GAO U.S. GOVERNMENT ACCOUNTABILITY OFFICE

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Accessible Version

October 26, 2017

The Honorable Deb Fischer
Chair
Subcommittee on Surface Transportation and Merchant
    Marine Infrastructure, Safety, and Security
Committee on Commerce, Science, and Transportation
United State Senate

The Honorable Richard Blumenthal
Ranking Member
Subcommittee on Consumer Protection, Product Safety,
    Insurance, and Data Security
Committee on Commerce, Science, and Transportation
United State Senate

Driver and Vehicle Data: Federal Efforts and Stakeholders' Perspectives on Facilitating Data Sharing

Consumers, federal and state agencies, and industry stakeholders, including auto dealers and insurance companies, rely on state driver and vehicle data for a variety of purposes. While states and the District of Columbia collect and maintain driver and vehicle data for licensing and titling purposes, the Departments of Transportation (DOT) and Justice (DOJ) help states share their information through three driver and vehicle data systems required by federal law.[1] States use the data in these systems for various purposes, such as public safety and consumer protection. For example, a state licensing agency checks these driver data systems before issuing a license to an individual, in part to prevent certain problem drivers from obtaining licenses in the state. Additionally, a state titling agency checks the vehicle data system before issuing a title to prevent stolen vehicles from being titled across state lines. DOT also assists state and local governments in a broader effort to collect, maintain, and share states' traffic records data, which include state driver and vehicle data. These data are maintained at the state level and are intended to improve public safety.[2]

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[1] Federal law required DOT to establish and maintain the National Driver Register, the computerized version of which is known as the Problem Driver Pointer System. See Pub. L. No. 97-364, § 203, 96 Stat. 1738, 1741 (Oct. 25, 1982) (codified as amended at 49 U.S.C. § 30302). Federal law also required DOT to establish and maintain the Commercial Driver's License Information System. See Pub. L. No. 99-570, § 12007, 100 Stat. 3207-175 (Oct. 27, 1986); Pub. L. No. 105-178, § 4011(d), 112 Stat. 107, 407 (June 9, 1998) (codified as amended at 49 U.S.C. § 31309). Most recently, federal law required DOT to establish the National Motor Vehicle Title Information System; however, this responsibility was later transferred to DOJ. See Pub. L. No. 102-519, § 202, 106 Stat. 3384, 3390 (Oct. 25, 1992); Pub. L. No. 104-152, § 3, 110 Stat. 1384, 1384 (July 2, 1996) (codified as amended at 49 U.S.C. § 30502).

[2] The National Highway Traffic Safety Administration within DOT helps states improve their efforts to collect, manage, analyze, and integrate traffic records data across states' six core traffic record data systems. These six core traffic data systems are the crash, driver, vehicle, roadway, citation/adjudication, and emergency medical services/injury surveillance systems.

GAO-18-98R Driver and Vehicle Data Sharing

You asked us to provide information on how the DOT and DOJ facilitate efforts to share states' driver and vehicle data. This report describes: (1) the steps DOT and DOJ have taken to facilitate efforts to share states' driver and vehicle data among states and the District of Columbia (DC) and with consumers, and (2) the perspectives of selected stakeholders with regard to sharing states' driver and vehicle data. On September 29, 2017, we provided your offices with a briefing on the results of our review. This report formally transmits the briefing product (see the enclosure).

We focused our review on three federal data systems[3] that facilitate the sharing of state driver and vehicle data. These systems are:
- the Commercial Driver's License Information System,
- the Problem Driver Pointer System, and
- the National Motor Vehicle Title Information System.

To describe steps DOT and DOJ have taken to facilitate states' driver and vehicle data sharing, we examined relevant federal statutes and regulations and reviewed documents, including policy papers, annual reports, and cooperative agreements, related to these data systems. We also interviewed DOT and DOJ officials and representatives from the American Association of Motor Vehicle Administrators (AAMVA), which is the organization DOT and DOJ have contracted with to perform various functions for these data systems.[4]

To describe selected stakeholders' perspectives on sharing states' driver and vehicle data, we spoke with state licensing officials from four states—California, Florida, Maryland, and South Dakota—and interviewed seven stakeholders, including associations and businesses that provide data to or use data in these data systems. We selected the four states based on how frequently—both the highest and lowest number of times—they queried one or more of the data systems in 2015, the high and low number of registered drivers and vehicles in the state, and the extent of participation in these data systems, among other factors. We selected the seven stakeholders to represent diverse circumstances and perspectives and based on the highest and lowest number of times they accessed one or more of the data systems, among other factors. We also reviewed DOT's audits of the four selected states' data systems.[5] The perspectives of the selected states and stakeholders are not generalizable, but they provide insights and illustrations of how federal data systems facilitate the sharing of states' driver and vehicle data.

We conducted this performance audit from December 2016 to October 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our

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[3] As used in this report, the Commercial Driver's License Information System, Problem Driver Pointer System, and National Motor Vehicle Title Information System are described as "federal data systems" because federal law required each to be established by a federal agency. Federal law authorizes DOT and DOJ to enter into agreements with certain entities to carry out certain operations of these data systems. Accordingly, for each system, the federal agencies have entered into cooperative agreements with the American Association of Motor Vehicle Administrators (AAMVA) that describe the responsibilities of AAMVA and the applicable federal agency regarding the applicable system. AAMVA operates the Commercial Driver's License Information System and National Motor Vehicle Title Information System on behalf of DOT and DOJ respectively, and the cooperative agreements state that the systems are to be operated in accordance with certain federal security and privacy requirements. For the Problem Driver Pointer System, AAMVA provides help desk support for states that use the system.

