Using NMVTIS to Enhance Your Title Program and Reduce Vehicle Fraud
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Director, Law Enforcement,
AAMVA
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Planning and Policy Department Specialist, Georgia Department of Revenue

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Senior Director, Special Programs, AAMVA
Using NMVTIS to Enhance Your Title Program and Reduce Vehicle Fraud
NMVTIS: A Business and Investigative Tool

NMVTIS Law Enforcement Working Group Update
August 26, 2014

By Brian Ursino, AAMVA, Director of Law Enforcement
On behalf of
Chris McDonold, Maryland Vehicle Theft Prevention Council, NMVTIS Law Enforcement Working Group Chair
Joe Farrow, Commissioner, California Highway Patrol, NMVTIS Law Enforcement Working Group Co-Chair
NMVTIS Law Enforcement Working Group

NMVTIS LE Working Group Members:
Chris McDonold, Maryland Vehicle Theft Prevention Council, Chair;
Joe Farrow, California Highway Patrol, Co-Chair;
Daniel Abbott, National Crime Prevention Bureau;
Michael Athey, Iowa Motor Vehicle Division;
Les Cravens, Auto Data Direct;
Sheriff Craig Webre, Lafourche Parish Sheriff’s Office, LA;
Michael Mulcahy, New York DMV;
Howard Nusbaum, NAEC;

NMVTIS LE Working Group - AAMVA Staff:
Brian Ursino, Director of Law Enforcement;
Vivienne Cameron, Senior Director, Business Solutions
NMVTIS Law Enforcement Working Group

NMVTIS LE Working Group – Federal Partners:

David Bierie, US Marshals Service;
Todd Brighton, US Department of Justice;
David Lewis, US Department of Justice
The **purpose** of the NMVTIS Law Enforcement Working Group is to identify business requirements to improve law enforcement effectiveness in using NMVTIS to investigate vehicle-related crimes.

**Activities**

US DOJ is in the process of implementing all nine programming recommendations made by the WG in 2013 to make NMVTIS a more viable search tool for law enforcement investigators.
The Working Group held one meeting in 2014 (at AAMVA HQ on February 5 – 6).

The Working Group developed an action plan with 18 tasks to address the four highest Working Group priorities:

- Expand NMVTIS Awareness & Usage among Law Enforcement;
- Determine How to Handle Cloned/Recovered Stolen Vehicles in NMVTIS following Investigations;
- Address Stolen Vehicles taken to Crushers/Shredders for Destruction;

NMVTIS in Texas

Shelly Mellott
Deputy Executive Director
Texas Department of Motor Vehicles
August 26, 2014
NMVTIS Launch

- Launched May 12
- Positive impact on reducing title fraud
- Running all application vehicles through database
- Understand importance of checking before you buy
Don’t Buy a *Wreck*. Do a Title Check.
Title Check Web Banner

Texas Department of Motor Vehicles
HELPING TEXANS GO, HELPING TEXAS GROW.

Don’t Buy a Wreck. Do a Title Check.

Protect your title, Texas.
Title Check Web Resources

Welcome to Title Check!

Here you can select an approved provider to check the Vehicle Identification Number (VIN) of the vehicle you want to purchase to find out if it is salvaged, rebuilt, or was damaged in a flood. This is one of the most important steps you can take to protect yourself before making your purchase.

Here’s what you do to complete a Title Check:

1. Get the VIN of the vehicle you want to buy.
2. Have your credit card available.
3. Select one of the approved providers below. Prices begin at only a couple dollars so you may want to shop the vendors before making a selection. Be sure to note what is offered for the price.
4. Follow the steps to obtain the report.

The VIN is run through the National Motor Vehicle Title Information System (NMVTIS), a national consumer protection database that provides title information from states across the country. Whether you are buying from a local dealer, individual or eyeing a vehicle from an online auction website, it will help you to know what you are buying before you pay any money or sign any paperwork for the vehicle.

A report from the NMVTIS database gives you the vehicle’s title history, which includes whether the vehicle was ever in the possession of a junk or salvage yard or declared a “total loss” by an insurance company.

