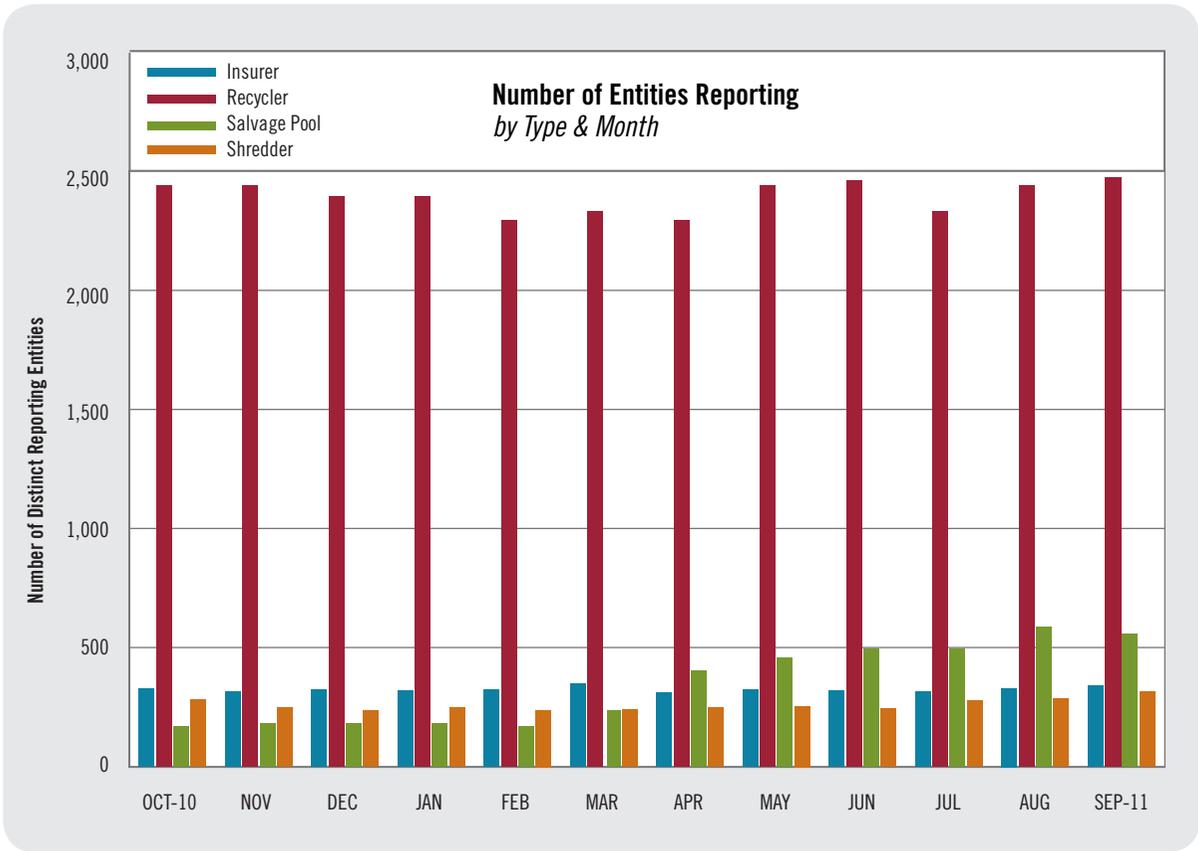
### Third Party Reporting Program Statistics

**FIGURE 10:** During this reporting period, more than 13.7 million JSI records were reported into NMVTIS.



PROGRAM AREAS

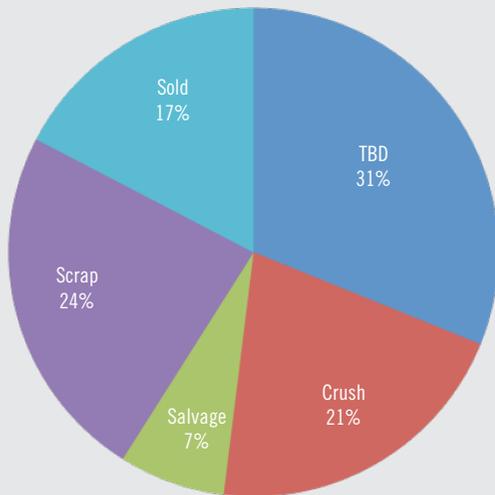
**FIGURES 11\* & 12:** The number of types of entities (including insurers, recyclers, salvage pools and shredders) reporting by month grew from nearly 3,300 entities in October 2010 to nearly 3,800 in September 2011.



\* This data was printed incorrectly in the NMVTIS FY10 Annual Report; Insurers & Recyclers were transposed, as were Salvage Pool & Shredder entities.