[4] AAMVA is a non-profit organization that represents state officials who administer and enforce motor vehicle laws.

[5] DOT assesses states' data systems every 5 years as part of the State Traffic Safety Information System Improvement grant program.

findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In summary, we found that:

- DOT and DOJ have a number of actions underway to facilitate efforts to share states' driver and vehicle data. Specifically, DOT and DOJ entered into cooperative agreements with AAMVA for each of the three data systems—DOT's Commercial Driver's License Information System and Problem Driver Pointer System, and DOJ's National Motor Vehicle Title Information System. These agreements define the key responsibilities of the applicable federal agency and AAMVA regarding the applicable data system. DOT and DOJ also provided varying levels of financial assistance to states and AAMVA. For example, DOT awarded $24 million to 33 states in fiscal year 2016 (the most recent data available) to improve state systems and compatibility with the Commercial Driver's License Information System, while DOJ provided a total of $31 million in discretionary grants to states and AAMVA from fiscal years 1997 to 2011 to help states connect their vehicle systems with the National Motor Vehicle Title Information System. DOT and DOJ also communicate with states and industry stakeholders to help improve the quality of the data in the three data systems. For example, the Problem Driver Pointer System collects data on individuals who have certain restrictions on their ability to operate a motor vehicle or certain traffic-related convictions.[6] DOT officials told us that the Problem Driver Pointer System Working Group (also known as the National Driver Register Working Group) identified some data codes in the system that were associated with state penalties that did not relate to an individual's driving ability (e.g., underage smoking or library fines). As a result of this effort, DOT removed those data codes.

- Selected stakeholders identified benefits to using all three data systems as well as some data limitations facing the National Motor Vehicle Title Information System. For example, a licensing official from one state reported that the Problem Driver Pointer System allows them to check information from other jurisdictions, and to keep those individuals who should not receive licenses from obtaining them. Stakeholders also commented that the National Motor Vehicle Title Information System helps identify stolen vehicles that remain on the road with "cloned" identities and with other vehicle theft investigations.[7] However, while stakeholders consider this system to be a beneficial tool, they also noted that incomplete data reduced its usefulness. As of August 2017, 12 states and the District of Columbia were not fully participating in the system. Officials we spoke with from two of these states—California and Maryland—cited technical challenges and cost as barriers to full participation. These state officials also noted that barriers are best addressed at the state level and that they are making progress towards full participation. Some stakeholders we interviewed also said that some junk yards, salvage yards, and insurance companies have not reported data, as required, into the National Motor Vehicle Title Information System. While DOJ cannot address state barriers, it uses a variety of mechanisms to encourage or compel reporting.

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[6] Participating states must submit to the Problem Driver Pointer System information for each individual: (1) who is denied a motor vehicle operator's license by that state for cause; (2) whose motor vehicle operator's license is revoked, suspended, or canceled by that state for cause; or (3) who is convicted under the laws of that state for certain motor vehicle related offenses. 49 U.S.C. § 30304(a).

[7] A vehicle is "cloned" when a legitimate vehicle identification plate is replicated and placed on a stolen vehicle, making that vehicle appear to have a valid identification.

For example, since 2012, DOJ has levied about $2.1 million in fines against eight non-reporting businesses and resolved hundreds of non-reporting cases without penalties.

We provided a draft of this report to DOT and DOJ for comments. DOT provided technical comments, which we incorporated as appropriate, and DOJ had no comments.

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We are sending copies of this report to the Secretary of Transportation and the U.S. Attorney General. In addition, the report is available at no charge on the GAO website at http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-2834 or vonaha@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are Cathy Colwell (Assistant Director); Jennifer Kim (Analyst in Charge); Jenny Chanley; Lacey Coppage; Georgeann Higgins; Delwen Jones; Malika Rice; and Alison Snyder.

Andrew Von Ah
Director
Physical Infrastructure

Enclosure

GAO

You asked us to provide information on how DOT and DOJ facilitate states' sharing of driver and vehicle data. This report describes (1) steps DOT and DOJ have taken to facilitate efforts to share states' driver and vehicle data among states and with consumers and (2) selected stakeholders' perspectives on this data sharing. We focused our review on three data systems required by federal law that facilitate the sharing of states' driver and vehicle data. To address these objectives, we reviewed relevant documents and interviewed DOT and DOJ officials and AAMVA representatives. We also interviewed officials from four states' licensing agencies and seven industry stakeholders, including associations and related businesses (i.e., companies that provide vehicles' or drivers' data to consumers and potential employers) that we selected to represent diverse circumstances and perspectives. The perspectives of the selected states and stakeholders are not generalizable, but they provide insights and illustrations of how federal data systems facilitate the sharing of state driver and vehicle data.

GAO is not making recommendations in this report.

