



## **DDI Proposal to DMVs for Conversion of Paper Titles to ELTs**

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### **Introduction**

For an effective Electronic Liens and Titles (ELT) program, several DMVs have implemented an automated process for converting paper titles to ELTs. This proposal describes the conversion process in place in Georgia and Pennsylvania and highlights the benefits of an automated paper title to ELT conversion process. DDI recommends that any state that supports an ELT program also include an automated paper title to ELT process similar to the state DMV processes described in this proposal.

An automated paper title to ELT conversion process benefits the DMV in the following ways:

1. Reduces possibility of fraudulent duplicate paper titles from being generated.
2. Ensures the customer receives a “clear” title, upon release of lien.
3. Reduces manual processes involved with duplicate title requests for lost titles that are inherent with paper title handling.

An automated conversion process benefits the ELT Participant in the following ways:

1. Eliminates storage requirements for existing paper titles.
2. Provides a way to make sure paper titles that are generated by the DMV after the ELT “go live” date, can be ELTs, as the ELT Participant desires. These paper titles are typically generated by the DMV when the ELT customer number is not present on the title application form, or perhaps when the DMV clerk fails to use the ELT customer number when processing the title application.
3. Eliminates risk of losing a paper title.
4. Reduces possibility of fraudulent duplicate paper titles from being generated.
5. Ensures the customer receives a “clear” title, upon release of lien.

## Georgia

GA DOR supports a batch transaction for conversion of paper titles to ELT. The specification for this service follows this narrative of the process. This is how it works:

1) The ELT Service Provider sends a message to the state titling agency with the lienholder number, VIN, and owner lastname (or company name).

2) The state titling agency software receives the message and verifies the lienholder number matches the VIN and owner name.

3) If the comparison is successful, an ELT is generated and sent to the ELT Service Provider. If the comparison reveals that the VIN does not exist, or that the existing paper title does not match the lienholder number and name, then an error message is sent to the ELT Service Provider for that conversion request.

4) The ELT Service Provider provides the error messages, if any, for the individual conversion requests to the lienholder for investigation.

5) The ELT Participant destroys the paper title upon receipt of the ELT.

## Pennsylvania

PennDOT supports a batch transaction for conversion of paper titles to ELT. The specification for this service follows this narrative of the process. This is how it works:

1) The ELT Service Provider sends a message to the state titling agency with the lienholder number, VIN, and title number.

2) The state titling agency software receives the message and verifies the paper title lienholder name associated with the lienholder number, VIN and title number matches the information provided in the message.

3) If the comparison is successful, an ELT is generated and sent to the ELT Service Provider. If the comparison reveals that the VIN does not exist, or that the existing paper title does not match the lienholder name and title number, then an error message is sent to the ELT Service Provider for that conversion request.

4) The ELT Service Provider provides the error messages, if any, for the individual conversion requests to the lienholder for investigation.

5) The ELT Participant destroys the paper title upon receipt of the ELT.

### **DMV Requirements for Georgia-type Implementation**

The success of the Georgia implementation requires that the lienholder customer number be recorded or cross-referenced for both ELT and paper titles, to ensure a match. This is not always feasible for a DMV to implement.

### **DMV Requirements for Pennsylvania-type Implementation**

The success of the Pennsylvania implementation requires that the ELT lienholder name match the lienholder name on the paper title. This is not always feasible for lienholder names that have multiple variations. Pennsylvania does provide forms that allow the lienholder name to be updated on existing paper titles for these cases, however, standard title fees apply.

### **Fees**

Neither process requires a fee to be collected by the DMV, as state DMVs do not typically charge for individual ELT batch transactions, nor do they typically have an ELT collection fee system in place

### **Summary**

Both automated paper title to ELT conversion processes described in this proposal have proven to be effective and are beneficial to the DMVs, lienholders, and title owners. These processes are highly recommended for state DMVs to consider in their ELT implementation.