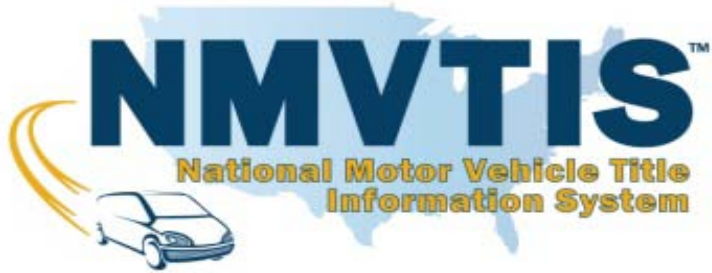


NMVTIS

National Motor Vehicle Title Information System

A Tool for Vehicle Lifecycle Administration

Facilitated by: **Lynne Judd & Mike Robertson**



Agenda

- **Update on strategic initiatives**
- **Board Decisions**
Panelists: Kurt Myers, Greg Dozier, Ward Keith, Mike Tooley
- **E-Titling**
Panelist: Deb Hillmer
- **CA Legislative Update**
Panelist: George Valverde



Solving NMVTIS Sustainability

- Reduce Operating Costs
- Program Revenue Opportunities



Board approved system re-engineering

- Rewrite of mainframe COBOL code to MS.Net for server environment
- No negative impact to states or stakeholders
- Additional benefits include more flexibility & maintainability of the system
- Duration of 12 – 14 months
- AAMVA investment in one-time costs to re-engineer
- Savings of at least \$800,000 per year
- **Project planning underway, work to begin September 2011**

Program Revenue Opportunities



- Legislative opportunities
- Consumer access opportunities
- DOJ NMVTIS Advisory Board, Revenue Options Subcommittee
- Industry Partners

Vehicle Lifecycle Administration



The moment a vehicle rolls off the assembly line or enters a jurisdiction, that vehicle can be followed electronically through the dealer, lender and sales cycle, minimizing the following:

- Paper handling
- Investigative/Administrative efforts
- Opportunities for document fraud
- Expenditures in processing, paper, storage, mailings, etc.

Revenues outside of the NMVTIS program not only support path to sustainability, but support membership in the larger strategic plan

- E-Titling Working Group formed and met April 2011
- Stakeholders interested and moving ahead
- Opportunity for starting point...

State Fees



International Board proposal presented to each region, through Chief Administrators communications and DOJ:

- One year solution, the AAMVA proposal for FY2013 will allow for continued pursuit of revenue-generating opportunities that, when established, are **intended to offset state fees required**.
- NMVTIS operational costs will be split 50/50 between state fees and the AAMVA budget and/or DOJ funding.
- Modeled on an equitable 51-tier structure, calculated by each state's number of registered vehicles (as reported by jurisdictions to the Federal Highway Administration) as a percentage of the total U.S. registered vehicle population.
- State fees will cover 50% of total NMVTIS operational costs.
- Each state has been assigned a percentage of responsibility.
- The funding model is calculated by using the state's FHWA reported vehicle numbers as a percentage of the total U.S. registered vehicle population as a multiplier.
- The remaining operating costs will be covered by a combination of AAMVA budget and/or other funding sources (such as federal grants).



Recommendation on State Fees

	<u>FY2013 (only) Estimate</u>
Revenue:	
Jurisdiction Fees	2,499,650
Other sources of funding	2,499,650
Total Revenue	4,999,299
Operating Expenses:	
Employee Labor	1,155,280
Contractor Labor	783,673
Datacenter & Hosting	700,000
Other Direct Costs	175,000
Total Operating Expenses	2,813,953
Depreciation	500,000
Indirect Costs	1,685,346
Total Expenses	4,999,299