Driver and Vehicle Data

Federal Efforts and Stakeholders' Perspectives on Facilitating Data Sharing

Introduction

Consumers, federal and state agencies, and industry stakeholders (e.g., auto dealers and insurance companies) rely on states' driver and vehicle data for a variety of purposes. While states and the District of Columbia collect and maintain driver and vehicle data for licensing and titling purposes, the Departments of Transportation (DOT) and Justice (DOJ) help states share their information through three federal data systems.[8] States use the data in these systems for various purposes, such as public safety and consumer protection purposes. For example, a state's licensing agency checks these driver data systems before issuing a license to an individual, in part to prevent certain problem drivers from obtaining licenses in their state. Additionally, a state's titling agency checks the vehicle data system before issuing a title to prevent stolen vehicles from being titled across state lines. DOT also assists state and local governments in a broader effort to collect, maintain, and share states' traffic records data, which includes states' driver and vehicle data, for public safety purposes.[9]

Federal law required the creation of three federal data systems containing states' driver and vehicle data—the Commercial Driver's License Information System, the Problem Driver Pointer System,[10] and the National Motor Vehicle Title Information System—and designated federal agencies responsible for their development (see fig. 1). DOT and DOJ have contracted with the American Association of Motor Vehicle Administrators (AAMVA), a non-profit organization that represents state officials who administer and enforce motor vehicle laws, to provide various forms of support for these systems.

Figure 1: Timeline and Key Legislation Establishing the Federal Data Systems
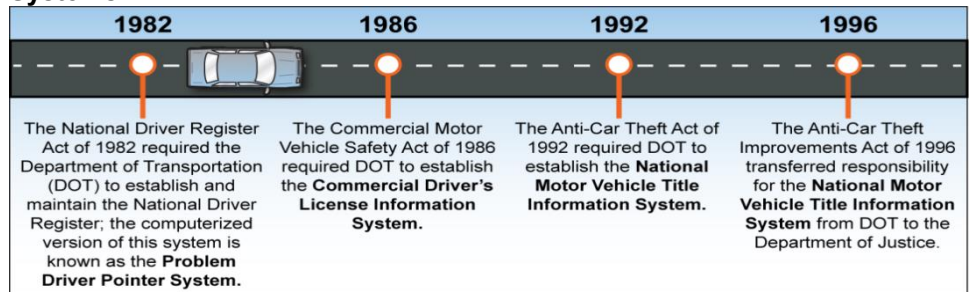
Source: GAO analysis of federal statutes. | GAO-18-98R

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[8] As used in this report, the Commercial Driver's License Information System, Problem Driver Pointer System, and National Motor Vehicle Title Information System are described as "federal data systems" because federal law required each to be established by a federal agency. Federal law authorizes DOT and DOJ to enter into agreements with certain entities to carry out certain operations of these data systems.

[9] The National Highway Traffic Safety Administration within DOT helps states improve their efforts to collect, manage, analyze, and integrate traffic records data across states' six core traffic record data systems. These data systems include the crash, driver, vehicle, roadway, citation/adjudication, and emergency medical services/injury surveillance systems.

[10] The Problem Driver Pointer System is the computerized database that was originally known as the National Driver Register.

Background

Three Federal Data Systems Facilitate the Sharing of States' Driver and Vehicle Data

Two driver data systems—the Commercial Driver's License Information System and the Problem Driver Pointer System—facilitate states sharing driver data. A third—the National Motor Vehicle Title Information System—facilitates states sharing vehicle data. While these three data systems have some similar characteristics, they serve different functional purposes (see table 1).

Characteristics of Federal Driver and Vehicle Data Systems

Table 1: Key Characteristics of Federal Driver and Vehicle Data Systems

	Commercial Driver's License Information System	Problem Driver Pointer System	National Motor Vehicle Title Information System
System descriptions	The system connects the databases of all licensing jurisdictions nationwide. It enables states to access commercial drivers' license information, such as drivers' status and conviction history reports, to ensure that a driver does not possess a commercial driver's license from more than one state or have any convictions that would disqualify the driver.	The system allows users to search the repository of information on problem drivers, including individuals whose license has been revoked, suspended, canceled or denied, or who have been convicted of serious traffic-related offenses.	The system allows users to obtain title history on a vehicle. It helps protect consumers from fraud and unsafe vehicles and prevents stolen vehicles from being resold. It also assists states and law enforcement in deterring and preventing title fraud (e.g. titling junk and salvaged vehicles across state lines) and other crimes.
Federal oversight agency	DOT's Federal Motor Carrier Safety Administration (FMCSA)	DOT's National Highway Traffic Safety Administration (NHTSA)	DOJ's Bureau of Justice Assistance (BJA)
Primary data source(s)[a]	• States' driver licensing agencies	• States' driver licensing agencies	• States' vehicle titling agencies • Junk yards • Salvage yards • Insurance companies
State participation	• All states participate	• All states participate	• Most states participate (See fig. 5 below for further information).
Funding source for operations	• Federal grant funds • State user fees • Third party user fees	• Federal funds	• State user fees • Consumer access fees • Subsidies from the American Association of Motor Vehicle Administrators (AAMVA)
Primary users[b]	• States' driver licensing agencies • Certain federal agencies (e.g., FMCSA) • Local and state law enforcement agencies • Prospective employers of commercial drivers • Drivers[c]	• States' driver licensing agencies • Certain federal agencies, (e.g., National Transportation Safety Board) • Prospective employers of certain operators for various modes of transportation • Drivers[c]	• States' vehicle titling agencies • Law enforcement • Consumers • Vehicle dealers • Auto insurers

Source: GAO analysis of federal documents and interviews with AAMVA representatives and GAO (images). | GAO-18-98R

[a] The terms "junk yard" and "salvage yard" are defined in law. 49 U.S.C. § 30501. However, according to DOJ officials, industries not listed in the junk yard or salvage yard definition may still meet one of the definitions and, therefore, be subject to reporting requirements.
[b] We refer to users both as entities that have access to the federal data systems and individuals or companies that can request to obtain certain information from the systems.
[c] An individual driver may request information through states' licensing agencies regarding the individual's own motor-vehicle driving record.

