



DDI Proposal to DMVs for Title Check Service

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Introduction

Several DMVs have implemented title check programs providing information about a title on file based on either title number or vehicle identification number (VIN). This proposal describes the title check programs and highlights the benefits of such a program to the state, vehicle owners, and lenders. DDI recommends that any state that supports an ELT program also include a title check program as described in this proposal.

Benefits

A title check program benefits the DMV in the following ways:

1. Reduces inquiries as to the status of a given title. Lenders and vehicle owners can inquire as needed.
2. Reduces errors on title applications by making previous title information available for review.
3. Provides a basis for an effective electronic title program (non-printed titles) for vehicle owners. Owners can verify their own title status with the DMV.
4. Lenders are able to document errors and fraud situations, reducing the burden on DMV staff to research problem history.

A title check program benefits vehicle owners by allowing them to:

1. Examine a title before purchase to verify status, owner, mileage, etc.
2. Check to see if a bank has released their lien after they have paid off a loan.
3. Check a title status before requesting an electronic title be printed.

A title check program benefits lenders by allowing them to:

1. Verify title status and vehicle details prior to authorizing a loan amount.
2. Verify that all existing liens are expected.
3. Reduce errors and thwart fraud by confirming that a lien has been successfully placed.
4. Check that a printed title was issued.

Benefit Detail: Fraud Prevention

DDI has feedback from our customer (a lender) about the benefit that the title check program provided in noticing and resolving a dealer fraud situation.

The lender finances a vehicle purchase through a dealer. The vehicle, received as a trade in from a prior purchase, has a prior lien on it. The dealer, instead of using the funds from the lender to pay off the lien, continues to make the loan payments for the prior lien.

An ELT participant, the lender begins to worry as they are alerted that the electronic title has not yet arrived. They use the Title Check program and determine that their lien has not been perfected. After contacting the dealer and receiving his assurances that the process is just waiting on some final paperwork (presumably for the previous lender to relinquish the title and a new title to arrive), the lender decides to wait.

After some additional time (and another use of the Title Check program to verify status is unchanged), the lender decides to contact the previous lender. The previous lender (determined from the “title history” portion of the Title Check) reports that payments continue to be made to their loan. The lender immediately contacts the DMV, stops additional loans through this dealer, and begins prosecution. The dealer is found guilty of fraud and jailed.

The lender was able to keep dealer from obtaining \$250,000 in fraud, with 22 titles, losing “only” \$50,000 before detecting and terminating the fraud. They attribute the Title Check program with saving the credit union \$250,000 in fraud from this dealer.

Reference http://www.charleston.net/news/2008/sep/19/car_scam_investigated55066/.

Title Check Fees

Below is a chart of fees currently charged by each state. *DDI recommends that the title check service be provided free* due to the benefits to all parties, including fraud prevention. DDI believes that the cost to the state to provide the service is easily offset by benefits to the state.

State	Cost
Alabama	\$75 per year + \$2.00 per inquiry
Florida	Free
Georgia	Free, but only available as a check for lienholders on their own liens
Ohio	Free
Pennsylvania	Free, but only available to third party providers who may not disclose the information
South Carolina	Free during current pilot, \$2.00 per inquiry planned
Virginia	\$7.00 per inquiry
Texas	\$23 per month + \$.12 per inquiry
NMVTIS	\$2.50 per inquiry through AutoDataDirect

Data Provided by Each State

DDI recommends that all data elements listed with a “Y” in the “Need” column be included.

Note: The GA Title Check service is only available for lienholders to inquire on their own liens. The PA Title Check service is only available for third party providers who may not disclose the information.

