

1SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT

National Motor Vehicle Title Information System (NMVTIS)

A. Justification

1. Necessity of Information: NMVTIS is managed and operated by the American Association of Motor Vehicle Administrators (AAMVA) to facilitate the reporting of certain information by junk yard and salvage yard operators and insurance carriers as expressly required by 49 U.S.C. § 30504. Each state is required to make its titling information available to NMVTIS (49 U.S.C. § 30503(a)). States that participate fully in the System provide their data to the System on a daily or real-time basis and make NMVTIS inquiries before issuing a new title on a vehicle from out of state and preferably before every title verification, regardless of its origin or reason.

2. Purpose for Use: The purpose of NMVTIS is to prevent various types of theft and fraud by providing an electronic means for verifying and exchanging title, brand, theft, and other data among motor vehicle administrators, law enforcement officials, prospective and current purchasers (individual or commercial), and insurance carriers. This information helps state titling agencies by verifying motor vehicle and title information, information on brands applied to motor vehicles, and information regarding whether motor vehicles have been reported stolen. NMVTIS data allows law enforcement agencies to make inquiries to further their investigations of motor vehicle theft and fraud. The information also helps insurance carriers and prospective purchasers to identify fraud.

3. Use of Information Technology: Information reported to NMVTIS is submitted electronically. A link to the reporting entities section of the NMVTIS website is available at: https://vehiclehistory.bja.ojp.gov/nmvtis_auto

4. Identification of Duplication: This is the only Federal program requiring these reports.

5. Impact on Small Businesses or Other Entities: The information that must be reported has been limited to data expressly required by statute and limited other information determined necessary to carry out the purpose of the statute. The reporting requirements are prescribed by 49 U.S.C. §§ 30501-30505.

6. Consequences if Collection is not Conducted: Any entity that meets the NMVTIS definition of junk yard, salvage yard, or insurance carrier is required to report specific information to NMVTIS and failure to report is punishable by a civil penalty as defined by law.

7. Special Circumstances: None.

8. Publication: The collection of information will not be published.

9. Payment to Respondents: No payments or gifts are made to respondents.

10. Assurance of Confidentiality: Pursuant to 49 U.S.C. § 30502(e)(2), “The [System] operator may release only the information reasonably necessary to satisfy the [statutory] requirements [of the System]. . . . The operator may not collect an individual’s social security account number or permit users of the System to obtain an individual’s address or social security account number.” Any collected personal identifying information will be protected, as required under the Privacy Act and other Federal statutes, and the System operator has established and will maintain a privacy policy approved by the Department of Justice. Confidential business information will be made available only to law enforcement and state or other government agencies for governmental purposes.

11. Questions of a Sensitive Nature: The required information does not involve questions of a sensitive nature.

12. Estimate of the Hour Burden: Annual Hour Burden

Junk and salvage yard operators, and insurance carriers, collect in the ordinary course of business much of the information required by the statute, and therefore, the principal burden imposed is the transmission of this information to NMVTIS.

- a. Number of Respondents: There are 50,383 in JSI (meaning entities issued a reporting ID number), of which 21,612 have submitted at least one report
- b. Frequency of Response: 12 times per year (junk/salvage yards and insurance carriers)
- c. Total Annual Responses: 259,344 – presuming that the documented submitting entities, are reporting once a month
- d. Hours per Response: 30-60 minutes (varies by reporting entity).
- e. Total Annual Reporting Burden: approximately 129,000 to 259,000 hours

13. Estimated Annual Cost Burden: It is difficult to estimate the total annual cost burden to respondents associated with this information collection, primarily due to the fact that many smaller reporting entities may manually enter the required information, while other, larger entities may utilize automated processes. The difference in the cost burden associated with each may vary widely. What can be estimated is that at least 10.5 million cars become junk or salvage vehicles each year.

14. Estimate of Annualized Cost to the Federal Government: The information collected for NMVTIS is collected by the System Operator and not the Federal government. The Federal government does provide limited personnel and resources dedicated to the administration of the NMVTIS program.

15. Program Changes or Adjustments: This request is for approval of a currently approved collection

16. Publishing Information: The information collected is not published.

17. Approval to not Display the OMB Approval:
The OJP is prepared to display all expiration dates.

18. Certification for Paperwork Reduction Act Submission: See attached Certification Statement.

B. STATISTICAL METHODS

This information collection does not require the employment of statistical methods.