**FIGURE 13:** Number of Junk, Salvage and Insurance records by disposition in NMVTIS by the end of this report period.

**Number of Junk, Salvage and Insurance Records by Disposition as of September 30, 2011**



## WHAT PEOPLE ARE SAYING

“After three years of talking about NMVTIS to thousands of recyclers, salvage pool operators, insurance companies and crushers/shredders across the country, I believe we are seeing large gains being made in the reporting of vehicles to the national database. The towing clarification issued in January 2011 was a good step toward closing gaps in salvage and total loss vehicle reporting, but enforcement of the NMVTIS requirements across all affected industries will do even more to ensure that all end-of-life vehicles are reported. Looking forward, the full implementation of state access to NMVTIS data will be a real positive, allowing jurisdictions to use the junk and salvage data to update title records, while streamlining reporting processes for businesses.”

**JAY SVENDSEN**  
National Sales Manager, Auto Data Direct

## PROGRAM AREAS

### LAW ENFORCEMENT ACCESS PROGRAM

Under the Anti Car Theft Act, law enforcement agencies are authorized users of NMVTIS data. During the reporting period, the system operator continued to support BJA efforts to expand usage of NMVTIS data by the law enforcement community. During this reporting period, junk, salvage and insurance total loss information became available to law enforcement. Working with the system operator, BJA established a web service to the JSI database that provided the law enforcement community the same level of information that is shared with state motor vehicle agencies. The addition of the JSI information to the NMVTIS LE Access Tool was a great step forward in fulfilling the requirement of the Final Rule.

The NMVTIS LE Access Tool website had over 105,000 visits during the reporting period, compared to the prior period where just over 47,000 visits were made. This represents a significant increase of over 125%. Through the very unique website, the NMVTIS data is supplemented with data from other sources, i.e. Mexican stolen vehicle information, National Crime Information Center information on flood, cloned, and counterfeit vehicles.

BJA also successfully expanded access to the NMVTIS LE Access Tool to include Law Enforcement Online (LEO) users. The expansion was accomplished by integrating an NMVTIS VIN search within the existing LEO investigative resources; thereby, streamlining and centralizing the administrative processes for authorizing access. There were 582 new LE users added during the period; 482 were within the RISS and the remaining 87

were LEO users. These new authorized users conducted 4,269 VIN searches, of which nearly 70% resulted in title, brand, junk, salvage and insurance total loss records being found in NMVTIS.

Since law enforcement access was established in 2010, there are a total of 1,386 (222 LEO and 1,164 RISS) authorized LE users of NMVTIS data. Since 2010, there have been 14,914 inquiries made by LE representatives through the NMVTIS LE Access Tool.

### *Law Enforcement Access Program Benefits*

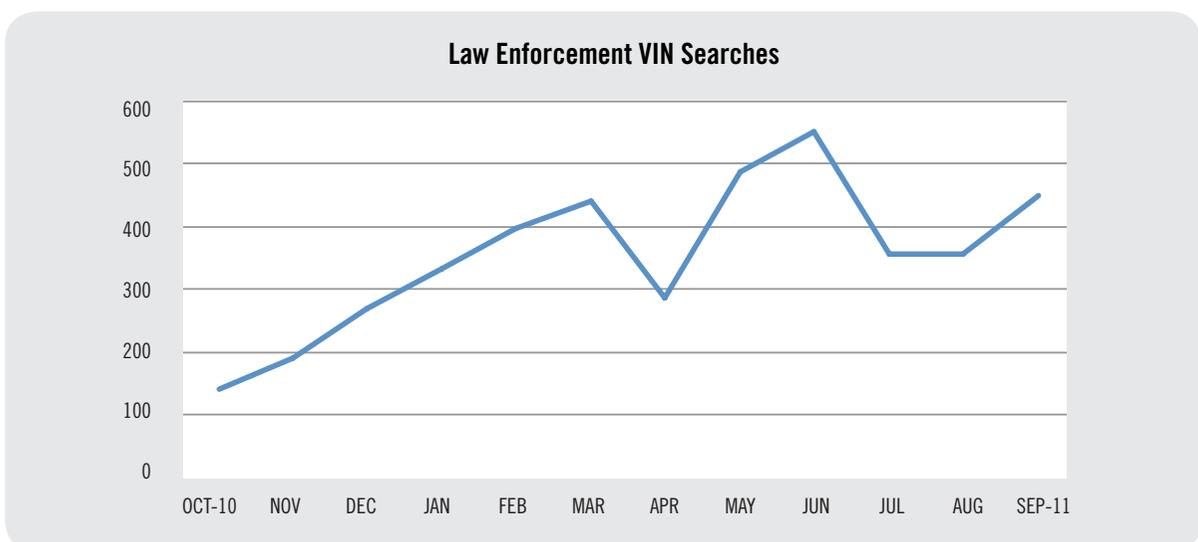
The NMVTIS LE Access Tool provides law enforcement with the information necessary to investigate crimes associated with motor vehicles, including vehicles involved in violent crimes, smuggling operations (narcotics, weapons, human trafficking and currency), and fraud. NMVTIS enhances law enforcement's ability to:

- Identify stolen motor vehicles
- Identify vehicle theft rings
- Identify other criminal enterprises involving vehicles

In summary, NMVTIS supports law enforcement efforts and improves investigative abilities.

