

National Motor Vehicle Title Information System
2017 Annual Report

For Period: October 1, 2016 through September 30, 2017





This material is based upon work pursuant to a Cooperative Agreement between the U.S. Department of Justice/Office of Justice Programs and the American Association of Motor Vehicle Administrators. Any opinions, findings, conclusions or recommendations expressed in this publication are those of the authors and do not necessarily reflect the view of the U.S. Department of Justice.

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The National Motor Vehicle Title Information System Final Rule (28 CFR part 25, published January 30, 2009, 74 FR 5740), requires the system operator, the American Association of Motor Vehicle Administrators, to prepare and publish an annual report and procure an independent financial audit. This NMVTIS 2017 Annual Report is the ninth publication, covering **October 1, 2016 through September 30, 2017** (“reporting period”). This reporting period was agreed upon between the system operator and the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance; it corresponds with the federal fiscal year and AAMVA’s audit cycle.

Published in August 2018, this report details the performance of NMVTIS during the 12-month reporting period. Future annual reports will also cover 12-month periods—October 1 to September 30—and be published the following August. Each annual report is intended to stand alone, giving an overview of activity from the system’s inception, as well as a detailed look at operations and accomplishments in the specific fiscal year.

For the current status of the system, please visit DOJ’s website at www.vehiclehistory.gov.

INTERACTIVITY OF THIS REPORT When reading this report online, click on the [blue hyperlinks](#) to go to the referenced websites and pages in the report.

On behalf of the Board of Directors of the American Association of Motor Vehicle Administrators, I am pleased to present the ninth annual report for the National Motor Vehicle Title Information System. I am proud to share this report with the system's stakeholders and look forward to the future of NMVTIS and the continued realization of the benefits envisioned in the Anti Car Theft Act of 1992. This report highlights the system's performance and accomplishments, along with the program's revenue and expenses, as required by law. AAMVA is committed to being a strong and effective system operator, under the Cooperative Agreement with the Bureau of Justice Assistance.

The catastrophic damage caused by Hurricanes Harvey and Irma late in this reporting period dramatically reinforced the importance of a national title information service. NMVTIS served as a trusted source for vehicle damage reporting in the aftermath of the storms. Several states and territories were declared disaster areas, and as many as one million vehicles were damaged or destroyed by the storms and the massive flooding they caused. To protect consumers, motor vehicle agencies in the effected states, along with junk, salvage and insurance (total loss) reporting entities, worked swiftly to update their systems and NMVTIS with data on flood damaged vehicles.

Also exhibiting the growing importance of the system, the Consumer Access Program experienced its most successful year to date in FY2017, outperforming gains made in prior years. The program's increase in transaction volume resulted in higher revenue and resoundingly demonstrated that NMVTIS Vehicle History Reports provide true value to consumers, who increasingly rely on the reports to inform their vehicle purchase decisions.

Finally, near the end of FY2017, AAMVA and the Department of Justice executed an amendment to the Cooperative Agreement that authorizes NMVTIS to gain access to the National Crime Information Center Vehicle Theft File. The addition of this information will enhance the Law Enforcement Access Tool, strengthening the resources available to the law enforcement community as they investigate vehicle crime.

During this year NMVTIS continued to advance in its capacity to fulfill its purpose: protecting states and individual and commercial consumers from fraud; providing consumers with protection from unsafe vehicles; and reducing the use of stolen vehicles for illicit purposes including funding of criminal enterprises. Many individuals and organizations took the time to respond to our requests for information and guidance in preparing this annual report. I truly appreciate all their valuable contributions, and I know you will find the report informative.

Anne Ferro, President & CEO



“The catastrophic damage caused by Hurricanes Harvey and Irma late in this reporting period dramatically reinforced the importance of a national title information service.”

This reporting period of October 1, 2016 through September 30, 2017, showed continued progress in all four NMVTIS program areas: State Program; Junk Yard, Salvage Yard, and Insurance Carrier Reporting Program (JSI); Consumer Access Program; and Law Enforcement Access Program. NMVTIS continues to serve as a valuable resource, as demonstrated by tremendous growth in the Consumer Access, Law Enforcement Access, and JSI Reporting Programs noted below. Stakeholders continued to report improved data quality resulting from increased compliance and awareness efforts and more strict state reporting requirements for JSI entities. AAMVA and the Bureau of Justice Assistance worked in parallel to enhance functionality and access to the system in all program areas.

Achievements during this reporting period include:

- 44 states participated in NMVTIS in some capacity with others in development.
- U.S. motor vehicle data represented in the system remained at nearly 100%.
- Law enforcement inquiries increased 657% over the last reporting period, growing from 88,656 to 671,440.
- Consumer Access Program transactions ([see Glossary](#)) increased 172% over the last reporting period, growing from more than 8.7 million to nearly 24 million, and provided the system's first positive financial balance since its inception.
- States earned more than \$2.8 million in revenue credits, an increase of 133% over FY2016.
- State-conducted transactions increased slightly over the last reporting period, but grew by 191% since FY2009, from over 73 million to more than 212 million transactions.
- JSI records reported in Georgia and Tennessee increased by 31% and 577%, respectively, over FY2016.
- Two new companies completed development to provide vehicle information to consumers and/or commercial entities.
- AAMVA completed system development which will allow individuals to report junk and salvage vehicle data to NMVTIS.
- AAMVA continued to support enhanced system connectivity options for states.
- States continued efforts to increase consumer awareness of the value of vehicle history reports in used car buying.
- AAMVA continued to deliver multiple NMVTIS-related webinars, training more than 700 state employees.
- Bureau of Justice Assistance continued awareness and compliance efforts.
- States and law enforcement continued to report numerous benefits from participation in NMVTIS, including improved quality of vehicle title records, which in turn enhances consumer protection, customer service, and investigative efforts by law enforcement.

STATE PROGRAM

- 44 states participated in NMVTIS in some capacity with others in development. ([see Glossary](#))
- Rhode Island completed NMVTIS development.
- Five states were developing the NMVTIS data exchange using web services.
- NMVTIS Business Rules Working Group (BRWG) was given approval to seek FY2019 funding for the Performance Management Concept (PMC) intended to create tools to assist states in fully maximizing their benefits from NMVTIS.
- Business Rules Working Group, Information Technology Working Group, and State Business Points of Contact convened to discuss ways to enhance NMVTIS functionality.
- The Business Rules Working Group and the NMVTIS Law Enforcement Working Group jointly met for the second consecutive year.
- State revenue credits based on consumer access transactions more than doubled, to more than \$2.8 million.
- State brochure was updated.

JUNK, SALVAGE, AND INSURANCE CARRIER REPORTING PROGRAM

- Bureau of Justice Assistance (BJA) issued a reminder notice to JSI reporting entities in response to Hurricanes Harvey and Irma.
- BJA partnered with JSI reporting entities to increase awareness and enforcement.
- Records reported by Tennessee increased 577%, growing from 20,352 to 137,763.
- Records reported by Georgia increased 31%, growing from 78,981 to 103,448.
- States continued to introduce and adopt NMVTIS-related legislation.

CONSUMER ACCESS PROGRAM

- Transactions during this reporting period increased 172% compared with the previous period.
- Strong revenue performance generated the system's first positive financial balance since its inception.
- 54 new companies expressed interest in serving as data providers.
- Two companies completed development and offered vehicle history reports to consumers and dealers.
- Two applications for new providers were approved, with contracts and development to occur in the next reporting period.
- States continued to distribute resources to heighten consumer awareness of vehicle history reports and used car buying guidelines.
- State revenue credits increased 133% over the last reporting period, growing from \$1.2 million to \$2.8 million.

LAW ENFORCEMENT ACCESS PROGRAM

- Inquiries increased 657% over the last reporting period, growing from 88,656 to 671,440.
- Law Enforcement Working Group met to discuss ways to enhance law enforcement's use of NMVTIS.
- AAMVA and BJA continued to discuss additional features for the Department of Justice's Law Enforcement Access Tool (LEAT).
- Access to LEAT for non-sworn DMV investigative staff was approved, with a pilot planned for FY2018.
- Updated the Law Enforcement Guide.

OTHER

- AAMVA and BJA amended the Cooperative Agreement to include NMVTIS access to the National Crime Information Center (NCIC) Vehicle Theft File.
- Five pieces of NMVTIS-related legislation were introduced and adopted in four states and 14 pieces of legislation were introduced in nine states.

“The ability to search records contained in NMVTIS is an invaluable tool for law enforcement and NICB in combatting vehicle theft, fraud, and related crimes.”

JOHN PASKAN
NICB Special Agent,
Midwest Region-Ohio

Key NMVTIS Stakeholders

DEPARTMENT OF JUSTICE

Within the Department of Justice (DOJ), BJA is responsible for reviewing significant operational decisions and ensuring NMVTIS program requirements are met. In addition, BJA is responsible for overseeing both policy and enforcement elements of the NMVTIS program. BJA coordinates enforcement activities with the Federal Bureau of Investigation (FBI), the National Highway Traffic Safety Administration (NHTSA), and state and local law enforcement agencies. BJA works in partnership with the system operator, AAMVA.

NMVTIS ADVISORY BOARD

In June 2010, the first NMVTIS Advisory Board (NAB) was convened to provide input and recommendations to BJA regarding operation and administration of NMVTIS. The NAB represented key stakeholders affected by the program, including states, consumers, insurance carriers, auto recyclers, junk and salvage yards, and law enforcement agencies. The NAB legislative charter expired in September 2016. During the reporting period, AAMVA and DOJ continued work on a number of final recommendations from the last board.

AAMVA is a nonprofit, tax exempt, educational association representing U.S. and Canadian officials responsible for the administration and enforcement of motor vehicle laws.

AMERICAN ASSOCIATION OF MOTOR VEHICLE ADMINISTRATORS

The Anti Car Theft Act authorizes the designation of a third party operator of NMVTIS. Since 1992, the American Association of Motor Vehicle Administrators (AAMVA) has acted in this capacity. 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 Vehicle Identification Number (VIN) Reporting Service, one of four JSI data consolidator services.

DATA CONSOLIDATORS

BJA and AAMVA partner with the private sector to provide multiple reporting methods to meet the business needs of JSI reporting entities. Currently, four reporting methods or services are available, and offer single-VIN and batch reporting options:

- AAMVA Single VIN Reporting Service
- Audatex
- Auto Data Direct, Inc. (ADD)
- ISO ClaimSearch Solutions (ISO)

STATES

State titling agencies 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 brings into the state.
- States are required to make selected titling information 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 user fees.

CONSUMERS

NMVTIS information is available to consumers (individual and commercial) in a NMVTIS Vehicle History Report. This report provides data on five key indicators associated with preventing auto fraud and theft. Before purchasing a used vehicle, consumers can search NMVTIS to find the following information:

- Current state of title and last title date
- Brand history ([see Glossary](#))
- Odometer reading ([see Glossary](#))
- Total loss history
- Salvage history

APPROVED NMVTIS DATA PROVIDERS

Approved NMVTIS Data Providers are companies that agree to provide NMVTIS Vehicle History Reports to the public consistent with federal legal requirements. This agreement is established through an application process and formal contracts with the system operator. All Approved NMVTIS Data Providers are listed on the [NMVTIS website](#).

LAW ENFORCEMENT

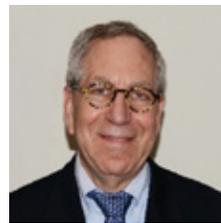
Law enforcement agencies rely on NMVTIS data to improve their ability to identify vehicle thefts and combat other criminal enterprises involving vehicles. Therefore, it is imperative that NMVTIS captures vehicle history information throughout the lifecycle of the vehicle. The NMVTIS Law Enforcement Access Tool provides law enforcement personnel with information intended to assist with the investigation of crimes associated with motor vehicles, including vehicles involved in violent crimes, smuggling operations (e.g., narcotics, weapons, human trafficking, and currency), and fraud.

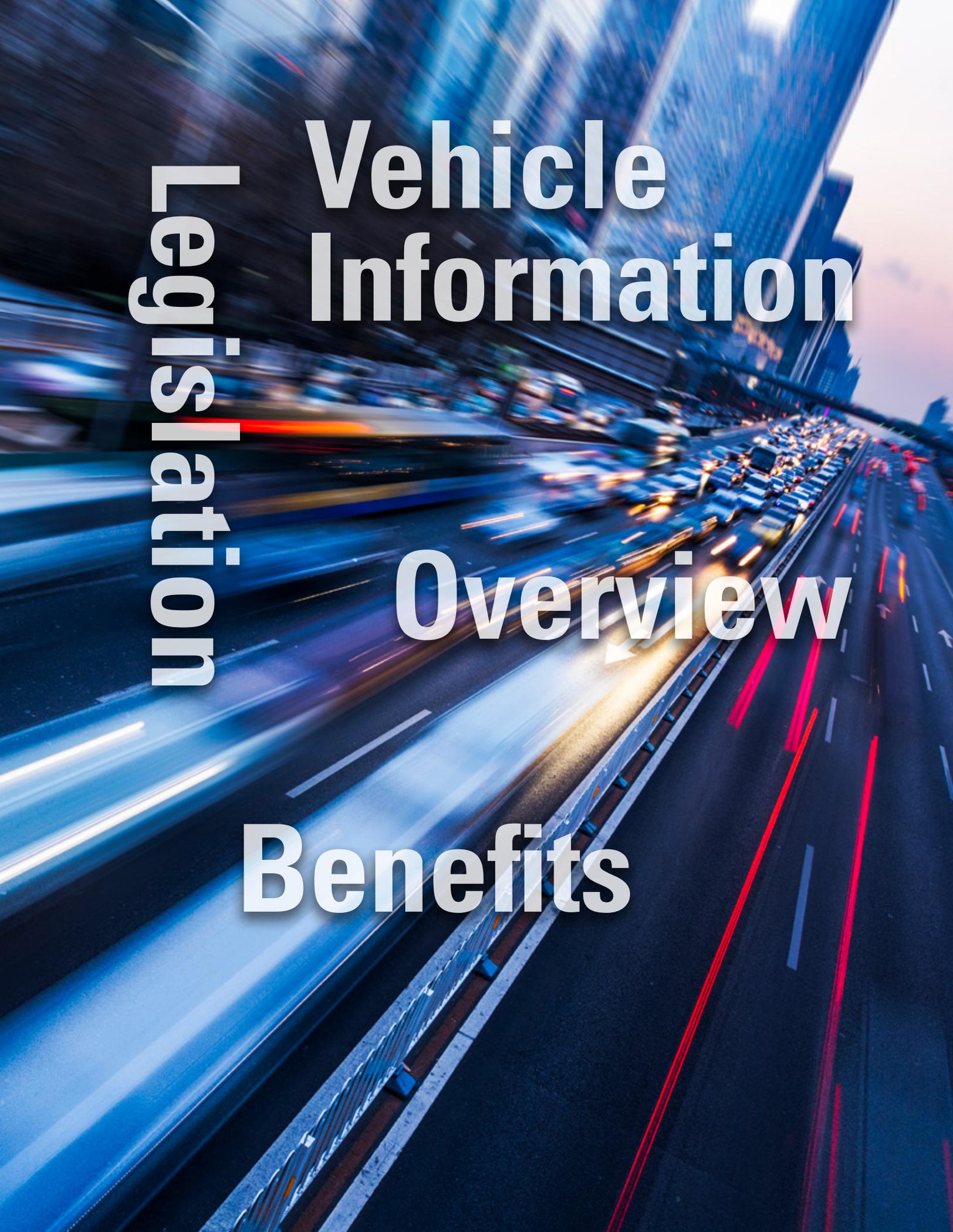
JUNK YARDS, SALVAGE YARDS, AND INSURANCE CARRIERS

All entities meeting the NMVTIS definition for junk yard and salvage yard that handle five 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, JSIs play an integral role in DOJ's efforts to prevent fraud, reduce theft, and save the lives of consumers who might otherwise unknowingly purchase unsafe vehicles.

“NMVTIS continues to make great strides as a valuable resource for law enforcement and for protecting the public. On almost every metric we see how NMVTIS usage has multiplied each year, both by the public, through increased integration with state functions, and with law enforcement.”

HOWARD NUSBAUM
Administrator, National Salvage
Reporting Program





Legislation

**Vehicle
Information**

Overview

Benefits

Background

Established by Congress to Provide Access to Vehicle Title Information; Offers a Range of Benefits for Consumers, States, Law Enforcement and Vehicle Agencies

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.
- Protect consumers 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 (both individual and commercial), insurance carriers, and junk and salvage yard operators access to 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 is currently titled, a vehicle's reported mileage at the time the title was issued, 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 reported to NMVTIS by states include automobiles, buses, trucks, motorcycles, motor homes (e.g., recreational vehicles or RVs) and truck tractors. In general, NMVTIS contains title information for vehicles that meet at least one of the following criteria:

- The vehicle fulfills the definition of a junk or salvage automobile according to the regulations.
- The vehicle has an active registration and an active title.
- The vehicle has an active title.

NMVTIS VEHICLES

AUTOMOBILES



BUSES



TRUCKS



MOTORCYCLES



MOTOR HOMES



TRUCK TRACTORS



- 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 DOJ over the years on the overall strategic direction of NMVTIS. From FY1996 through FY2011, BJA awarded federal grants totaling \$31,455,623 to help AAMVA create and operate the system, and support state development and implementation (see **Figure 1**). The last expenditure of federal grant funds occurred in FY2013. Since that time NMVTIS has been supported by program revenues and contributions from AAMVA member funds.

A number of validation studies citing benefits of NMVTIS and/or potential cost savings to stakeholders have been conducted since the program's inception. Links to these are provided in the [Appendix](#). Furthermore, numerous vehicle and auto industry organizations have continued to offer widespread support to NMVTIS. These include AAMVA and the National Automobile Dealers Association (NADA), law enforcement organizations such as the International Association of Chiefs of Police (IACP) and the National Sheriffs' Association (NSA), the North American Export Committee (NAEC), and the International Association of Auto Theft Investigators (IAATI). National consumer advocacy organizations and independent organizations focused on reducing vehicle-related crimes, including the National Salvage Vehicle Reporting Program (NSVRP), have also recognized the benefits of NMVTIS.

FISCAL YEAR (FY)	AMOUNT
FY1996 (DOT)	\$ 890,000
FY1997	\$ 1,000,000
FY1998	\$ 2,800,000
FY1999/2000	\$ 6,100,000
FY2003	\$ 3,000,000
FY2004	\$ 494,739
FY2007	\$ 499,204
FY2008	\$ 271,680
FY2009	\$ 5,700,000
FY2010	\$ 5,700,000
FY2011	\$ 5,000,000
TOTAL	\$31,455,623

Figure 1

System Operator and Responsibilities

AAMVA Continues as an Effective System Operator The Anti Car Theft Act of 1992 gave the U.S. Department of Transportation (DOT) authorization to designate a third party operator of NMVTIS. Pursuant to the NMVTIS Final Rule, the operator must provide services to state motor vehicle title agencies, junk, salvage, and insurance entities, and law enforcement, and support consumer access to the system. Since 1992, AAMVA has successfully acted in this capacity.

Funding

Funds Expended Totaled \$7,473,259; State Fees Contributed \$4,819,732

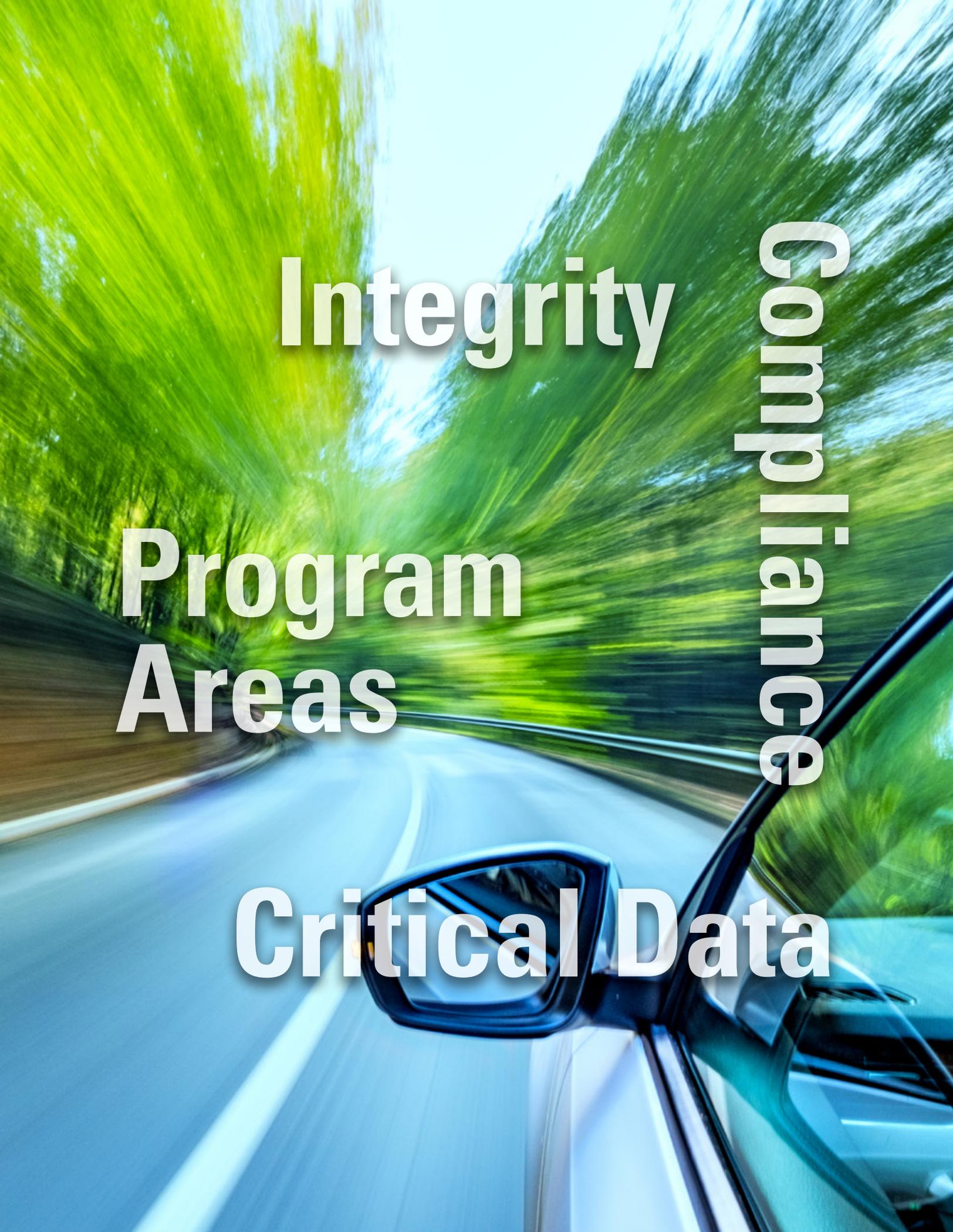
During this reporting period, program revenue came primarily from consumer access and state user fees. (See the [Financial Reports](#) section.)

