

State of Nebraska
Department of Motor Vehicles

Modernization of Vehicle Title Registration System



3a (RFP 6civ): Stakeholder Meetings and Summary

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Figure 1: Version History

Version	Date	Description
v.1	3/25/2016	Delivered to State DMV
v.2	5/12/2016	Updated with State DMV changes
v.3	6/3/2016	Updated with State DMV changes

1. REPORT OVERVIEW

1.1 Report Format

This section provides a description of the contents of the report.

This report is comprised of two major sections:

1. **Report Overview.** This section of the report describes the report format and the work performed.
2. **Overview of Future Environment Meetings with Department of Motor Vehicles (DMV) Stakeholders.** This section of the report provides an overview of the 10 on-site meetings conducted with the Vehicle Title and Registration (VTR) system stakeholders throughout Nebraska. The primary focus of these meetings was to learn and understand stakeholder needs, desires, and expectations in a new, modern VTR system. Stakeholder input and discussion was captured at each meeting and a written summary of information was prepared. The stakeholder summaries are included in this report, and will be used to help plan for a new VTR system.

This report also includes a Glossary of Terms, list of Acronyms, and Appendices.

1.2 Work Performed

This section describes how this section of the report was developed.

In order to understand the desired future VTR system environment for the State DMV, BerryDunn conducted 10 meetings with stakeholders as identified by the State DMV during project planning. Seven of these meetings were held in and around Lincoln, while the other three were held in Norfolk, Kearney, and Ogallala respectively.

During these meetings, BerryDunn gathered stakeholder feedback on how business processes might be changed, streamlined, or eliminated. In addition to the bottlenecks and inefficiencies, BerryDunn learned what features and functions stakeholders desired in a modern VTR system. The outcome of these discussions is included in a short summary for each stakeholder group, detailing the recommendations for system and business process modernization.

2. SUMMARY OF STAKEHOLDER MEETINGS

This section summarizes the key results of each stakeholder group discussion. The summaries are not intended to be a transcript of each meeting. Rather, they are designed to summarize the important points, particularly with respect to system shortcomings and determining stakeholder needs, desires, and expectations of a modernized Vehicle Title and Registration (VTR) system. The stakeholder meetings include an overview; a list of bottlenecks, inefficiencies, and redundancies; needs, desires, and expectations; desired statutory or regulatory changes; as well as general comments. Where applicable, the agency or stakeholder responsible for providing the particular point is identified.

2.1 Group 1: State Agency Stakeholders

Overview

A VTR system modernization stakeholder meeting with representatives from the State Treasurer, Crime Commission, Department of Revenue, Office of the Chief Information Officer (OCIO), Nebraska State Patrol (NSP), Nebraska Office of Highway Safety, Department of Roads (NDOR), and the Game and Parks Commission (GPC) was held on January 28, 2016.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

Consistent with other stakeholder groups, State agency representatives cited the lack of complete data visibility created by the use of multiple databases. The following are specifics related to the distributed processing architecture of the existing VTR system.

- Databases do not share information; as a result, data is incomplete, missing, or duplicative (multiple agencies).
- Boats may be improperly registered in multiple counties because of the distributed nature of the VTR system (GPC).
- Only a portion of registration and title data resides on the State Mainframe. For example, sales tax information is not available on the State Mainframe, and is only available via the County VTR (AS400) in the situs county (Crime Commission and Department of Revenue).
- Boat numbers are currently stored in the plate number field, complicating the search of boat information in National Law Enforcement Telecommunications Service (NLETS) (GPC and NSP).

Agency stakeholders at the meeting outlined a number of inefficiencies related to business rules, edits, and the validation of data.

- The interface between NLETS and the State Mainframe utilized for updating stolen vehicle and boat status is prone to error (NSP).

- There are three separate sets of plate type codes utilized in the County VTR system, State Mainframe, and NLETS, resulting in complicated conversions across all three systems. The occurrence of multiple plate type codes also negatively impacts roadside utilization of the barcode on registration documents used with the Traffic and Criminal Software (TraCS) system (NSP).
- Manual data entry:
 - County treasurers, through a convoluted process, manually report the number of vehicles registered in each county and city to the State Treasurer's Office, which in turn provides this information to the NDOR. To obtain the information, county treasurers run and print a report from the County VTR system (State Treasurer's Office).
 - County treasurers manually report financial information to the State Treasurer's Office, which is prone to error (State Treasurer's Office).
 - Multiple reporting processes around remittance on fees to the State Treasurer is a reported process inefficiency. Title and lien transaction fees are required to be remitted to the State Treasurer by the 15th of each month, and fees collected through the registration transactions are required to be remitted to the State Treasurer by the 25th of each month (State Treasurer's Office).

Needs/Desires/Expectations

The State agency vision for a modern VTR system includes improved data sharing and data access, reduced reliance on manual data entry and lookup, and standardization of naming conventions and data. Opportunities for improvement in tax and fee collection was a theme which crossed multiple agencies (State Treasurer and Department of Revenue in particular).

The following are examples of desired improvements to the VTR system:

- Use of performance metrics in a future environment, particularly for State DMV responsibilities to the National Highway Traffic Safety Administration (NHTSA) reporting (NDOR).
- Improved access to registration and title data (multiple agencies).
- Use of a data warehouse to collect and store a complete set of registration and title data. The NDOR reported they would benefit from having a complete set of data to query (multiple agencies and NDOR).
- Standardization of naming conventions (multiple agencies).
- Ability to complete wildcard searches (multiple agencies).
- Electronic process for validating a Hull Identification Number (HIN) for boats which will comply with a 2017 Coast Guard mandate (GPC).

Another area for improvement noted during the meeting was the opportunity for improved or eliminated data entry by counties and the State DMV to State agency partners:

- Fees collected in county offices are manually entered into the State Treasurer's web portal, which is error prone and inefficient. An electronic transmission of data to the State Treasurer's web portal is desired (State Treasurer).
- The number of registered vehicles in each county are manually entered into the State Treasurer's web portal, which is error prone and inefficient. Ideally, the VTR system would interface with the State Treasurer's system, removing the need to manually report the number of vehicles registered in each county (State Treasurer).