Background

The Three Data Systems Are Used for Multiple Purposes

Figure 2 shows an example of how both driver systems can be used when a person applies for a driver's license. States' driver systems interface with both the Commercial Driver's License Information System and the Problem Driver Pointer System to identify whether any duplicate commercial licenses exist in another state and whether the applicant has any applicable convictions or limitations on their license. If a driver is identified in either or both systems, then the state's drivers-licensing officials discontinue the process of issuing a license.

Figure 3 shows how the National Motor Vehicle Title Information System works. In addition to state titling agencies checking the system before issuing a new title, other entities and consumers can use the system for purposes other than verification.

- Law enforcement agencies can use the vehicle data to investigate vehicles involved in violent crimes and to identify theft rings.

- Auto dealers can use the vehicle data to check the title history before buying or selling a used car.

- Consumers can use the vehicle data before purchasing a used car to get title history, including whether the vehicle was previously declared a total loss.

Using the Driver and Vehicle Data Systems

States generally use the three data systems for verification purposes before issuing a driver's license or vehicle title. The National Motor Vehicle Title Information System is also used for other purposes.
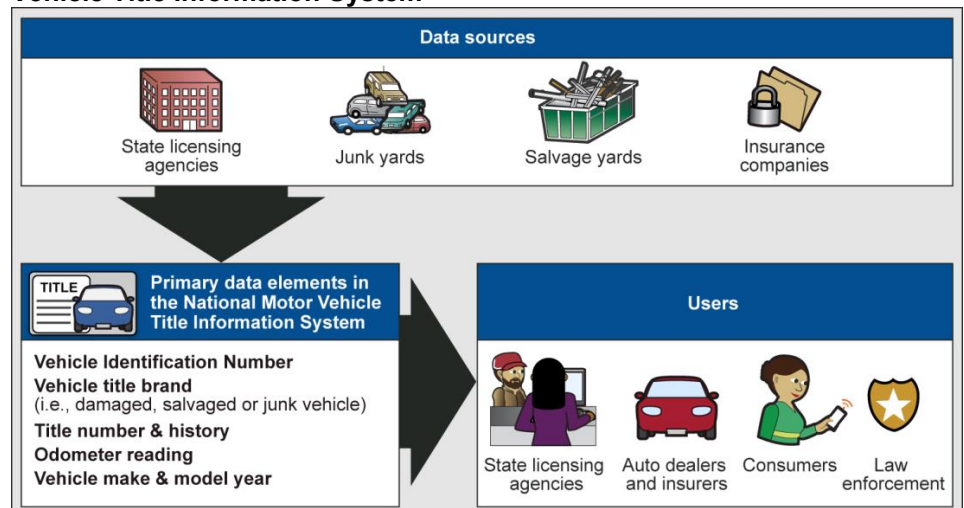
The Driver Systems

Figure 2: Example of How the Driver Data Systems Are Used
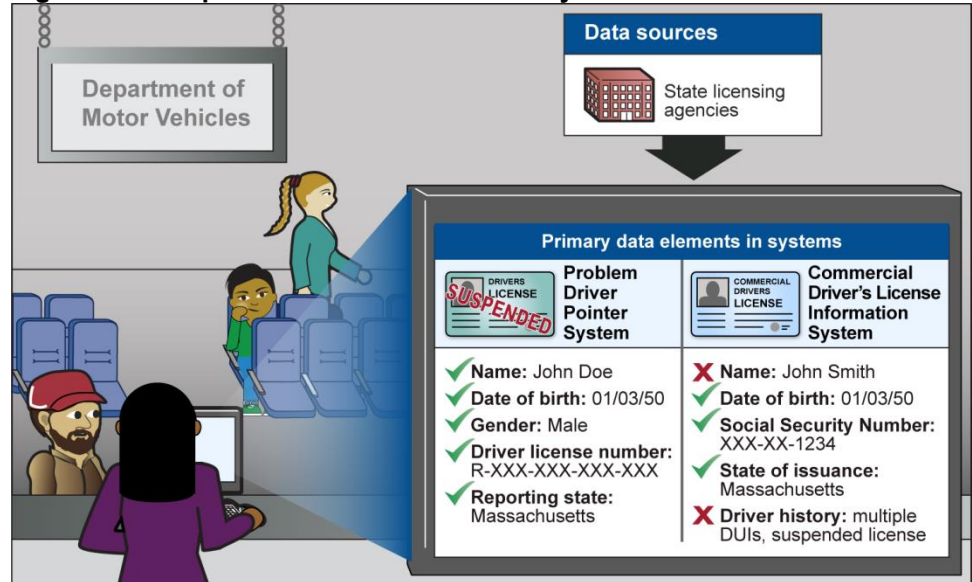
Source: GAO analysis of federal and state driver systems. | GAO-18-98R

The National Motor Vehicle Title Information System

Figure 3: Data Sources, Data Elements, and Users of the National Motor Vehicle Title Information System

Source: GAO analysis of federal vehicle title information. | GAO-18-98R

Objective 1: Efforts to Facilitate Data Sharing

DOT and DOJ Have Facilitated the Sharing of States' Driver and Vehicle Data in Various Ways

DOT Provides Additional Assistance to Help States Collect and Share Traffic Records Data

As previously mentioned, DOT plays a role assisting state and local governments with data collection efforts. Specifically, DOT provides technical assistance, guidance, and funding to help states collect, improve, and share data, for example:

- NHTSA provides technical assistance to states, such as reviewing an upgrade plan of a state's crash data system to improve the state's data.