Jurisdiction	# of registered vehicles	Cost/Registration	Total \$
District of Columbia	166,898	\$0.02	\$3,076.17
Alaska	239,938	\$0.02	\$4,422.40
Wyoming	254,948	\$0.02	\$4,699.06
Vermont	303,645	\$0.02	\$5,596.61
North Dakota	342,327	\$0.02	\$6,309.58
South Dakota	342,512	\$0.02	\$6,312.99
Montana	369,364	\$0.02	\$6,807.91
Delaware	454,294	\$0.02	\$8,373.29
Hawaii	480,466	\$0.02	\$8,855.68
Rhode Island	485,624	\$0.02	\$8,950.75
Idaho	528,544	\$0.02	\$9,741.82
Maine	555,374	\$0.02	\$10,236.34
New Hampshire	645,573	\$0.02	\$11,898.84
New Mexico	676,336	\$0.02	\$12,465.84
West Virginia	686,908	\$0.02	\$12,660.70
Nevada	688,894	\$0.02	\$12,697.30
Colorado	724,053	\$0.02	\$13,345.34
Nebraska	801,716	\$0.02	\$14,776.78
Kansas	875,757	\$0.02	\$16,141.46
Arkansas	947,554	\$0.02	\$17,464.78
Mississippi	1,141,605	\$0.02	\$21,041.42
Utah	1,180,261	\$0.02	\$21,753.90
Oregon	1,433,133	\$0.02	\$26,414.70
Oklahoma	1,640,823	\$0.02	\$30,242.72
Iowa	1,785,547	\$0.02	\$32,910.19
Louisiana	1,900,021	\$0.02	\$35,020.11

Source: U.S. Department of Transportation Federal Highway Administration State Motor Vehicle Registrations -2008.
Does not include large trucks, buses, taxi cabs or motorcycles.

Jurisdiction	# of registered vehicles	Cost/Registration	Total \$
Kentucky	1,945,936	\$0.02	\$35,866.39
South Carolina	1,984,700	\$0.02	\$36,580.87
Connecticut	2,006,656	\$0.02	\$36,985.55
Alabama	2,202,962	\$0.02	\$40,603.75
Arizona	2,217,098	\$0.02	\$40,864.30
Minnesota	2,530,340	\$0.02	\$46,637.79
Missouri	2,612,681	\$0.02	\$48,155.46
Maryland	2,636,359	\$0.02	\$48,591.88
Wisconsin	2,643,143	\$0.02	\$48,716.92
Tennessee	2,809,235	\$0.02	\$51,778.23
Indiana	3,109,865	\$0.02	\$57,319.27
Massachusetts	3,214,737	\$0.02	\$59,252.21
Washington	3,276,728	\$0.02	\$60,394.80
North Carolina	3,539,487	\$0.02	\$65,237.82
New Jersey	3,784,092	\$0.02	\$69,746.24
Virginia	3,847,286	\$0.02	\$70,911.00
Georgia	4,229,369	\$0.02	\$77,953.34
Michigan	4,337,278	\$0.02	\$79,942.25
Illinois	5,703,589	\$0.02	\$105,125.32
Pennsylvania	6,035,192	\$0.02	\$111,237.24
Ohio	6,344,543	\$0.02	\$116,939.03
Florida	8,063,718	\$0.02	\$148,625.89
New York	8,493,769	\$0.02	\$156,552.34
Texas	8,711,324	\$0.02	\$160,562.19
California	19,705,643	\$0.02	\$363,203.26

Source: U.S. Department of Transportation Federal Highway Administration State Motor Vehicle Registrations -2008.
Does not include large trucks, buses, taxi cabs or motorcycles.



Revenue Credits

Program Revenue Allocation:

- Consumer access revenue credits based on actual sales (hits) to offset state fees and other funding sources at 50/50 split .

For example:

\$1.00 earned on consumer access sale for jurisdiction record =

\$.50 credit to jurisdiction

\$.50 to subsidy

- All other revenue remains with program

Next Steps



- 09-01-2011: Submit recommendations to DOJ for approval
- 09-30-2011: Officially notify members of fees
- 10-01-2012: Fees begin