Stakeholders, particularly the Department of Revenue, suggested improvements to sales tax collection, including:

- Collection of sales tax at the point of sale (POS) (multiple agencies).
- Dealers reporting sales electronically to the State DMV (Department of Revenue).
- A flag or notification in the system for customers who have not provided payment of necessary sales tax within 30 days of purchase (Department of Revenue).

Desired Statutory or Regulatory Changes

- A statutory change is required to eliminate the requirement to register a vehicle according to its county of situs.
- A statutory change is required to modify county treasurer reporting requirements. Currently, fees collected through the title and lien transactions are required to be remitted to the State Treasurer by the 15th of each month and, fees collected through the registration transactions are required to be remitted to the State Treasurer by the 25th of each month. Consolidating dates will eliminate multiple reporting processes.

General Comments (Outside the Scope of the VTR System Modernization Project)

- The Department of Revenue would like for law enforcement to be able to view the status of tax delinquency in the Nebraska Criminal Justice Information System (NCJIS) and be able to independently verify tax payments.
- Independent verification of motor vehicle and sales taxes paid for the purpose of auditing income tax returns (Department of Revenue).
- The Department of Revenue, in particular, cited the need to more accurately determine the location of customers for the purpose of situs.

2.2 Group 2: County Treasurers

Overview

Representatives from over 40 county treasurers' offices attended stakeholder meetings on January 26, 27, and 28, 2016. The meetings focused on learning and understanding the needs,

desires, and expectations county treasurers have for a modern VTR system. During the meetings, stakeholders were asked to think about business process bottlenecks, inefficiencies, and redundancies, which are constraining, less than optimal, and cost additional time and money. In addition to the bottlenecks and inefficiencies, the county treasurers shared what features and functions they desire in a modern VTR system.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

Existing VTR System Structure

One consistent theme present through all of the stakeholder meetings with county treasurers was the difficulties caused by the use of multiple databases. Specific examples of these bottlenecks, inefficiencies, and redundancies included:

- Ability to simultaneously register the same vehicle or boat in multiple counties.
- Prohibits counties from accessing current registration data in other counties.
- Registration history is accessible only in the specific County VTR system where each registration was issued.
- Vehicle registration data is removed from the State Mainframe when a salvage title is issued and ownership has not changed.

Business Rules, Edits, and Data Validation

There were a number of bottlenecks and inefficiencies related to business rules, edits, and data validation:

- Lack of interaction between title and registration transactions may lead to non-collection of fees and taxes, especially involving the buyout of a leased vehicle.
- Lack of interaction between title and registration transactions may result in the unnecessary mailing of renewal notices.
- No business process exists for updating title records when a vehicle or boat is sold but not properly retitled.
- Lack of interaction between title, registration, and sales tax-only transactions may lead to non-collection of taxes.
- The current VTR system does not provide a warning or edit check to users when attempting to assign a passenger plate to a commercial vehicle.
- Space limitations exist for previous owner data on a printed title.
- Lack of real-time access to the manufacturer's suggested retail price (MSRP) data.
- Must use fleet renewal menu option for early renewal of a single passenger vehicle.
- The Vehicle Identification Number Analysis (VINA) package does not include data on trailers.
- In a new plate issuance year (currently every six years), the same plate number may be in circulation twice, both for the new plate series and the prior series.
- Plates which are replaced through plate transfer and lost plate processes are no longer searchable by county staff on the County VTR system.

Reporting

One of the inefficiencies of the current system is reporting to the State Treasurer; specifically, each month, counties manually enter into the State Treasurer web portal:

- Original/non-original registration count for NDOR to assist in distribution of the Motor Vehicle Fee Fund.
- Fee remittance amounts due to the State.

Needs/Desires/Expectations

Single Registration and Title Database

The features and functions provided by a single registration and title database the county treasurers would desire in a future environment include:

- A process to notify the customer when an insurance company submits an owner-retained notice to the State DMV.
- Easy access to title history.
- Increased options for searching title and registration records.
- Ability to view lien history.
- Ability for owners to retain or reuse plates when relocating from one county to another. The county-specific plate system would need to be eliminated to accomplish this.
- Capability to print boat numbers on titles.

Customer-Centric Model of Business

One potential feature of a future vehicle title and registration system is the use of customer- rather than vehicle- or boat-centric records. Desired features include:

- Owner records to which all vehicles and boats are linked.
- Utilization of a customer identification number to link records.
- Ability to view expiration dates for other registrations linked to the same owner.

Point of Sale and Office Management

There were a number of features around the themes of POS and office management county treasurers cited as desires in a future VTR system:

- A “grand total shopping cart” which would tally all of the transactions and allow the customer to pay once, rather than for each transaction.
- Ability to identify credit card payments.
- Elimination or offsetting of credit card fees.
- Ability for easy transition between county users at the same workstation.
- Cash management capabilities.
- Ability to add and store comments with suspended transaction records.
- Easy printer selection.
- Functionality to print envelopes and letters.
- Ability to access email accounts from within the system.

- A change in printer/network requirements to provide options to utilize satellite locations.

Fees and Taxes

There were a number of future improvements around fees and taxes identified, including:

- Improved process for collecting and distributing All-Terrain Vehicle (ATV) sales tax.
- Utilization of software to calculate and distribute fees and taxes in place of the current manual processes.
- Online access to view taxes paid.
- Sales price of vehicle or boat recorded on the title document in place of a separate bill of sale.
- Ability for sales tax-only transactions to be linked with title and/or registration records.
- Collection of sales tax by dealers at the POS.
- Ability to populate Department of Revenue Form 6 with title and registration data.
- Ability to create sales tax remittance document within VTR.
- Electronically transmit remittance figures to State Treasurer.
- Ability to collect lost registration fee as part of a new registration transaction, when applicable.
- System calculate tire fee for new vehicles, when applicable.

Boats

One theme consistent across the meetings with county stakeholders was future desires for improving boat title and registration processes:

- Utilization of distinct menu options and data fields.
- Ability to refund boat registration fees.
- Electronic assignment of boat numbers.

