NMVTIS State Junk Salvage and Insurance (total loss) Reporting Task Force – Update

Annual International Conference
San Francisco, CA
August 23, 2017
• Fall 2016 Vehicle Standing Committee (VSC) meeting - issue raised regarding Junk/Salvage businesses requirement to report similar information to the State & NMVTIS.

• VSC approved establishment of an “ad hoc” Task Force to explore options and provide recommendation(s).
• **Dual Reporting:**

Junk Salvage Businesses (metal processors, dismantler, etc.)

- **STATE**
- **NMVTIS**

*Note: Some states do not collect any data*
Task Force established in December, 2016

Volunteer State Members:
- Douglas Hooper (GA) – Chair
- Betty Johnson (NE)
- Jay Starling (AL)
- Tim Hotaling (NY)
- Thomas Penny (VA)
- Paul Steier (IA)*

Subject Matter Experts (SME):
- Jay Svendsen, Auto Data Direct Inc.
- Steve Levetan, Pull-A-Part Inc.

AAMVA Staff:
- Vivienne Cameron
- Mekala Joy
- Paul Steier*

* Remained a TF member
1. State enters into a contract with one of three authorized private NMVTIS data reporting services.

2. State becomes a formal NMVTIS data reporting service, under contract with AAMVA.

3. Single point of reporting - Junk and Salvage (JS) businesses report all required state and NMVTIS data to NMVTIS only, using existing data reporting services; and NMVTIS to provide JS information to states, as required.

**Note:** The TF determined the concerns of dual reporting relate to junk/salvage businesses only and not insurance total loss reporting.
• Held virtual meetings
• Conducted survey of state practices
  • Some states were either being obligated or considering taking on the responsibility
• Consulted with subject matter experts
• Analyzed three options:
  • Criteria – Impacts/Benefits - states, NMVTIS, compliance/enforcement
• Submitted recommendations to Vehicle Standing Committee (VSC) – Spring 2017
  • VSC approved the recommendations with guidance to update AAMVA Board
The Task Force recommended the adoption of two of the options considered:

2. State becomes a formal data reporting service, under contract with AAMVA.

3. Single point of reporting - Junk and Salvage (JS) businesses report all required state and NMVTIS data to NMVTIS only, using existing data reporting services; and NMVTIS to provide JS information to states, as required.
Rationale:

• Results of the state survey data indicated there were immediate situations where states are obligated to report on behalf of these businesses.
• Consequently, the Task Force recommended the adoption of the following option in those cases.

Option 2:

State becomes a formal data reporting service, under contract with AAMVA:

• State would pay AAMVA one-time set up costs ($34,000), and annual operating costs ($35,000)
• Allow states to use consumer access revenue credits toward ongoing costs
• AAMVA to review ongoing costs after 2 years to adjust as necessary
Rationale:

• As a more comprehensive solution which would enhance how states interact with NMVTIS, the Task Force also recommended the following option:

Option 3:

Junk and Salvage (JS) businesses report all required state and NMVTIS data to NMVTIS only, using existing data reporting services; and NMVTIS to provide JS information to states, as required.
Today – *Dual Reporting:*

- Junk Salvage Businesses (metal processors, dismantler, etc.)
  - STATE*
  - NMVTIS

Recommendation: **Single point of reporting (NMVTIS)**

Future – *Single point for reporting!*

- Junk Salvage Businesses (metal processors, dismantler, etc.)
  - NMVTIS
  - STATE

*Note: Some states do not receive any data*
• AAMVA Board updated on the recommendations
  • Requested further analysis on the Single point for reporting – Option 3:
    • Specifically, requirements and costs
    • Report back to the VSC – Fall 2017
  • Proceed with Option 2:
    • Allow state to report on behalf of the junk/salvage businesses located in their state with NMVTIS costs covered by the state
  • Proposed an alternate option for consideration
    • Discussions currently underway

• Business Rules Working Group
  • Gathering the requirements for a cost estimation
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