Protect your title, Texas.
NMVTIS Providers

AutoDataDirect

Check That Vin

InstaVIN

RigDig

VIN Audit

VIN Smart
If you received a letter from us indicating a title brand was applied to your title from another state, you can:

1. Contact the state that reported the brand if you believe the information about the vehicle is incorrect.

   ![Contacts for Out-of-State Departments of Motor Vehicles](image)

2. Obtain a statement from an official written on the reporting state’s letterhead that provides either verification the brand is not in the state’s motor vehicle record or was applied to the vehicle in error.

3. Mail the Texas Title (if you have already received it), the original statement (make a copy for yourself) you received on the reporting state’s letterhead and your request to remove the brand to:

   Texas Department of Motor Vehicles  
   Vehicle Titles and Registration Division  
   P.O. Box 26420  
   Austin, Texas 78755-0420

We will review the information submitted and notify you whether a new Texas Title will be issued without the brand.

If you need additional assistance, please contact us at the phone number listed in the letter.

For general questions about titles, please contact us at 1 (888) 368-4689 or by email, AskDMV@TxDMV.gov.
Brand Descriptions

**Junk**
Vehicle is incapable of safe operation for use on U.S. roads or highways and has no resale value except as a source of parts or scrap, or the vehicle's owner has irreversibly designated the vehicle as a source of parts or scrap. This vehicle shall never be titled or registered.

**Manufacturer Buyback / Warranty Return**
A vehicle that has been returned to the manufacturer under warranty or bought back by the manufacturer under jurisdiction-defined regulations or laws, such as lemon laws.

**Odometer**
The odometer reading is reported as either the true or not true mileage for the vehicle.

**Rebuilt**
The vehicle, previously branded as "salvage", has passed anti-theft and safety inspections, or other jurisdiction procedures, to ensure the vehicle was rebuilt to required standards. Also known as prior salvage.

**Salvage**
Any vehicle which has been wrecked, destroyed or damaged, to the extent that the total estimated or actual cost of parts and labor to rebuild or reconstruct the vehicle to its pre-accident condition and for legal operation on roads or highways exceeds a jurisdiction-defined percentage of the retail value of the vehicle. This vehicle can be rebuilt for use again.

**VIN Replaced by a New State-Assigned VIN**
This brand does not necessarily indicate a problem with the vehicle. Your vehicle should be titled under a different VIN and further research should be done to establish the correct VIN. Please contact the state that made this report for more information.
FOR IMMEDIATE RELEASE

Texas Department of Motor Vehicles

FOR IMMEDIATE RELEASE

May 12, 2014

Texas DMV warns consumers about 'cloned vehicles'

Criminals selling stolen, salvaged vehicles for big bucks

POSTED MAY 21, 2014, 9:15 AM
UPDATED JUNE 06, 2014, 6:24 PM

AUSTIN - The Texas Department of Motor Vehicles (TxDMV) is using a national title database system under the U.S. Department of Justice to help stop title fraud while urging consumers to learn how to protect themselves when buying a used vehicle.

"Too many Texans are being taken advantage of by people selling flooded, salvaged and rebuilt vehicles as though they were in perfect condition," said TxDMV Executive Director Whitney Brewster.

Three years ago, the TxDMV revoked and placed legal restraints on hundreds of fraudulent Texas titles that were part of an organized crime "title washing" scam where salvage vehicles were sold, traded in, and exported as good vehicles with good titles. In another Texas incident, a group involved in two motor vehicle title service businesses was convicted of providing fraudulent titles. In at least one instance, a Texas law enforcement investigator linked a title fraud case to human trafficking.
Title Check Web Video
Fraud investigations

June 2014

- 6 title fraud cases
- 1 cloned/stolen vehicle
- 2 odometer cases
- 118,667 miles
Fraud investigations

July 2014

- 6 title fraud cases
- 12 odometer cases
- 1,274,742 miles
“We commend the significant efforts made by Texas to fully comply with the state requirements for the NMVTIS program. Texas is greatly contributing to the completeness of NMVTIS data which results in several benefits including to help consumers nationwide make informed used car buying decisions, assist with the identification of title fraud, and facilitate local, state, and federal law enforcement…”

-Denise E. O’Donnell – Director, Bureau of Justice Assistance
Thank you

Don’t Buy a Wreck.
Do a Title Check.
National Motor Vehicle Title Information System (NMVTIS)
Department of Justice Bureau of Justice Assistance