Inventory (Decals, Plates)

Another theme was improvements to issuance of decals and plates:

- Ability to print a combined registration and decal credential.
- Ability to reserve specific plate numbers upon request.
- Utilization of bar codes in place of manual data entry.

Business Rules, Edits, and Data Validation

Improvements to business rules, edits, and data validation include:

- Consistent data entry, terms, and common language.
- Addition of “equipment number” field for trailers.
- Flexibility to set business date.
- Increased information available during refund process (e.g., Vehicle Identification Number (VIN), registered weight, etc.).
- Standardization and modernization of naming conventions.
- Ability to standardize and authenticate addresses.

- VIN/HIN validation for untitled registration transactions for all vehicles, boats, and trailers.
- Require trailers to have a VIN.
- Maximize system calculation of refund amounts.
- Reduce number of voided transactions.
- Interactive National Motor Vehicle Titling Information System (NMVTIS).
- Ability to suspend and recall a transaction.
- Greater reliance on system-contained business rules for handling the depreciation cycle for calculation of motor vehicle tax. County treasurers currently must rely on manual lookup of vehicle value to determine depreciation.
- Offer temporary registration as part of online registration renewal.
- Ability to identify multi-stage vehicles.

Electronic Workflow

A common theme was the concept of an electronic workflow and some of the opportunities this could bring, including:

- E-Registration.
- E-Titling.
- Kiosks in offices and other locations.
- Electronic reassignment of titles.
- DMV application for mobile devices.

Electronic Forms

The following desires related to electronic forms were discussed:

- Identifier in the barcode on renewal notices and registration documents for untitled trailers.
- Ability to populate and print or electronically send all required forms.
- Ability to generate, print or electronically send, and store correspondence.
- Create administrator rights for different levels of forms access.

Reporting

Around reporting, the future VTR system is expected to be able to:

- Export data from the VTR system to Microsoft Excel and peripheral accounting systems.
- Produce custom balancing or audit reports.
- Provide failure to pay sales tax notices to the Department of Revenue.

Miscellaneous

A number of additional desires of a future VTR system were specifically cited:

- Document imaging capabilities within the system which meet Secretary of State standards for digital records.
- Capability to move forward and backwards through a transaction without requiring reentry of data.

- Utilize data entry shortcuts.
- Ability to electronically verify heavy vehicle use tax compliance.
- Real-time access to insurance information.
- Incorporate County Sheriff VIN inspection record keeping.
- Flexibility for processing a request for all owned vehicles to share a registration expiration data.
- Provide a temporary tag for private party sales.
- Update conversion records which are currently missing data.
- Timestamp printed on all credentials.
- Ability for registration credential to fit in standard envelope.
- Central maintenance of sales tax rates and other repetitive manual tasks.
- Establish links between driver license and VTR systems.
- Capability to electronically report issues from within the system to a help desk.
- Lobby management capabilities within the system.

Desired Statutory or Regulatory Changes

Areas of policy and possible statutory changes discussed included:

- Mandatory Electronic Lien and Title (ELT).
- Authorization of registration refund payments to decedents' heirs.
- Authorization for use of an Affidavit of Decedent after an estate has been closed.
- Sales tax payment required at time of title issuance.
- Simplify owner-retained salvage process when a lien is present on the title record.

General Comments (Outside the Scope of the VTR Modernization Project)

- Increased VIN inspection training.
- Complaints are fielded regarding the incorrect issuance of improper registration citations by law enforcement to students and temporary workers.

2.3 Group 3: County Treasurers Association Motor Vehicle Committee; Nebraska Association of County Officials (NACO)

Overview

A VTR system modernization stakeholder meeting with members of the County Treasurers Association Motor Vehicle Committee from Polk, Sarpy, and Buffalo counties, and the NACO executive director, took place on Thursday, March 3, 2016. During the meeting, the representatives primarily shared their vision for the future state of the VTR system.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

Not Applicable

Needs/Desires/Expectations

Some of the general themes discussed during the meeting for the future of the VTR system included:

- Improved processes to reduce customer wait times, including identifying methods for conducting transactions in a single step.
- Ease of services for taxpayers.
- Kiosks located in convenient locations.
- Mobile transactions outside of traditional office hours.
- E-title functionality.
- E-registration functionality.
- Ability to collect and distribute taxes and fees without tax district identification at time of registration.
- Authority to remit all fees and taxes to the State Treasurer for redistribution.
- Document management system.
- Geographic Information System (GIS) integration for determining tax districts.
- Reduce system complexity.
- Flexibility to accommodate rural and urban counties.

One of the themes discussed during the meeting for the future of the VTR system included inventory of credentials:

- Inventory tracking to determine where plate and/or registration is in transit.
- Fully integrated temporary tag system.
- Central issuance of license plates directly from the Department of Corrections (DOC) to the customer.
- System flexibility which accommodates office and central issuance.

Another one of the themes discussed during the meeting for the future of the VTR system was improved functionality and services which could be provided by dealers:

- Integration with dealer systems to eliminate duplicate data entry of vehicle and customer information.
- Perfection of the lien at the dealership.
- On-site VIN inspection at auto auction and dealership locations.
- Voluntary collection of sales tax by dealers.

The other major theme discussed during the meeting involved POS and other payment functionality:

- The use of a “shopping cart” mechanism to streamline cash management.
- Integrated POS software, including real estate, other county transactions, and electronic payment capabilities.
- Use of additional methods of payment, such as ApplePay or PayPal.
- Increased use of e-payments, such as Automated Clearing House (ACH).

Desired Statutory or Regulatory Changes

The future vision of the VTR system involves updating, adding, or, in some cases, eliminating certain statutes or areas of policy:

- Change distribution of motor vehicle taxes to fund roads and bridges only.
- Create a public funding mechanism for electronic payment costs.
- Authorize use of alphanumeric and county specific plates for all counties.
- Transfer responsibility for motor vehicle tax distribution from county treasurers to State Treasurer.
- Tax rate changes for vehicles and boats effective immediately upon annexation.
- Transfer the collection of sales tax to point of purchase for dealer transactions.
- Modify the County Tort Claims Act to alleviate the counties' liability.
- Change the correspondence due date laws and regulations to standardize the date when correspondence is due, such as using the postmarked date plus two days.
- Modify Uniform Motor Vehicle Records Disclosure Act to extend protection of personal information collected as part of dealer automated services.