Under federal law, the system is intended to be financially self-sustaining—that is, to operate without federal funding support. The system earned \$7,711,837 in revenue during this period. This revenue was used to cover \$7,473,259 in expenses. The strong revenue performance generated the system's first positive balance since its inception. New revenue opportunities continue to be explored and evaluated to support enduring financial sustainability.

Governance

NAB Fulfilled its Mission BJA is responsible for oversight of NMVTIS consistent with regulatory and statutory requirements. The NMVTIS Advisory Board was established in accordance with the provisions of the Federal Advisory Committee Act, as amended, 5 U.S.C., App. 2, and was tasked to make recommendations to BJA regarding program operation and administration issues, such as establishing NMVTIS performance measures, accessing additional data within the system beyond that required by the Anti Car Theft Act, assessing program costs and revenues, and evaluating quality assurance. Pursuant to the NMVTIS Final Rule, BJA convened the inaugural board in June 2010 for its first two-year term. The meeting provided an opportunity for NMVTIS stakeholders to share information, discuss the interconnectedness of the system, and consider ways to enhance NMVTIS to make it both more effective and financially self-sustaining.

From 2010 to 2016, the NAB convened both in person and online with board members, who served two-year terms, representing key program stakeholders affected by the program—states, consumers, law enforcement agencies, insurance carriers, auto recyclers, junk and salvage yards, auto industry groups, technology partners, organizations focused on reducing vehicle-related crime, and the operator. The NAB fulfilled its mission and its legislative charter expired September 2016.



Integrity

**Program
Areas**

Compliance

Critical Data

State Program

Additional States Fully Integrate NMVTIS into Titling Systems; Vehicle Data Near 100%

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

The inaugural annual report on the system was published in FY2009 and showed 14 states participating, 14 states providing data only, 11 states in development, and 12 jurisdictions not participating. Since that time, participation has steadily increased (see **Figure 2**). Beginning in FY2012, all 51 jurisdictions have either maintained participation or continued to move towards full participation. During this reporting period, 38 jurisdictions were participating, six provided data only, and seven were in development (see **Figure 3**).

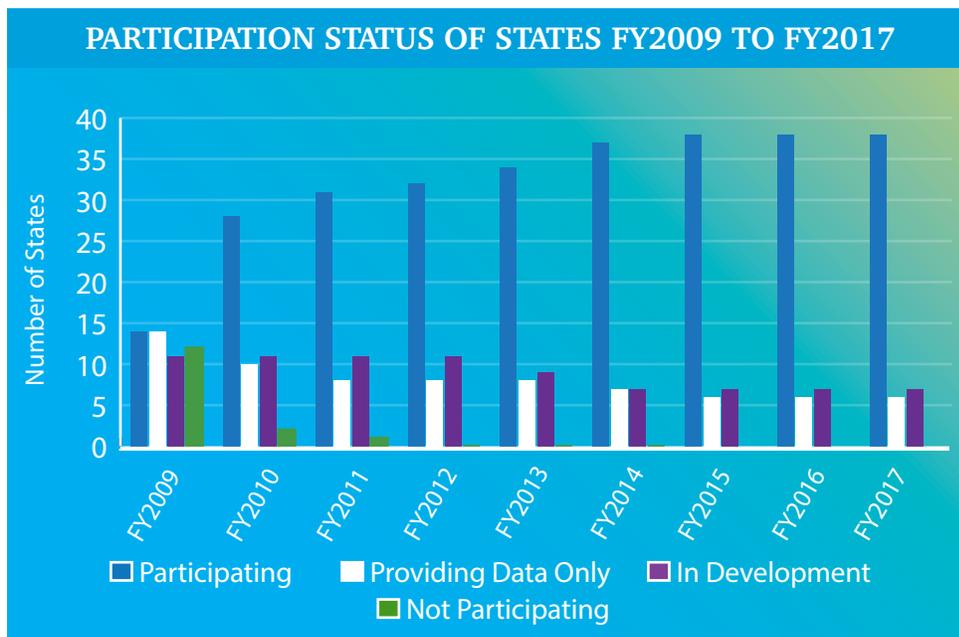


Figure 2

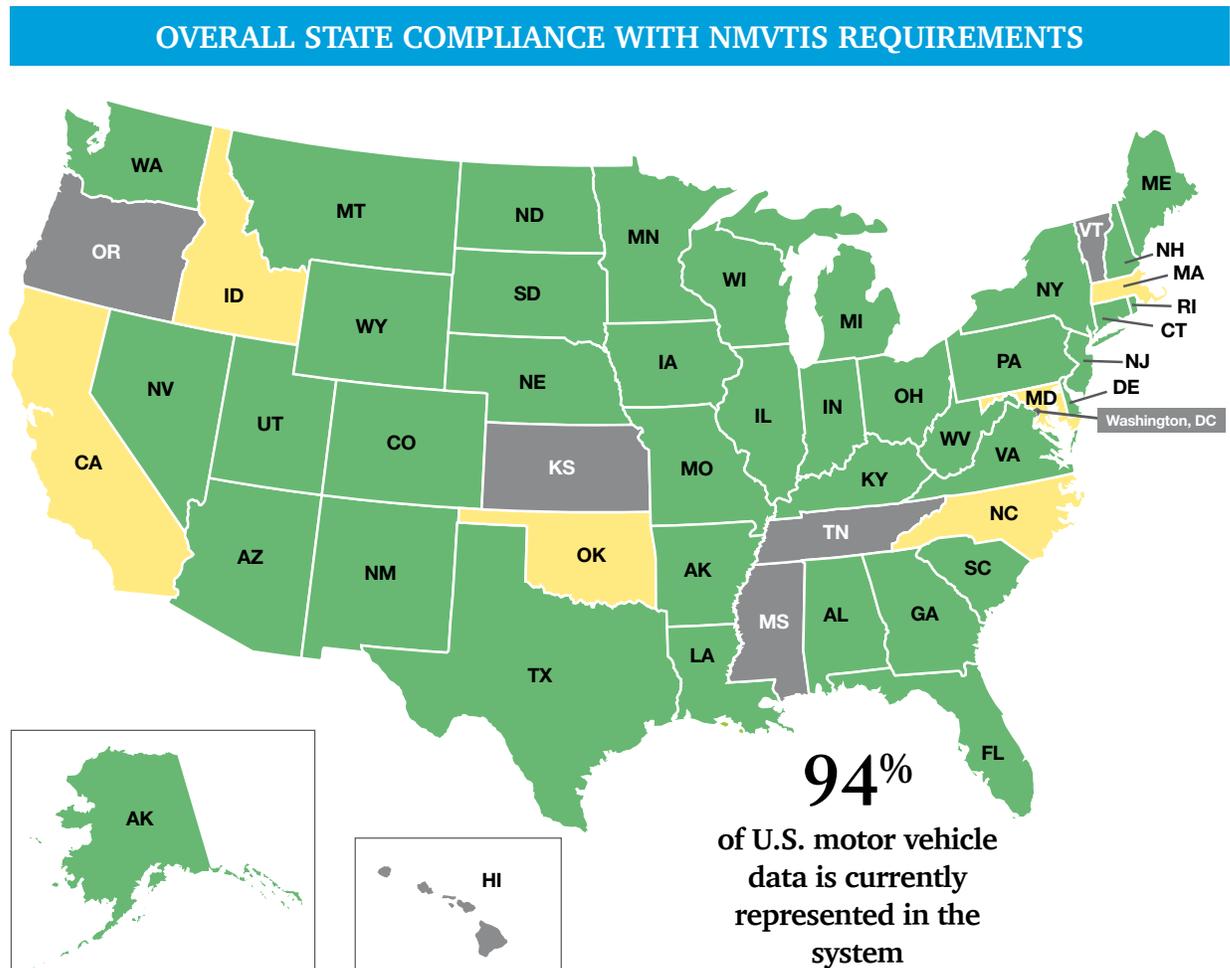


Figure 3

The percentage of nationwide vehicle data represented in NMVTIS is based on figures provided by jurisdictions to the Federal Highway Administration (FHWA). Starting in FY2006, the first year the state compliance map was created, 52% of state title and brand data was represented in the system. Beginning in FY2014 data reached 96% and remained at that level through FY2016. An adjustment was made during this reporting period, because Tennessee had not provided data in more than ten years; DOJ made the determination to re-categorize Tennessee from a state providing data only to a state in development. As a result, state title and brand data in the system was reduced to 94% (see Figure 4).

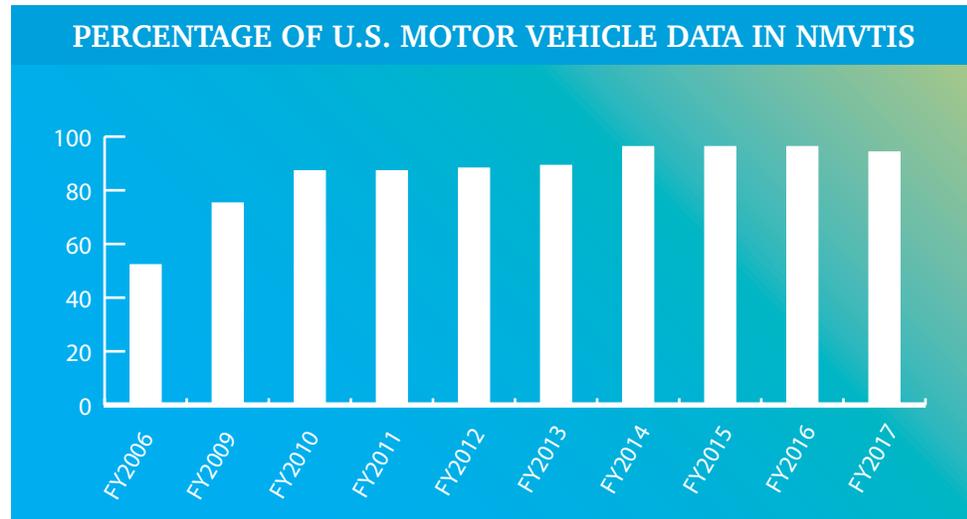


Figure 4

AAMVA continued to support states redeveloping their NMVTIS applications as part of rewriting their titling systems. Some states also considered moving to the fully integrated online solution from partially integrated online or batch processing. Of note during this reporting period:

- Alabama began a title system rewrite that included development for fully integrated online capability using web services, moving from batch updates and inquiries through State Web Interface (SWI).
- Alaska completed a rewrite of its titling system.
- Minnesota implemented as a fully integrated online state using web services, moving from batch updates and inquiries through SWI. Minnesota became the first jurisdiction to develop web services.
- Rhode Island completed implementation and became compliant with NMVTIS regulations, making inquiries and providing updates as a fully batch state.

“NMVTIS provides clarity in the world of vehicle titling, helping us to protect Wyoming residents from fraud and misrepresentation. The ease of use and concise information are invaluable to WYDOT Motor Vehicle Services, WYDOT Compliance and Investigations, and Wyoming counties.”

SHANNON DEGRAZIO
NMVTIS Jurisdiction
Administrator, Wyoming
Motor Vehicle Services



- Tennessee had not provided data in more than ten years and was re-categorized from a state providing data only to a state in development.
- Colorado, Kansas, and Michigan began rewrites of their titling systems.

Though not all states are currently fully participating, some are in the planning stages or in development moving toward full participation:

- District of Columbia continued development for the fully integrated online solution using web services; work is expected to be complete by September 2018.
- Idaho made plans to move from providing data only to partially integrated online using web services.
- Kansas began a system rewrite to become fully integrated online by September 2018.
- Maryland began preparation for title system modernization which will include NMVTIS.
- North Carolina provided data only and made plans to implement online inquiry by July 2018.
- Oregon began a system rewrite to be fully integrated online by January 2019.

When a vehicle is retitled, NMVTIS is updated to show the current state of title and the previous record is moved into history. With 44 states providing data in NMVTIS, there were more than 527 million current title records (**see Figure 5**) and approximately 656 million title history records (**see Figure 6**) in the system as of September 2017.

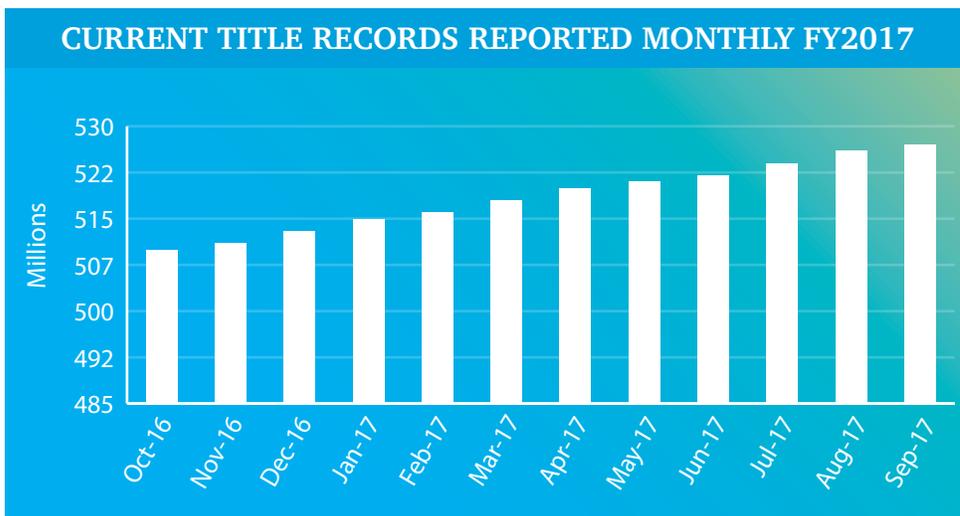


Figure 5

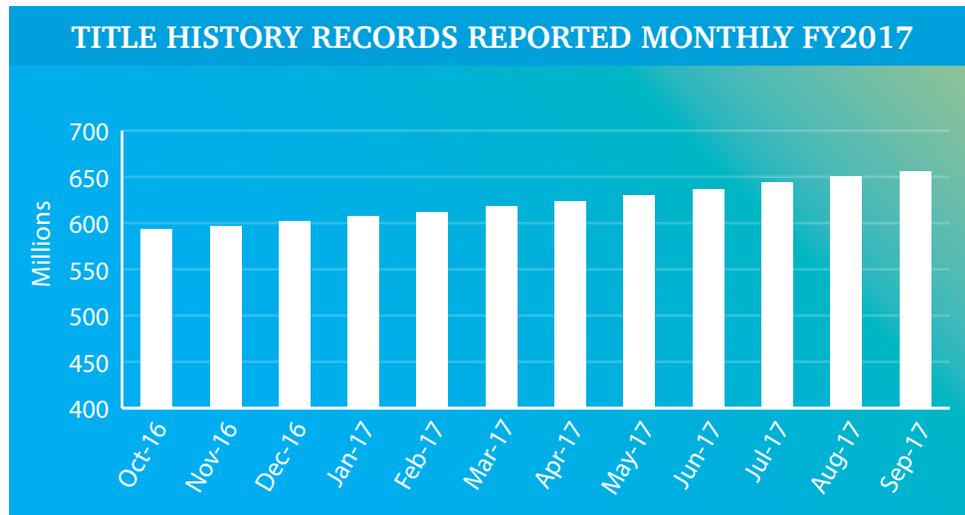


Figure 6

Over the past nine years, current title records in the system increased nearly 80% (see **Figure 7**). In FY2009, current title records numbered 293 million; they reached nearly 527 million during this reporting period.

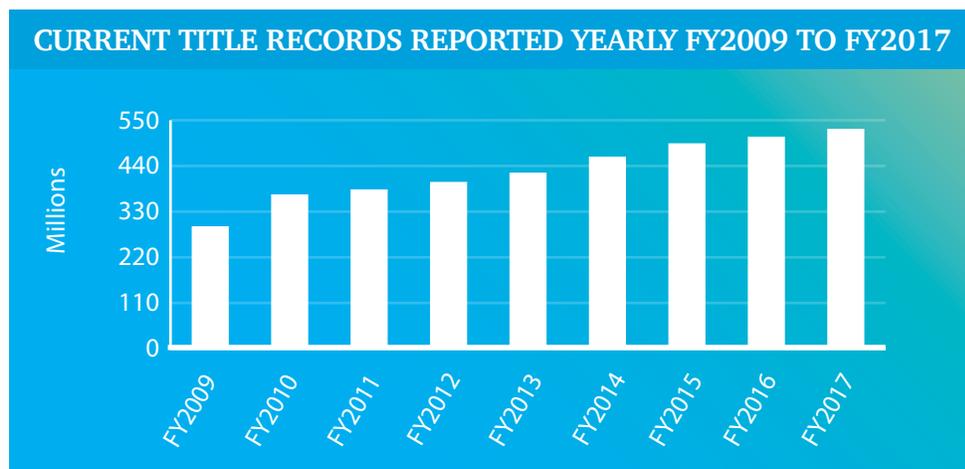


Figure 7

Brands captured in NMVTIS also increased during the reporting period, from more than 111 million in October 2016 to nearly 120 million in September 2017 (see **Figure 8**).

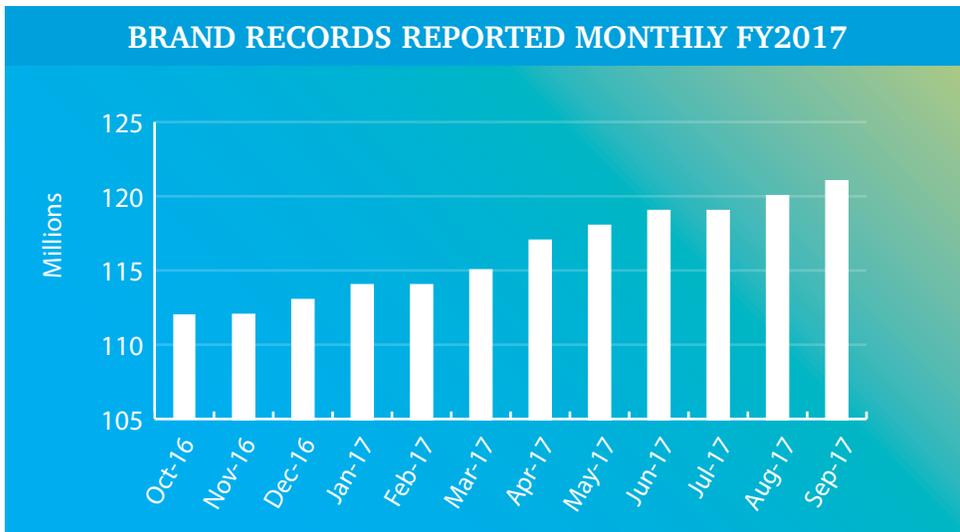


Figure 8

There are more than 60 vehicle brands captured in NMVTIS as of September 30, 2017; the top seven are shown below. The “Other” category includes the remaining brands (see **Figure 9**).