- Law Enforcement Access Tool
- DOJ’s Civil Enforcement Program for NMVTIS Reporting
Accessing the NMVTIS Law Enforcement Tool:

- Regional Information Sharing Systems (RISS) – DOJ Funded

Law Enforcement Online (LEO) – FBI system
User Information for the NMVTIS Law Enforcement (LE) Access Tool

User Totals from Inception Through 8/11/2014

LEO: 716
RISS: 2057
TOTAL: 2773

New Users from 1/1/2014 through 8/1/2014

NEW LEO: 87
NEW RISS: 291
NEW TOTAL: 378
### Usage Report for the NMVTIS LE Access Tool

<table>
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<th>Year</th>
<th>RISS</th>
<th>LEO</th>
<th>VIN Hits:</th>
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<td>409</td>
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<td></td>
<td></td>
<td></td>
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<td>2014</td>
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<td>12001*</td>
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* (through 8/11/2014)

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<td>2013</td>
<td>263,614</td>
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<tr>
<td>2014</td>
<td>219,197**</td>
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**(1/1/2014 through 8/11/2014)**
Profile of a NMVTIS LE Access Tool User:

- There are users from all 50 States, Wash. DC & Puerto Rico
- 1660 LE agencies
- Individual users:
  - Federal: 527
  - State: 591
  - Local: 1549
  - Tribal: 5
  - Territorial: 2
  - Undetermined Agency Type: 99
- 215 users stated they are from a Fusion Center
- 145 indicate they are part of an Auto Theft Task Force
- 844 classify themselves as an Auto Theft Investigator
Welcome to the National Motor Vehicle Title Information System Law Enforcement Access Tool

Enter a Vehicle Identification Number in the field below and check the databases to search.

SEARCH FOR
VIN: [Input field]

Search  New Search

To search Junk, Salvage, Recycler, and Insurer information by identification number, click here.

- NMVTIS Central File
- Junk, Salvage, and Insurers Database
- NCIC Auto Theft File (pending)
- INTERPOL Auto Theft File (pending)
- OCRA-Mexico Stolen Vehicle Database
- N/CB Flood Damage Database
- N/CB Known Counterfeit Database
- N/CB Known Clones Database
- CARS (Car Allowance Rebate System) USDOT Dealer Rebate Program - 2009
- VIN Analyzer
- Select All
DOJ’s Civil Enforcement Program for NMVTIS Reporting

• NMVTIS statute authorizes DOJ to impose and collect penalties for those junk yards, salvage yards, and insurance carriers that fail to meet their reporting obligations.

• GOAL - voluntary compliance for those businesses required to report.

• Failure to report to NMVTIS as required is punishable by a civil penalty of up to $1,000 per violation.
Compliance & Enforcement Efforts

- Outreach
- Site Visits
- Office-based Monitoring
- Non-reporting Referrals
Results to Date

- Over 200 cases of non-reporting reviewed in 35 states
- Over 1.5 million VINs were reported that otherwise would not have been
- 17 Notice of Civil Penalty letters issued:
  - 4 companies went **out of business**
  - 2 companies **came into full compliance**
  - 3 companies received a final determination $169,860 in total penalties
  - 8 ongoing cases with potential penalties ranging from $127,000 to $3.3 million
DOJ/BJA points of contact

Law Enforcement Access Tool – Senior Policy Advisor David Lewis
david.p.lewis@usdoj.gov

NMVTIS Enforcement Coordinator – Todd Brighton
todd.brighton@usdoj.gov
Georgia NMVTIS Reporting

“Question: Why is Georgia the only state that is currently reporting on behalf of junk and salvage yards in Georgia?”

FAQ Observed on vehiclehistory.gov
Georgia

Legislative History

• Georgia Certificate of Title Act
  O.C.G.A. §40-3-1, et. seq.

• Cancellation of a Certificate of Title for scrap, dismantled or demolished vehicles
  O.C.G.A. §40-3-36 (a)

• Regulated Metals Recycling Law of 2012
  O.C.G.A. §10-1-350, et. seq.
Georgia

- “Satisfies the Secondary metal recycler, used motor vehicle parts dealer or scrap metal processor NMVTIS reporting requirements…”

- Records maintained for 2 years
- Available only to Law Enforcement
- Signed by Governor on April 16, 2012
- Effective July 1, 2012
Georgia

How did the Department meet the short implementation window?