- NHTSA develops guidance, such as the *Traffic Records Program Assessment Advisory*, to help states' data collection, management, and analysis efforts.

DOT and DOJ Have Taken Three Key Steps to Facilitate Sharing of States' Driver and Vehicle Data

The three key steps include:

1. Developing cooperative agreements.
2. Providing funding for system improvements.
3. Communicating with states and industry stakeholders.

DOT and DOJ Have Cooperative Agreements with AAMVA

DOT's and DOJ's cooperative agreements with AAMVA establish key responsibilities for the oversight and operation of the three data systems, as described in table 2. Both agencies retain oversight responsibilities for the systems, while AAMVA has certain day-to-day responsibilities for each system, such as providing support to states accessing the systems.

Table 2: Key Roles and Responsibilities of DOT, DOJ, and the American Association of Motor Vehicle Administrators (AAMVA)

Data systems	Key roles and responsibilities
Commercial Driver's License Information System	- The Federal Motor Carrier Safety Administration (FMCSA) is responsible for maintaining the system, which includes reviewing regular system reports from AAMVA, such as modernization project status reports. FMCSA also provides guidance to AAMVA on federal information security and privacy requirements. - AAMVA is responsible for the operation and modernization of the system as well as the system's compliance with certain federal laws (e.g. federal information security laws). Additionally, AAMVA agreed to establish user fees for the system that would fund costs associated with AAMVA's obligations under the cooperative agreement.[a]
Problem Driver Pointer System	- The National Highway Traffic Safety Administration (NHTSA) is responsible for contracting staff to liaise with AAMVA as well as providing technical assistance. Officials also told us that NHTSA is responsible for maintaining the application hardware and software of the system. - AAMVA is responsible for providing help desk support to state users, monitoring the system, and testing system updates.
National Motor Vehicle Title Information System	- The Bureau of Justice Assistance (BJA) is responsible for ensuring that the system provides information to states, consumers, and law enforcement. For example, BJA is responsible for pursuing enforcement against entities that do not comply with their reporting obligations. - AAMVA is responsible for, among other things, daily operations of the system and establishing a fee structure that will make the system self-sustaining by 2019.

Source: GAO analysis of cooperative agreements and interviews with federal officials and GAO (images). | GAO-18-98R

[a] Section 31309 of Title 49 of the U.S. Code permits the collection and retention of user fees.

Objective 1: Efforts to Facilitate Data Sharing

One DOT Grant Program Can Be Used to Improve Any State Traffic Records Data System

NHTSA's State Traffic Safety Information System Improvement grant[11] program can be used to improve the compatibility and interoperability of federal and state driver and vehicle systems, among other uses. This grant helps states' efforts to collect, manage, analyze and integrate traffic records data across state's six core traffic record data systems that include the crash, driver, vehicle roadway, citation/adjudication, and emergency medical/injury surveillance systems. NHTSA officials told us that states typically use these grants to improve the quality of data in any of the state systems, such as the state crash systems. To meet the certification requirements of the grant program, NHTSA reviews states' data systems every 5 years to identify their strengths and areas needing improvements. NHTSA's recent audits of states' systems identified opportunities, such as developing a data quality control program, for states to improve the quality of their data.

Federal Funding Has Supported States' Efforts to Improve Their Data Quality and Interface with Federal Driver and Vehicle Systems

DOT and DOJ have provided varying levels of funding for AAMVA's and states' efforts to connect state driver and vehicle systems with the federal data systems and improve the data quality of the systems, as described in table 3 below.

Table 3: Examples of Federal Funding to Support Data-Sharing Efforts

Data systems	Federal funding examples
Commercial Driver's License Information System	The Federal Motor Carrier Safety Administration (FMCSA) provides Commercial Driver's License Program Implementation grants to states, which can use the funds for modernizing state systems to be compatible with the modernized federal commercial driver system, among other things. In fiscal year 2016, the most recent data available, FMCSA awarded $24 million to 33 states. For example, FMCSA awarded the Connecticut Department of Motor Vehicles approximately $1.2 million to enable the electronic upload of medical certification data[a] and enhance the system's capabilities. FMCSA also provided Commercial Driver's License Program Implementation grants of approximately $7.8 million to AAMVA from fiscal years 2009 to 2016 (the most recent data available) to provide technical support to the states for improving the system's data quality, accuracy, and timeliness, among other things. For instance, FMCSA reported that a state's licensing agency had a high number of data discrepancies between its state system and the federal system. With technical support from AAMVA, this state's licensing agency reduced the number of data discrepancies from a high of 2,520 in May 2014 to 251 in May 2016.
Problem Driver Pointer System	According to the 2015 modification to the cooperative agreement, the National Highway Traffic Safety Administration (NHTSA) budgeted a total of approximately $1.9 million to AAMVA to help support the Problem Driver Pointer System and the ability of states to use the system. According to AAMVA's April 2017 monthly report, AAMVA used its funding to: (1) provide assistance to states that requested technical assistance; (2) perform system-testing with states; (3) distribute proposed changes to the system, (4) help maintain the system's 99.9 percentage availability rate; and (5) provide problem driver system-specific education to the states, among other tasks.
National Motor Vehicle Title Information System	The Bureau of Justice Assistance (BJA) provided a total of almost $31 million in discretionary grants to states and AAMVA from fiscal year 1997 to fiscal year 2011 for the development and operation of the National Motor Vehicle Title Information System. However, BJA discontinued these grants in fiscal year 2011 and has been focusing in recent years on meeting the statutory requirement that user access fees render the system financially self-sustaining.[b]

Source: GAO analysis of federal documents and GAO (images). | GAO-18-98R

[a] Beginning in January 2012, for new commercial driver's license applicants, states' licensing agencies were required to add medical certification status in the commercial driver system.