### *Law Enforcement Access Program Statistics*

**FIGURE 14:** A total of 4,269 VIN searches were conducted during the reporting period by law enforcement on NMVTIS through the LE Access Tool.



## WHAT PEOPLE ARE SAYING

“We find NMVTIS a useful tool in verifying out of state records for auto theft investigators, odometer fraud complaints and verification of out of state ownership documents. NMVTIS has proven to be very effective in past and ongoing investigations.”

**OWEN MCSHANE**  
Director of Investigation, New York Department  
of Motor Vehicles, Division of Field Investigation

### CONSUMER ASSISTANCE TO RECYCLE AND SAVE ACT OF 2009 (CAR ALLOWANCE REBATE SYSTEM – CARS)

Under the June 2009 Consumer Assistance to Recycle and Save Act, all the vehicles traded in were reported to NMVTIS and branded with a special CARS program vehicle brand that denoted the vehicle should never be roadworthy. Additionally, the legislation required that junk and salvage yards report any CARS program traded in vehicle to NMVTIS to record that the vehicle had been destroyed.

At the end of the last reporting period, over 677,000 vehicles were traded in under the CARS programs. Of that number, 643,619 vehicles were reported to NMVTIS by third party reporting entities. During this reporting period, the CARS program no longer accepted traded in vehicles. However, DOT's National Highway Transportation Safety Administration (NHTSA) continued to monitor and enforce compliance to ensure that vehicles traded in under the program were destroyed, as required. Those compliance efforts involved using NMVTIS data to ensure that CARS vehicles were being reported as junk. There were 11,396 inquiries conducted into NMVTIS as well as the provision of weekly data files to NHTSA. The weekly data files included any CARS vehicles that had been reported to NMVTIS by a junk or salvage yard or auto recycler along with the applicable disposition, of “scrap” or “crush.” At the end of the period, 93% of CARS vehicles were reported to NMVTIS by a junk or salvage yard or auto recycler with the applicable disposition of “scrap,” “crush” or “salvage.”

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## PROGRAM AREAS

### OUTREACH/AWARENESS

The outreach efforts during the reporting period continued to focus on providing opportunities for stakeholders to increase their awareness and understanding of the NMVTIS requirements.

Regular updates on NMVTIS were also provided to AAMVA's Board of Directors at each of its meetings. The updates were fundamental to ensuring the members of the AAMVA Board were fully aware of the system, its intent, status and future.

There were a number of formal opportunities where outreach was conducted:

- During the North American Export Committee (NAEC) conference, an AAMVA representative provided updates on the status of NMVTIS as well as providing a forum to discuss opportunities to increase participation and use of the system.
- At the August 2011 meeting of the International Association of Auto Theft Investigators (IAATI) seminar, an AAMVA representative presented to the auto theft investigators: the NMVTIS requirements, the role of the law enforcement community, and the NMVTIS LE Access Tool.
- State agencies were encouraged to distribute NMVTIS brochures at the motor vehicle offices across their state. Both Minnesota and Georgia distributed the brochures.

- BJA initiated mass mailings to [JSI entities](#) and [JSI national associations](#) to increase awareness of the JSI reporting requirements, methods of reporting, and penalties for non-reporting.

There were a variety of discussions with a number of organizations that were exploring how NMVTIS could be used to support their missions. An example of a potentially successful discussion began between the system operator and representatives from the General Services Administration (GSA) Property Acquisition Office to consider using NMVTIS as a way to ensure that federal vehicles used for crash testing and then sold at auction were clearly marked on the vehicle record as a salvage vehicle. This future opportunity is similar to the DOT's CARS program, which used NMVTIS to support their mission.

Finally, there has been a concerted effort on the part of one of the data providers to encourage, along with AAMVA's assistance, state motor vehicle agencies to display the NMVTIS logo on their state websites.

## WHAT PEOPLE ARE SAYING

### HOW DID YOU LEARN ABOUT NMVTIS?

**85%**  
of respondents said:

online forums • state DMV websites  
• online search engines

*based on Auto Data Direct customer survey*

# FINANCIAL REPORTS

**Note:** The financial information presented in this section is based on the [independent financial audit](#) conducted for this period.