General Comments (Outside the Scope of the VTR Modernization Project)

- Growth in the population of urban counties will continue to negatively impact customer wait times.

2.4 Group 4: Private Sector Partners

Overview

A VTR system modernization stakeholder meeting with representatives from the Nebraska New Car and Truck Dealer Association (NNCTDA), Nebraska Association of County Officials (NACO), Nebraska Motor Vehicle Industry Licensing Board (MVILB), Nebraska Banker's Association (NBA), Nebraska Institute of Scrap Recycling Industry (ISRI), Nebraska Credit Union League (NCUL), lenders, electronic lien and title (ELT) providers, fleet and rental car industry, and Nebraska Independent Auto Dealer Association (NEIADA) was held on March 2, 2016.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

During the meeting, the stakeholders identified a number of bottlenecks, inefficiencies, and redundancies in the current environment:

- Renewal process for rental and lease fleets. The fleet manager needs to register vehicles in multiple counties which requires contacting the individual counties for exact fee calculations (Fleet and Rental Car Industry).
 - The fleet or rental manager may be located out of state and is challenged dealing with individual counties for fee amounts. Some commented that, occasionally, the fee amount they receive from the county is not correct.
 - If the county does not accept electronic payments, checks have to be mailed, and fees determined prior to mailing the payment.

- The ELT process does not cover the full scope of lien transactions and requires many transactions to be converted to a paper title before completion (ELT Providers).
- Opportunity for fraud exists due to lack of ELT mandate (ELT Providers).
- The dealers do not have access to vehicle information in the VTR system, sales tax payment data, or the insurance database that can assist them in completing the sales and/or loan transaction (NNCTDA).
- Problems occur when dealers go out of business or lien holders are involved in bank mergers. Records may be impossible to locate and the recommendation is to give the State DMV more flexibility than the current statute allows (NNCTDA, NEIADA and ELT Providers).
- Charging additional fees for the use of debit and credit cards (multiple representatives).

Needs/Desires/Expectations

During the meeting, participants outlined a number of needs, desires, and expectations for the future VTR system environment:

ELT Provider desires include:

- Receipt of a confirmation from the State DMV following an electronic lien transaction.
- More transactions available for ELT, eliminating the need to convert an electronic lien to paper. Currently, the limited number of transactions available to use ELT means some transfer or new lien transactions must be converted to paper before the transaction can be completed.
- Additional electronic transactions between states, e.g., when the title is held in another state and the person moves to Nebraska, was requested. The transaction could be ELT if permitted by the states.
- Electronic processing of reassignments of titles between dealers and auctions, offering rapid title transfer and more thorough records.
- The capability to search VINs in a batch, in order to research title status and other internal administrative actions.
- Real-time, as opposed to batch, ELT reporting process.
- Electronic Vehicle Registration (EVR) processing available to servicing organizations like fleet lease and rental, salvage, auction, etc.
- A complete electronic lien notification process that also includes the lending agreement with the dealers, i.e., floorplans, reduces the opportunity for fraud by enabling notification to the floorplan lender when a vehicle is sold at retail.

Fleet and Rental Car Industry desires include:

- Allowing fleet administration the capability to do end-to-end electronic title and registration transactions in a bulk process resulting in the immediate issuance of paper credentials regardless of lien status.
- Accepting an electronic signature to enable more electronic transactions.
- Consistency in fees and ability for electronic payment in all counties.

- Consolidating all of their business for all counties at a single county office.
- Use of a single Point of Sale (POS) process and more electronic payment capability, e.g., Electronic Funds Transfer (EFT), PayPal, ApplePay, etc.
- The ability to do bulk renewals.

Dealers' desires include:

- Having access to vehicle information. For example, access to the sales tax information would allow verification, sales tax was paid.
- The ability to resolve problems when customers do not pay sales tax, or do not pay on time.
- The ability for dealers to title and register at the dealership at the discretion of the dealer on a voluntary basis.
 - If dealers had the ability to issue titles and registrations, assign plates, and issue temporary tags, the NNCTDA would be willing to serve as a warehouse for the inventory.
- The use of temporary tags which should replace the current in-transit permit for vehicles purchased in Nebraska.
- The ability to query access to lien information.
- Access to NMVTIS data to verify out-of-state title information.
- Support of a standalone title data inquiry as a chargeable transaction.
- Electronic transfer of ownership, eliminating paper title processes. An alternative is the ability to electronically transfer without a paper title, allowing commercial providers like Manheim and Insurance Auto Auctions (IAA) the ability to print titles on-site.
- The ability to notify the State DMV of sales transactions, but only on a voluntary basis and not as a requirement (NNCTDA).

NEIADA/Trailer/ATV Dealers' desires include:

- An easier, more straightforward way to conduct VIN inspections due to volume of out of state titled vehicles.
- The ability to easily and correctly identify title, registration, and sales tax requirements for farm vehicles and farm trailers.

Nebraska Institute of Scrap Recycling Industry (ISRI) desires include:

- A system which provides the ability to report NMVTIS information through the State DMV.
- A single transaction to process junk titles and NMVTIS notifications.
- To automate owner-retained salvage notices, which are currently mailed from insurance companies to the State DMV.

Desired Statutory or Regulatory Changes

Potential statutory and regulatory changes were identified:

- Modify current authority to bypass lien release requirements by reducing 10-year timeframe.

- Amend State DMV regulations to authorize dealers access to insurance database information to provide ability verify insurance coverage as part of the loan process (NNCTDA and NEIADA, Banker's Association).

General Comments (Outside the Scope of the VTR Modernization Project)

- The accurate issuance of Nebraska and out of state titles is in the best interest of all consumers and dealers. (NNCTDA and NEIADA).
- Small recyclers may not have electronic reporting capability, which may create issues complying with reporting requirements (ISRI).