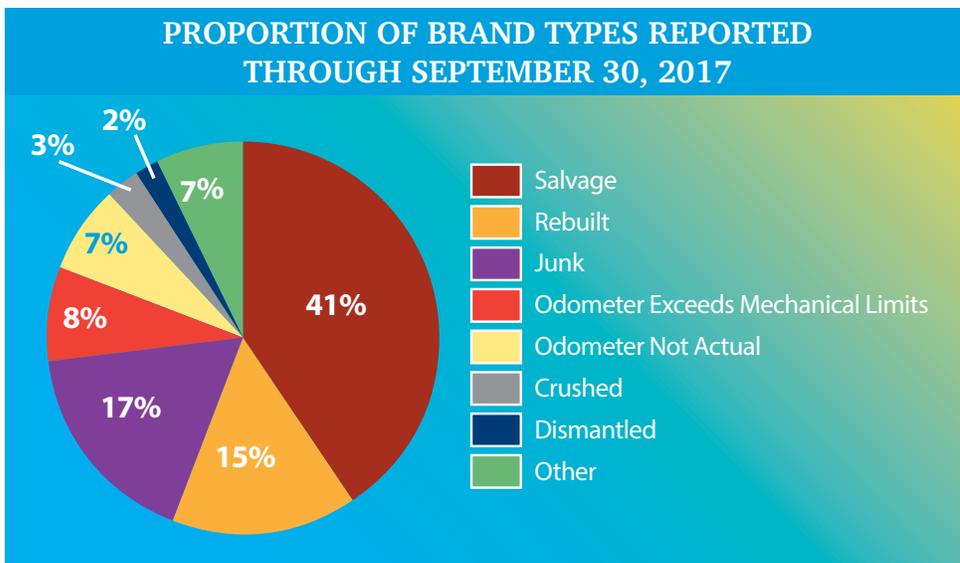


Figure 9

Reporting of salvage, rebuilt, and junk brands has increased from more than 59 million in FY2010 to more than 123 million in 2017, an increase of 108% (see **Figure 10**). This increase may be attributed to greater overall compliance with the NMVTIS requirement for businesses to report junk, salvage, and insurance (total loss) vehicles to the system.

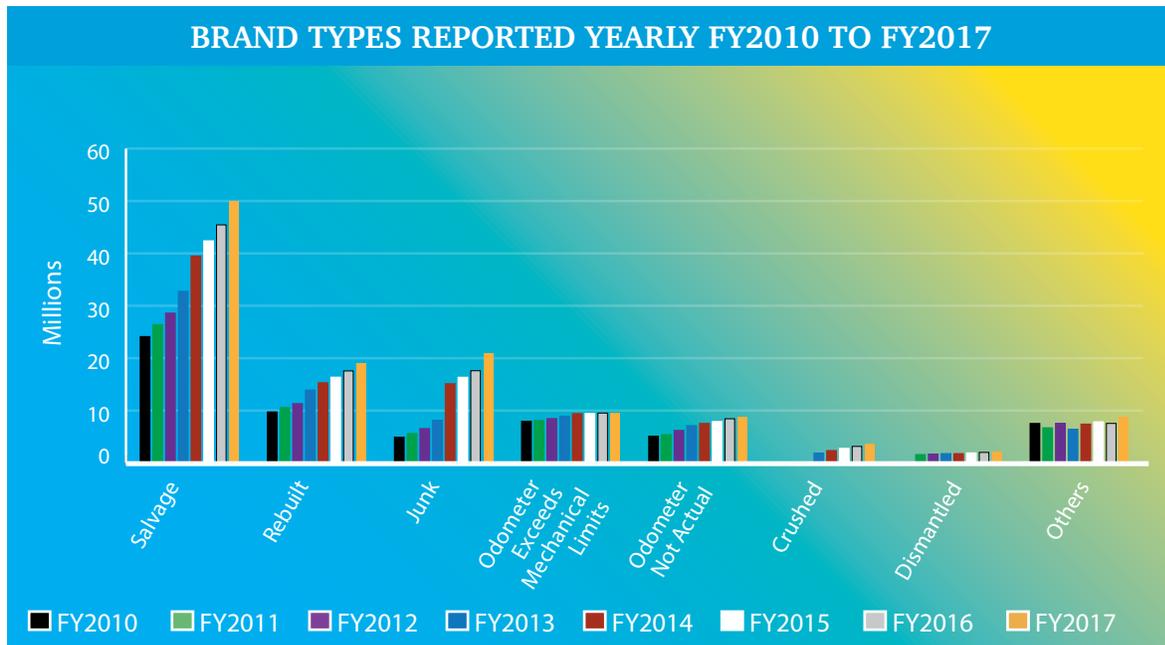


Figure 10

Brand records are reported by branders, which include states, the U.S. Department of Transportation (DOT), and the U.S. General Services Administration (GSA) (**see Figure 11**). California continues to lead with the most brand records, followed by Texas, Illinois, and Pennsylvania. DOT branded vehicles total more than 700,000 and reflect the vehicles traded in under the Consumer Assistance to Recycle and Save Act which concluded in FY2011; the brands indicate the vehicles should never be designated as roadworthy. GSA provided the fewest brands (540), which reflect GSA's reporting of junk or salvage brands for federal crash, test/scrap, or salvaged vehicles that are sold to the public. More detail on GSA's reporting can be found under [Stakeholder Collaboration](#) in this report.



Figure 11

During this reporting period more than 212 million state transactions (inquiries, title updates, and brand updates) were conducted (see Figure 12), an increase of 2% over the more than 207 million transactions during the last reporting period.

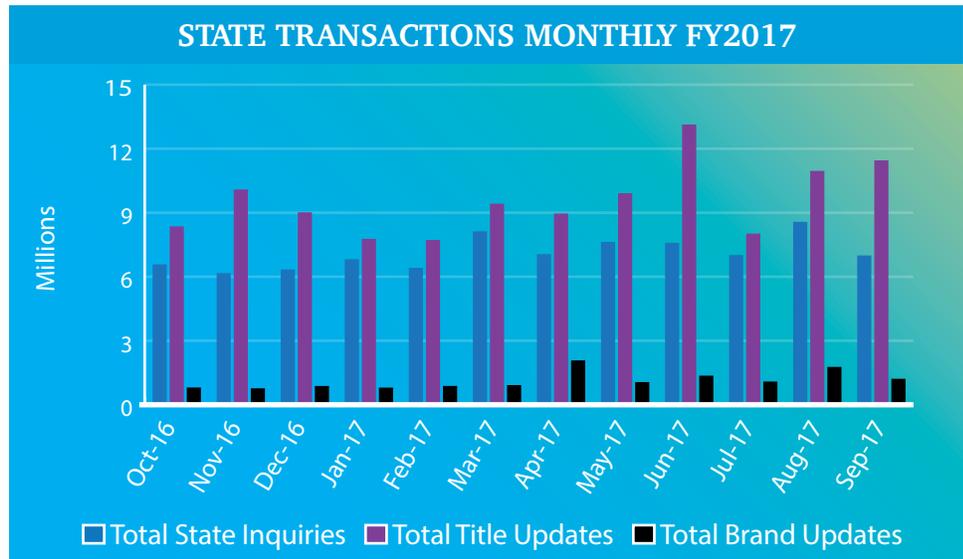


Figure 12

Over the past nine years, state-conducted transactions have increased more than 190%. In FY2009, transactions numbered approximately 73 million and during this reporting period transactions exceeded 212 million (see Figure 13).



Figure 13

AAMVA continued to complete work related to system operability, such as updating system documentation. To resolve issues related to NMVTIS state business rules, and to encourage jurisdictions to develop system-related business policies and practices in a consistent manner, AAMVA established the NMVTIS Business Rules Working Group (BRWG) in the summer of 2012. The BRWG operates

under AAMVA's Vehicle Standing Committee and consists of business and technology staff, along with representatives from the state business and technology areas, balancing representation across AAMVA's regions and NMVTIS modes of participation. To help title and registration program managers align NMVTIS with their jurisdiction's title practices, the BRWG developed and published the resource, "NMVTIS Best Practices for Title and Registration Program Managers in DMVs" ([see Glossary](#)) in March 2014. Since that time, the publication has grown to become a key resource for states. [Edition 3](#) was published in August 2016 and a future edition is planned for publication in the next reporting period. This document will continue to evolve as new topics are identified and recommendations for best practices are revised or added by the group.

The BRWG also focused on identifying strategies to encourage maximum state participation, including by raising awareness of the ways in which states participate in the system and how they can derive optimal benefits from it. The BRWG updated the NMVTIS brochure for states to disseminate to their stakeholders, to promote understanding of the purposes and benefits of full participation in NMVTIS.

The BRWG began to develop a Performance Management Concept (PMC) that includes monitoring system activity and provides information about each jurisdiction. These tools would be developed to assist states in fully maximizing their benefits from NMVTIS. They would enable greater information sharing, monitoring, and evaluation, and result in a more efficient and effective system overall. During this reporting period, the BRWG developed PMC business requirements, which were used to prepare a cost estimate. In spring 2017, the Vehicle Standing Committee approved the PMC project for funding.

In April 2017, the BRWG met jointly with the NMVTIS Law Enforcement Working Group to share ideas and promote common goals. These working groups will continue to meet annually to discuss activities in support of the system and its stakeholders. Information on the NMVTIS Law Enforcement Working Group can be found under the Law Enforcement Access Program section.

System connectivity options for states were enhanced by offering increased flexibility in data exchange through web services, as an alternate approach to integrating with NMVTIS. Minnesota was the first state to develop and implement web services during this reporting period. Alabama, Arizona, District of Columbia, Kansas, and South Dakota were also in development for using the web services solution. Idaho contacted AAMVA in preparation for implementing web services during its modernization, targeted for 2018.

“New Hampshire cannot fathom living without NMVTIS. In New Hampshire we say NMVTIS is our second set of eyes.”

PRISCILLA VAUGHAN
Bureau Chief, New Hampshire
Bureau of Title and Anti-Theft



AAMVA continued to deliver State Web Interface (SWI) training to states, enhancing their ability to securely add or modify their own records through the interface. AAMVA conducted monthly SWI webinar training on three topics: instant VIN and title checking, correcting brands, and administrative functions. During this reporting period AAMVA held 34 webinars, with more than 700 participants representing 41 states. States have reported the ability to make self-service corrections to data has made state titling processes more efficient and improved NMVTIS data integrity.

In addition, the Information Technology Working Group convened ten monthly conference calls to collaborate and share information. AAMVA staff provided system status updates during these conference calls. At the end of this reporting period, AAMVA proposed changing the name of the working group to the NMVTIS Monthly Forum, to be more reflective of its role and responsibilities. This change was adopted, and is expected to be implemented in October 2017.

Ongoing operational collaboration among the states continued to be fostered. In April and September 2017, NMVTIS State Business Points of Contact representatives participated in conference calls to receive current information about NMVTIS, discuss their roles and responsibilities, provide feedback concerning operations, and exchange information on how NMVTIS is used in their jurisdictions. Approximately half of the jurisdictions were represented in these conference calls.

During this reporting period, DOJ and AAMVA agreed that awards totaling up to \$1.2 million, derived from program income, could be made to states to support efforts to bring them into full NMVTIS compliance, with the distribution of funds mutually agreed upon by DOJ and AAMVA. DOJ conducted outreach to the 14 states that were not fully participating in NMVTIS, soliciting applications for implementation plans to achieve full compliance. As a result of those efforts, six jurisdictions (California, District of Columbia, Kansas, Mississippi, North Carolina and Oregon) submitted applications for funding. California withdrew its application after being made aware of the opportunity to use Consumer Access Fee Credits for implementation development. AAMVA established an evaluation process based on specified criteria and an Evaluation Committee was formed to assess the applications based upon those criteria. The Evaluation Committee consisted of AAMVA staff and a state representative from the membership. Funding will be awarded during the next reporting period.

During the last months of this reporting period, Florida and Texas were declared disaster areas when Hurricanes Irma and Harvey caused massive flooding.

“I enjoyed the webinar and learned more of how AAMVA handles searching a VIN. All the information was very helpful.”

CLAUDETTE OTIS-WATKINS
Texas Commercial Fleet Services,
Texas Motor Carrier Division

As many as one million vehicles were damaged or destroyed in the storms and their aftermath. Relief and recovery affected over 13 million people in Texas, Florida, Louisiana, Mississippi, Tennessee, and Kentucky. AAMVA provided a [notice](#) to states giving guidance on how NMVTIS can help. The branding and JSI work to update these vehicles in NMVTIS will continue in the next reporting period.

BENEFITS

States Report Positive Results Through NMVTIS Participation States that inquire into NMVTIS (i.e., conduct a title verification check) receive data on the specific vehicle, the current title, any brand information, JSI information, and whether the vehicle is reported stolen. Based on this information, the state determines whether to issue a new title. When a vehicle is retitled, NMVTIS is updated to show the current state of title. During this reporting period, the following states reported a wide range of benefits from participating in NMVTIS:

Potential Stolen Vehicles Identified Using NMVTIS

- **Florida:** 212 stolen vehicle hits prompted investigations; 65 vehicles were recovered.
- **Indiana:** 1,512 stolen vehicle hits prompted investigations.
- **Maine:** Stolen vehicle hits identified while conducting title verification.
- **Michigan:** Stolen vehicle hits identified while conducting title verification. Vehicles were either recovered or held from being titled.
- **Missouri:** 2,752 stolen vehicle hits prompted investigations.
- **New Hampshire:** 299 stolen vehicle hits prompted investigations.
- **New Jersey:** 61 stolen vehicle hits prompted investigations.
- **Ohio:** 6,145 stolen vehicle hits prompted investigations.
- **Pennsylvania:** 338 stolen vehicle hits prompted investigations.
- **South Dakota:** Stolen vehicle hits identified while conducting title verification.
- **Texas:** Three stolen vehicle hits prompted investigations.
- **West Virginia:** 12 stolen vehicle hits prompted investigations; seven vehicles were recovered.
- **Wyoming:** Stolen vehicle hits identified while conducting title verification.

“CARCO’s mission includes a key responsibility to provide its commercial and consumer clients—whether they’re purchasing a vehicle or properly assessing its value—with reliable, accurate, safety-oriented, and timely data, which the NMVTIS product enables.”

WILL PAGAN
Senior Vice President and
General Manager, CARCO



Vehicle Brands Identified and Carried Forward Using NMVTIS

- **Florida:** Carried forward 18 missing brands.
- **Idaho:** Carried forward missing brands.
- **Illinois:** Investigated and/or carried forward 1,494 missing brands.
- **Indiana:** Carried forward 5,758 missing brands.
- **Kentucky:** Carried forward missing brands.
- **Maine:** Carried forward missing brands.
- **Michigan:** Carried forward 28 missing brands.
- **Missouri:** 126 vehicles were identified as missing brands, prompting notifications to vehicle owners and branding of the vehicles according to Missouri law.
- **Nebraska:** Carried forward missing brands.
- **New Hampshire:** Carried forward 20,878 missing brands.
- **New Jersey:** Carried forward 15 missing brands.
- **North Dakota:** Carried forward missing brands.
- **Ohio:** Carried forward 372,745 missing brands.
- **South Dakota:** Carried forward missing brands.
- **Texas:** Carried forward 15,845 missing brands: 887 out-of-state titles surrendered did not contain brands; 1,786 previously issued Texas titles were missing brands; 308 vehicles that lacked ownership evidence and were processed under a bond, court order, or foreclosure lien were identified as missing brands; 12,864 transactions were caught in which a processing clerk failed to carry forward a brand. Before new titles were issued, 128 vehicles previously reported as junk were identified and prevented from returning to the road.
- **West Virginia:** Carried forward missing brands.
- **Wyoming:** Carried forward missing brands.

Enhanced Customer Service Attributed to NMVTIS Use

- **Florida:** Assisted with motor vehicle fraud investigations.
- **Idaho:** Prospective purchasers, dealers, and lending institutions have benefitted from corrected titles being issued.
- **Illinois:** Before new titles were issued, NMVTIS identified 821 odometer reading errors, 12,866 surrender title number errors, and 5,156 vehicle make discrepancies; corrections were made.
- **Kentucky:** NMVTIS automation expedited document issue and ensured the most accurate title documents were issued to Kentucky residents.
- **Louisiana:** Ensured the most accurate title documents were issued to Louisiana residents.
- **Maine:** Ensured the most accurate title documents were issued to Maine residents.
- **Michigan:** The state's help desk resolved approximately 900 title and brand issues with other NMVTIS jurisdictions, improving customer service and enhancing record integrity.

- **Nebraska:** Ensured the most accurate title documents were issued to Nebraska residents.
- **North Dakota:** Advised customers when a vehicle was sold to them with a salvage or previously salvaged brand.
- **Pennsylvania:** Ensured the most accurate title documents were issued to Pennsylvania residents.
- **South Dakota:** Ensured the most accurate title documents were issued to South Dakota residents.
- **Texas:** Inquiries revealed 105,226 apparent errors, prompting a secondary review to ensure accuracy; the majority of these had substantive errors that may have allowed for fraud or caused issues for future owners.
- **West Virginia:** NMVTIS automation expedited document issue, and ensured the most accurate title documents were issued to West Virginia residents, saving them travel time and expenses.
- **Wyoming:** NMVTIS helped provide accurate title history, including advising customers when a vehicle was sold to them with a salvage brand.

Potential “Cloned” Vehicles Identified Using NMVTIS (see [Glossary](#))

- **Florida:** 363 cloned VINs prompted investigations; 65 vehicles were confirmed stolen.
- **Indiana:** 18,455 cloned VINs prompted investigations.
- **Kentucky:** Two cloned VINs prompted investigations.
- **Michigan:** Several vehicles were confirmed cloned.
- **New Jersey:** Five cloned VINs prompted investigations.
- **West Virginia:** Two cloned VINs prompted investigations.

Potential Fraudulent Activity Identified Using NMVTIS

- **Florida:** 18 title records were corrected to show odometer not actual.
- **Kentucky:** Three titles were presented which prompted investigations; title fraud was confirmed.
- **Maine:** Incorrect odometer readings were identified and corrected.
- **Michigan:** Salvage and scrap dispositions were identified as missing in a few cases in which surety bonds ([see Glossary](#)) were submitted as alternative ownership documents. Junk vehicles were identified.
- **Missouri:** One Georgia and one Michigan title were presented, which were confirmed fraudulent by those states and prompted investigations. Junk vehicles were identified.
- **New Hampshire:** One Massachusetts title was missing a brand; one Texas title was altered; one request for a duplicate New Hampshire title perfected a lien; and one copy of a Maine title was used to apply for a temporary license plate.

“As the few remaining states modernize their operations and integrate their titling systems with real-time communication with NMVTIS, the system will be able to facilitate its long term design goal of enabling common coordination among the states to minimize title and branding between the states at the time of issuing titles. This coordination at the time of issuing titles and transfers between states will further improve protections for the public.”

HOWARD NUSBAUM
Administrator, National Salvage
Reporting Program

- **New Jersey:** 23 incidents of title fraud prompted investigations.
- **Texas:** 40 fake or fraudulent titles were identified; 49 titles had odometers altered; 16 titles had brands tampered with or altered. An additional 2,451 superseded titles ([see Glossary](#)) were surrendered and 10,703 odometer discrepancies identified and are pending further verification of either title tampering or data entry errors.
- **West Virginia:** Six vehicles were previously reported as junk or crushed and identified prior to a new title being issued.
- **Wyoming:** Odometer clerical errors and brand discrepancies were identified. A junk vehicle was prevented from being titled when it was discovered that a resident purchased the vehicle after it was declared junk in Texas (due to Hurricane Harvey) and brought into Wyoming to be rebuilt.

Motor Vehicle Titling Agency Enhancements Attributed to NMVTIS

- **Kentucky:** Automation saved time and money and made titles more accurate.
- **Maine:** Automation saved time and money and made titles more accurate.
- **Michigan:** Not having to recall titles due to missed out-of-state brands resulted in cost savings.
- **Nebraska:** Labor costs of approximately \$17,500 were saved due to NMVTIS automation.
- **New Hampshire:** Labor costs of approximately \$26,000 were saved due to NMVTIS automation.
- **North Dakota:** Automation saved time and money and made titles more accurate.
- **Pennsylvania:** The stolen indicator in NMVTIS records allowed Pennsylvania to avoid inappropriately titling vehicles with a total market value of \$713,324.
- **West Virginia:** Automation saved time and money and made titles more accurate.
- **Wyoming:** Automation saved time and money and made titles more accurate.

JSI Data Assisted in Business Processes

- **Florida:** Data was used to verify salvaged vehicles from other states, ensuring the appropriate brand was attached to a specific VIN.
- **Idaho:** Data was referenced on approximately 1,200 occasions to verify salvaged vehicles from other states, ensuring the appropriate brand was attached to a specific VIN.
- **Kentucky:** Data was used to verify salvaged vehicles from other states, ensuring the appropriate brand was attached to a specific VIN.
- **Maine:** Data was used to verify salvaged vehicles from other states, ensuring the appropriate brand was attached to a specific VIN.
- **Michigan:** Data was used to verify that a state issued a salvage or scrap title.
- **Nebraska:** Data was used to assist in investigations and to ensure the appropriate brand was attached to a specific VIN.
- **New Hampshire:** Data was referenced on 24,676 occasions to assist in investigations and to ensure the appropriate brand was attached to a specific VIN. Labor costs

of approximately \$26,000 were saved through NMVTIS automation of junk records electronically updated to the state system.