During the reporting period, AAMVA continued its efforts aimed at enhancing overall fiscal management related to the NMTIS program. Progress was made in addressing the financial statement deficiencies identified in the prior period audit. The deficiencies were unrelated to federal grants and the corrective action plan will be completed in the 2012 reporting period. Working with the DOJ, AAMVA revised monthly reporting formats that produced more timely and effective reporting of programmatic and financial information.

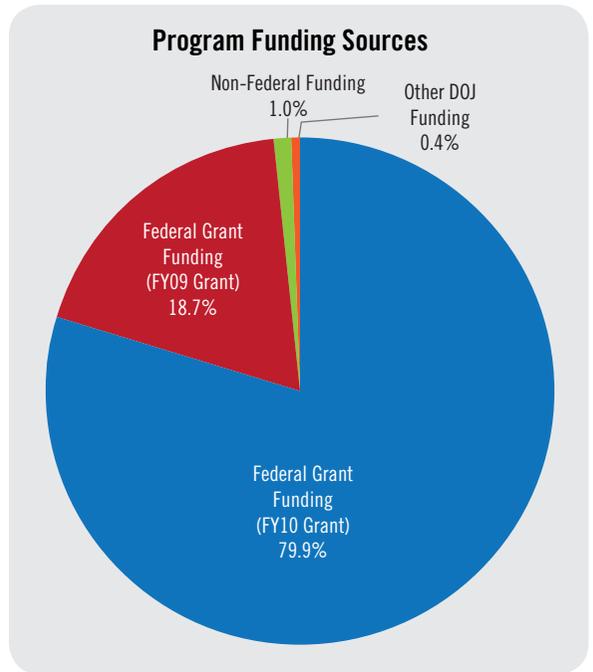
AAMVA continued to investigate and assess opportunities to reduce costs across the NMTIS program. Given the technical nature of the platform, a significant component of ongoing operational costs relates to the underlying data center and hosting infrastructure required to support a program as large and complex as NMTIS. As was noted in the last annual report, AAMVA renegotiated its data center and hosting agreement with IBM and, as a result, realized a reduction in recurring monthly fees by an average of 10% per month, during this report period.

**FIGURE 15:** There were various sources of funding for NMTIS during this report period.

PROGRAM FUNDING SOURCES	REVENUE	%
Federal Grant Funding (FY 2010 Grant)	\$4,242,801	79.9%
Federal Grant Funding (FY 2009 Grant)	\$992,541	18.7%
Non-Federal Funding <sup>15</sup>	\$53,084	1.0%
Other DOJ Grant Funding <sup>16</sup>	\$21,962	0.4%
<b>TOTAL</b>	<b>\$5,310,388</b>	<b>100%</b>

<sup>15</sup> Includes CARS and Consumer Access  
<sup>16</sup> Federal grant funding awarded pre-2009

**FIGURE 16:** The following shows the percentage breakdown of the various funding sources for NMTIS during this report period.



Additionally, AAMVA undertook an initiative to convert contractor resources to staff. This initiative has the potential to reduce costs in the long term and increase staff commitment to NMTIS. During the report period three of the eight full time contractors were converted to staff.

### ***NMTIS Program Funding Sources***

For the fiscal year ended September 30, 2011, NMTIS funding was derived from a number of sources including federal grants of \$5,257,304 and Non-Federal Program Income of \$53,084 (see Figures 15-16).

### NMVTIS Program Costs

For the purposes of presentation (Figure 17), NMVTIS program initiatives have been segmented into “Pillars” of similar activities defined as follows:

- **Base Operations:** support day-to-day operations of the NMVTIS platform, representing \$4,453,449 or 84.6% of program costs.
- **Base Implementation:** includes the activities associated with supporting states in their efforts to implement NMVTIS and represents \$404,714 or 7.7% of program costs.
- **Enhancements:** encompasses initiatives directed at adding or changing NMVTIS platform features and/or functionality such as the development of stand-alone applications or third party access and reporting applications and represent \$405,852 or 7.7% of program costs.