[b] 49 U.S.C. § 30502(c). According to DOJ officials, there have never been any federal appropriations specifically to support the National Motor Vehicle Title Information System program.

[11] 23 U.S.C. § 405(c).

Objective 1:
Efforts to Facilitate Data Sharing

Illustrative Outcomes of Communciation Efforts

Working with the **Commercial Driver's License Information System Working Group**, FMCSA and AAMVA modernized the system, including ensuring compliance with applicable federal information technology security standards and providing self-auditing features to ensure that data are being posted correctly and consistently by the states, among other things.

According to NHTSA officials, **the Problem Driver Pointer System Working Group** examined the data codes in the Problem Driver Pointer System to identify codes associated with state penalties that did not affect driver ability, such as underage smoking or a library fine. As a result, NHTSA removed some of the data codes that were obsolete or might lead someone to think that the person is a problem driver when the offense is not related to driver performance.

The DOJ-convened **advisory board** made 11 recommendations of which DOJ implemented 8 during the board's tenure from 2010 through 2016. In 2016, DOJ decided to sunset the advisory board primarily because it achieved its goals, according to officials.

DOT and DOJ Coordinate with State and Industry Stakeholders and Provide Support to Them

DOT and DOJ communicate with state and industry stakeholders to exchange information about changes to the systems and obtain comments and recommendations from stakeholders. Table 4 shows examples of working groups that communicate with DOT and DOJ. In addition, DOJ convened an advisory board to provide input and make recommendations regarding program operation and administration of the National Motor Vehicle Title Information System--such as examining potential system improvements.

Table 4: Examples of Working Groups That Communicate and Coordinate with the Departments of Transportation and Justice

Data systems	Working group description
Commercial Driver's License Information System	The **Commercial Driver's License Information System Working Group** meets monthly. Examples of its activities include providing recommendations for system improvements and determining the impact of any proposed rule on the system. Members of the group include Federal Motor Carrier Safety Administration (FMCSA) officials and state representatives who oversee their state's commercial drivers' system.
Problem Driver Pointer System	The **Problem Driver Pointer System Working Group** [a] analyzes and provides feedback on all aspects of system operation, including but not limited to: (1) review and consideration of the current system requirements, procedures and business practices of states and other users, and (2) identification of changes in how the system is operated that could provide additional benefits to users. The working group members include FMCSA and National Highway Traffic Safety Administration officials, AAMVA, and state representatives.
National Motor Vehicle Title Information System	The **National Motor Vehicle Title Information System Law Enforcement Working Group** identifies business requirements, such as enhancing search capabilities, for law enforcement officials using the system to investigate vehicle-related crimes. [b]

Source: GAO analysis of AAMVA documents and GAO (images). | GAO-18-98R

[a] This group is also known as the National Driver Register Working Group.

[b] Other AAMVA working groups that are associated with this system include the Business Rules Working Group, within which is the State Junk, Salvage, & Insurance Reporting Task Force, and the Information Technology Working Group. Although DOJ (BJA) officials may not be members of these groups, BJA officials may communicate with them, according to AAMVA and BJA officials.

Stakeholders Identified Benefits to Using All Three Systems and Some Data Limitations Facing the National Motor Vehicle Title Information System

Selected Stakeholders

State Licensing and Titling Departments

- California
- Florida
- Maryland
- South Dakota

Industry Associations

- AAMVA
- Institute of Scrap Recycling Industries
- National Insurance Crime Bureau
- National Independent Automobile Dealer Association

Related Businesses

- Auto Data Direct
- Carco Group
- HireRight

Selected Stakeholders' Perspectives on the Commercial and Problem Driver Systems Were Generally Positive

According to officials from all four selected states, both driver systems provide **benefits** to their licensing departments, for example:

- Problem Driver Pointer System - An official from one state reported that without this system this official would be unable to check information from other jurisdictions, and individuals who should not receive licenses would be able to obtain them.

- Commercial Driver's License Information System - An official from a business that receives data from this system noted that the system helps prevent duplicate commercial licenses across states and allows trucking companies to make informed hiring decisions.

State officials and a business we spoke with also stated that both driver data systems contain the information needed to verify driver eligibility and that they are generally satisfied with the performance of the systems. Stakeholders identified the following as **key strengths** of the systems:

- **Data are almost always available.** According to data from AAMVA, the networks are operational approximately 99.9 percent of the time.[12]

- **Data are considered sufficiently accurate by stakeholders.** States rely on each other to provide accurate information, and stakeholders generally agreed that the data from the two driver systems are sufficiently accurate for their needs.[13] To the extent certain data errors exist, stakeholders noted that some can be identified and fixed when an individual applies for a new license.

