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To: Allen, Julie AJULIE.ALLEN@dor.mo.gov

CC: Babers, Lucindalucinda.babers@dc.gov

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Calvin, MikeMCalvin@aamva.org

Date: 1/23/2008 7:39:31 PM

Subject: Business Opportunities Update and Guiding Principles

Attachments: new business guiding principles.doc

Julie,

I expect the business plans for our top priorities to answer that question, but if I had to guess, I doubt that new ventures will replace all the revenue we need to replace in FY09 or FY10 (the CDLIS surplus revenue that will be lost to AAMVA occurs once the current modernization is finished; originally scheduled at the beginning of FY09, it is likely to be later in the year or even FY10).

REAL ID does hold large potential, but I doubt it will be the full answer, at least not in the short run.

I think the solution to our budget problems will be a combination of efforts, including:

1. new business opportunities
2. cuts in our current activities
3. staff reorganization (which will be driven largely by cuts in our programs are approved by the Board)
4. potential increase in dues

Two options we are pursuing related to CDLIS revenue loss are:

1. FMCSA and AAMVA are discussing the potential for some current AAMVA activities to be included in the CDLIS program, particularly those that have the same safety and related goals as the CDLIS program. FMCSA is reviewing options and receiving some legal and programmatic advice in this regard.
2. A change in our CDLIS fee structure - the full life-cycle costs of CDLIS, including modernizations, may require a fee of only 60 to 70 cents per commercial license, as opposed to the current \$1 fee. If we are at a point where we have a list of activities the Board wants us to pursue and there are no further program cuts the Board is willing to make, then we should be able to revise the CDLIS fee to the needed level, say 70 cents per licensee, and close the AAMVA revenue gap with a separate AAMVA fee to jurisdictions of 30 cents (or possibly less). Jurisdictions would pay no more than they currently pay.

I hope this information helps.

Also, I'm attaching a draft of business opportunity guidelines for the Committee to consider.

Best regards,

Neil

Neil D. Schuster
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AAMVA's members in the United States and Canada work collaboratively to support and improve

motor vehicle administration, safety, identification security and law enforcement.

From: Allen, Julie A [mailto:JULIE.ALLEN@dor.mo.gov]
Sent: Tue 22-Jan-08 1:53 PM
To: Schuster, Neil
Cc: Babers, Lucinda; Adams, Marcia; Turner, Glenn; Calvin, Mike
Subject: RE: Revised Business Opportunities

Neil, thanks for all your work on this and everyone's at AAMVA. Do you think this will get us where we need to be in relation to consistent revenue stream by the end of this fiscal year? I wasn't sure, or if you were saying with REAL ID there were enough competing items for AAMVA resources that we'll have to focus more on that and that would/could be to a detriment to other revenue stream opportunities that could impact where we need to go.

Thanks!

Julie A. Allen, CPA, PMP
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From: Schuster, Neil [mailto:nschuster@aamva.org]
Sent: Saturday, January 19, 2008 6:36 PM
To: Allen, Julie A; Babers, Lucinda; Adams, Marcia
Cc: Block, Georgia; Aasmo, Patrice; Calvin, Mike; Turner, Glenn
Subject: Revised Business Opportunities

Dear Business Opportunities Committee members:

Attached is a revised draft of the opportunities we will test through our business plan process, based on suggestions made at the Board meeting and also some emerging information (the REAL ID final rule and increased interest in driver's license verification systems). To better differentiate between priorities, the document now breaks down opportunities into four priority categories rather than three.

We plan to approach these business plans through a team process, with team members and a team leader identified for each project we analyze. Patrice will lead teams for the first few projects, except NMVTIS consumer access, which Vivienne has been leading.

Julie suggested we start to use our Board team site for sharing committee documents, which I plan to do once I have a training session with our IT folks to better understand the different functions available to us and how to best use the site for real-time sharing of documents and communications.

I look forward to your comments and suggestions.

Best regards,

Neil

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