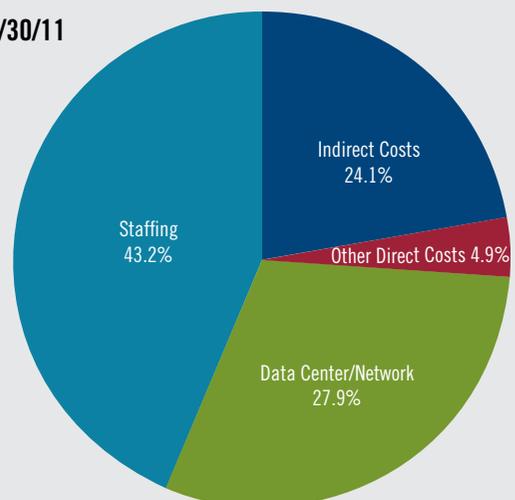
**FIGURE 17:** Distribution of Program Costs for the period 10/01/10 - 09/30/11

SOURCE OF FUNDING	BASE OPERATIONS	BASE IMPLEMENTATION	ENHANCEMENTS	TOTAL
Federal Grant Funding (FY2010 Grant)	\$3,566,909	\$342,871	\$333,021	\$4,242,801
Federal Grant Funding (FY2009 Grant)	\$878,952	\$61,843	\$51,746	\$992,541
Federal Grant Funding (FY2008 Grant)	\$0	\$0	\$0	\$0
Non-Federal Funding <sup>17</sup>	\$7,588	\$0	\$0	\$7,588
Other DOJ Grant Funding	\$0	\$0	\$21,085	\$21,085
<b>TOTAL</b>	<b>\$4,453,449</b>	<b>\$404,714</b>	<b>\$405,852</b>	<b>\$5,264,015</b>
	<b>84.6%</b>	<b>7.7%</b>	<b>7.7%</b>	<b>100%</b>

**FIGURE 18:** Distribution of Program Costs for the period 10/01/10 - 09/30/11

#### Distribution of Program Costs for the period 10/01/10 - 09/30/11

CATEGORY	\$	%
Direct Labor/Fringe	\$767,305	14.6%
Contractor Labor	\$1,503,816	28.6%
Data Center/Network	\$1,469,324	27.9%
Other Direct Costs	\$257,446	4.9%
Indirect Costs	\$1,266,124	24.1%
<b>TOTAL</b>	<b>\$5,264,015</b>	<b>100%</b>



<sup>17</sup> Includes CARS

# LOOKING AHEAD

There has been steady and sustained growth within NMVTIS during this reporting period, with the number of approved data providers and consumer inquiries both increasing. Although there was no significant expansion in the state participation levels when compared to the previous year, the demonstrated commitment and use of NMVTIS within state titling processes continued. In the third party reporting program, the reporting entities that registered, reported on a regular basis. The effectiveness and success of NMVTIS increases as more states fully participate, as well as when all reporting entities register and report vehicle dispositions to NMVTIS.

Strategic priorities for the coming year include: 1) ongoing financial sustainability, and 2) compliance.

## 1) Financial Sustainability:

By federal statute, NMVTIS is intended to be self-funded by its users and not be reliant upon federal funding for sustainability. As noted previously, BJA advised that the recent supplemental grant award of \$5 million was the last grant funding for the system operator to support system development and implementation efforts.

AAMVA notified state motor vehicle agencies that state user fees will be reinstated, effective October 1, 2012. As AAMVA examines strategies for revenue generation, the passage of the California AB1215 legislation, requiring an NMVTIS check on every used car in a dealer's inventory, is expected to have a significant positive impact on the consumer access revenues in the coming year. California AB1215 is an excellent example of state efforts that facilitate the ability of NMVTIS to achieve its intended objectives.

The challenge remains for the system operator to generate user fees and the opportunities to enhance the value of the NMVTIS data continue to be explored. Only when the system is fully populated with data will it reach its full potential. Strategies for assisting full reporting by all regulated entities continue to be explored and the addition of a vehicle theft indicator for consumers continues to be identified as a data point that would provide additional consumer protection. AAMVA will continue to impress upon BJA the urgency of adding this data.

AAMVA also continues to examine strategies to address the issue of financial self-sustainability through cost reductions as well as revenue generation. In April 2011, the AAMVA Board of Directors approved an investment of AAMVA funds to re-engineer the NMVTIS platform. Their decision took into consideration AAMVA's recent success in the modernization effort of the Commercial Driver Licensing Information System (CDLIS). The system re-engineering is expected to be completed December 2012 with an estimated one-time investment of \$3.4 - \$4.0 million. The anticipated benefits include: rewrite of mainframe COBOL code to MS.NET; improved flexibility in data exchange; no negative

impact to states and other stakeholders; use of Global Reference Architecture (GRA); and a cost savings of up to \$800,000 per year.

## 2) Compliance:

As described earlier, financial sustainability is linked to the completeness of the data in the system, therefore, the need to ensure participation and compliance remains critical. In the case of the third party reporting program, BJA has begun to put strategies in place that will enable enhanced levels of compliance monitoring and enforcement. The expectation is that in the coming period, BJA will take stronger actions on non-compliance. Those efforts will include continued educational outreach; additional on-site and office-based reviews; and imposing civil-penalties.

In the case of the 12 states that are in development or not yet involved with NMVTIS, strategies will be developed to encourage and emphasize the importance and value of all states participating in the system.

