National Motor Vehicle Title Information System (NMVTIS)

Working Together to Fight Vehicle Theft & Fraud

October 4, 2016
National Attorneys General Association
Fall Consumer Protection Conference
Phoenix, AZ
Multiple Stakeholders

- Consumers
- State Titling Agencies
- Law Enforcement
- Insurance Companies
- Towing Operations
- Salvage Auctions
- Scrap Recyclers
- Auto Dismantlers

Cooperation Brings Success
The Basics: Share Information

NMVTIS is:

- **A national electronic system**
  - Designed to protect consumers from fraud and unsafe vehicles
  - Implemented to deter and prevent title fraud and other crimes
  - Intended to keep stolen vehicles from being resold & titled elsewhere

- **A interconnected database for all 50-States & Consumers**
  - Allowing states to exchange vehicle title information
  - Creating instant and reliable confirmation of vehicle title validity
  - Including data submitted by states, insurance and vehicle owners

- **A tool for states and law enforcement**
  - Operated by the American Association of Motor Vehicle Administrators
  - Oversight by the U.S. Department of Justice

www.vehiclehistory.gov

- NMVTIS is created in accordance with 49 U.S.C. 30502 (PL 102-519 & PL 104-152)
- Establishes an electronic means for verifying and exchanging title, brand, theft, and other data among state DMVs, law enforcement, prospective and current purchasers, and insurance carriers
- Designated AAMVA as the third party to operate the system

WHY: Enable Tougher Law Enforcement Against Auto Theft

- Get state DMVs to link up their systems to catch attempts at title fraud
- Ensure “junk” or other state-designated brands are not lost (i.e. washed) when a vehicle moves from state to state
- Prevent junk/salvage vehicles from being used to generate clean title from a cloned VIN
- Give law enforcement a mechanism to track VINs and who is selling/buying them

HOW: U.S. Department of Justice Rules Issued January 30, 2009

- Law requires the system must by self-sufficient paid for by user fees
- Federal grants provided seed money to encourage states to get linked up*
- Technical assistance provided to states from BJA and AAMVA
- A Federal Advisory Board provides regular input and recommendations

*States receiving grants: AL, AZ, AK, CA, CO, CT, DE, GA, HI, KS, MS, NM, NY, ND, OR, PA, RI, SC, VT, DC, WI
What is the value of NMVTIS to Law Enforcement, States, and the Public?

- Improves ability to identify vehicle theft rings and combat other criminal enterprises involving vehicles
  - Reduces title fraud (VIN cloning)
  - Reduces odometer fraud
  - Reduces “brand washing”
- Protects states from fraud and reduces the use of stolen vehicles for illicit purposes
- Increases accuracy of state DMV data
- Increases consumer protection

http://www.vehiclehistory.gov
Currently, 96% of the U.S. DMV data is represented in the system.

- 38 States Participating—states that provide data and inquire into the system before issuing new titles
- 6 States Providing Data Only—states providing data but not making inquiries
- 7 States in Development (includes the District of Columbia)

http://www.vehiclehistory.gov/nmvtis_states.html
## Status of States in Development

<table>
<thead>
<tr>
<th>#</th>
<th>State</th>
<th>Scope of Development</th>
<th>Status</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>District of Columbia</td>
<td>Fully integrated online</td>
<td>Development</td>
<td>June, 2016</td>
</tr>
<tr>
<td>2</td>
<td>Hawaii</td>
<td>Batch data provision</td>
<td>On Hold</td>
<td>TBD</td>
</tr>
<tr>
<td>3</td>
<td>Kansas</td>
<td>Batch data provision/online inquiry</td>
<td>On Hold – State Reviewing artifacts</td>
<td>TBD</td>
</tr>
<tr>
<td>4</td>
<td>Mississippi</td>
<td>Batch data provision</td>
<td>Vendor Procurement</td>
<td>Summer, 2017</td>
</tr>
<tr>
<td>5</td>
<td>Oregon</td>
<td>Batch data provision</td>
<td>On Hold</td>
<td>TBD</td>
</tr>
<tr>
<td>6</td>
<td>Rhode Island</td>
<td>Batch update/ Batch or SWI Inquiry</td>
<td>Batch update (Development)</td>
<td>Spring, 2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Batch or SWI Inquiry (Analysis)</td>
<td>TBD</td>
</tr>
<tr>
<td>7</td>
<td>Vermont</td>
<td>Batch update and SWI Inquiry</td>
<td>On Hold</td>
<td>TBD</td>
</tr>
</tbody>
</table>
## Status of States Providing Data Only

<table>
<thead>
<tr>
<th>#</th>
<th>State</th>
<th>Scope of Development</th>
<th>Status</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>California</td>
<td>TBD</td>
<td>TBD - funding</td>
<td>TBD</td>
</tr>
<tr>
<td>2.</td>
<td>Idaho</td>
<td>Partially integrated online</td>
<td>Restart - Feb 2016</td>
<td>TBD</td>
</tr>
<tr>
<td>3.</td>
<td>Maryland</td>
<td>Rewrite</td>
<td>Planning</td>
<td>2017</td>
</tr>
<tr>
<td>4.</td>
<td>Massachusetts</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td>5.</td>
<td>North Carolina</td>
<td>Online Inquiry</td>
<td>On Hold</td>
<td>TBD</td>
</tr>
<tr>
<td>6.</td>
<td>Tennessee</td>
<td>Batch data provision</td>
<td>Development</td>
<td>TBD</td>
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</tbody>
</table>