Data Element	AL	FL	GA	OH	PA	SC	TX	NMVTIS	Comments	Need
VIN	Y	Y	.	Y	Y	Y	Y	Y	The primary and universal unique vehicle identifier.	Y
Vehicle Year	Y	Y	Y	Y	Y	Y	Y	Y	ex: 2009	Y
Vehicle Make	Y	Y	Y	Y	Y	Y	Y	Y	ex: FORD	Y
Vehicle Model	.	.	Y	Y	Y	Y	Y	.	ex: EXPLR	
Vehicle Type (Body Style)	.	Y	.	Y	Y	.	Y	.	ex: TRK	
Vehicle Color	Y	Y	.	.	.	.	.	.	Little value	
Empty Weight	.	.	.	.	Y	Y	Y	.	Often used for determining property tax. Lenders want to verify this is correct and consistent when applying for a new title.	Y
Vehicle Purchase Date	Y	.	.	.	Y	Y	.	.	Provides limited value in confirming details.	
Vehicle Purchase Price	.	.	.	Y	.	.	Y	.	Little value	
Resides in County	.	.	.	Y	Y	.	Y	.	Possibly helpful in ensuring proper taxes or fees are collected.	Y
Previous Title State	.	Y	.	.	.	.	Y	Y	Helpful in tracing vehicle origin to determine branding.	Y
Title Number	Y	Y	.	Y	Y	Y	Y	.	Very valuable: allows lender to verify paper title presented is current.	Y
Title Issue Date	Y	Y	.	Y	Y	Y	Y	Y	Very valuable: allows lender to verify paper title presented is current.	Y
Title Status	Y	Y	Y	Y	.	Y	Y	.	ELT, paper, on hold, suspended, revoked are all useful in diagnosing why an ELT or paper title has not been received.	Y
Title Print Date	.	.	.	.	.	Y	.	.	Useful in verifying that a requested paper title was printed.	Y
Title Type	.	.	.	Y	.	.	?	.	ELT, paper useful in diagnosing why an ELT or paper title has not been received.	Y
Odometer Reading	Y	Y	.	Y	Y	Y	Y	Y	For lenders, helps them verify correct mileage before submitting title application.	Y
Odometer Brand	.	Y	.	Y	Y	Y	Y	Y	Brands impact vehicle value.	Y
Odometer Date	.	Y	.	.	.	.	.	.	Little value	

Data Element	AL	FL	GA	OH	PA	SC	TX	NMVTIS	Comments	Need
Owner Count	.	Y	Y	Y	.	.	.	.	Useful in verifying title information recorded correctly when no owner names provided.	Y
Owner Name	.	.	.	Y*	Y	Y	Y	.	Helps verify title application recorded correctly. For lenders, helps them verify correct owner name when adding lien to existing title.	Y
Owner Address	.	.	.	.	Y	Y	Y	.	Helps verify title application recorded correctly. Allows owners to verify correct address on file with DMV.	Y
Owner Relationship Type	.	.	.	.	.	Y	.	.	Helps verify title application recorded correctly.	
Owner DMV Customer Num	.	.	.	.	.	Y	.	.		
Vehicle Brands	Y	Y	.*	Y	Y	Y	Y	Y	Brands impact vehicle value.	Y
Lienholder Name	Y	Y	Y	Y	Y	Y	Y	.	Useful in verifying title information prior to loan and in fraud prevention.	Y
Lienholder Address	Y	Y	Y	.	Y	Y	Y	.	Useful when contacting lienholder is required (transfer between lienholders, owner's old lien not cleared, etc).	Y
Lien Date	Y	Y	.	.	.	Y	Y	.	Useful in states that do not issue new titles when liens are recorded.	Y
Lien Satisfaction Date	.	.	.	Y	.	Y	.	.	Useful in states that do not issue new titles when liens are released.	Y
Lien Number	Y	.	Y	Y	Y	Y	.	.	Helps determine multiple liens on a vehicle.	Y
Includes a Title History	.	.	.	Y	Y	Y	.	Y	Title History can reveal title fraud.	Y
Allows Inquiry by VIN	Y	Y	Y	Y	Y	Y	Y	Y	Essential	Y
Allows inquiry by Title Num	?	Y	Y	Y	.	Y	.	.	Helps verify status of a given title number.	Y

* OH reveals the owner name for companies but otherwise only displays "PRIVATE OWNER".

GA provides a count of vehicle brands, but not the itemized list.

Report Retrieval and Format

DDI recommends that each state provide data in both a human readable / printable format (web page or pdf file) and a data friendly format (flat file or xml). The title check program should be accessible by both consumers and by data providers using web access.

State	Format provided	Access Methods
Alabama	Web Page (html)	Web Site with username/password
Florida	Web Page (html)	Web Site
Georgia	Web Page (html)	Web Site with username/password
Ohio	Web Page (html)	Web Site
Pennsylvania	Terminal screen	Direct terminal link
South Carolina	pdf document or xml	Web Site with username/password or web services
Texas	Web Page (html)	Web Site
NMVTIS	Web Page (html), xml, pdf document	Web Site with username/password