In closing, these two issues continue to be key to the future effectiveness and success of the system, and will remain the focus for AAMVA as the system operator, BJA, and all the stakeholders, in the coming year.

## WHAT PEOPLE ARE SAYING

"ADD appreciates the significant efforts made by AAMVA and its commitment to the success of the NMVTIS program, but as the database matures it is imperative that all-state participation be the primary focus for the future."

**JIM TAYLOR**  
President, Auto Data Direct Inc.

"NMVTIS sponsored programs will continue to support the Consumer Access Providers going forward, with creative solutions to meet their customers' needs. We look forward to new Consumer Access Application policies to provide quality control and added screening."

**JIM IRISH**  
Chief Executive Officer, instaVIN™

# KEY NMVTIS MILESTONES

NMVTIS Legislation

Validation Reports

Program Activity

Funding to Support NMVTIS

**2001**  
Logistics Management Institute (LMI) publishes NMVTIS Cost-Benefit Analysis Project Report

**1992**  
Anti Car Theft Act

**1996**  
DOT awards initial grants to states to develop NMVTIS

**1998**  
BJA awards grants to states and AAMVA to develop NMVTIS

**1999/2000**  
BJA awards grants to states and AAMVA

1992

1996

1997

1998

1999

2000

2001

2003

**1997**  
BJA awards grants to states to develop NMVTIS

**1999**  
General Accounting Office (GAO) recommends BJA conduct a cost-benefit analysis

**2000**  
AAMVA publishes the NMVTIS Pilot Evaluation Report

**1996**  
Anti Car Theft Improvements Act (oversight of NMVTIS transfers from DOT to BJA)

**1999**  
July–December NMVTIS State Pilot Program conducted

**1999**  
October–Memorandum of Understanding executed by BJA and AAMVA



**2010**

January 1—States required to report specific information to NMVTIS and perform title verifications using NMVTIS

**2010**

June 22-23 - NMVTIS Advisory Board Innaugural Meeting

**2010**

December 30 - FY2009 Annual Report published

**2004**

BJA awards grants to states and AAMVA

**2007**

BJA awards grants to states and AAMVA

**2009**

BJA awards grants to states and AAMVA

**2010**

BJA awards grants to states and AAMVA

**2011**

BJA awards grants to states and AAMVA

**2004**

**2006**

**2007**

**2008**

**2009**

**2010**

**2011**

**2003**

BJA awards grants to states and AAMVA

**2008**

BJA awards grants to one state and AAMVA

**2006**

Integrated Justice Information Systems (IJIS) Institute issues its Technology Assistance Report (assessment of NMVTIS technology)

**2009**

NMVTIS Final Rule published

**2009**

January 30—Data in NMVTIS is available to consumers

**2009**

March—BJA law enforcement pilot started

March 31—Required JSI to report specific information to NMVTIS on a monthly basis

**2009**

April 1—JSI data is available to consumers

**2011**

January 27—BJA issued policy clarification regarding reporting requirements for tow operators/towing companies

**2011**

August 30 - FY2010 Annual Report Published

**2011**

September 26- California Assembly Bill 1215

# ACRONYMS and ABBREVIATIONS

## ACRONYMS

**AAMVA** – American Association of Motor Vehicle Administrators

**ACTA** – Anti Car Theft Act

**ADD** – Auto Data Direct

**ARA** – American Recyclers Association

**ASPA** – American Salvage Pool Association

**BJA** – Bureau of Justice Assistance

**CARS** – Consumers for Auto Reliability and Safety

**CARS** – Car Allowance Rebate System (formerly Consumer Assistance to Recycle and Save)

**CNCDA** – California New Car Dealers Association

**DCAA** – Defense Contract Audit Agency

**DOJ** – (U.S.) Department of Justice

**DOT** – (U.S.) Department of Transportation

**FBI** – Federal Bureau of Investigation

**GAO** – (U.S.) General Accounting Office

**IAATI** – International Association of Auto Theft Investigators

**IACP** – International Association of Chiefs of Police

**IJIS** – Integrated Justice Information Systems

**ISO** – Insurance Services Office

**ISRI** – Institute of Scrap Recycling Industries, Inc.

**JAG** – Justice Assistance Grant

**JSI** – Junk, Salvage and Insurance

**NAB** – NMVTIS Advisory Board

**NADA** – National Automobile Dealers Association

**NAEC** – North American Export Committee

**NCIC** – National Crime Information Center

**NCS** – Network Control Software

**NICB** – National Insurance Crime Bureau

**NSA** – National Sheriffs' Association

**NSVRP** – National Salvage Vehicle Reporting Program

**NMVTIS** – National Motor Vehicle Title Information System

**RFP** – Request for Proposal

**SFTP** – Secure File Transfer Protocol

**UNI** – Unified Network Interface

**VIN** – Vehicle Identification Number

## ABBREVIATIONS

**Fed. Reg.** – Federal Regulation

**U.S.C.** – United States Code

# EXHIBITS

## EXHIBIT 1: SPECIFIC SERVICES PROVIDED BY THE NMVTIS OPERATOR:

Specific to **state agencies**, the operator must:

- Make available at least two methods of verifying title information using NMVTIS
- Enable states to share all information in NMVTIS obtained on a specific vehicle
- Provide states with the greatest amount of flexibility in such things as data standards, mapping and connection methodology

Specific to **law enforcement**, the operator must:

- Ensure that state and local law enforcement agencies have access to all title information in or available through NMVTIS via a VIN search, including limited personal information collected by NMVTIS for law enforcement purposes
- Allow law enforcement agencies to make inquiries based on organizations reporting data to the system, individuals owning, supplying, purchasing or receiving such vehicles (if available), and export criteria

Specifically to **consumers**, the operator must:

- Ensure that a means exists for allowing insurers and purchasers to access information, including information regarding the current state of title (if the state participates in NMVTIS), brands, junk and salvage history and odometer readings (such access shall be provided to individual consumers in a single-VIN search approach and to commercial consumers in a single-, multiple-, or batch-VIN search arrangement)

Further, the operator must:

- Not release any personal information to any entity other than law enforcement
- Develop a privacy policy to ensure appropriate privacy protections consistent with DOJ's Privacy and Civil Liberties Policy, the Driver's Privacy Protection Act of 1994, and other relevant laws

- Ensure that NMVTIS and associated access services meet or exceed technology industry security standards—most notably any relevant Global Justice Information Sharing Initiative (GLOBAL) standards and recommendations
- Use the National Information Exchange Model (NIEM) or any successor information-sharing model for all new information exchanges established, and BJA may require the operator to use web services for all new connections to NMVTIS
- Publish and post on [www.vehiclehistory.gov](http://www.vehiclehistory.gov) an annual report describing the performance of the system during the preceding year, which includes a detailed report of NMVTIS expenses and all revenues received as a result of operation
- Procure an independent financial audit of NMVTIS expenses and revenues during the preceding year and post on [www.vehiclehistory.gov](http://www.vehiclehistory.gov)
- Conduct regular reviews of compliance by all NMVTIS reporting entities, ensure documentation is in place and confirm other requirements of reporting are being met and provided to BJA
- Maintain a publicly available, regularly updated listing of all entities reporting to NMVTIS<sup>18</sup>

<sup>18</sup> NMVTIS Final Rule, Federal Register, Vol. 74, No. 19

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## EXHIBITS

### EXHIBIT 2: STATE PROGRAM – TITLE VERIFICATION AND REPORTING OF DATA

It is important to note that while each state is required to perform a verification check on an out-of-state vehicle before issuing a certificate of title, neither the ACTA nor its implementing regulations require states to change the way they handle vehicle branding or other titling decisions. In the inquiry process, the laws of the receiving state will determine the status of the vehicle (e.g., branding or title type) and states are not required to take any action based on data accessed. The information received from NMVTIS should be used to identify inconsistencies, errors or other issues, so entities and individuals may pursue state procedures and policies for their resolution. Because NMVTIS can prevent many types of fraud in addition to simple brand washing, states are encouraged to use NMVTIS whenever possible for verification of all transactions, including in-state title transactions, dealer reassignments, lender and dealer verifications, updates, corrections and other title transactions.

Regarding reporting data into the system, states are required to report the following:

1. An automobile's VIN
2. Any description of the automobile included on the certificate of title, including all brand information
3. The name of the individual or entity to whom the title certificate was issued
4. Information from junk or salvage yard operators or insurance carriers regarding their acquisition of junk automobiles or salvage automobiles, if this information is being collected by the state

The Anti Car Theft Act also requires that the operator of NMVTIS make available the odometer mileage that is disclosed pursuant to 49 U.S.C. 32705 on the date the certificate of title was issued and any later mileage information, if in the state's title record for that vehicle. Accordingly, the rule requires states to provide such mileage information to NMVTIS. States shall provide new title information and any updated title information to NMVTIS at least once every 24 hours. In addition, with the approval of DOJ, the operator, and the state, the rule will allow the state to provide any other information that is included on a certificate of title or that is maintained by the state in relation to the certificate of title.<sup>19</sup>

#### ***Title Verification and Reporting of Data—Two Approaches***

Two approaches were developed to allow states a level of flexibility in order to meet the requirements of the NMVTIS Final Rule.