- **North Dakota:** Data was used to assist in investigations and to ensure the appropriate brand was attached to a specific VIN.
- **Ohio:** Data was referenced on 424,926 occasions to assist in investigations and to ensure the appropriate brand was attached to a specific VIN.
- **South Dakota:** Data was used to assist in investigations and to ensure the appropriate brand was attached to a specific VIN.
- **West Virginia:** Data was used to assist in investigations and to ensure the appropriate brand was attached to a specific VIN.
- **Wyoming:** Data was used to assist in investigations and to ensure the appropriate brand was attached to a specific VIN. It was also used to identify numerous dealerships and individuals that attempted to sell a vehicle off of a clean title.

PAYING USER FEES

States Paid \$4.8 Million Toward the Cost of

Operating the System in FY2017 In accordance with the NMVTIS Final Rule, requiring 12 months' advance notification before charging state fees, AAMVA issued a formal notice to all state motor vehicle titling agencies regarding the relief of paying state user fees for FY2011 and FY2012 and the reinstatement of fees in FY2013. During FY2014, AAMVA revised the state fee model so that states pay an increased portion of system costs. In FY2015, this fee model became effective. Key tenets include:

- State fees will cover an increasing percentage of total NMVTIS operational costs each year, from 60% in FY2016 to 70% in FY2018.
- An equitable 51-tier structure assigns each jurisdiction responsibility for a portion of total system operating costs, based on each jurisdiction's number of registered vehicles (as reported to the FHWA) as a percentage of the total U.S. registered vehicle population.
- Remaining operating costs during FY2016-FY2019 will be covered by a mix of funding sources, including consumer access fees and AAMVA member funds.
- States may receive a credit equaling 50% 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 determine if states are currently in compliance and therefore eligible to receive the applicable credit.

“Criminals sell flooded, salvaged, and rebuilt vehicles as if they were in perfect condition, and will continue to do so. We urge all consumers to obtain a title history report through NMVTIS before purchasing a used car. It is one of the easiest ways consumers can protect themselves..”

WHITNEY BREWSTER
Executive Director, Texas
Department of Motor Vehicles



States Earn Revenue Credits As part of the state user fee model, a state that provides title and brand data and inquires on NMVTIS is eligible to earn credits from revenue earned by the operator when a NMVTIS record for a vehicle titled in that state is sold to a provider. BJA issued notifications to all eligible states, outlining approved uses of credits. Eligible uses include paying the next year's user fees, improving state title/registration data and processes, raising consumer awareness of NMVTIS, staff training, conducting quantitative analysis of the impacts of NMVTIS on titling process and/or consumer protection, and development to become fully compliant. At the end of the current reporting period, the 44 eligible states had earned a total of \$2.8 million in credits compared to the \$1.2 million earned in the prior period (see **Figure 14**). The increase is a result of exceptional volume in the Consumer Access Program in FY2017.

“NMVTIS is wonderful! We wish we had it for boats as well.”

LORETTA FOWLER
Title Branch Manager, Kentucky
Motor Vehicle Licensing

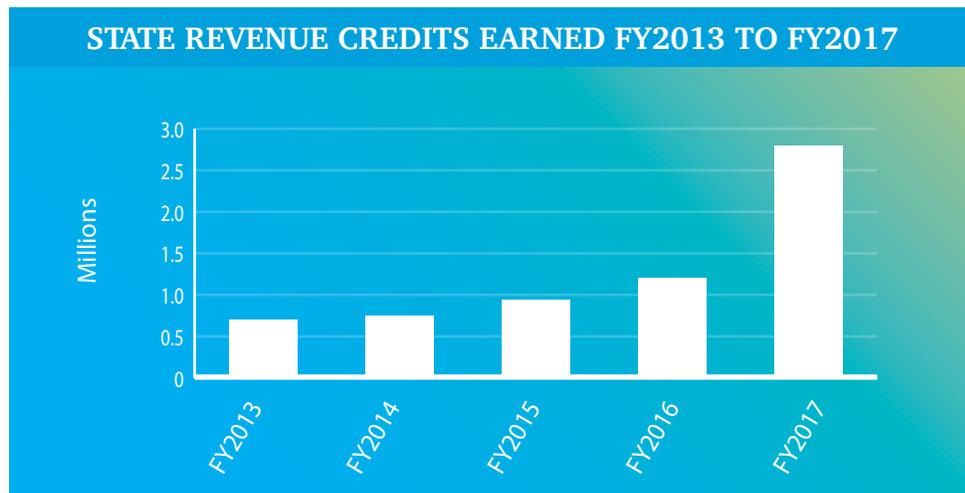


Figure 14

Junk Yard, Salvage Yard, and Insurance Carrier Reporting Program

Number of Records Reported Continued to Increase; More Than 63 Million Unique VINs Reported to Date; DOJ Issued Reminder Notice after Flooding Events in Several States The Anti Car Theft Act requires that in addition to state motor vehicle titling agencies, other third parties must report vehicle information into NMVTIS. Specifically, junk and salvage yards, auto recyclers, and insurance companies have been required to report (at least monthly) vehicles deemed junk, salvage, or total loss to NMVTIS since March 31, 2009. There are two reporting exceptions: entities that handle fewer than five vehicles per year deemed salvage (including total loss) or junk; and entities that currently report the required data elements to the state in which they are located, with the state providing the required information to NMVTIS. The number of reported records in the JSI reporting program continue to grow at a consistent rate. As reported under the State Program in the Benefits section of this publication, states rely on JSI data to make informed business decisions in their state titling processes.

Four data consolidators provide data reporting services to businesses required to report to NMVTIS:

- AAMVA Single VIN Reporting Service
- Audatex
- Auto Data Direct, Inc.
- ISO ClaimSearch Solutions

During this reporting period, automotive officials estimated that as many as 500,000 vehicles were damaged by flooding from Hurricane Harvey in Texas and Louisiana, and hundreds of thousands of vehicles were damaged by flooding from Hurricane Irma in Florida. Vehicles damaged by flooding often have insurance claims filed on them and are reported as a total loss.

During this reporting period a total of 17.8 million records were reported by junk, salvage, and insurance entities (**see Figure 15**). This was an increase of more than 2 million records (12%) from FY2016. ISO ClaimSearch Solutions, one of the data consolidators, added a new feature which provided users a more efficient approach to requesting amendments to reports. The number of qualified total losses submitted to NMVTIS for ISO's insurer and recycler members continued to grow.

During the last month of the reporting period—following the hurricanes in Texas, Louisiana, and Florida—all entity-type reporting increased over the same period last year. DOJ also issued a notice to all JSI entities reminding them of the importance of timely reporting of flood-damaged vehicles to NMVTIS, and ISO sent out communication to all its members regarding the importance of total loss reporting due to hurricane damage as well.

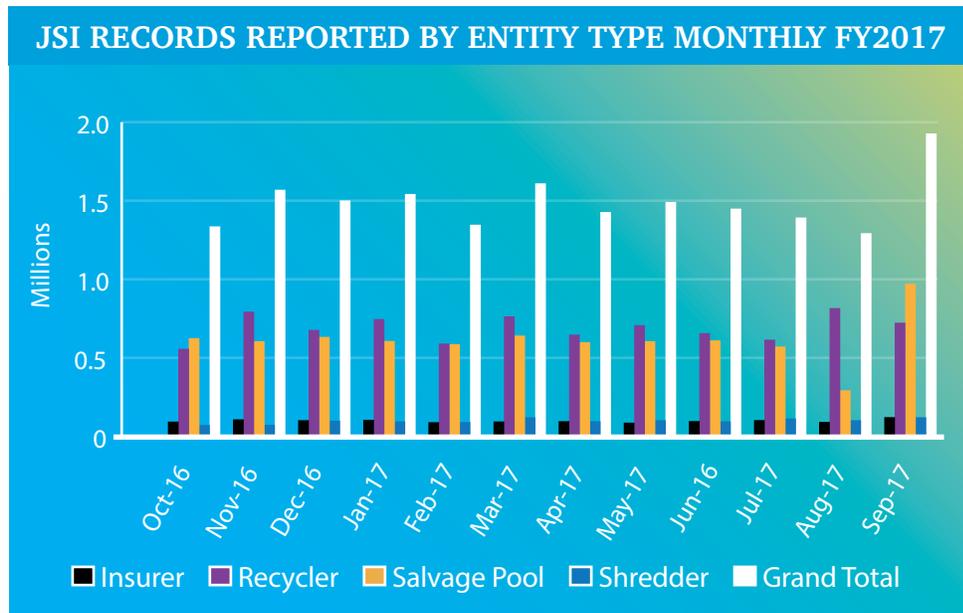


Figure 15

More than 126 million total junk, salvage, and insurance records were reported in NMVTIS from FY2009 to the end of this reporting period (**see Figure 16**). The change from FY2009 to FY2010 reflects the partial reporting period (April-September) in FY2009. The increases from FY2013 to FY2017 can be linked to greater awareness, driven by state legislative and compliance enforcement efforts as captured in this and previous reports, along with increased reporting related to flood events during this reporting period.



Figure 16

An average of 14 million junk, salvage, and insurance records have been reported to NMVTIS each year since FY2010. Recyclers and salvage pools

PROGRAM AREAS: JUNK YARD, SALVAGE YARD, AND INSURANCE CARRIER REPORTING (Continued)

reported the vast majority of records (see Figure 17). For the vehicle disposition breakdown of the 126 million total records reported to date see Figures 18 and 19.

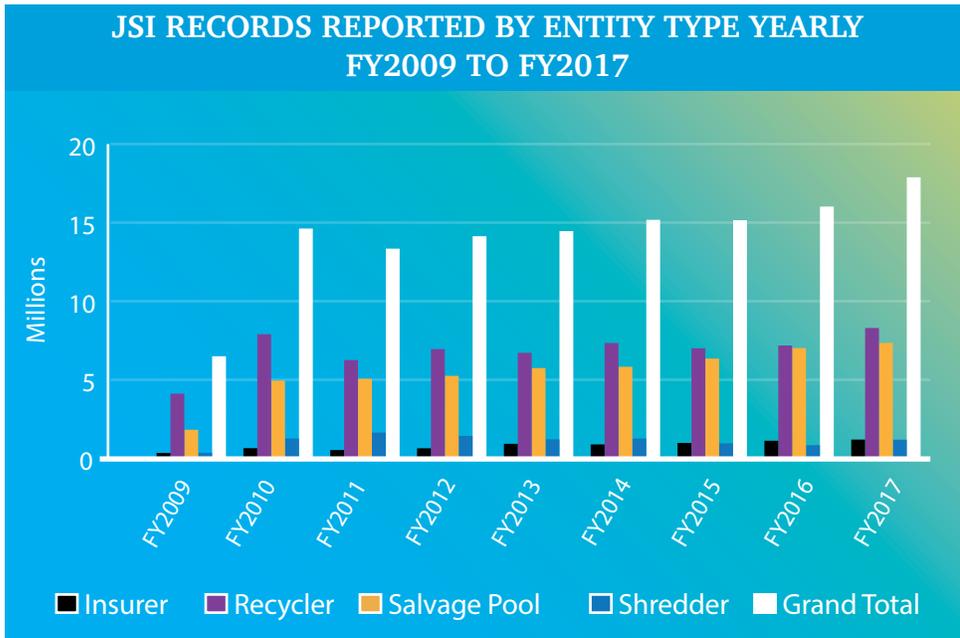


Figure 17

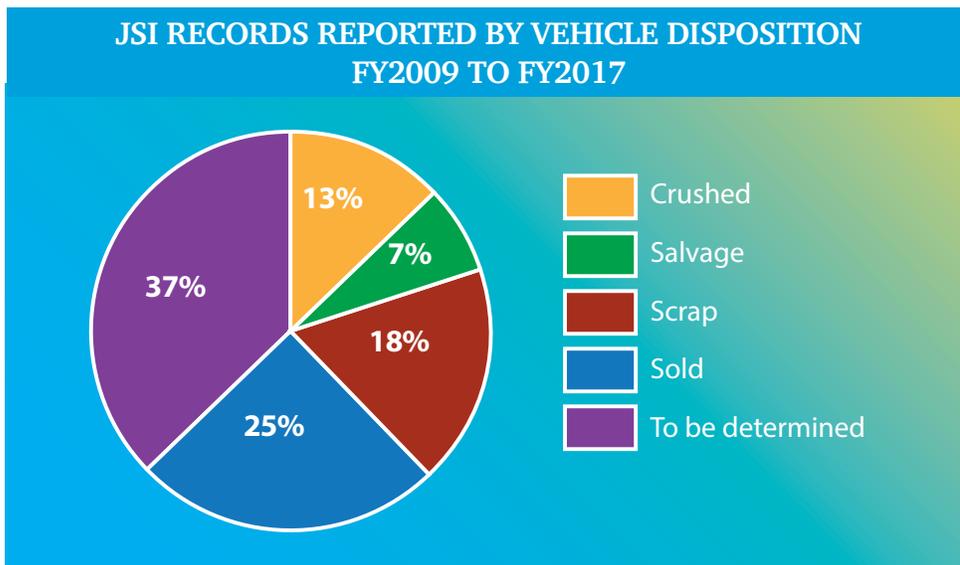


Figure 18

An average of just over 5,000 entities reported each month through this reporting period (see Figure 20). This was an average increase over previous reporting periods of 600 entities reporting monthly.

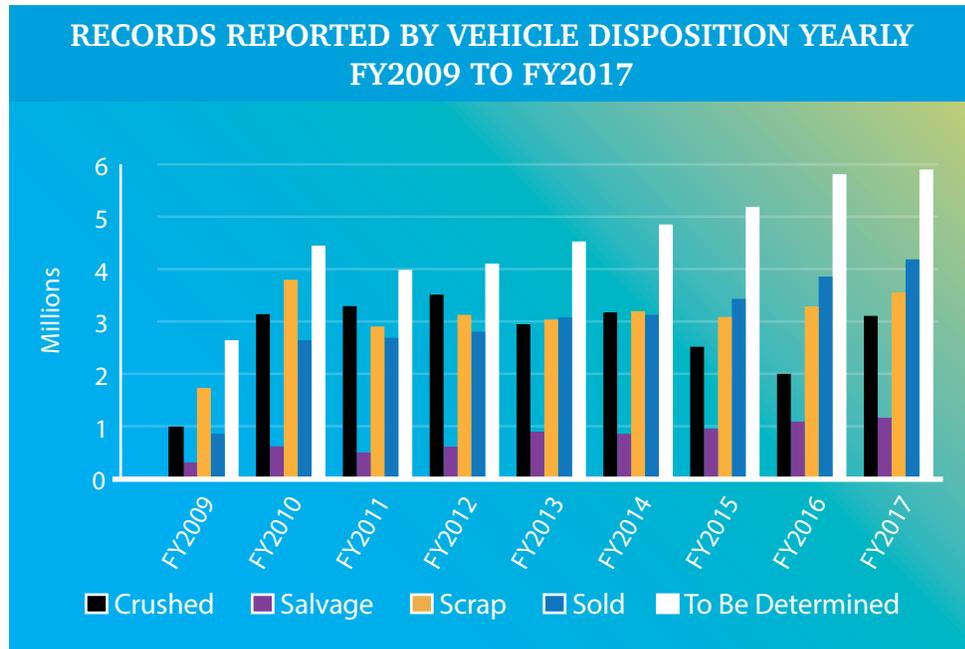


Figure 19

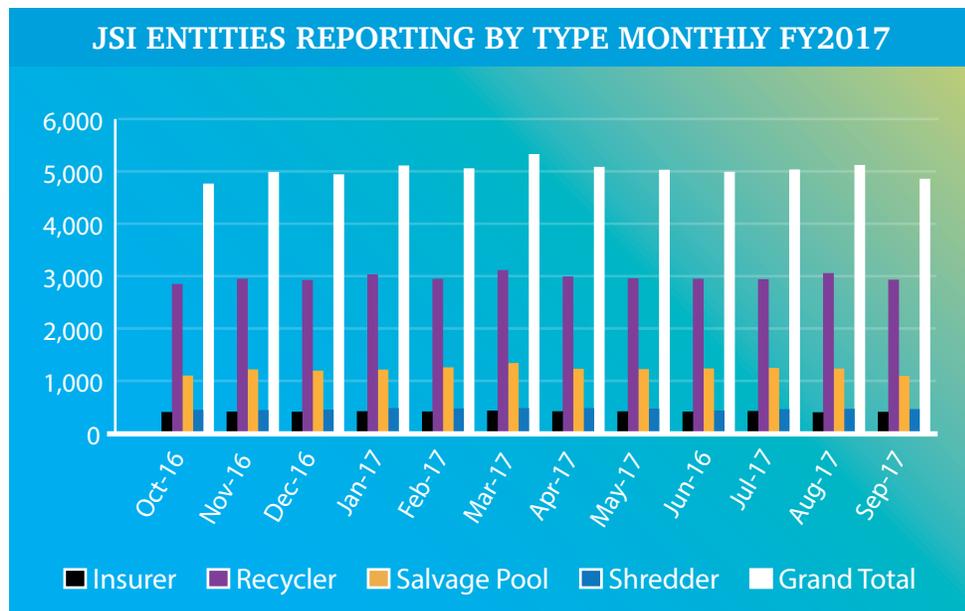


Figure 20

Individuals Reporting to NMVTIS: During its last term, the NMVTIS Advisory Board recommended that changes be made to the NMVTIS third party reporting program to enable individuals to report junk and salvage vehicle information. The NMVTIS regulation includes individuals as entities that are required to report vehicles deemed junk/salvage. During this reporting period, AAMVA and DOJ

PROGRAM AREAS: JUNK YARD, SALVAGE YARD, AND INSURANCE CARRIER REPORTING *(Continued)*

finalized the business requirements for individuals to report junk/salvage vehicles to NMVTIS. Application development and testing were completed during FY2017; implementation was deferred to the next reporting period.

STATES AND JSI REPORTING

Georgia Department of Revenue: During the reporting period, the Georgia Department of Revenue (DOR) continued its program requiring businesses engaged in the purchase or receipt of salvage vehicles (secondary metals recyclers, used motor vehicle parts dealers, and scrap metal processors called “salvage dealers”) to report NMVTIS information to DOR. In turn, DOR provides electronic reporting that satisfies the salvage dealer’s state reporting requirements as well as federal NMVTIS reporting requirements. This is accomplished through Auto Data Direct, Inc., Georgia’s exclusive consolidated state/federal data provider, and a NMVTIS data consolidator. ADD provides DOR with a web-based service enabling the consolidated reporting of both state and federally required salvage vehicle information in a single process. The consolidated reporting is done at no cost to the businesses.

The number of Georgia businesses reporting and the number of records reported through this arrangement have varied over the past five reporting periods. This reporting period saw a continuing decrease in the number of businesses reporting, as has been the case since FY2015, but a 31% increase in the number of records being reported overall (see **Figures 21 and 22**). Businesses reporting numbered 129 in FY2013, 197 in FY2014, 159 in FY2015, 130 in FY2016 and 116 during this reporting period. Records reported by salvage pools numbered 111 in FY2013, 567 in FY2014, 99 in FY2015, 105 in FY2016, and 1,525 in FY2017; only two salvage pools reported during this reporting period.

The explanation for this drop in the number of salvage pools reporting through the process is that the Georgia regulations do not specifically apply to salvage pools. Additionally, these businesses were already reporting to NMVTIS through an existing consolidation service other than ADD, and continued to do so while they stopped reporting through the Georgia process. It is expected that in the next reporting period there will be no salvage pools reporting through this arrangement.

“In 2017, ISO ClaimSearch continued to work with our members to reinforce the importance of reporting their total loss records and using our NMVTIS dashboard in order to assist them in being compliant.”

CARLOS MARTINS
Vice President & General
Manager, ISO ClaimSearch
Solutions





Figure 21

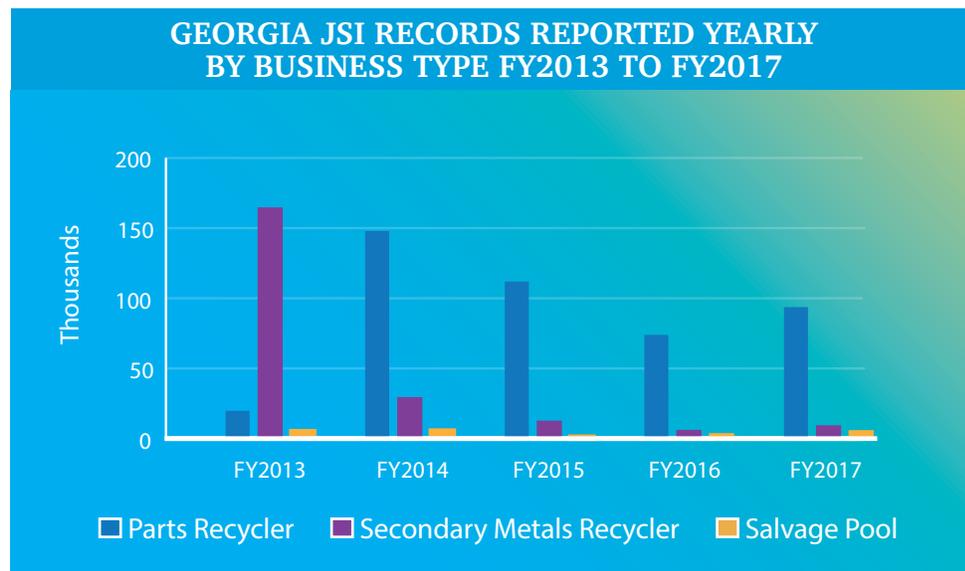


Figure 22

Tennessee Department of Revenue: During the reporting period, Tennessee continued the contractual arrangement with ADD to provide consolidated reporting which became effective July 1, 2016. From July through September of the previous reporting period, 172 businesses reported more than 20,000 records to NMVTIS; during the current reporting period 195 businesses submitted 137,763 records through the process—a 577% increase in records reported (see **Figures 23 and 24**).