2.5 Group 5: Law Enforcement and Criminal Investigations

Overview

The VTR system modernization stakeholder meeting, with representatives from State DMV Fraud Unit, NSP Auto Fraud, and NSP Carrier Enforcement was held on March 2, 2016.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

During the meeting, the following bottlenecks in the current VTR system were identified:

- Differentiating between zero (0) and "O" and one (1) and "I" is difficult when searching VTR database (NSP).
- Users are unable to set search parameters outside of limited menu options (e.g., unlicensed dealer operation). Current options available require individual record review to determine if sales tax has been paid (multiple agencies).
- NLETS, State Mainframe, and County VTR use different plate type codes (NSP).
- License plate decals are not plate or vehicle specific. Law enforcement must rely on VTR data to determine validity of license plates (NSP).

The inefficiencies offered include:

- Currently, paper sales tax forms (Form 6) provide opportunities for fraud (Fraud Unit).
- Assembled vehicle brand definition provides opportunities for fraud (Fraud Unit).
- No tracking system or process is in place to alleviate evasion of sales tax when a vehicle or boat is purchased and resold (NSP).
- Stolen vehicle indicator can incorrectly remain tied to a vehicle until manually cleared by State DMV (NSP).

Needs/Desires/Expectations

The following are examples of desired improvements to the VTR system:

- Electronic submission of vehicle sales data from dealerships to VTR for use assessing appropriate sales tax and tracking sales tax evasion (NSP, Auto Fraud).
- The ability to populate registered weight in TraCS via the registration barcode (NSP).
- The ability to query statewide information by any field (NSP, Auto Fraud).

- The ability to query expired registrations (NSP).
- Housing driver and vehicle/boat data in one system with links between like drivers and owners is necessary to meet current and future needs (NSP).
- Dealer automated services (NSP).
- Document imaging system for storage and retrieval of documents currently stored at county treasurer offices which requires manual searches to locate (NSP).
- Temporary tag (In-transit) system populated by electronic submission of vehicle data from dealerships to VTR. Data should be updated with each transfer of ownership or relocation of vehicle (Fraud Unit).
- Temporary tag system for private party vehicle sales (Fraud Unit).
- Need a way to verify vehicle and boat ownership has transferred and all rights and responsibilities have been relinquished by previous owner (NSP).
- Identify law enforcement agency that entered the stolen vehicle flag (NSP).
- Real-time update of stolen vehicle information from the National Crime Information Center (NCIC) to VTR (NSP).

Desired Statutory or Regulatory Changes

During the meeting, there were several possible statutory changes and policy improvements identified which could improve efficiencies in business processes.

- Review and modify if necessary the definition of major component part to determine practicality in today's environment. For example, should a vehicle become an assembled vehicle if the transmission is replaced (NSP and Fraud Unit)?
- Provide the State DMV authority to update a title record when a titleholder presents evidence they no longer own or possess the vehicle or boat (State DMV).
- Increase maximum registered weight allowable for a commercial truck to meet the capabilities of currently manufactured commercial trucks (NSP).
- Increase maximum registered weight allowable for commercial busses to meet the capabilities of currently manufactured busses (NSP).
- Desire statutory clarification to definition of previously salvaged to assist with determining repairs necessary to pass inspection (NSP).
- Recommend reviewing salvage definition to determine if age restriction continues to be appropriate (NSP).

General Comments (Outside the Scope of the VTR Modernization Project)

Vehicles are exempt from federal and state odometer requirements, which provide opportunities for fraud.

2.6 Group 6: State Technology Partners

Overview

A VTR system modernization stakeholder meeting with representatives from the OCIO, DMV Information Technology division (State DMV IT), as well as Nebraska.gov (NE.gov), was held on March 3, 2016.

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

There were several bottlenecks and inefficiencies identified in the current environment:

- The distributed processing architecture of the existing VTR system inhibits search capabilities (multiple agencies).
- Some counties may not have the network bandwidth to facilitate future planned IT improvements (OCIO).

Needs/Desires/Expectations

During the meeting, the participants shared needs, desires and expectations for a future VTR system environment:

- Adoption of Service Oriented Architecture (SOA) for flexibility and scalability (NE.gov).
- The ability to title and register vehicles at dealerships (NE.gov).
- Application Programming Interface (API) would be more efficient by reducing redundancy when modifying VTR system programs (NE.gov).
- Use of technology to assist with tax calculation (GIS for tax district accuracy, additional on-line services, etc.) (OCIO).
- Use of a modern relational database, as it provides opportunities to store more diverse data (State DMV IT).
- Utilize a data warehouse to store duplicate data utilized for generating ad hoc reports (OCIO).
- Ability to track fuel type (NE.gov).
- Adoption and functionality for open data to allow public access to unrestricted data elements (OCIO).
- Minimize or remove the need to make registration and title transactions contingent upon county of situs (multiple agencies).
- Expect the solution is State hosted and can function on a thin client (NE.gov).
- Flexibility to accommodate county, regional, and state customer service models (OCIO).
- Consolidation of county GIS information at the state level (OCIO).
- Creation of a funding mechanism to replace convenience fees currently paid by customers (multiple agencies).

Digital options and scanning for documents in the future VTR system:

- Document imaging solution (NE.gov).
- Ability to scan the VIN directly into the VTR system (NE.gov).
- Digital copy available to owners for registration and title documents (NE.gov).

The meeting participants also shared their needs, desires, and expectations for future service options:

- Adoption of a customer-centric view in the system (State DMV IT).

- Single sign-on for State services through a MyDMV or a MyNebraska (State DMV IT).
- Automated transactions, including a self-checkout (State DMV IT).
- Ability to renew registrations at non-DMV customer service locations (e.g., grocery stores, oil change businesses, etc.) (NE.gov).
- Regularly updated applications for mobile devices (NE.gov).

Desired Statutory or Regulatory Changes

There were several areas of policy, along with possible statutory changes, which, if made, could open the way to new business process efficiencies.

- Elimination of fees to other State agencies, specifically the fees the State DMV must pay for access to vital records (OCIO).
- Adoption of e-titling (NE.gov).