Selected Stakeholders' Perspectives on the National Motor Vehicle Title Information System Were Mixed

Stakeholders reported numerous **benefits** from using the National Motor Vehicle Title Information System. For example, a 2015 AAMVA annual report found that various states reported positive outcomes from using the system, including reducing turnaround times for resolving customer title questions, informing customers if their vehicles had salvage titles, and supporting investigations into potentially stolen vehicles.

According to stakeholders, the National Motor Vehicle Title Information System supports theft investigations in several ways. For example, a thief may sell a stolen vehicle to a recycler, at which point the vehicle is dismantled or crushed. Because recyclers are required to report

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[12] According to AAMVA, the systems are sometimes temporarily unavailable due to hardware failures. AAMVA officials also stated that there have been no known data breaches of either federal driver's license system.

[13] According to AAMVA quarterly reports, data quality varies by state. AAMVA has taken steps to help states improve their data, such as identifying procedural issues that caused data to be reported late.
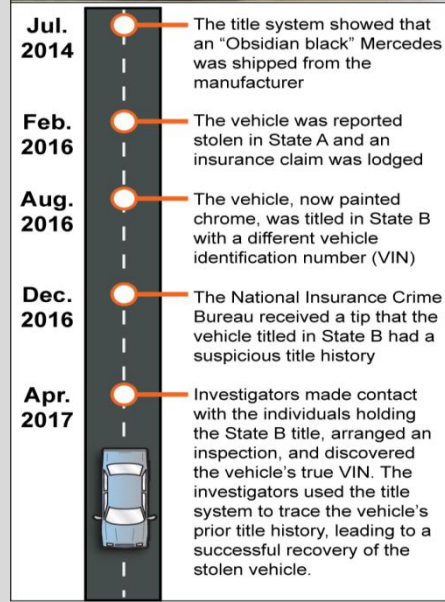
The National Motor Vehicle Title Information System Helps Recover Stolen Vehicles

Several stakeholders noted that the National Motor Vehicle Title Information System is an important law enforcement tool. For example, according to officials from the National Insurance Crime Bureau, the system played a key role in recovering the stolen vehicle pictured below.

Figure 4: Example of the National Motor Vehicle Title Information System Helping Law Enforcement Identify a Stolen Vehicle

Jul. 2014	The title system showed that an "Obsidian black" Mercedes was shipped from the manufacturer
Feb. 2016	The vehicle was reported stolen in State A and an insurance claim was lodged
Aug. 2016	The vehicle, now painted chrome, was titled in State B with a different vehicle identification number (VIN)
Dec. 2016	The National Insurance Crime Bureau received a tip that the vehicle titled in State B had a suspicious title history
Apr. 2017	Investigators made contact with the individuals holding the State B title, arranged an inspection, and discovered the vehicle's true VIN. The investigators used the title system to trace the vehicle's prior title history, leading to a successful recovery of the stolen vehicle.

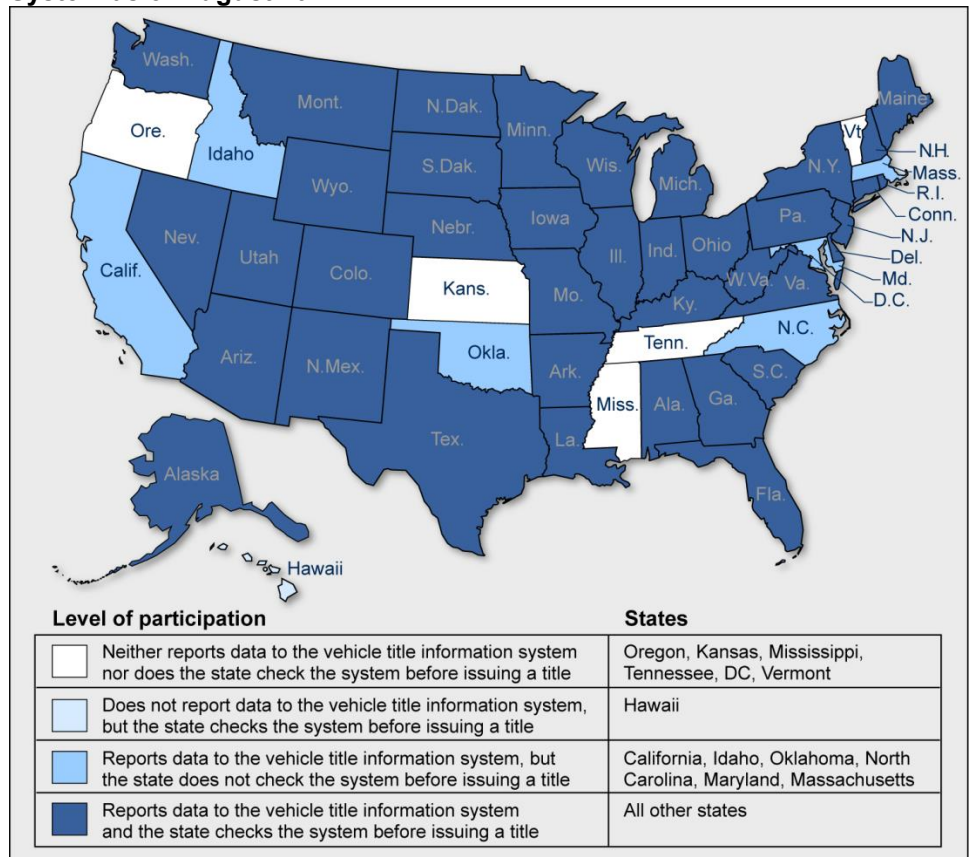Source: National Insurance Crime Bureau. | GAO-18-98R

While law enforcement recovered the vehicle, this example also underscores the importance of complete data in the system, as it would make it more difficult to fraudulently title a vehicle.

destroyed vehicles to this system, investigators can determine what ultimately happened to the vehicle. In addition, the system helps identify stolen vehicles that remain on the road with "cloned" identities[14] (see example in fig. 4 to the left).