PROGRAM AREAS: JUNK YARD, SALVAGE YARD, AND INSURANCE CARRIER REPORTING *(Continued)*

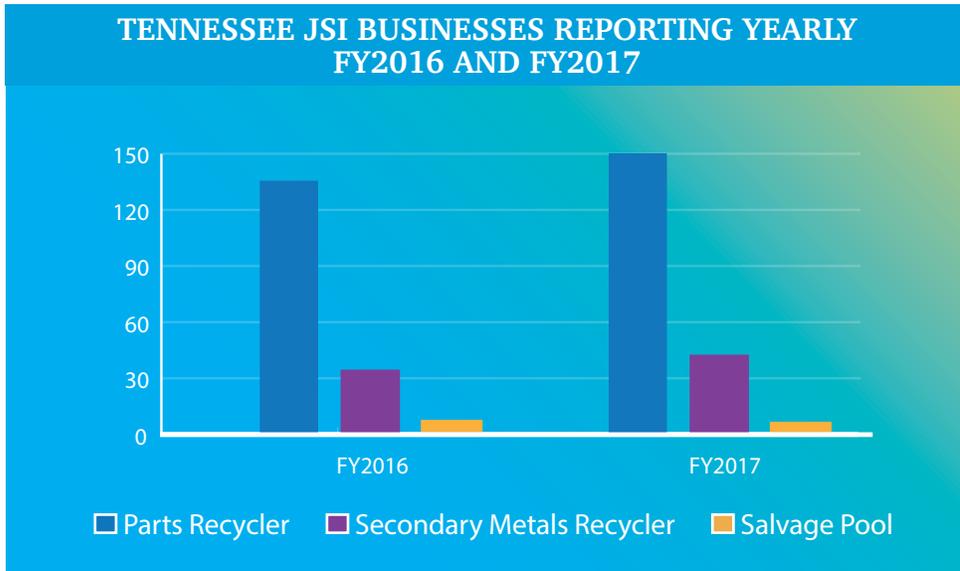


Figure 23

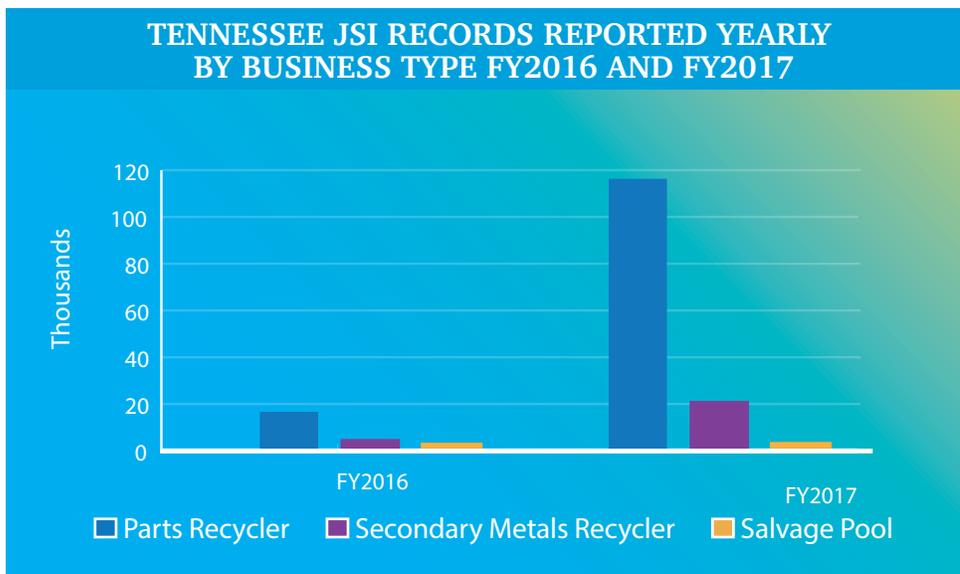


Figure 24

State regulations in both Georgia and Tennessee mandate that reporting occur within a shorter timeframe than required by NMVTIS (within 48 hours of purchase for Georgia; within 24 hours for Tennessee) and require a larger data set than NMVTIS. ADD collects all required state and federal information from affected businesses at one time. ADD then transmits all data to the state, and also sends vehicle data required by NMVTIS reporting regulations to NMVTIS. In Tennessee the process includes a national theft check of reported vehicles

performed nightly. In the event of a theft alert, the report is verified by Tennessee law enforcement and the reporting business is notified. The theft check is not part of any NMVTIS process; it is supported through other sources provided by ADD.

ADD provides both Georgia and Tennessee with a web-based service that allows combined reporting in support of both state and federally required junk and salvage vehicle information in a single process. In both states, the consolidated reporting is done at no cost to the businesses, and ADD provides all customer services for affected businesses.

States Reporting on Behalf of JSI

Entities: During the reporting period, AAMVA continued to support Alabama DOR in its effort to satisfy a state law requiring scrap recyclers and dismantlers to provide their NMVTIS reporting entity identification number before being issued a state business license. Alabama DOR continued to express strong interest in reporting on behalf of some businesses that have state and federal data reporting obligations.

In response to demands from states and industry to address the burden of duplicate reporting required of junk and salvage businesses, NMVTIS created a task force to examine options for supporting states that wish to report to NMVTIS on behalf of these businesses. The task force focused its efforts on junk and salvage reporting, after determining that insurance reporting requirements were not an issue. Three options were considered: 1) the state becomes a data consolidator under contract with AAMVA; 2) the state contracts with an existing consolidator, as in the Georgia/Tennessee model; and 3) NMVTIS serves as the single point of reporting for all junk and salvage businesses.

The task force analyzed these options, soliciting input from subject matter experts from the data consolidation and junk/salvage industries. All three options were found to have merit, but the task force determined that the best long-term solution would be for NMVTIS to serve as the single point of reporting. Exercising this option entails changing state reporting obligations for junk and salvage businesses, as they would only be required to report to NMVTIS, which would then provide the data to the relevant state for its use.

The task force considered the other two options to be viable interim strategies for simplifying junk/salvage reporting while details of implementing the long term solution are explored. The Business Rules Working Group was tasked to define business requirements for NMVTIS serving as the single point for junk and salvage

“The extra benefit we receive from the research capability NMVTIS provides is invaluable in our fight against fraud.”

BETTY JOHNSON
Administrator, Driver & Vehicles
Records Division, Nebraska
Department of Motor Vehicles



PROGRAM AREAS: JUNK YARD, SALVAGE YARD, AND INSURANCE CARRIER REPORTING *(Continued)*

reporting. During the next reporting period, states will be consulted regarding their interest in and support for utilizing the task force's recommended approach. Depending on state feedback, a cost estimate may be prepared for approval.

New York: During the reporting period, AAMVA continued to provide weekly extract files from the NMVTIS central site to help supplement New York DMV's destroyed vehicle program. Vehicles reported with a disposition of crushed or scrap by reporting entities with business addresses in the state were included in the weekly extract.

Iowa and New Hampshire: During the reporting period, Iowa and New Hampshire also continued their use of the weekly extract files of vehicles reported to NMVTIS with a disposition of crushed or scrap by reporting entities with business addresses in the respective states.

STATE LEGISLATIVE EFFORTS

During the reporting period, four states introduced, adopted and put into effect NMVTIS-related legislation. These five pieces of legislation address a variety of circumstances in which NMVTIS information is used by states. In addition, nine states introduced a total of 14 other bills. Details of the proposed legislation can be found in the [Exhibits](#) section.

ADOPTED LEGISLATION:



NEVADA

NV S.B. 452: Introduced March 27, 2017; adopted June 5, 2017; effective June 5, 2017, July 1, 2017, and July 1, 2018

Authorizes:

- Department of Motor Vehicles to issue a new certificate of title or a state agency to issue a salvage title for a vehicle to a person who is unable to provide a certificate of title for the vehicle and who files a bond with the Department or state agency.
- Department to conduct a search of the history of the vehicle through any national crime information system, including, without limitation, the:
 - » National Crime Information Center, as defined in NRS 179A.061; and
 - » National Motor Vehicle Title Information System of the United States Department of Justice.

“ We experienced an issue with a cloned VIN that was caught using NMVTIS. With the help of the National Insurance Crime Bureau, we were able to determine which vehicle was the cloned one. The cloned vehicle was reported stolen out of Canada. Without NMVTIS and NICB, we would never have been able to determine which vehicle was cloned.”

DAVID BENNETT
Director of Titles, Indiana
Bureau of Motor Vehicles



TEXAS

TX H.B. 1247: Introduced January 24, 2017; adopted June 15, 2017; effective June 15, 2017

Notice by publication is not required if the operator of the vehicle storage facility obtains, by mail or electronically:

- A report from the National Motor Vehicle Title Information System operated by the United States Department of Justice, or a successor system, showing the state in which the vehicle is titled; and
- A report showing that no record of a registered owner or lienholder of record was found, either:
 - » directly from the governmental entity with which the vehicle is titled or registered; or
 - » from a private entity authorized by the governmental entity with which the vehicle is titled or registered to obtain title, registration, and lienholder information using a single vehicle identification number inquiry submitted through a secure access portal to the governmental entity's motor vehicle records.

TX S.B. 2076: Introduced March 10, 2017; adopted June 15, 2017; effective September 1, 2017 and January 1, 2019

- "Non-repairable motor vehicle" is amended to include motor vehicles:
 - » that a salvage vehicle dealer has reported to the department under Section 501.1003;
 - » for which an owner has surrendered evidence of ownership for the purpose of dismantling, scrapping, or destroying the motor vehicle;
 - » that is sold for export only by a salvage motor vehicle dealer under Section 501.099; or
 - » that is sold and the sale is reported as an export-only sale to the National Motor Vehicle Title Information System by any state, jurisdiction, or entity required to report to the National Motor Vehicle Title Information System.
- On receipt of a proper application from the owner of a motor vehicle, the DMV shall issue the applicant the title with any notations determined by the department as necessary to describe or disclose the motor vehicle's current or former condition if the motor vehicle was brought into this state from another state or jurisdiction and has on any title or comparable out-of-state ownership document issued by the other state or jurisdiction or record in the National Motor Vehicle Title Information System reported by another state or jurisdiction:
 - » a "rebuilt," "repaired," "reconstructed," "flood damage," "fire damage," "owner retained," "salvage," or similar notation; or
 - » a "non-repairable," "dismantle only," "parts only," "junked," "scrapped," "crushed," or similar notation.

PROGRAM AREAS: JUNK YARD, SALVAGE YARD, AND INSURANCE CARRIER REPORTING *(Continued)*



UTAH

UT S.B. 129: Introduced January 27, 2017; adopted March 20, 2017; effective May 9, 2017

Requires:

- A motor vehicle auction operator to securely store a salvage vehicle sold at auction until the vehicle is possessed by the purchaser, maintain certain records including NMVTIS reporting, and provides penalties for violations.



VIRGINIA

VA S.B. 1069: Introduced January 11, 2017; adopted March 3, 2017; effective July 1, 2017

The DMV shall issue a nonnegotiable title for a vehicle that has been rebuilt, titled, and registered out of state when:

- an application for title has been received for a vehicle for which the National Motor Vehicle Title Information System or the vehicle's current out-of-state title or other document proving ownership issued by another state indicates that a brand or indicator has been issued by another state identifying such vehicle as "junk," "for destruction," "for parts only," "not to be repaired," or other similar designation;
- and documentation to show such repairs accompanies the application. Any negotiable security interests in the vehicle shall be shown on the face of the nonnegotiable title. No negotiable title shall ever be issued for such vehicle. At any time, the vehicle owner may declare a vehicle titled to be non-repairable.

“Maine has been able to ensure an accurate and reliable title document is issued as a result of checking the VIN through NMVTIS. NMVTIS is a major asset to our title program.”

RONALD RIOUX
Chief Motor Vehicle Title Examiner,
Maine Bureau of Motor Vehicles



BENEFITS

Helps Prevent Fraud and Theft, and Helps Protect Consumers from Unsafe Vehicles By capturing VINs of vehicles that are deemed junk, salvage, or insurance total loss, NMVTIS serves to help prevent fraud and theft and also helps protect families from unsafe vehicles. States and law enforcement rely on NMVTIS data to obtain full vehicle lifecycle histories.

COMPLIANCE EFFORTS

BJA performed compliance reviews and site visits in response to non-reporting referrals from both members of the public and law enforcement personnel. During this period, BJA sent non-reporting warning letters to businesses in numerous states and conducted site visits in Maryland and Virginia, coordinating with state and local law enforcement to identify and investigate NMVTIS reporting violations. Further details will be found in the [Appendix](#).

Consumer Access Program

Exceptional Growth in Transactions The Anti Car Theft Act allows both businesses and individual consumers to inquire to NMVTIS to investigate used cars they are considering for purchase.

The FY2016 report noted that the Consumer Access Program had experienced its greatest-ever volume, with 8,715,504 transactions. Those results were dramatically surpassed during the FY2017 reporting period with 23,721,693 transactions (see **Figure 25**), a 172% increase. The year-to-year comparison (see **Figure 26**) illustrates continuing growth from more than 61,000 transactions in FY2010 to 155,000 in FY2011 to 23.7 million in FY2017. Transaction growth in this reporting period is attributed primarily to three factors: 1) overall volume increase across existing providers; 2) the addition of two new providers; and 3) NMVTIS data being used in new commercial solutions.

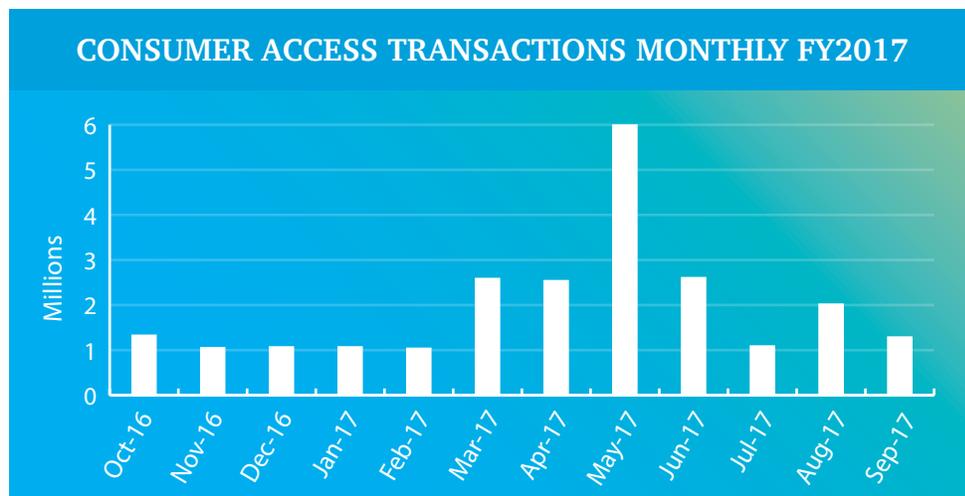


Figure 25

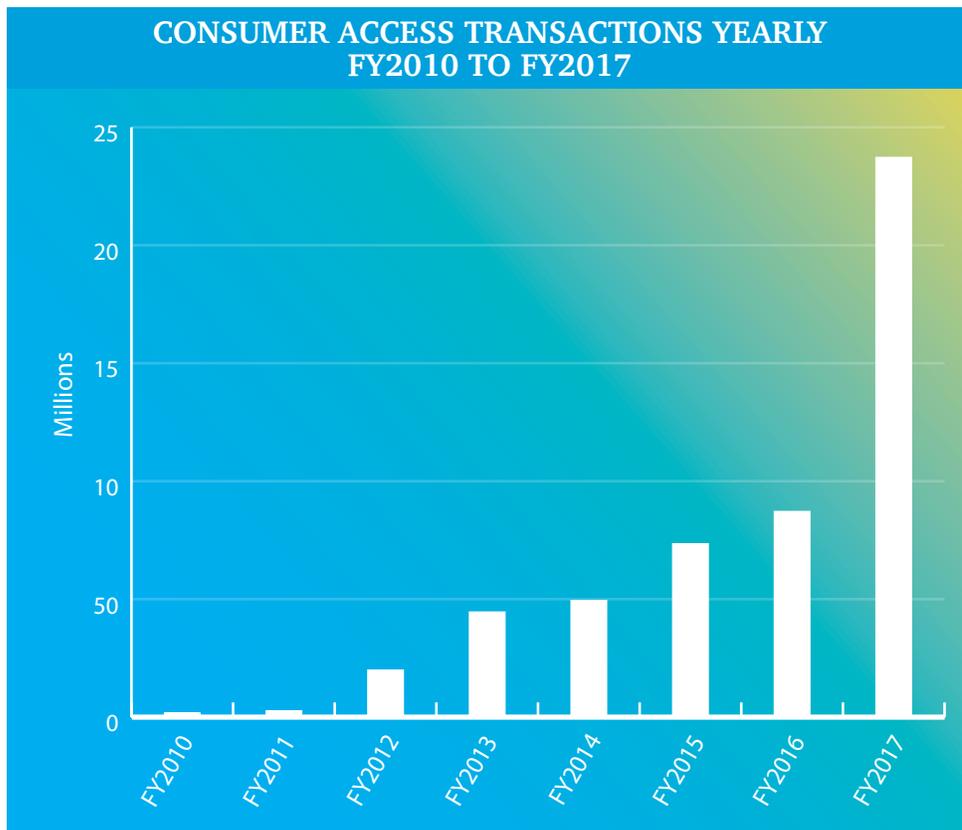


Figure 26

Approved NMVTIS Data Providers At the end of FY2016 two new companies had begun system development to become approved providers. During this reporting period these companies completed system development and were successfully certified into production as Approved NMVTIS Data Providers. At the end of this reporting period, there were 12 active providers; two more companies' applications were approved, with contracts and system development pending for the next reporting period.

Providers continued to offer NMVTIS Vehicle History Reports to the public, including individual and commercial users. Nine of the 12 Approved NMVTIS Data Providers (including the two new providers described above) supported individual consumers as well as commercial consumers, such as motor vehicle dealers. The remaining three provided NMVTIS information to their dealer customers in the state of California in support of AB 1215, as well as other dealer customers nationwide.

Approved NMVTIS Data Providers continued to explore opportunities to expand NMVTIS data use in new markets and promote new uses for NMVTIS information.

OTHER

Costa Rican Agreement Goes Into Production

During the last reporting period, an agreement was executed with the Costa Rican government to gain access to NMVTIS to verify used vehicles imported from the United States. The arrangement went into production during this reporting period, and 308 transactions were processed.

In addition, three other countries (United Arab Emirates, New Zealand and Germany) expressed interest in obtaining access to NMVTIS data. Intended uses include internal support for government programs and providing citizens with information about used vehicles imported from the United States. These requests highlighted the lack of formal policies regarding international access to NMVTIS data. All requests were placed on hold pending policy development, but in the interim, interested countries were offered the option of working through one of the Approved NMVTIS Data Providers to gain access to the information.

California Department of Motor

Vehicles: During the FY2014 reporting period, the California Department of Motor Vehicles updated its website with a link to “Look Before You Buy.” This link includes information about NMVTIS and the importance of checking a VIN through the federal system before buying a vehicle. The “Look Before You Buy” web page had 114,496 views during the current reporting period versus 94,019 views during FY2016 and 26,514 views during FY2015. Of the web page views during this reporting period, 80,429 represent new visitors. The department also provides a separate link for consumers to request a [NMVTIS Vehicle History Report](#).

CONSUMER EXPERIENCE

Nancy Cody, an Oregon resident, lost her 2001 Honda Civic 13 years ago. She ran a VinAudit NMVTIS Vehicle History Report which referred her to the Washington State DMV. She discovered that her vehicle was available for recovery from impound. “My situation was so complicated and emotional, I can’t begin to explain it all. My beloved car and I were separated for 13 years. Somehow I found VinAudit and called them to see if their services would help. The wonderful person who answered my call took all the time in the world to hear me out and even provided further service. I am going to be reunited with my car!”

Texas Department of Motor Vehicles: In FY2014, the Texas Department of Motor Vehicles restructured their website to promote greater citizen awareness of the importance of conducting a “[Title Check](#)” as part of the used-vehicle purchase process. This revamped site included use of social media to communicate the pitfalls of not doing a title check. During this reporting period, the “Don’t Buy a Wreck—Do a Title Check!” video had 10,766 views compared with 10,208 views during the previous reporting period and 14,200 during FY2015. The “Title Check” web page had 367,531 views compared to 520,253 during the previous reporting period and 471,740 during FY2015. Of the web page views during this reporting period, 223,986 represent new visitors and 143,545 represent returning visitors.