General Comments (Outside the Scope of the VTR Modernization Project)

- NE.gov offered to provide integrated POS across county services, such as payment of real estate taxes (non-DMV related services treasurers perform) and State DMV transactions, such as registering a vehicle or boat.
- There is currently an authorized study by the Legislature to study Statewide 911 services, including GIS maps, for potential application determining tax districts for customers (OCIO).

2.7 Group 7: State DMV Management Team

Overview

One of the VTR system modernization stakeholder meetings involved members of State DMV's management team. The attendees were asked to consider their vision of the VTR system, specifically changes and challenges foreseen in a future environment. The meeting was divided into a discussion of the view of the State DMV in 10 years' time and then the view at five years' time.

Vision of the VTR System in 10 Years' Time

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System

Environment

Not applicable.

Needs/Desires/Expectations

The State DMV management team discussed needs, desires and expectations for the business and technical landscape in Nebraska in 10 years' time.

Specific technology improvements included:

- Creation of a State DMV enterprise application which serves users at all levels and for all roles, and improves ability to detect and prevent fraud.

- The ability for systems to communicate and update information programmatically across the enterprise.
- Use of kiosks in certain locations to deliver services.
- Use of mobile devices to deliver services.

Changes in the labor force and the requirements for how work is completed in the future formed the basis for a number of future needs and desires:

- Systems must be able to be used efficiently, easily, and with limited training to ease workforce turnover.
- Fulfilling staffing needs may require flexibility in hiring practices.
- Systems should be flexible to allow employees, particularly the helpdesk, to work remotely.
- The hours of service expectations may change to meet customer needs.

Desires in future workflow management included the following:

- Dealer automated services.
- Elimination of manual data entry wherever possible.
- Customer-centric approach with the ability to view all information for a customer, including all of their titles and registrations.
- Reduction of paper and a transition to electronic documents.
- Electronic address verification.
- Electronic self-service for customers to complete business electronically to reduce or eliminate time spent at DMV offices.
- Print-on-demand functionality for plates and/or decals.

A future system would also require several pieces of administrative functionality, including:

- Audit capabilities available for State DMV management team.
- Flexible reporting module.

A variety of POS improvements were discussed during the meeting:

- Elimination of credit card and portal fees for customers.
- Creation of a funding source to cover costs associated with credit card payments.
- Move towards accepting electronic forms of payment only.

Changes and improvements related to taxes and fees involved the following:

- Streamline distribution of motor vehicle taxes.
- Simplify audit process to ensure funds are being properly collected and remitted.
- The system must have flexibility to easily adapt to policy and rule changes.

There were a number of structural changes considered in a future VTR system environment. The concept of State DMV customer service/registration, title, license, and offices throughout

the State was discussed. With driver licensing potentially moving to regional service centers, the VTR business processes and system must be adaptable to utilize the same customer service delivery model in the future. Points of discussion included:

- Merger of the functions of the Motor Vehicle Dealer Licensing Board (MVILB) into the State DMV.
- Expansion of services available at regional service centers beyond driver licensing.

Vision of the VTR System in Five Years' Time

Bottlenecks, Inefficiencies, and Redundancies of the Current VTR System Environment

Not applicable.

Needs/Desires/Expectations

The administrators identified a number of desires they hoped to see in the next five years as a new system is developed:

- Customizable menu options.
- Replacement of mail for the delivery of credentials.
- Require system to be intuitive to ease training and reduce required memorization. For example, use of pictures in place of codes for selecting plate types.
- Enterprise-wide standardized terminology.
- Fully integrated vehicle and boat data to eliminate potential for fraud and errors.
- Accounting tools built into the system which interface with the State Treasurer.
- Use of a larger number of performance metrics.
- Increased ability to use performance metrics, as well as easy tools to build policy and audit reports.
- Increased helpdesk functionality.

Topics central to the next five years of the VTR system relative to data conversion and system deployment:

- Determine best methodology to convert data from over 93 different databases into one consolidated database.
- Ability to easily export and import data.
- Alerts and edits to ensure consistent and accurate entry of data.
- Strategically schedule data conversion and deployment to avoid peak workloads.
- Thorough and sufficient training prior to deployment.
- Proper and thorough testing prior to deployment.

Desired Statutory or Regulatory Changes

- Oversight of vehicle sales administered by the State DMV.
- Authorization of dealer automated services.

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- Collection of vehicle data at the POS.
 - Authorization of a temporary tag system.

General Comments (Outside the Scope of the VTR Modernization Project)

- Urban areas will likely continue to increase in size and population relative to rural areas of the State.
- Shared resources will increasingly need specific skill sets, such as the ability to virtualize servers.
- Steps need to be continued to improve customer experience.

3.GLOSSARY

This section of the plan lists both acronyms and terms that are used throughout the document.

Table 3.1: Acronyms

Acronym	Definition
ACH	Automated Clearing House
API	Application programming interface
ATV	All-Terrain Vehicle
DMV	Department of Motor Vehicles
DOC	Department of Corrections
EFT	Electronic Funds Transfer
EIN	Employer Identification Number
ELT	Electronic Lien And Title
EVR	Electronic Vehicle Registration
GIS	Geographic Information System
GPC	Game and Parks Commission
HIN	Hull Identification Number
IAA	Insurance Auto Auctions
ISRI	Nebraska Institute of Scrap Recycling Industry
MCS	Motor Carrier Services
MSO	Manufacturer's Statement of Origin
MSRP	Manufacturer's Suggested Retail Price
MVLIB	Nebraska Motor Vehicle Industry Licensing Board
NACO	Nebraska Association of County Officials
NBA	Nebraska Banker's Association
NCIC	National Crime Information Center
NCJIS	Nebraska Criminal Justice Information System
NCUL	Nebraska Credit Union League
NDOR	Nebraska Department of Roads
NE	Nebraska
NE.gov	Nebraska.gov