##### **1. Integrated**

The integrated approach is the optimal approach for states, as it enables the state to truly integrate the NMVTIS application into its titling application, making the title verification and reporting of data almost seamless to the user. The integrated approach is comprehensive and impacts almost all of a state's titling processes. As a result, it is typically done when a state is planning to rewrite their title application. This approach tends to take more time to develop and implement, as it requires both the state and system operator's resources to fully understand the NMVTIS system requirements and state processes to ensure that they are mapped correctly and appropriate procedures are put into place. This approach is less costly in the long run as the automation of the NMVTIS process into the state titling system reduces the amount of manual processing required with the standalone approach (described below). In addition, the tight integration of the NMVTIS process into the state titling process provides better guarantees that the verifications are done in a consistent manner and the resulting title updates are done in a timely and accurate fashion.

*Provision of Data:* Vehicle data is typically transmitted via a Secure File Transfer Protocol (SFTP) process to NMVTIS. States with fully integrated or online access to NMVTIS have their title transaction updates sent to NMVTIS in real time, as they occur. Additionally, these states receive real-time updates through NMVTIS when a vehicle from their state is retitled in another compliant state. A state must also build the help desk tools required to support title data modifications.

*Title Verification:* NMVTIS was designed with input from the states. The resulting architecture and applications were designed with the intention of integrating NMVTIS into a state's titling system, making it a seamless process for titling clerks. This integrated approach includes providing access to NMVTIS central file data (VIN Pointer and Brand) that is stored by AAMVA, theft file data and current state of record data stored at the state as part of the inquiry.

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<sup>19</sup> NMVTIS Final Rule, Federal Register, Vol. 74, No. 19

## 2. Standalone

The standalone approach is generally less complex and costly to develop and implement than the integrated approach since it does not impact all titling applications. However, it still requires that the state and system operator's resources fully understand the NMVTIS requirements and state processes to ensure that they are correctly mapped and appropriate procedures are put into place. This approach is geared toward states with limited IT resources and provides the ability for a state to implement NMVTIS in a relatively short time frame. Due to the disconnect between the online standalone solution and the state titling system, this approach is, however, potentially more prone to data entry errors and will also increase the time at the counter to process manual inquiries. The increase in titling processing time will translate into increased operating costs for the states.

*Provision of Data:* Vehicle data is typically transmitted via a SFTP process to NMVTIS. States without integrated access to NMVTIS can provide data in this standalone batch upload manner. Data updates to the system are made independent of the state's titling process and are required on a daily basis.

*Title Verification:* AAMVA provides two solutions for the standalone verification: the standalone web-based inquiry and the batch inquiry. The web-based, secure portal design allows states to make verifications using the Internet. In order for states to initially get the most out of this approach, the *Batch Inquiry* became available. This allows a state to submit a batch of VINs to NMVTIS. AAMVA also rolled out the *State Web Single VIN Inquiry* approach during this reporting period. This allows a state to conduct a single inquiry into NMVTIS.

The response to a state under both of these standalone approaches includes data from NMVTIS central files, the theft file and the current state of record.

Experience has shown that some states develop the standalone approach first, and then when there is the opportunity, they migrate to the integrated approach. Others have moved directly to the integrated approach. The decision appears to be a factor of time and funding. The NMVTIS Final Rule does not stipulate which approach a state must take to meet the requirements.

# APPENDIX

[Anti Car Theft Act](#)

[2000 NMVTIS Pilot Evaluation Report](#)

[2001 LMI Cost-Benefit Analysis Report](#)

[2006 IJIS Institute Technology Assistance Report](#)

[2009 NMVTIS Final Rule](#)

[2009 NMVTIS Annual Report](#)

[2010 NMVTIS Annual Report](#)

[2010 NMVTIS Program Overview](#)

[2010 DOJ Enforcement Letter to Businesses Engaged in Salvage and Total Loss Automobile Commerce](#)

[2010 Federal Enforcement of Requirements Regarding Insurance Carriers](#)

[Consumer Access Product Disclaimer](#)

[Independent NMVTIS Auditor's Report for the Period October 1, 2010-September 30, 2011](#)

[NMVTIS Advisory Board \(NAB\) Meeting Minutes \(October 2010\)](#)

[NMVTIS Advisory Board \(NAB\) Meeting Minutes \(March 2011\)](#)

[NMVTIS Advisory Board \(NAB\) Meeting Minutes \(July 2011\)](#)

[Policy Clarification: Tow Operators/Towing Companies Reporting \(January 2011\)](#)

[Vehicle LifeCycle Flowchart](#)

[VIN Cloning Article by FBI \(2007\)](#)

[VIN Cloning Article by FBI \(2009\)](#)

[DOJ NMVTIS Website](#)

[AAMVA NMVTIS Website](#)