BENEFITS

System Increases Consumer Protection and Reduces Vehicle Fraud

Consumers can search NMVTIS to discover:

- Information from a vehicle’s current title, including the vehicle’s brand history.
- The latest reported odometer reading.
- Any determination that the vehicle has been designated 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.

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 fair market value and may purchase an unsafe vehicle. NMVTIS is effective in greatly reducing (if not eliminating) vehicle fraud, preventing a significant number of crimes and protecting the lives of consumers who might otherwise and unknowingly acquire vehicles that are not safe to operate.

“In June of 2017 ADD debuted its consumer prospective purchaser inquiry redesign coined TitleCheck.us. After the launch, we saw a 15% increase in consumer purchases compared to the preceding five months and a 30% increase over the same time period in the previous year.”

JIM TAYLOR
President, Auto Data
Direct, Inc.



Law Enforcement Access Program

Use of Law Enforcement Access Tool Increased by 657% Over the Last Reporting Period

The NMVTIS LEAT is a distributed federated search tool with the ability to query any VIN-searchable data source in any location as long as access is granted. Two of LEAT's major data sources are the NMVTIS central file and the JSI file, but other data sources, such as lien data from the National Vehicle Service (NVS) have been added. Users continually identify ways to improve the search tool and to expand functionality to further assist law enforcement investigations.

During this reporting period, AAMVA and BJA continued discussions regarding adding new data sources for LEAT users, including execution of an amendment to the Cooperative Agreement that would authorize NMVTIS access to the National Crime Information Center (NCIC) Theft File and Customs and Border Protection vehicle export data.

The number of LEAT users rose 12% from 4,254 in FY2016 to 4,771 users at the end of the current reporting period (see **Figure 27**). LEAT users, who include law enforcement officers and military investigators from the U.S., and law enforcement personnel in Canada, access LEAT through two secure law enforcement portals: the Regional Information Sharing Systems (RISS) and the FBI's Law Enforcement Enterprise Portal (LEEP). On average, approximately 540 new users have been added annually since FY2011.

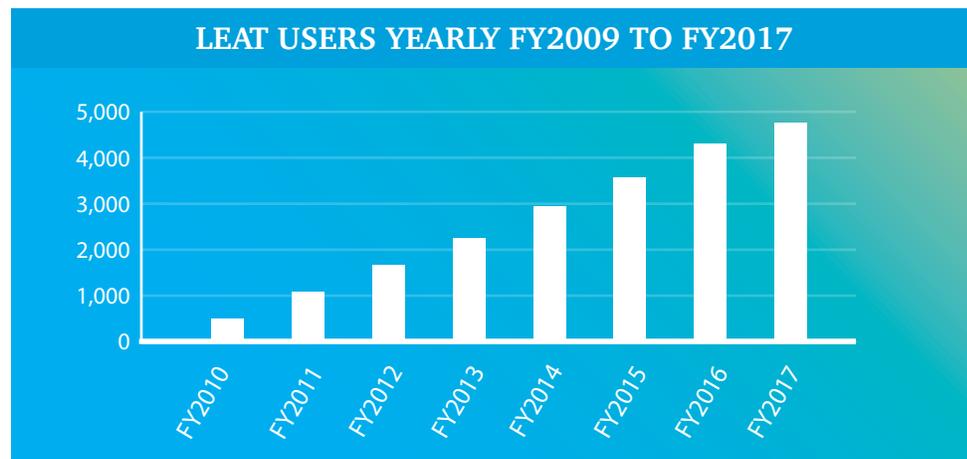


Figure 27

There has been tremendous growth in inquiries—from 643 in FY2009; 2,475 in FY2010; 4,285 in FY2011; 15,650 in FY2012; 31,437 in FY2013; 60,000 in FY2014; 67,000 in FY2015; and 88,656 in FY2016 to 74,781 in FY2017. An additional 535,000 VIN inquiries were conducted in FY2014 and FY2015 due to a special federal investigation. Similarly, an additional 596,659 VIN inquiries were conducted through 135 bulk searches during this reporting period due to special

investigations (see **Figure 28**). The 657% increase in total inquiries from FY2016 to this reporting period resulted from this large number of bulk searches in support of special investigations.

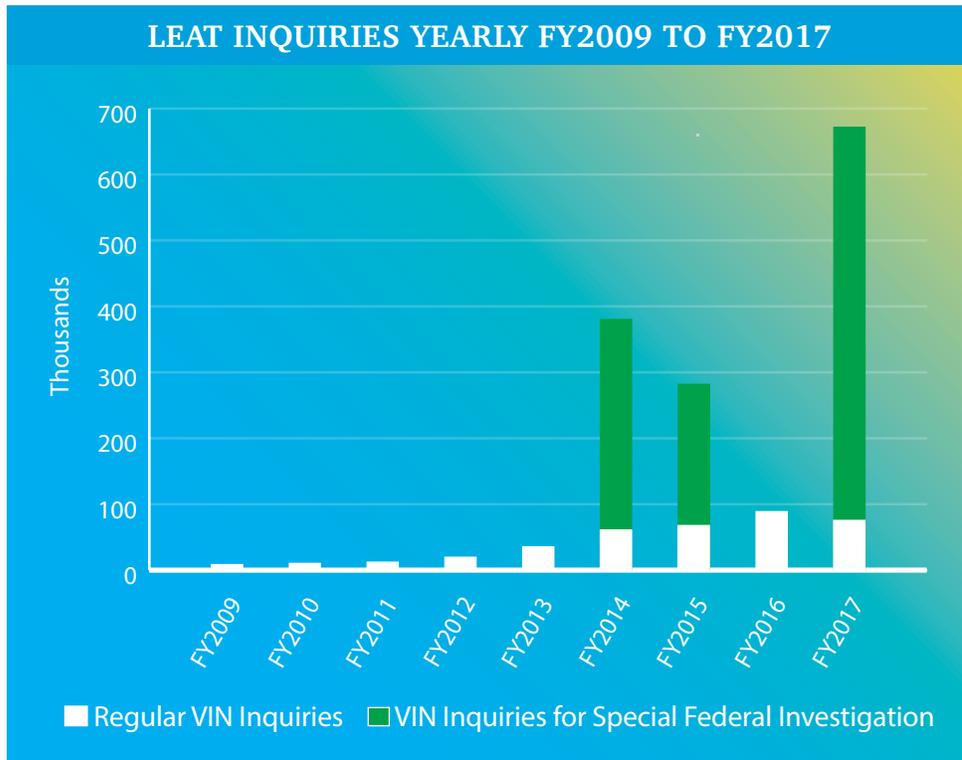


Figure 28

In addition to the data sources available to a user for a single VIN search, LEAT allows users to search as many as five VINs on the initial inquiry page and to perform bulk searches on from six to 10,000 VINs. In the results from a LEAT bulk search, the user receives a PDF file for each VIN along with three Excel spreadsheets that summarize the results and can be used to assist in analyzing the data.

In FY2017, AAMVA's NMVTIS Law Enforcement Working Group (LEWG), comprised of law enforcement personnel, industry experts, and federal partners, researched and formulated ideas for enhancing the value realized by use of the Law Enforcement Access Tool (LEAT). The LEWG completed updates to the NMVTIS [Law Enforcement Guide](#), which provides education and guidance to law enforcement on NMVTIS reporting requirements and resources within the LEAT program. LEWG members delivered presentations to law enforcement and stakeholder

“Being online with instant data protects consumers on the spot.”

SANDY O'DAY
Revenue Supervisor,
South Dakota Division
of Motor Vehicles



groups, and continued development on a standardized LEAT training program. Significant effort was devoted to researching methods for providing non-sworn DMV investigative staff with access to LEAT; a pilot access program is planned for FY2018. The LEWG continued to gather NMVTIS success stories and suggestions for program enhancements that will provide law enforcement officers with updated tools and resources to strengthen their ability to investigate vehicle-related crimes.

BENEFITS

NMVTIS Provides Data Helpful to Investigations The NMVTIS LEAT provides law enforcement with secure access to information that assists in the investigation of crimes associated with motor vehicles. These crimes include auto theft and VIN cloning, and may include violent crimes such as smuggling operations (narcotics, weapons, human trafficking, and currency), and fraud. This access can assist investigating officers in identifying vehicle theft rings, other criminal enterprises involving vehicles, and vehicles used in other related crimes.

This search tool also allows users to view junk and salvage data being entered by businesses in their state or local jurisdiction. This is an extremely valuable capability for agencies investigating criminal activity related to these businesses.

POLICE INVESTIGATION

Officers assigned to the Kern County Vehicle Theft Task Force identified a group in the Bakersfield area selling VIN-switched stolen vehicles. All of the stolen vehicles were out of Los Angeles; 24 vehicles were recovered, valued at \$365,000. NMVTIS was used to confirm the validity of other information used by investigators showing possible VIN-switched vehicles.

CALIFORNIA HIGHWAY PATROL,
FIELD SUPPORT SECTION, VEHICLE
THEFT UNIT



Cost Savings

Outreach

Value

Awareness

Outreach and Awareness of NMVTIS

NMVTIS Awareness Efforts Continued Outreach and awareness efforts during the reporting period were focused broadly on the law enforcement community. In addition, AAMVA staff provided regular NMVTIS updates to the AAMVA Board of Directors and to both the NMVTIS Business Rules Working Group and the NMVTIS Law Enforcement Working Group. AAMVA and BJA staff also provided updates at AAMVA regional conferences and at AAMVA's Annual International Conference.

BJA awareness efforts included staff participation in the following:

- NMVTIS Law Enforcement Working Group annual meeting in May
- International Association of Chiefs of Police (IACP) Vehicle Crimes Committee meeting in May

AAMVA hosted 34 webinars to familiarize state agencies with new system tools and features; 705 personnel participated. More information can be found under the [State Program](#) section of this report.

During the FY2015 reporting period, the NMVTIS Advisory Board recommendation that a series of print and/or online advertisements run in three law enforcement publications—*American Police Beat*, *The Police Chief*, and *Law Enforcement* magazines—was funded. Most of the print and website advertising occurred during the FY2016 reporting period. In this reporting period, online banner advertisements continued to run on *The Police Chief* and *Police* magazines' websites. The print and online ads can be found in [Exhibits](#).

In FY2015, the NAB's recommendation to engage the Public Broadcasting Service (PBS) to develop a "Spotlight On" segment to promote general public awareness of NMVTIS was approved and funded. Procurement for these services was completed during the last reporting period. During this

POLICE INVESTIGATION

As a result of Illinois checking NMVTIS for all title transactions between October 2016 and September 2017, the Illinois Department of Police initiated 227 fraudulent title investigations, resulting in 191 inspections of vehicles and/or revocations of plates. A total of 36 retagged stolen vehicles were recovered with a value of \$1,112,780.

ILLINOIS SECRETARY OF STATE,
DEPARTMENT OF POLICE, FIELD
DIVISION REGION ONE

reporting period DOJ and AAMVA staff worked with PBS to finalize the script and complete video and audio production.

A detailed listing of ADD's outreach events during this reporting period appears in [Exhibits](#).

FRAUD DETECTION AND REMEDIATION

AAMVA's Fraud Detection and Remediation (FDR) training program provides in-depth examples and explanations of security features now in use, and how to identify them. These training courses are used by jurisdictions in their fight against fraud, and are invaluable to any organization that makes use of driver's licenses, ID credentials, or secure documents of any kind. The training program includes the training module, "NMVTIS Investigation Tools," which contains information on how the NMVTIS LEAT functions, what information it contains, and how to gain access. This was developed during the FY2015 reporting period. All jurisdictions continued to use the FDR program during this report period.

STATE AWARENESS EFFORTS

In FY2017 Idaho, Illinois, New York, and South Dakota each added a link, Arizona added two links, and Nevada added three links, to www.vehiclehistory.gov, bringing the number of state websites promoting NMVTIS to 17.

- Arizona: <http://www.azdot.gov/mvd/VehicleServices> and http://www.azdot.gov/mvd/VehicleServices/Buying_SellingYourVehicle
- California: https://www.dmv.ca.gov/portal/dmv/detail/vr/nmvtis_check
- Idaho: <https://itd.idaho.gov/itddmv/>
- Illinois: <http://www.cyberdriveillinois.com/departments/vehicles/home.html>
- Iowa: <https://www.iowadot.gov/mvd/buyingselling/vehicle-disposal>
- Maine: www.maine.gov/sos/bmv/titles/nmvtis.html
- Missouri: <http://dor.mo.gov/motorv/nmvtis/>
- Nebraska: <https://dmv.nebraska.gov/dvr/mvtitles>
- Nevada: <http://dmvnev.com/regprivate.htm>, <http://www.dmvnev.com/floodvehicles.htm> and <http://www.dmvnev.com/insuranceagents.htm>
- New Hampshire: <http://www.nh.gov/safety/divisions/dmv/title/anti-theft.htm#nmvtis>
- New York: <https://dmv.ny.gov/registration/flood-or-stolen-cars>
- Pennsylvania: <http://www.dmv.pa.gov/Vehicle-Services/Title-Registration/Pages/nmvtis.aspx>
- South Dakota: http://www.dor.sd.gov/motor_vehicles
- Texas: <http://www.txdmv.gov/titlecheck>
- Virginia: <https://www.dmv.virginia.gov/vehicles/#nmvtis.asp>
- Wisconsin: <http://wisconsin.gov/Pages/dmv/vehicles/vhcl-rcd-hst/vehicle-history.aspx>
- Wyoming: http://www.dot.state.wy.us/home/titles_plates_registration.html

STAKEHOLDER COLLABORATION

The U.S. General Services Administration and AAMVA have an arrangement that enables GSA's Property Sales Office to apply two types of vehicle brands to federal crash, test/scrap, and salvaged vehicles that are sold to the public.

During the reporting period, AAMVA worked with GSA to revise their contractual arrangement from a memorandum of understanding to a no-cost contract. AAMVA continued its support and manually applied applicable junk or salvage brands to vehicles on behalf of GSA. To date, 540 vehicles branded by GSA are in NMVTIS (see [Figure 11, Brand Records Reported by Brander](#)).

FRAUD INVESTIGATION

Iowa Department of Transportation's Bureau of Investigation & Identity Protection (BIIP) recorded 305 NMVTIS investigations during this reporting period. The following are a few highlighted cases:

- A 2012 Jeep Wrangler Rubicon was advertised online and sold in Michigan. The buyer paid for the vehicle and took possession, but within a few days the Michigan seller's bank received notice that the cashier's check used for payment was a fake. The vehicle was advertised again and sold to an Iowa used car dealer, who met the seller in Chicago and paid cash. When the Iowa dealer attempted to title the vehicle, NMVTIS indicated that the vehicle was stolen. The vehicle was recovered by BIIP and the insurance company picked up the vehicle.
 - A DMV auto investigator in Grand Rapids, Michigan, used NMVTIS and discovered that a vehicle presented for titling was already titled in Iowa. Iowa BIIP recovered the stolen vehicle and returned it to the victim in Michigan.
 - A buyer in Iowa purchased a vehicle in Illinois with a fake check. The vehicle was then sold to an Iowa dealer who sold it to an Iowa consumer. The vehicle came up as a stolen hit on NMVTIS; the Iowa dealer reimbursed its customer and the vehicle was seized for return to the Illinois insurance company that had made a total loss payoff.
-



Revenue Funding Financials Internal Controls

Financial Reports

Expenditures Totaled \$7,473,259; State Fees Contributed \$4,819,732; No Contribution of AAMVA Member Funds Was Required During the FY2017 reporting period, program revenue was comprised largely of consumer access and state user fees.

Under federal law, NMVTIS is intended to be self-sustainable—that is, operated without federal funding. The program earned \$7,711,837 in revenue during this period, which was used to cover \$7,473,259 in expenses. The NMVTIS program was profitable for the FY2017 period by nearly \$239,000, and with no shortfall, no additional AAMVA member funds were needed (see **Figure 29**). All financial information presented is derived from the independent financial audit conducted for the fiscal year ended September 30, 2017.

NMVTIS FY2017 INCOME STATEMENT	
Revenue	\$7,702,805
Expenses	\$7,473,259
Operating Income	\$229,546
Other Income/(Expense)	\$9,032
NET INCOME	\$238,578

Figure 29

“Our customers and their clients rely on the NMVTIS data we provide them to confirm critical data points as they make their decisions. We appreciate our longstanding relationship with AAMVA.”

WILL PAGAN
Senior Vice President and
General Manager, CARCO

NMVTIS REVENUE

NMVTIS funding in FY2017 was derived primarily from Consumer Access Program fees of \$5,618,836, and state user fees of \$4,819,732. During FY2017, 44 states were eligible to receive credit for a share of the income from Consumer Access Program fees, earning a total of \$2,797,243. Through FY2013, these credits were treated as an Other Direct Cost. In FY2014, the system operator's external auditors recommended moving state revenue credits from an expense to a contra revenue account (see **Figure 30**).

PROGRAM REVENUE		
Category	Total	%
State User Fees	\$4,819,732	62.5%
Consumer Access	\$5,618,836	72.9%
Other Revenue	\$70,511	0.9%
State Revenue Credits	(\$2,797,243)	-36.3%
TOTAL	\$7,711,837	100.0%

Figure 30

NMVTIS EXPENSES

NMVTIS initiatives and their associated costs have been segmented into pillars of similar activities (see **Figures 31 and 32**):

- Operations supports the day-to-day functioning of the NMVTIS platform and represents \$7,191,263 or 96.2% of program costs.
- Implementation includes activities associated with supporting states and Consumer Access Providers in their efforts to implement the NMVTIS platform and represents \$281,996 or 3.8% of program costs.

PROGRAM EXPENSES				
Program Expenses	Operations	Implementation	Total	%
Direct Labor/Fringe	\$3,186,896	\$181,027	\$3,367,923	45.1%
Data Center/Network	\$720,269	\$0	\$720,269	9.6%
Other Direct Costs	\$1,291,210	\$3,280	\$1,294,490	17.3%
Indirect Costs	\$1,992,887	\$97,689	\$2,090,577	28.0%
TOTAL	\$7,191,263	\$281,996	\$7,473,259	100.0%

Figure 31

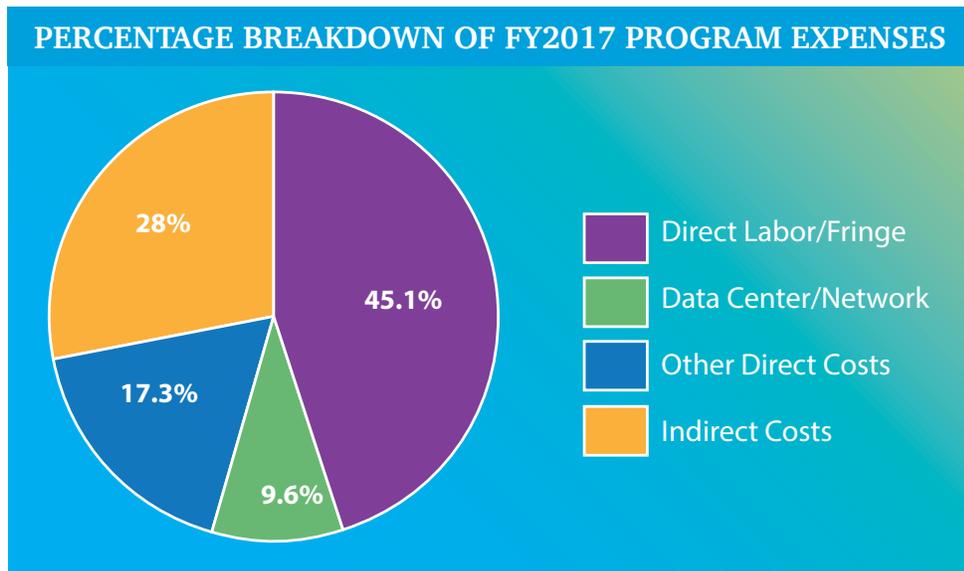


Figure 32



Milestones

Sustainability

**Looking
Ahead**

Compliance

Looking Ahead

States Will Increase Contribution to 70% of System Operating Costs in FY2018; Two New Approved NMVTIS Data Providers Join the Consumer Access Program; Normalized Growth in Consumer Access Transactions is Anticipated; Working Toward Renewal of AAMVA/DOJ Cooperative Agreement The key issues for FY2018 continue to be financial sustainability, compliance, and the renewal of the Cooperative Agreement.

Financial Sustainability With the path to financial sustainability by FY2019 outlined in the Cooperative Agreement, AAMVA remains committed to meeting the agreed-upon targets to ensure “projected excess of NMVTIS Expenses over NMVTIS Revenues is reduced by a specified minimum percentage, as compared to the previous fiscal year.” FY2017 enjoyed a positive financial outcome because of higher than anticipated Consumer Access transaction volume, but even with normalized growth AAMVA will remain on track to meet the FY2018 financial target set in the Cooperative Agreement.