• Contacted NMVTIS third-party data consolidators
• Sole Source Agreement
• Established a reporting portal
• Established Emergency Rules
Georgia

- Published Information Bulletins
- Sworn statement for a vehicle 12 or more model years replicating state form
- Released a “Request for Quote (RFQ)” to obtain long term reporting services to integrated the Portal into state legacy system
Georgia

• Long term contract with Auto Data Direct
• Partnership includes marketing and press releases
• Account management for scrap and parts businesses
• Development of Law Enforcement Portal
Georgia

- The On-Line verification of a security interest or lien
- Current inquiry fee: $1.00
- Except for mobile homes, cranes or vehicles greater than 10,000 GVW, the security interest or lien is considered satisfied and released
  - More than 10 years for a vehicle 11 model years or less from current title print date
  - More than 4 years for a vehicle 12 model years of more from current title print date
Georgia

Where we are today:

• Portal established and implemented on July 1, 2012 for all reporting entities
• Most functionality has been completed or in final design or testing
• Continue to have budget issues but have used creative solutions when possible
Parts/Scrap Dealers register on Georgia’s Portal and enter Scrap Vehicle VIN’s Security Interest or Lien Holder verification, if not cancelling a Certificate of Title

http://www.add123.com/jsi/georgia
Georgia

Parts/Scrap Dealers
NMVTIS reported monthly in-batch

Certificate of Title or Certification reported to Department of Revenue Motor Vehicle Division

http://www.add123.com/jsi/georgia
Vehicle Identification numbers checked with Active Stolen List daily and monthly

Active Stolen VIN’s reported to Law Enforcement

http://www.add123.com/jsi/georgia
Georgia Law Enforcement Agencies may register and establish an account on the Secure Portal*

May search by VIN, Parts/Scrap Dealer, Seller, Driver’s License, address, etc.*

* Currently in user testing

http://www.add123.com/jsi/georgia
Georgia NMVTIS Reporting

Douglas Hooper
Georgia Department of Revenue
douglas.hooper@dor.ga.gov
404 417 2229
National Motor Vehicle Title Information System (NMVTIS) Update
Key Strategic Highlights

- AAMVA/DOJ executed agreement
  - Working on operationalizing the requirements
  - Annual Operational Plan and Budget review with DOJ

- FY 2016 state fees approved by AAMVA Board
  - DOJ approval
  - Notification to states – by September 30th

- FY 2014 consumer access fee credit reconciliation end of FY
  - Changes to distribution of credit statement – Chief Administrators instead of billing/accounting departments.
Key Operational Highlights

• MI and IL data added – 96% US vehicle population represented, remaining 4% is from seven remaining states (see map)
• Rolling out “web services” for consumer access and state program applications
• Shift in focus to:
  – Improve Data integrity
    • Duplication VINs
    • Data synchronization
  – Maximizing states participation – “How to Optimize Being Green”
State Participation

State Motor Vehicle Administration Overall Compliance

Currently, 96% of the U.S. DMV data is represented in the system*

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

*Based on the most current Federal Highway Administration Data (2012)

This map represents state motor vehicle titling agencies’ level of compliance with NMVTIS. These state agencies have separate responsibilities and reporting requirements under the NMVTIS rules and regulations than do other reporting entities, such as, junk/salvage yards and insurance carriers. Per the NMVTIS rules and regulations, state compliance includes providing data to NMVTIS, making title inquiries, and paying user fees.
Shifting the Focus

Participation

Optimizing the Benefits of Participation
Shades of “GREEN”

Benefits

Mode of Participation

- Fully Batch
- Batch & Web Interface
- Partially Integrated Online
- Full Integrated Online
Questions?

Tom Manuel: tmanuel@aamva.org

Vivienne Cameron: vcameron@aamva.org
Using NMVTIS to Enhance Your Title Program and Reduce Vehicle Fraud
Up Next:
10:00 am – 11:00 am

CONCURRENT SESSIONS

Region II Town Hall (jurisdictions only)
Diamond Room 1

Region IV Town Hall (jurisdictions only)
Diamond Room 2

Regions I and III SnackChats
Ballroom A/B