However, selected stakeholders said that data in the National Motor Vehicle Title Information System are not complete—a situation that they said reduces the system's usefulness. They attributed the incomplete data to three **key challenges**:

- **Lack of universal participation by states:** Not all states currently participate in the system, and some states participate only partially (see fig. 5).[15]

Figure 5: State Participation in the National Motor Vehicle Title Information System as of August 2017

Level of participation	States
Neither reports data to the vehicle title information system nor does the state check the system before issuing a title	Oregon, Kansas, Mississippi, Tennessee, DC, Vermont
Does not report data to the vehicle title information system, but the state checks the system before issuing a title	Hawaii
Reports data to the vehicle title information system, but the state does not check the system before issuing a title	California, Idaho, Oklahoma, North Carolina, Maryland, Massachusetts
Reports data to the vehicle title information system and the state checks the system before issuing a title	All other states

Sources: Department of Justice and Map Resources. | GAO-18-98R

We spoke with officials from two states—California and Maryland—that do not fully participate in the National Motor Vehicle Title Information System. These officials cited technical challenges as barriers to full and immediate participation. Officials from both states explained that their states' vehicle-titling systems need substantial and costly modernization before they could fully participate in the system and that both states are making progress toward that goal.

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[14] A vehicle is "cloned" when a vehicle identification plate is replicated and placed on a stolen vehicle, making that vehicle appear to have valid identification.

[15] Federal law requires that all states participate in the National Motor Vehicle Title Information System. 49 U.S.C. § 30503. Participation entails that states (1) pay system user fees, (2) report data to the system, and (3) check the system before issuing a title. Currently, all states pay user fees. Thirty-eight out of 51 states fully participate in the system, as of August 2017, which according to DOJ officials, represents 94 percent of registered vehicles.

Objective 2: Stakeholders' Perspectives

Figure 6: The Department of Justice Uses Various Mechanisms to Encourage or Enforce Reporting

Comments in industry and association publications:

These awareness efforts reach businesses that are members of relevant groups. An official from DOJ cautioned that smaller businesses may not be members.

Nonreporting Letter:

If it appears that a business is not reporting as required, DOJ sends a Nonreporting Letter by email or certified mail. This letter outlines the reporting requirements and the civil penalties that might be applied to the business based upon verified nonreporting.

Notice of Civil Penalty Letter:

The letter formally notifies the business of its possible maximum civil penalty for nonreporting, based on the total number of validated unreported automobiles. Businesses may present mitigating information and respond to this letter before a civil penalty is assessed.

Litigation:

If efforts to secure voluntary compliance and payment are not successful, the Civil Division may pursue the matter in Federal Court.

Source: Department of Justice. I GAO-18-98R

Stakeholders and officials from DOJ generally agreed that state participation is an issue best addressed by states.[16]

- **Industry confusion regarding reporting requirements:** According to three stakeholders, the statutory definitions that trigger reporting responsibilities are vague or unclear.[17] According to DOJ officials, extensive outreach and education about the system have occurred with stakeholders; however, officials do not have the authority to change the statutory definitions. Moreover, DOJ officials stated that some businesses may wish to change the definitions in a way that does not require them to report. However, DOJ officials believe that there is value in those businesses continuing to report information.

- **Some businesses choose not to report information:** According to two stakeholders, some businesses may choose not to report information because they do not believe they will face sanctions for non-reporting. According to one stakeholder, noncompliant businesses are more likely to be small businesses because larger businesses typically have compliance or legal teams that direct them to report as required. DOJ officials confirmed that some businesses do not respond to the agency's outreach efforts and instead adopt a "come and get me" stance. According to DOJ officials, the agency uses a variety of approaches to encourage or enforce compliance, including awareness campaigns and litigation (see fig. 6). DOJ and stakeholders were not able to estimate how many businesses choose not to report.

DOJ officials estimated that since 2012, approximately 1.5 million vehicles—which would have otherwise remained unreported—were added to the system as a result of the agency's outreach efforts.[18] In addition, since 2012 DOJ has issued civil penalties to eight non-reporting businesses and levied approximately $2.1 million in fines. Officials also noted that DOJ reviewed over 200 additional cases of potential non-reporting businesses, but these cases were resolved without penalties. Officials from DOJ said that issuing civil penalties is time-consuming and resource-intensive, the enforcement program does not have appropriated funds to support these efforts, and any collected fines are remitted to the U.S. Treasury.

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[16] DOJ has civil penalty authority over noncomplying entities. 49 U.S.C. § 30505. However, in August 2017, DOJ officials told us that the department has not significantly analyzed whether this authority applies to noncomplying states. They added that they will conduct a more thorough legal review of DOJ's authority to impose penalties on noncomplying states.

[17] The Anti Car Theft Act of 1992 defined the types of businesses that are required to report information to the National Motor Vehicle Title Information System. These definitions have been codified as amended at section 30501 of Title 49 of the U.S. Code."

[18] We did not verify the accuracy of DOJ's estimate.

GAO-18-98R Driver and Vehicle Data Sharing