Key factors contributing to financial sustainability include: 1) the continued commitment of AAMVA’s membership to support an increasing percentage of system operating costs; 2) growth of the Consumer Access Program; and 3) enhanced compliance. State user fees for FY2018 are set at 70% of system operating costs, compared to 63% in FY2017. State user fees are projected to increase, as a percentage of system operating costs, through FY2019.

Although used vehicle sales have experienced steady growth in recent years, during the fourth quarter of calendar 2017 industry experts writing in the *Automotive News* newsletter (December 2017) reported a 3% drop from the previous year as major markets in Texas and Florida experienced a decline in sales related to hurricanes. This trend is expected to continue in FY2018, with sales leveling off and stabilizing. If that occurs, there may be a decrease in used vehicle inventory, and cooling demand for NMVTIS Vehicle History Reports. As a result, Consumer Access Program revenue in FY2018 is projected to show an increase from the FY2016 level, but FY2017 will likely appear as an anomaly.

“Michigan identified a number of missed brands and counterfeit titles and took action to thwart washed titles and fraudulent title activity. NMVTIS is working great to identify and deter vehicle title fraud in Michigan.”

MAXWELL DEH
Departmental Specialist,
Michigan Department of State

Two new Approved NMVTIS Data Providers are projected to come online in FY2018, which is expected to drive new revenue. AAMVA will continue to work with data providers and other parties as they consider new uses for NMVTIS data. The success of these initiatives will place the program on a solid foundation for continued transaction and revenue growth.

Compliance Data reporting by states and other reporting entities and the use of NMVTIS data by states, law enforcement, and consumers continue to be key for the ongoing success of the system. During the reporting period, the state funding program was initiated. The goal in FY2018 is to increase the number of new states providing data and those conducting inquiries. It is critical that efforts are made in the coming year to support states which are not yet either partially or fully compliant.

As AAMVA looks beyond FY2018, it expects to be faced with both new development from the remaining states which are not currently fully participating, and a growth in rewrites for states as well. As states look to modernize and redevelop their systems to leverage new technology, rewrites of their NMVTIS applications will be required. As the system operator, AAMVA has an obligation to support those efforts. The anticipated challenge is unlike initial state development efforts which were accomplished over a number of years: The demand for redevelopment support is likely to be more concentrated, placing more demands on AAMVA's system development resources. This transition underscores the shift in focus from initial compliance to full ongoing operational development and support for the state program, and firmly positions NMVTIS as the core title information resource for states.

During this reporting period, the number of JSI records reported was higher than the annual average of approximately 15 million, which can be attributed to major hurricane-related flooding events. Whether this means that NMVTIS has attained maximum practical compliance remains to be determined.

“Using NMVTIS has helped improve the quality of vehicle title records produced in Illinois, which in turn enhances customer service and supports investigative efforts by law enforcement.”

ROD SMITH
Data Systems Manager,
Illinois Office of the
Secretary of State



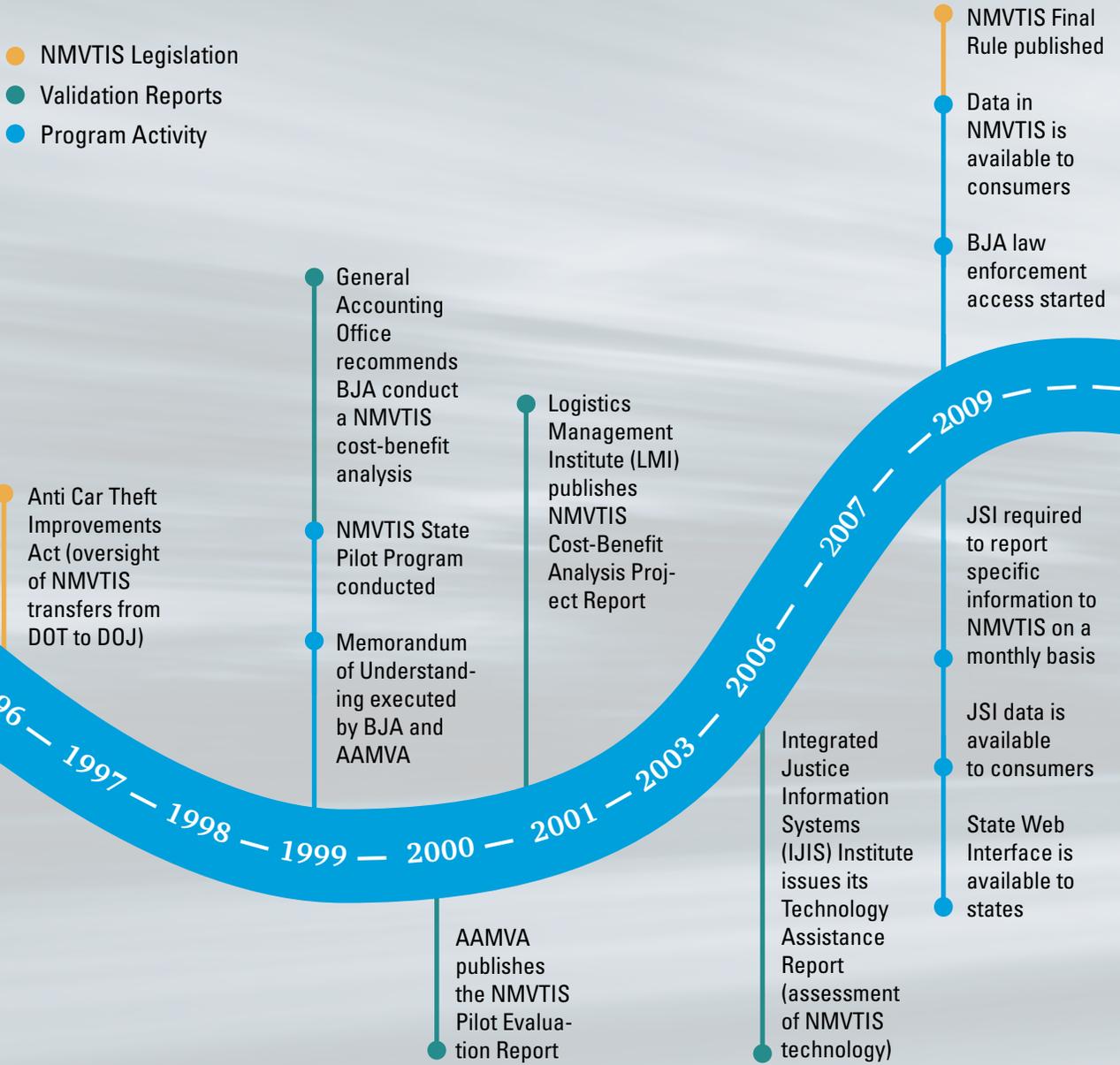
Access to NCIC Vehicle Theft File As the reporting period ended, AAMVA and BJA had finalized the amendment to the Cooperative Agreement to include the requirements of the Memorandum of Understanding with the Criminal Justice Information Services Division of the FBI regarding NMVTIS access to the NCIC Vehicle Theft File and use of the Theft File for consumer access.

Renewal of AAMVA/DOJ Cooperative Agreement During the reporting period, AAMVA began to consider plans to modernize the system beginning in FY2019. Before committing to this expenditure of member funds, AAMVA seeks assurance that it will continue in the role of system operator. The current agreement expires December 31, 2019. At the end of this reporting period, AAMVA provided DOJ with key principles regarding a new and revised system operator agreement, to form the basis of discussions with DOJ in the next reporting period.

“ We added a new feature which provides users the option to request an amend correction directly from our dashboard. Communication was sent out to all our members regarding the importance of total loss reporting due to the destructive hurricanes the United States recently endured.”

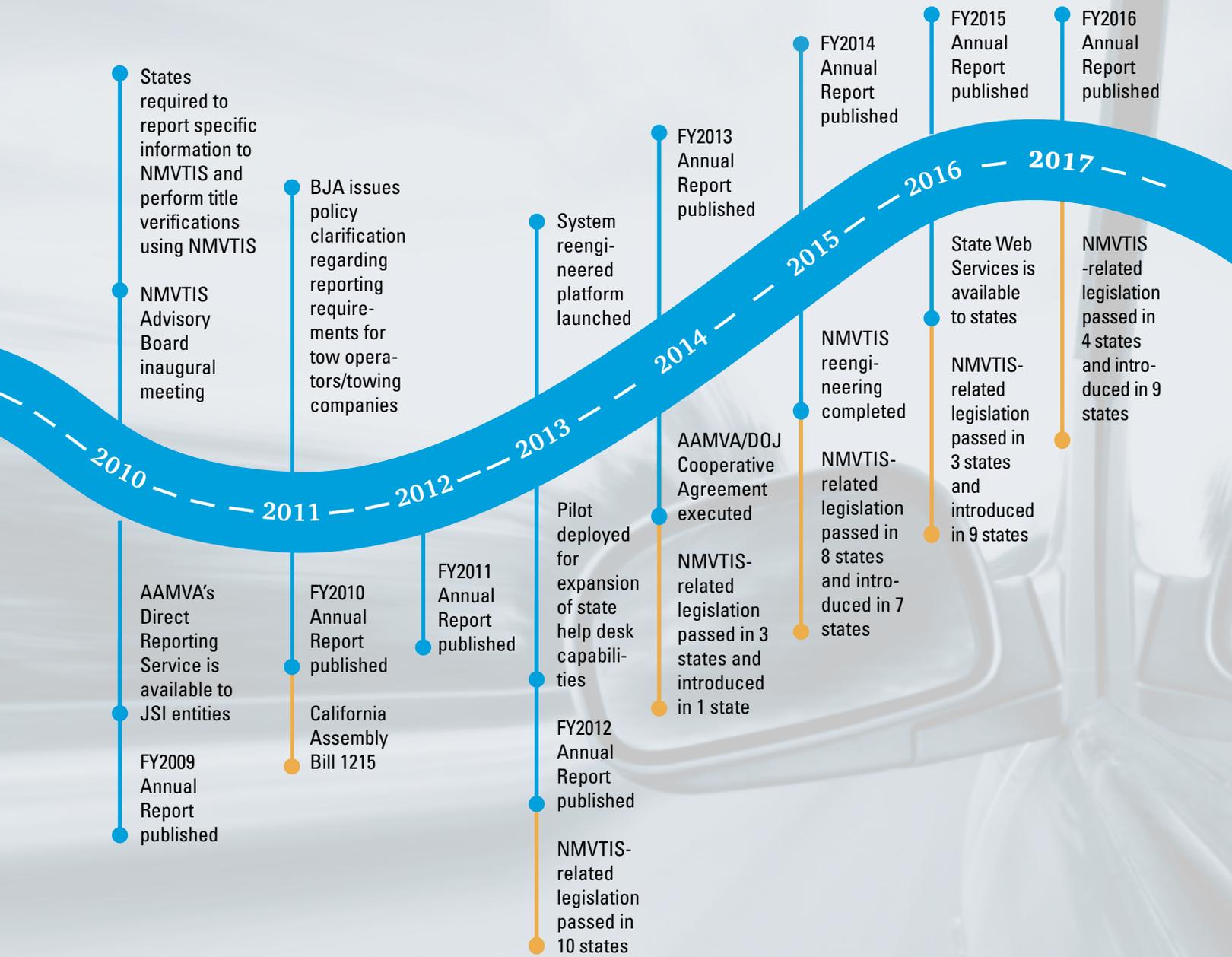
CARLOS MARTINS
Vice President & General
Manager, ISO ClaimSearch
Solutions

SECTION 6: NMVTIS MILESTONES



Funding

1996	1997	1998	1999-2000	2003	2004	2007
DOT awards initial grants to states to develop NMVTIS	BJA awards grants to states to develop NMVTIS	BJA awards grants to states and AAMVA to develop NMVTIS	BJA awards grants to states and AAMVA			



- 2008**
BJA awards grants to one state 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

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 methods.

Specific to law enforcement, the operator must:

- Ensure state and local law enforcement agencies have access to all title, brand, and junk, salvage and insurance information in or available through NMVTIS through a VIN search, including limited personal information collected by NMVTIS.
- Allow law enforcement agencies to make inquiries on the vehicles that JSI entities reported to NMVTIS.

Specific to consumer access, the operator must:

- Ensure a means exists to allow insurers and prospective purchasers to access NMVTIS information, including information regarding the current state of title (if the state participates in NMVTIS), brands, insurance, junk and salvage history, and odometer readings. Such access shall be provided to individual consumers in a single-VIN search and to commercial consumers in a single- or batch-VIN search with multiple VINs.

Further, the operator must:

- Establish and at least annually collect user fees from the states and other users of NMVTIS data to pay for its operation.
- Not release any personally identifiable information to any entity other than states and law enforcement.
- Maintain a privacy policy that describes the uses and disclosures of such personally identifiable information. AAMVA further agrees to utilize appropriate security measures, such as encryption, if it transmits personally identifiable information over the Internet, and to limit access to such information to only those with legitimate need.
- Ensure NMVTIS and its various methods of access meet or exceed technology industry security standards—most notably any relevant Global Justice Information Sharing Initiative standards and recommendations.
- When applicable use the National Information Exchange Model or any successor information-sharing model for all new information exchanges. DOJ may require the operator to use web services for all new data exchanges with NMVTIS.
- Prepare an annual report describing the performance of the system during the preceding year including 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.
- Support the maintenance of a publicly available, regularly updated listing of all junk/salvage and insurance (total loss) entities reporting to NMVTIS.

EXHIBIT 2: STATE PROGRAM TITLE VERIFICATION AND DATA REPORTING

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 Anti Car Theft Act 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 beyond 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.

States are required to report the following data into the system:

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

The Anti Car Theft Act also requires 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 it is 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 is maintained by the state relating to the certificate of title.

Title Verification and Reporting of Data—Two Approaches:

The architecture of NMVTIS was designed with input from the states. Flexibility for states to meet the requirements of the NMVTIS Final Rule has generated the following two approaches. Some states have developed the standalone approach first, and then when the opportunity has arisen, migrated to the integrated approach. Others have moved directly to the integrated approach. The decision

appears to be a factor of time, funding, and opportunity. The NMVTIS Final Rule does not stipulate which approach a state must take to meet its requirements.

1. Integrated

This is the optimal approach, as it enables the state to truly integrate the NMVTIS application into its titling application, making 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 implemented when a state is planning to rewrite its titling application. This approach tends to require more time to develop and implement, as both state and system operator's resources must fully understand NMVTIS system requirements, as well as state processes, to ensure they are mapped correctly and appropriate procedures are put into place. This approach is cost-effective in the long run as the integration of the NMVTIS process into the state titling system reduces the 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 verifications are done consistently and resulting title updates are done in a timely and accurate fashion.

Provision of Data: Vehicle data is typically transmitted in an initial load via a Secure File Transfer Protocol process to NMVTIS. States with fully integrated access to NMVTIS have their title transaction updates sent to NMVTIS in real time. Additionally, these states receive real-time notifications through NMVTIS when a vehicle from their state is retitled in another compliant state. A state can also build the help desk tools required to support title data corrections.

Title Verification: This integrated approach provides access to NMVTIS central file data (VIN Pointer, Brand, and JSI) that is stored by AAMVA, as well as theft file data and current state-of-record data stored by the state.

2. Standalone

This approach is generally less complex and costly to develop and implement than the integrated approach since it does not require full integration of all of a state's titling applications. However, it still requires that state and system operator's resources fully understand the NMVTIS requirements and state processes, to ensure they are correctly mapped and appropriate procedures are put into place. This is a short-term approach geared toward states with limited IT resources, and allows a state to implement NMVTIS in a relatively brief time frame. Lack of full integration between the online standalone solution and the state titling system may make this approach more prone to data entry errors and may increase the time at the counter to process manual inquiries. The increase in processing time translates into increased operating costs for the states.

Provision of Data: Vehicle data is typically transmitted in an initial load via a Secure File Transfer Protocol process to NMVTIS. States without integrated access to NMVTIS can provide data updates as batch uploads, and are required to do so on a daily basis.

Title Verification: AAMVA provides two solutions for standalone verification: the State Web Interface and the Batch Inquiry. SWI allows a state to conduct a single inquiry into NMVTIS; the response includes data from NMVTIS central files (VIN Pointer, Brand, and JSI) and the theft file. Batch Inquiry allows a state to submit a batch of VINs to NMVTIS; the response includes data from NMVTIS central files (VIN Pointer, Brand, and JSI).

EXHIBIT 3: PROPOSED LEGISLATION

In addition to the adopted legislation listed in the [JSI section](#) of this report, the 14 bills below were introduced in nine states.



ARKANSAS

AR S.B. 775: Introduced March 6, 2017

Within two (2) business days from the date the junk vehicle or salvage vehicle is acquired or purchased, a junk yard or salvage yard shall deliver in a format approved by the Director of the Department of Finance and Administration a report containing the name, address, telephone number, and the National Motor Vehicle Title Information System identification number of the junk yard or salvage yard filing the report.



FLORIDA

FL S.B. 264: Introduced March 7, 2017

An act relating to self-service storage facilities. If a lien is claimed on a motor vehicle or a watercraft and rent and other charges to the property remain unpaid for 60 days, the facility or unit owner may do the following:

- The facility or unit owner may sell the motor vehicle or watercraft by public auction. Before the public auction, the facility or unit owner must check the DHSMV database to determine the existence and identity of any lienholder.
- If the vehicle or watercraft is not titled in Florida, the facility must check the NMVTIS or an equivalent commercially available system to determine the state of registration and to determine the existence and identity of any lienholder.
- Within 10 days after receipt of such information concerning a lienholder and the owner of the motor vehicle or watercraft, the facility or unit owner must send written notice to the lienholder and to the owner by certified mail.



IOWA

IA S.S.B. 1130: Introduced February 20, 2017

This bill requires a licensed vehicle recycler that sells a vehicle with a salvage certificate of title or junking certificate to retain for three years after the sale of the vehicle an electronic record of the vehicle's make, model, model year, vehicle identification number, and, if available, current odometer reading; the name and address of the purchaser; and the purchaser's unique number issued to the purchaser through the NMVTIS, or if the purchaser has not been issued such a number, the purchaser's driver's license or non-operator's identification card number. By operation of law, a violation of these provisions is a simple misdemeanor punishable by a fine of not less than \$250 nor more than \$1,500 or by imprisonment not to exceed 30 days.

IA S.S.B. 1139: Introduced February 21, 2017

- This bill requires the Department of Transportation (DOT) to contract with a third party to act as the DOT's authorized data consolidator using the current procedures for competitive bidding. The third party must be approved by the United States Department of Justice to act as a third party data consolidator for the NMVTIS. The bill permits the third party to charge a fee for any service provided under the bill to any nongovernmental entity or person not seeking such services on behalf of a governmental entity.
- The bill requires a person subject to federal NMVTIS reporting requirements who sells a motor vehicle with a salvage certificate of title or junking certificate to retain information for three years after the sale of the vehicle and to report the information to the authorized data consolidator within seven business days after the date on which the sale of the vehicle occurred.
- Upon receiving the information, the bill requires the authorized data consolidator to report the information received to the DOT and to NMVTIS within two business days after the date on which the authorized data consolidator receives the information. The bill requires the authorized data consolidator to also verify whether the vehicle purchased or sold is designated as an active stolen vehicle in the Federal Bureau of Investigation's National Crime Information Center Database. If the vehicle is so designated, the authorized data consolidator must notify the DOT and the person or entity who submitted the information relating to the purchase or sale of the vehicle. The bill requires the authorized data consolidator to retain the information received for five years.
- If a vehicle with a salvage certificate of title, rebuilt certificate of title, or junking certificate is sold for scrap or junk to a licensed vehicle recycler, the vehicle recycler is required to obtain the vehicle's certificate of title or junking certificate, properly endorsed and signed by the previous owner, and the seller's unique number issued to the seller through NMVTIS, or if the seller has not been issued such a number, a copy of the seller's driver's license or non-operator's identification card, and report within two business days the purchase of the vehicle to the authorized data consolidator. If a vehicle without a certificate of title or junking certificate is sold for scrap or junk to a licensed vehicle recycler, and the vehicle is 12 model years old or older and is acquired by the vehicle recycler for reasonable consideration equaling less than \$1,000, the vehicle recycler and the seller must complete a derelict affidavit form. The vehicle

recycler is required to retain the form along with the seller's unique number issued to the seller through NMVTIS, or if the seller has not been issued such a number, a copy of the seller's driver's license or non-operator's identification card, and report within two business days the purchase of the vehicle to the authorized data consolidator. The bill applies these provisions to vehicle demolishers that purchase abandoned vehicles. Under current law, such demolishers are licensed vehicle recyclers.

- The bill further requires a vehicle rebuilder or person acquiring a vehicle who is subject to federal NMVTIS reporting requirements to obtain the seller's unique number issued to the seller through NMVTIS, or if the seller has not been issued such a number, a copy of the seller's driver's license or non-operator's identification card, and to report within two business days the purchase of the vehicle to the authorized data consolidator.



MINNESOTA

MN H.F. 2362: Introduced March 13, 2017

Establishing an electronic scrap vehicle transaction report. The commissioner must forward the information, excluding personally identifiable information, to the National Motor Vehicle Title Information System within two business days of its receipt.

