



American Association of Motor Vehicle Administrators

MEMO

TO: Chief Motor Vehicle Administrators
Chief Law Enforcement Administrators
Chief Driver License Administrators
AAMVA Board of Directors

FROM: Neil D. Schuster, AAMVA President & CEO 

DATE: Wednesday, October 7, 2009

RE: **AAMVA Board of Directors Decision – AAMVA’s Role as NMVTIS System Operator**

As I communicated in my September 1, 2009 report to chief administrators, the AAMVA Board of Directors decided at its August 2009 meeting that AAMVA would continue in its role as system operator for NMVTIS in the coming year.

This decision came as a result of intensive meetings, extensive analysis and collaboration between the AAMVA Board, jurisdiction members, AAMVA staff and the U.S. Department of Justice. The FY 2010 grant funding DOJ awarded to AAMVA will enable us to operate the system and support states in efforts to comply with the requirements of the NMVTIS Final Rule. It also relieves jurisdictions from paying fees for one year. As a result, AAMVA will not issue invoices to states for NMVTIS fees for FY 2010.

With respect to future years and state fees, DOJ will consider two one-year funding extensions. However, until the agency finalizes its annual budgets for those years, it cannot commit to funding beyond September 30, 2010. As a result, it is important that states be aware that NMVTIS fees could be invoiced and payable beginning October 1, 2010 and beyond.

During the next year, DOJ will work with AAMVA and states to review the NMVTIS fee structure. The results of the fee review and a projection of system costs and revenues for FY11 will then enable us to determine potential state fees in FY11 and beyond. Unfortunately, until that work is completed (most likely during the first quarter of calendar year 2010), it is difficult to estimate future NMVTIS fees.

We understand that states are beginning FY11 budget planning cycles, but unfortunately the only frame of reference that we can provide at this time is the current NMVTIS fee schedule (copy attached). It is possible that future NMVTIS fees could be lower or higher, depending on the fee structure review and future operating costs. Since fees have not been reviewed in about 10 years, it is possible that they could rise significantly in the future.

As part of the decision on our future role as system operator, the Board will continue to monitor activities related to the work undertaken within the scope of the grant. This ongoing effort will enable the Board to continue to assess a clear path to sustainability of NMVTIS. The Board is prepared to revisit the decision to remain system operator during 2010.

We will continue to keep states informed of all developments relating to NMVTIS.

NDS/sfb

Attachment