Acronym	Definition
NEIADA	Nebraska Independent Auto Dealer Association
NHTSA	National Highway Traffic Safety Administration
NLETS	National Law Enforcement Telecommunications Service
NMVTIS	National Motor Vehicle Titling Information System
NNCTDA	Nebraska New Car and Truck Dealer Association
NSOB	Nebraska State Office Building
NSP	Nebraska State Patrol
OCIO	Office of the Chief Information Officer
POS	Point of sale
RFID	Radio Frequency Identification
RFP	Request for Proposal
SME	Subject Matter Expert
SOA	Service Oriented Architecture
TraCS	Traffic and Criminal Software
VIN	Vehicle Identification Number
VINA	Vehicle Identification Number Analysis
VTR	Vehicle Title and Registration System

Table 3.2: Glossary of Terms

Term	Definition
Automated Clearing House (ACH)	Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches.
Application Programming Interface (API)	Application programming interface (API) is a set of routines, protocols, and tools for building software and applications. This allows software to be built in sections and then assembled. It also allows specific sections of IT systems to be updated without compromising the overall interface.
AS400	The Application System/400 (AS400) is a computer system used at the State level by the Nebraska Department of Motor Vehicles (State DMV), as well as at County offices. Also referred to as the State Vehicle Title Registration (VTR) and County VTR system.
Electronic Funds Transfer (EFT)	The transfer of money from one account to another involving one or more institutions. This is handled electronically with no direct involvement from the institutions staff.

Term	Definition
Electronic Lien and Title (ELT)	Program which allows the State DMV to electronically exchange lien and title information with lienholders in lieu of a paper title.
Electronic Vehicle Registration (EVR)	A vehicle identification and registration system which uses radio frequency identification (RFID) information imbedded in a license plate or decal which, when scanned, provides information about that vehicle.
E-Registration	An online facility where customers can create, renew, and manage their vehicle or boat registration.
E-Title	Electronic titles or e-titles are motor vehicle or boat titles held in an electronic form by the State DMV. E-titles prove ownership in the same way a paper title does.
Form 6	Nebraska Department of Revenue form to report sales/use tax and tire fee statement for motor vehicle and trailer sales.
Interface (System)	The communication between two separate computer systems for the exchange of data.
Kiosk	A small structure typically featuring an interactive screen and provides a variety of DMV services. They can be placed in existing State DMV offices, as well as other convenient partner locations.
Manufacturer's Suggested Retail Price (MSRP)	The recommended price point provided by manufacturers for retailers to sell a product.
MyDMV	A self-service online portal which customers could use to access State DMV services.
National Crime Information Center (NCIC)	The NCIC is a national computerized database made available to all law enforcement agencies throughout the United States.
One Stop Transaction	The one-stop process allows the county treasurer to title, assess, and register the vehicle through a streamlined process available in the VTR system.
Point of Sale (POS)	The time and physical location of any transaction where the customer provides payment.
Salvage Vehicle	A late model vehicle that has been wrecked, damaged, or destroyed to the extent the estimated total cost of repair to rebuild or reconstruct the vehicle to its condition immediately before it was damaged and to restore the vehicle to a condition for legal operation meets or exceeds 75% of the retail value of the vehicle at the time it was damaged.
Service Oriented Architecture (SOA)	System architecture which allows separate, unassociated elements of a system to work together regardless of vendor, product, or technology by using a common communications protocol.
Situs	The Tax District where a vehicle is stored or kept for greater portion of the

Term	Definition
	calendar year.
State DMV	Nebraska Department of Motor Vehicles
Thin Client	Thin clients are a light weight computer which is purpose-built for remoting into a server. Nebraska DMV thin clients provided to counties have limited memory.
Vehicle Title Registration (VTR) System	System used to issue vehicle and motorboat titles, note liens, collect motor vehicle sales tax, register vehicles, and collect all motor vehicle taxes and registration fees. The system is comprised of the County VTR system, State VTR system, and State Mainframe.

4. APPENDICES

Appendix A: Meeting Dates, Times, Attendees, and Agenda

This appendix includes the specifics of which meetings were held and when, including the agenda for all meetings and a list of attendee by meeting.

Tuesday, January 26, 2016	
1	Meeting Time: 10:00 a.m. – 12:00 p.m.
	Group: County Treasurers
	Meeting Location: Norfolk, NE
Attendees:	
Name	County/City
Karen McDonald	Wayne – Wayne
Jolene Heinemann	Dakota - Dakota City
Stephanie Gatzemeter	Dakota - Dakota City
Sandy Zoubek	Stanton – Stanton
Theresa Gabrid	Platte – Columbus
Jenny Reppert	Platte – Columbus
Donna Primrose	Madison - Madison
Deb Vonheeder	Brown – Ainsworth
Cathy Stark	Knox – Center

Wednesday, January 27, 2016	
2	Meeting Time: 9:00 a.m. – 11:00 a.m. (MST) 10:00 a.m. – 12:00 p.m. (CST)
	Group: County Treasurers
	Meeting Location: Ogallala, NE
Attendees:	
Name	County/City
Diane Scott	Cheyenne - Sidney
Joanie Dudden	Morrill - Bridgeport
Loretta McCoy	Morrill - Bridgeport
Penny Denny	Dundy - Benkelman

Wednesday, January 27, 2016

Bernie Littlejohn	Deuel - Chappell
Monty Stoddard	Banner - Harrisburg
Heather Hauschild	Scottsbluff - Gering
Ronda Johnson	Keith - Ogallala
Sue Fleck	Lincoln - North Platte
Michelle Gurciullo	Lincoln - North Platte
Valery Bell	Box Butte - Alliance
Cindy Rahmig	Kimball - Kimball
Carolyn Cerny	Arthur - Arthur
Sheri McCord	Garden - Oshkosh
Marleen Garcia	Red Willow - McCook
Cynthia Schoenberger	Chase - Imperial

3 Meeting Time: 3:00 p.m. – 5:00 p.m.

Group attending: County Treasurers

Meeting Location: Kearney, NE

Attendees:

Name	County/City
Diane Grotfeld	Harlan - Alma
Alaine Verplanv	Hall - Grand Island
Sandy Ballard	Hall - Grand Island
Verla Montey	Dawson - Lexington
Janet Suminski	Valley - Ord
Michelle Neel	Valley - Ord
Marcia Kaslon	Sherman - Loup City
Pam Becker	Sherman - Loup City
Barbara Lynn	Kearney - Minden
Brenda Scavo	York - York
Jean Sidwell	Buffalo - Kearney
Melanie Curry	Adams - Hastings

Wednesday, January 27, 2016

Patricia Bolte	Merrick - Central City
Deanne Mead	Adams - Hastings

Thursday, January 28, 2016

4	Meeting Time:	8:30 a.m. – 11:00 a.m.
	Group attending:	State Agency Stakeholders
	Meeting Location:	Lincoln, NE

Attendees:

Name	Agency
Heidi Wallace	State Treasurer
Sheri Elliott	State Treasurer
Deb Caha	Crime Commission
Jim Bogatz	Department of Revenue
Martin Ciecior	Office of the Chief Information Officer (OCIO)
Sean Owings	Department of Roads (NDOR)
Tom Prevo	Nebraska State Patrol (NSP)
Fred Zwonecheck	Nebraska Office of Highway Safety
Darlene Kastl	Game and Parks Commission (GPC)
Bob Grant	Department of Roads (NDOR)
Herb Angell	Game and Parks Commission (GPC)
Keith Dey	State DMV

5	Meeting Time:	12:30 p.m. – 2:30 p.m.
	Group attending:	County Treasurers
	Meeting Location:	NSOB, Lincoln

Attendees:

Name	Agency
Tracy Hitchler	Douglas - Omaha
Corrine Burnett	Douglas - Omaha
Nadine Beethe	Johnson - Tecumseh

Thursday, January 28, 2016

Barb Swanson	Polk - Osceola
Austin Duerfeldt	Richardson - Fall City
Karey Adamy	Butler - David City
Cathy Dill	Dodge - Fremont
Judi Main	Dodge - Fremont
Donald Arp	Lancaster - Lincoln
Candace Meredith	Lancaster - Lincoln
Susan Ross	Lancaster - Lincoln
Leroy Bast	Jefferson - Fairbury

Friday, January 29, 2016

6	Meeting Time:	9:00 a.m. – 11:30 a.m.
	Group attending:	State DMV Management Team
	Meeting Location:	NSOB, Lincoln, NE

Attendees:

Name	Position
Julie Maaske	Deputy Director
Cathy Beedle	Motor Carrier Services Administrator
Sara O'Rourke	Driver Licensing Services Administrator
Gary Ryken	Accounting and Finance Manger
Keith Dey	Information Systems Manager
Betty Johnson	Driver and Vehicle Records Division Administrator
Jennifer Kirkpatrick	Project Manager

Wednesday, March 02, 2016

	Meeting Time:	9:00 a.m. – 12:00 p.m.
7	Group attending:	Private Sector Partners
	Meeting Location:	NSOB, Lincoln, NE

Attendees:

Name	Agency
Loy Todd	Nebraska New Car and Truck Dealer Assoc. (NNCTDA)

Wednesday, March 02, 2016

	Ann Gunning	Decision Dynamics, Inc.
	Larry Dix	Nebraska Assoc. of County Officials (NACO)
	Brandon Luetkenhaus	Nebraska Credit Union League
	John Yarbrough	PDP Group, Inc.
	Bev Devine	Dealer Track, Inc.
	Michelle Dyer	Secure Title Administration, Inc.
	Don Wesely	Institute of Scrap Recycling Industries (ISRI), and Alter Trading Corporation
	Jerry Stilmock	Nebraska Bankers Association
	Bill Jackson	Motor Vehicle Industry Licensing Board
	Tim Keigher	Keigher Associates, LLC
	Glenn Turner	Motor Services Consulting representing Hertz Car Rental
	Rachel Compas	Union Bank
	Debby Chesterman	Nebraska Independent Auto Dealers Association (NEIADA)
	Echo Bell	Nebraska Independent Auto Dealer Association (NEIADA)
	Karl Jensvold	Credit Acceptance
	Charlie Bussmann	Enterprise Fleet Services
	Paul Skornia	Enterprise Rental
	Sherry Wood	American National Bank
	Sara Newberry	American National Bank
	Chris Garinger	American National Bank
	Karyne Wrye	Dealer Track, Inc.
	Donna Ragsdale	Decision Dynamics, Inc.
8	Meeting Time:	1:00 p.m. – 3:30 p.m.
	Group attending:	Law Enforcement and Criminal Investigations
	Meeting Location:	NSOB, Lincoln, NE
Attendees:		
	Name	Agency
	Steve Eppens	DMV Fraud Unit

Wednesday, March 02, 2016

	Alan Theobald	Nebraska State Patrol – Auto Fraud
	Mike Maytum	Nebraska State Patrol – Carrier Enforcement
	Lisa Banks	DMV Fraud Unit

Thursday, March 03, 2016

9	Meeting Time:	9:30 a.m. -- 11:30 a.m.
	Group attending:	County Treasurers Association Motor Vehicle Committee; Nebraska Association of County Officials (NACO)
	Meeting Location:	NSOB, Lincoln, NE

Attendees:

	Name	Agency
	Barb Swanson	Polk County Treasurer, Motor Vehicle Committee
	Larry Dix	Executive Director; NACO
	Rich James	Sarpy County Treasurer, Motor Vehicle Committee
	Jean Sidwell	Buffalo County Treasurer, Motor Vehicle Committee

10	Meeting Time:	1:00 p.m. – 3:30 p.m.
	Group attending:	State Technology Partners
	Meeting Location:	NSOB Lincoln, NE

Attendees:

	Name	Agency
	Martin Ciecior	Office of the Chief Information Officer (OCIO)
	Keith Dey	State DMV
	Tim Cao	Office of the Chief Information Officer (OCIO)
	James Ohmberger	Office of the Chief Information Officer (OCIO)
	Brent Hoffman	Nebraska.gov (NE.gov)
	Carmen Easley	Nebraska.gov (NE.gov)
	Bruce Rice	Nebraska.gov (NE.gov)
	Dave Pfister	Nebraska.gov (NE.gov)