MN S.F. 2152: Introduced March 16, 2017

Establishing an electronic scrap vehicle transaction report. The commissioner must forward the information, excluding personally identifiable information, to the National Motor Vehicle Title Information System within two business days of its receipt.



MISSOURI

MO H.B. 739: Introduced February 14, 2017

Establishes record keeping requirements for salvage dealers and operators of salvage pool or salvage disposal sales. The department of revenue shall, subject to appropriations, contract with an entity approved by the department as a third party data consolidator to the National Motor Vehicle Title Information System (NMVTIS) to receive information reported by the department under this act. The system shall maintain an accurate record of all reported transactions.



MISSISSIPPI

MS H.B. 1303: Introduced January 23, 2017

Authorizes a vehicle with a certificate of destruction issued by another state for a water damaged vehicle that has been declared a total loss to be issued a clear title or a branded title if the vehicle has been restored in Mississippi to its operating condition which existed prior to the event which caused the certificate of destruction to be issued. This would have implications for the current NMVTIS provisions in statute.

MS S.B. 2229: Introduced February 28, 2017

Authorizes a vehicle with a certificate of destruction issued by another state for a water damaged vehicle that has been declared a total loss to be issued a clear title or a branded title if the vehicle has been restored in Mississippi to its operating condition which existed prior to the event which caused the certificate of destruction to be issued. This would have implications for the current NMVTIS provisions in statute.

MS S.B. 2230: Introduced January 13, 2017

- Authorizes a vehicle that is at least 10 model years old to be transferred without a certificate of title to a licensed used motor vehicle parts dealer or scrap metal processor if the owner signs a statement swearing that he or she has lost the certificate of title to the vehicle or returned the certificate of title to the Department of Revenue.
- Within two business days of each day's close of business, the used motor vehicle parts dealer or scrap metal processor who purchases or receives motor vehicles for scrap or for parts shall deliver in a format approved by the department, by electronic means once developed and made available by the department, a list of all such vehicles purchased that day for scrap or for parts. That list shall contain the NMVTIS ID number of the business acquiring the vehicle.
- The information obtained by the department in accordance with this act shall be reported to the NMVTIS.
- Until the department develops and makes available the Internet-based system to submit information described in this act to be transmitted to the department, the used motor vehicle parts dealer or scrap metal processor who purchases or receives motor vehicles for scrap or for parts shall deliver the information required by paragraph to the NMVTIS through any data consolidator approved by such system, within 48 hours of the day the vehicle was purchased or acquired by such used motor vehicle parts dealer or scrap metal processor.
- Enacts penalties for persons who fail to comply with reporting requirements.

**NEW MEXICO****NM H.B. 177: Introduced January 22, 2017**

Within forty-eight hours of the close of business on the day a motor vehicle is purchased by an auto recycler, an auto recycler shall report purchases with certain relevant information to the Taxation and Revenue Department in an electronic format. The department shall forward the information received, excluding personally identifiable information, to the National Motor Vehicle Title Information System within forty-eight hours of the department receiving the information.

NM S.B. 139: Introduced January 23, 2017

Within forty-eight hours of the close of business on the day a motor vehicle is purchased by an auto recycler, an auto recycler shall report purchases with certain relevant information to the Taxation and Revenue Department in an electronic format. The department shall forward the information received, excluding

personally identifiable information, to the National Motor Vehicle Title Information System within forty-eight hours of the department receiving the information.



NORTH CAROLINA

NC S.B. 346: Introduced March 22, 2017

A secondary metals recycler or salvage yard purchasing a motor vehicle under this section that does not have, at the time of purchase, a valid title shall wait at least 72 hours from the time it submits information on the vehicle to the NMVTIS, or to a third-party consolidator for submittal to NMVTIS before dismantling or wrecking the motor vehicle.



TEXAS

TX H.B. 2462: Introduced February 27, 2017

The DMV shall issue the applicant the appropriate title with any notations determined by the department as necessary to describe or disclose the motor vehicle's current or former condition if the motor vehicle was brought into this state from another state or jurisdiction and has on any title or comparable out-of-state ownership document issued by the other state or jurisdiction or record in the National Motor Vehicle Title Information System reported by another state or jurisdiction:

- a "rebuilt," "repaired," "reconstructed," "flood damage," "fire damage," "owner retained," "salvage," or similar notation; or
- a "non-repairable," "dismantle only," "parts only," "junked," "scrapped," "crushed," or similar notation.

NICB INVESTIGATION

NMVTIS information followed the complex title history of a high-value vehicle, which supported National Insurance Crime Bureau's investigation and lead to verification that the vehicle had been stolen and cloned. The vehicle was recovered.

EXHIBIT 4: PRINT AND BANNER ADS IN LAW ENFORCEMENT PUBLICATIONS

As discussed in the [Outreach and Awareness](#) section, a half-page print advertisement (below) promoting the availability of the NMVTIS Law Enforcement Access Tool was published in the last reporting period: July through September 2016 in *American Police Beat* magazine as well as in the June 2016 issue of *Police* magazine.

National Motor Vehicle Title Information System

A Proven Reliable Database for Law Enforcement Vehicle Investigations

The National Motor Vehicle Title Information System (NMVTIS) Database assists investigators with:

- Auto Theft Investigations
- Smuggling (weapons, drugs, etc.)
- Insurance and Title Fraud
- Odometer Tampering and Rollbacks
- Identity Theft
- Salvage, Junkyard, Dealership Investigations

NMVTIS Law Enforcement Access Tool (LEAT) provides investigators with a report that includes the Junk, Salvage, and Insurer Database; NICB Clone Database; NICB Counterfeit Database; NICB Flood Damage Database; Mexico Stolen Vehicle Database; USDOT Dealer Rebate Program; brand information; National Vehicle Service; JSI information; a VIN analyzer; a comprehensive title history from each state; and more.

NO COST to law enforcement
The U.S. Department of Justice offers the NMVTIS database at no cost to law enforcement agencies.

For More Information
E-mail: NMVTIS@usdoj.gov
NMVTIS Web site: www.vehiclehistory.gov

www.vehiclehistory.gov

A website banner ad was also placed during FY2016 on the websites of those publications as well as on the site for *Police Chief* magazine. In the current reporting period, the online banner advertisements continued to run on *The Police Chief* and *Police* magazines' websites.

www.vehiclehistory.gov

National Motor Vehicle Title Information System

A proven reliable database for law enforcement vehicle investigations

EXHIBIT 5: AUTO DATA DIRECT OUTREACH AND AWARENESS EVENTS

DATE	VENUE & FOCUS	LOCATION
October 2016	Independent Automobile Dealers Association of California / Northern California auction visits – Consumer Access	Stateline, NV
	Florida Independent Automobile Dealers Association Convention – Consumer Access	Orlando, FL
	Automotive Recycling Association Convention – Consumer Access and JSI	Baltimore, MD
November 2016	National Alliance of Buy Here, Pay Here Dealers National Conference – Consumer Access	Orlando, FL
	National Auto Auction Association – Consumer Access	Las Vegas, NV
	Baltimore Tow Show– Consumer Access and JSI	Baltimore, MD
January 2017	Florida Auto Theft Intelligence Unit	Orlando, FL
	Florida DHSMV Rebuilt Inspector Certification Course – Consumer Access and JSI	Hollywood, FL
	National Auto Dealers Association Conference – Consumer Access	New Orleans, LA
March 2017	Bobit Conference of Auto Remarketing – Consumer Access	Las Vegas, NV
	Automotive Independent Center for Excellence Title Seminar – Consumer Access	Clearwater, FL
	Florida Independent Automobile Dealers Association Continuing Education Class – Consumer Access	Tallahassee, FL
	Florida Independent Automobile Dealers Association Pre-Licensing Class – Consumer Access	Tallahassee, FL
	Florida DHSMV Rebuilt Inspector Certification Course – Consumer Access and JSI	Hialeah, FL
	Carolina Auto Recyclers – Consumer Access and JSI	Durham, NC
	Automotive Independent Center for Excellence Title Seminar – Consumer Access	Ft. Lauderdale, FL
	Automotive Independent Center for Excellence Title Seminar – Consumer Access	West Palm Beach, FL

DATE	VENUE & FOCUS	LOCATION
March 2017 <i>(Continued)</i>	Automotive Independent Center for Excellence Title Seminar – Consumer Access	Stewart, FL
	Florida Independent Automobile Dealers Association Continuing Education Class – Consumer Access	West Palm Beach, FL
	Automotive Independent Center for Excellence Title Seminar – Consumer Access	Lakeland, FL
	American Car Rental Association– Consumer Access	Las Vegas, NV
April 2017	Independent Automobile Dealers Association of California / Northern California auction visits – Consumer Access	Riverside, CA and Anaheim, CA
	Florida Independent Automobile Dealers Association Pre-Licensing Class – Consumer Access	Tallahassee, FL
	Automotive Independent Center for Excellence Title Seminar – Consumer Access	Pensacola, FL, Jacksonville, FL and Panama City Beach, FL
	Digital Dealer Conference – Consumer Access	Tampa, FL
	Florida Tow Show – Consumer Access and JSI	Orlando, FL
	Institute of Scrap Recycling Industries – Consumer Access and JSI	New Orleans, LA
May 2017	Florida Association of Licensed Investigators – Consumer Access	Cocoa Beach, FL
	Southern Tow Show – Consumer Access and JSI	Orange Beach, AL
	Florida Tax Collectors Association Spring Conference – Consumer Access	Ft. Myers, FL
	American Towman Las Vegas Expo – Consumer Access and JSI	Las Vegas, NV
	Florida Independent Automobile Dealers Association Pre-Licensing Class – Consumer Access	West Palm Beach, FL
	CU Direct – Consumer Access	Las Vegas, NV
	National Alliance of Buy Here, Pay Here Dealers National Conference – Consumer Access	Las Vegas, NV

DATE	VENUE & FOCUS	LOCATION
June 2017	Empire State Towing & Recovery Association Tow Show – Consumer Access and JSI	Lake George, NY
	National Odometer Title Fraud Enforcement Association – Consumer Access and JSI	Charlotte, NC
	Southeast International Association of Auto Theft Investigators Training Seminar	Delray Beach, FL
	National Independent Automobile Dealers Association Convention – Consumer Access	Las Vegas, NV
	Florida Independent Automobile Dealers Association Pre-Licensing Class – Consumer Access	Ft. Lauderdale, FL
	Towing & Recovery Management Summit – Consumer Access and JSI	Nashville, TN
July 2017	Orange Auto Tag Agency Title Seminar – Consumer Access	Orlando, FL
	Florida Auto Dismantlers and Recyclers Association Convention – Consumer Access and JSI	Clearwater Beach, FL
	Florida DHSMV Rebuilt Inspection Re-certification Course – Consumer Access and JSI - two events	Miami, FL
August 2017	Carolinas Independent Automobile Dealers Association – Consumer Access	Myrtle Beach, SC
	American Towman Tow Expo International – Consumer Access and JSI	Grapevine, TX
	Florida Tax Collectors Association Fall Conference – Consumer Access	Orlando, FL
September 2017	International Association of Special Investigation Units Expo – Consumer Access and JSI	New Orleans, LA
	Florida Auto Theft Intelligence Unit Annual Symposium – Consumer Access and JSI	Jacksonville, FL
	Tennessee Tow Show – Consumer Access and JSI	Chattanooga, TN
	National Independent Automobile Dealers Association Leadership Conference – Consumer Access	Washington, DC

ACRONYMS

AAMVA – American Association of Motor Vehicle Administrators

ADD – Auto Data Direct, Inc.

BJA – Bureau of Justice Assistance

BRWG - Business Rules Working Group

DMV – Department of Motor Vehicles

DOJ – (U.S.) Department of Justice

DOR – Department of Revenue

DOT – (U.S.) Department of Transportation

FBI – Federal Bureau of Investigation

FHWA – Federal Highway Administration

GSA – (U.S.) General Services Administration

IAATI – International Association of Auto Theft Investigators

IACP – International Association of Chiefs of Police

IJIS – Integrated Justice Information Systems

ISO – ISO ClaimSearch Solutions

JSI – Junk, Salvage, and Insurance

LE – Law Enforcement

LEAT – Law Enforcement Access Tool

LEEP – Law Enforcement Enterprise Portal

LEWG – Law Enforcement Working Group

NAB – NMVTIS Advisory Board

NADA – National Automobile Dealers Association

NAEC – North American Export Committee

NCIC – National Crime Information Center

NHTSA – National Highway Traffic Safety Administration

NIADA – National Independent Automobile Dealers Association

NICB – National Insurance Crime Bureau

NMVTIS – National Motor Vehicle Title Information System

NSA – National Sheriffs' Association

NSVRP – National Salvage Vehicle Reporting Program

OJP – Office of Justice Programs

RISS – Regional Information Sharing System

SWI – State Web Interface

U.S.C. – United States Code

VIN – Vehicle Identification Number

GLOSSARY

Brand

Brands are labels used to describe the status of a motor vehicle, such as “junk,” “salvage,” or “flood,” which can impact its economic value or safety. State brands and/or vehicle statuses are mapped to NMVTIS brands for consistency within the system.

Cloned Vehicle

A vehicle is “cloned” when a legitimate VIN plate is replicated and placed on a stolen vehicle, making that vehicle appear to have a valid VIN.

Consumer Access Program Transactions

A Consumer Access Program transaction consists of a consumer inquiry followed by purchase of the located NMVTIS record.

DMV

Department of Motor Vehicles (DMV) is the most commonly used term to describe the state agency that administers vehicle registration; however, some jurisdictions use other names (e.g., Bureau of Motor Vehicles, Motor Vehicle Commission).

Junk Yard, Salvage Yard, and Insurance Carrier (JSI) Reporting

The list of industries specifically identified in the regulatory definitions of “junk yard” and “salvage yard” is not exhaustive. If an entity satisfies the definition of a junk yard or salvage yard (i.e., an individual or entity engaged in the business of acquiring or owning junk automobiles or salvage automobiles for resale in their entirety or as spare parts; or rebuilding, restoration, or crushing) and the entity handles five or more junk automobiles or salvage automobiles per year, then the entity has a NMVTIS reporting obligation.

JSI entities are only required to report on automobiles deemed junk or salvage, but may also report on other types of vehicles included in NMVTIS as long as they are deemed junk or salvage.

Entities may report the required data elements to the state in which they are located; the state then provides the required information to NMVTIS. Through the FY2017 reporting period, Georgia and Tennessee are the only states to report on behalf of their JSI entities.

A reference to a JSI record may reflect multiple reports on the same VIN.

Odometer Reading

NMVTIS contains the odometer reading at the time the vehicle title was issued.

State Program

44 jurisdictions participated at some level. Six states and the District of Columbia were in development and had not yet loaded data into the system during this reporting period, as detailed in the [State Program](#) section. “Participating” refers to states that provide data and inquire into NMVTIS before issuing new titles. “Providing Data Only” refers to states that provide data but do not make inquiries into NMVTIS.

Superseded Title

A title that is no longer valid because a newer one has been issued. (See entry for [Texas in Benefits](#) section.)

Surety Bond

May be secured in the absence of a valid title. It is purchased by an applicant from an insurance company or bonding agency. The bond, which must be for twice the fair market value of the vehicle, is posted for three years and is returned if no claims are filed during that period. (See entry for [Michigan in Benefits](#) section.)

LEGISLATION

- [California Assembly Bill \(AB\) 1215 \(2012\)](#)
- [NMVTIS Final Rule \(2009\)](#)
- [Anti Car Theft Act \(1992\)](#)

MEETING NOTES AND CORRESPONDENCE

- [BJA Director's Correspondence to NMVTIS Advisory Board \(September 2016\)](#)
- [NMVTIS Advisory Board Correspondence to BJA Director \(June 2016\)](#)

NOTICES

- ["Safe Harbor" Provisions for NMVTIS Reporting Entities \(September 2017\)](#)
- [AAMVA Guide: Cars Damaged by Flood Waters – Tips for States \(September 2017\)](#)
- [BJA Notice to JSI Reporting Entities Regarding Flood-Damaged Vehicles and Enforcement \(September 2017\)](#)
- [DOJ Civil Enforcement Program \(May 2016\)](#)
- [BJA Notice to JSI Reporting Entities Regarding Flood-Damaged Vehicles \(November 2015\)](#)
- [NMVTIS Consumer Access Product Disclaimer \(June 2014\) in English and in Spanish, *NMVTIS Descargo de producto de acceso al consumidor*](#)
- [California Assembly Bill \(AB\) 1215 - Occupational Licensing Industry News \(2012\)](#)
- [BJA Notice to JSI Reporting Entities Regarding Hurricane Sandy \(2012\)](#)
- [NMVTIS Final Penalty Decision Considerations \(2012\)](#)

PRESS

- [DOJ Press Release - Bureau Of Justice Assistance Offers Resource On Damaged Vehicles \(September 2017\)](#)
- [MoneyGeek.com Blog – Flood Cars Sneaking onto the Market after Hurricanes \(September 2017\)](#)
- [The New York Times - How to Avoid Buying a Car Flooded by Hurricanes \(September 2017\)](#)
- [WIRED – Harvey Wrecks up to a Million Cars in Car-Dependent Houston \(September 2017\)](#)
- [Jalopnik – Here's What Happens to All of the Flooded Cars after Hurricane Harvey \(September 2017\)](#)
- [The New York Times - How to Avoid Buying a Car Flooded by Hurricanes \(September 2017\)](#)
- [USA Today – Harvey May Have Wrecked up to 1M Cars and Trucks \(August 2017\)](#)
- [The New York Times – Car Owners Inundate Insurers with Claims After Hurricane Harvey \(August 2017\)](#)
- [The New York Times – No, Sept. 1 Isn't Deadline for Hurricane-Damage Claims under New Texas Law \(August 2017\)](#)
- [CBS6News Albany - Is a Flood Damaged Vehicle Sitting in Your Driveway? \(February 2017\)](#)
- [U.S. News & World Report – Car History Report: Which One is Right for You? \(December 2016\)](#)
- [MOVE Magazine - A Look at 20 Years of NMVTIS, DMV Information Systems and Online Customer Service \(December 2016\)](#)

- [Automotive News – How Junk Cars Can Slip Through the Cracks \(2015\)](#)
- [The Police Chief - NMVTIS Law Enforcement Access Tool: A Free Resource for Vehicle-Related Investigations \(2015\)](#)
- [ADD Press Release – ADD Partners With Under the Hood Radio Show \(2015\)](#)
- [WUSA Channel 9 - What to Know Before Buying a Salvage Vehicle \(2014\)](#)
- [Cars.com - Storm Surge: Beware of Title-Washed Cars \(2014\)](#)
- [DOJ Press Release - Three States Join the National Motor Vehicle Title Information System \(2014\)](#)
- [IACP - NMVTIS: Provides Guidance to Hurricane Sandy Victims Buying Vehicles and Assists Vehicle Theft Investigators \(2013\)](#)
- [DOJ Press Release - Private Sector Joins Justice Department in Protecting Consumers from Vehicle Fraud and Unsafe Vehicles \(2012\)](#)
- [FBI - Steering Clear of Car Cloning: Some Advice and Solutions \(2009\)](#)
- [FBI - Car Cloning: A New Twist on an Old Crime \(2007\)](#)

RESOURCES

- [NMVTIS: Law Enforcement Guide \(2017\)](#)
- [NMVTIS: Working for States Brochure \(2017\)](#)
- [Best Practices - Edition 3 \(2016\)](#)
- [Texas DMV Consumer Awareness Video - Don't Buy a Wreck, Do a Title Check! \(2014\)](#)
- [NMVTIS: Don't Be Fooled Brochure \(2009\)](#)
- [NMVTIS: Help Prevent Crime Brochure \(2009\)](#)

“ NMVTIS has already become a key resource for protecting the public from fraud and to advance public safety issues.

HOWARD NUSBAUM
Administrator, National Salvage
Reporting Program

REPORTS – FINANCIAL

- [NMVTIS Independent Auditor's Report for the Period October 1, 2016 – September 30, 2017](#)

REPORTS – GENERAL

- [NMVTIS Annual Report \(2016\)](#)
- [NMVTIS Annual Report \(2015\)](#)
- [NMVTIS Annual Report \(2014\)](#)
- [NMVTIS Annual Report \(2013\)](#)
- [NMVTIS Annual Report \(2012\)](#)
- [NMVTIS Annual Report \(2011\)](#)
- [NMVTIS Annual Report \(2010\)](#)
- [NMVTIS Annual Report \(2009\)](#)
- [IJIS Institute Technology Assistance Report \(2006\)](#)
- [LMI Cost-Benefit Analysis Report \(2001\)](#)
- [NMVTIS Pilot Evaluation Report \(2000\)](#)

WEBSITES

- [AAMVA NMVTIS Website](#)
- [DOJ NMVTIS Website](#)



American Association of Motor Vehicle Administrators
4401 Wilson Boulevard, Suite 700, Arlington, VA 22203
(703) 522-4200 • inquiries@aamva.org
www.aamva.org



National Motor Vehicle Title Information System
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(202) 616-3879 • NMVTIS@usdoj.gov
www.vehiclehistory.gov