[www.vehiclehistory.gov](http://www.vehiclehistory.gov)
More than 1.2 Billion Records Collected

<table>
<thead>
<tr>
<th>Record Type</th>
<th>As of Dec ‘15</th>
<th>As of Dec ‘14</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>✅ Current Title</td>
<td>497M</td>
<td>480M</td>
<td>4%</td>
</tr>
<tr>
<td>✅ Title History</td>
<td>538M</td>
<td>474M</td>
<td>14%</td>
</tr>
<tr>
<td>✅ Brands</td>
<td>106M</td>
<td>100M</td>
<td>6%</td>
</tr>
<tr>
<td>✅ Junk/Salvage and Insurance(Total Loss) (JSI)</td>
<td>97M</td>
<td>82M</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Total Records</strong></td>
<td><strong>1.2B</strong></td>
<td><strong>1.1B</strong></td>
<td><strong>11%</strong></td>
</tr>
</tbody>
</table>

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Who Inputs Data into NMVTIS?

**State DMVs**
- Must submit vehicle title information every 24 hours
- Make inquiry into the system following title verification practices that must be designed to include NMVTIS queries

**“Salvage” Industry**
- Includes scrap recyclers, auto dismantlers, salvage auctions, towing operations, salvage yards
- Report every 30 days an inventory of junk vehicles bought, sold, & exported
- Transmission of data is through approved 3rd-party data consolidators

**Insurance**
- Report every 30 days an inventory of all vehicles of current model or any of the four prior model years that were sold as salvage or junk
- Report all VIN’s of “totaled” vehicles

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Approved 3rd-party data consolidators are encouraged to arrange for alternative options for reporting entities, but the law requires all data ultimately be transmitted to NMVTIS through established electronic protocols.

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Who has access to retrieve NMVTIS data?

One VIN In, One Report Out
Every search requires a VIN

- **Law Enforcement**
  - Access to all information for investigations

- **State DMVs**
  - Access to information for title administration purposes

- **Consumers**
  - May purchase VIN reports for vehicle history

- **Consumer Access Portal providers** are restricted from downloading and sorting bulk NMVTIS data for resale/reuse and must only use the data in accordance with the Anti-Car Theft Act.

*Data is not shared outside of NMVTIS unless the data owner has entered into a new or pre-existing agreement that allows access to that data*

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Law Enforcement Access Tool

**WHY?**
- Investigating vehicles involved in violent crimes, smuggling and fraud
- Identifying Vehicle Theft Rings
- Increasing the ID of other criminal enterprises

**How? Access through:**
- FBI’s Law Enforcement Enterprise Portal (LEEP)
- CJIS Portal via Regional Information Sharing Systems Networks (RISSnet)

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Differing Enforcement Roles

U.S. Dept. of Justice

- Educational Outreach
- Conduct Office-Based and Site Visit Monitoring
- Federal Civil Penalty for non-reporting
  - Evidence required includes “police logs”, inventory records, other documentation that shows VINs & dates that autos were processed
- Assess Penalties of up to $1,000 per violation

State & Local Departments

- Information sharing role
  - There is no responsibility at the state or local level to enforce Federal NMVTIS
  - Except when state law is enacted to incorporate NMVTIS – GA, TN, SC, NC, FL, MS, IA
- Act as a “force multiplier” in support of the program
- May coordinate with and report violators to DoJ

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DOJ’s Civil Enforcement Program

- GOAL: Voluntary compliance
- Failure to report is punishable by a civil penalty of up to $1,000 per violation
- 200+ non-reporting cases reviewed in 36 states
- More than 1.5 million additional VINs reported as a result of enforcement

Penalties Imposed as of May 2016

- Academy Auto Recycler - $35,560
- Allstate Insurance - $855,500
- Auto Owners Insurance - $274,560
- CBH Trucking & Salvage - $7,990
- GEICO Insurance - $758,000
- Liberty Mutual Insurance - $50,760
- Nationwide Insurance - $59,040
- USAA Insurance - $64,440

Enforcement Update

www.vehiclehistory.gov
Public Service Announcement

- 4-5 minute video will explain:
  - why NMVTIS was created,
  - what information is contained in the system, and
  - the benefits to obtaining a NMVTIS vehicle history report.

- In partnership with Public Broadcast Service (PBS)
- Release across the country in early 2017

Other Educational Avenues

- Automotive Dealers
- CarFax, etc.
- Insurance Industry

www.vehiclehistory.gov
Comprehensive information, FAQs, policy guidance, and map available at:

www.vehiclehistory.gov
Contact: nmvtis@usdoj.gov

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