

**Nebraska Department of Motor Vehicles
Electronic Lien and Title Questions/Answers
May 18, 2010**

#	Question/Comment	Response
1.1	<p>Introduction – Section III says lender participation in this program is, at present, optional. However, upon implementation, Nebraska certificates of title that contain lien information will be stored electronically. No printed copy will be produced to mail to the lender. QUESTION - If participation is voluntary why are there restrictions on paper title requests?</p>	<p>Lenders are not required to participate in Nebraska's ELT program. However, the legislation that authorizes ELT in Nebraska mandates that no certificate of title is printed and mailed to the lienholder, regardless of the lender's participation. Further, the legislation states: "a lienholder, at the owner's request, may request the issuance of a printed certificate of title if the owner of the vehicle relocates to another state or country or if requested for any other purpose approved by the DMV."</p>
1.2	<p>Page 3 – Section III says 'An electronic certificate of title may be printed, at the request of a lender, if the owner is relocating to another state or for other purposes.... QUESTION - If participation is voluntary why are there restrictions on paper title requests? QUESTION - What about leased vehicles that show a lien? Currently with our clients we automatically request paper on all leased titles because our clients wish to have the paper for quick reassignment of the title. COMMENT - It's not clear if these applications you refer to in section II and III are paper or electronic applications.</p>	<p>See above response.</p> <p>DMV is not approving a printed title for this purpose at this time.</p> <p>Page 3 pertains to the Non-Participating Lender Process, so these are paper applications.</p>
1.3	<p>Page 4 - COMMENT - Section IV you may want to mention something about communication testing and system testing being required (I assume it is) before becoming a service provider. You may also want to include any test matrix to be used during the system testing (example NE will send 5 Lien Notifications, Service Provider will respond with 2 Lien Releases, 1 Paper Title Request, etc.)</p>	<p>Information regarding testing is being added to the Guide.</p>
1.4	<p>Page 9 - QUESTION - If an LE transaction is sent to the DMV indicating that the lien holder is incorrect what does the DMV do? Example a lien holder rejects a title indicating that it is not theirs and we send the LE transaction. Does the lien holder or service provider ever need to worry about this title again? Similar question with regards to a VIN, if the VIN is wrong and the lien holder sends the incorrect VIN error to the DMV what steps come next?</p>	<p>When the DMV receives an LE transaction, we will contact the county office that processed the application for lien notation to verify correct lienholder. If entered in error, the DMV record will be corrected and an LA transaction sent to the appropriate lender. If not entered in error, the DMV Help Desk will contact the Provider Help Desk to resolve.</p> <p>If a VIN is incorrect, DMV will contact the county office that processed the application for lien notation to verify correct VIN. If entered in error, the DMV record will be corrected and an LK transaction returned. If not entered in error, the DMV Help Desk will contact the Provider Help Desk to resolve.</p>

1.5	Page 13 - COMMENT - I assume an outbound file containing no transactions would still have a single File Header record.	Yes, you are correct.
1.6	Page 14 - COMMENT - Looking to clarify that the procedure "Conversion of Existing Paper Title to Electronic Title" on page 14 is voluntary. If a lien holder chooses to participate in ELT they can participate on a go forward basis thus leaving existing paper titles as paper?	Yes.
1.7	Any fees associated with ELT in your state?	No
1.8	Turnaround time for title release or paper title request?	The paper title will be mailed the next business day after receipt of the LO or LG transaction.
1.9	Are leased vehicles (with liens) handled electronically?	Yes
1.10	How does your state identify electronic lien holders? What information is required on the application?	We are adding a Participating Lender ID field to our title applications. Incorporating lender ID use into our process is a new function to be added as part of ELT. The application currently requires name and address of leinholder, this will continue in addition to the Participating Lender ID.
1.11	Does anyone other than the DMV enter applications? What are their requirements? Are they any different than the DMV's? Can the dealers enter applications into the state's system directly?	By statute the local County Treasurers act as our agents for the issuing of certificates of title. The DMV and 93 County Treasurer offices are the only entities that process title information (dealers do not at this time).
1.12	How do you handle existing lien holder codes? Are they rolled into the new ELT code?	We do not currently use lender codes in our system. We are introducing this functionality as part of the ELT program.
1.13	Can an electronic release specify a different mailing location?	Yes, mail to name and address fields are part of the LO transaction.
1.14	Can a release of lien letter on letterhead be used in lieu of an electronic release transaction? Does this ability increase the incidences of fraud? Does the electronic release of the lien result in a paper title? Does the state send an electronic message to the lienholder to report on the lien release?	No N/A
1.15	Will there be a method in place to send an emergency or rush transmission during the day (AZ is the only state I know of that currently does this)?	Not at this time.
1.16	There are no confirmation transactions listed, will you be confirming lien release and paper title request transactions? Should we confirm transactions that you send us such as lien notifications, etc?	No confirmation transactions are included in the processes that we have defined.
2.1	How will lenders know that the LO (release), LG (paper title request), and LE (lien with error) transactions were successfully processed by the DMV? We suggest that the DMV returns a specific transaction in this case.	No confirmation transactions are included in the processes that we have defined at this time. If a need for this arises in the future, we will consider adding such a process.
2.2	Will the lender receive the LK (DMV notify lender of correction) transaction from the DMV only after the lender submits the LE transaction?	No, there may be times that an LK transaction is triggered through our normal course of business (where an error is discovered through other means).

2.3	What data elements change when an update occurs (LK) (title number, title issuance date, lien notation date, lien notation number, etc.)?	Title number and title issuance date always update, other fields update if the correction was in that specific field.
2.4	What data element changes would have the DMV send the LA transaction vs. the LK transaction?	If the DMV processes a corrected title transaction an LK would be sent. If we delete and re-enter a title an LA transaction would be sent. The error determines which process we use.
2.5	Will the DMV send the service provider transactions for all lenders within a single file (preferred) or send a file for each lender?	All lender transactions will be sent in a single file.
2.6	May the ELT service provider combine transactions for multiple lenders in a single file (preferred) or do we need to send a separate file for each lender?	Multiple lender transactions MUST be combined into a single file.
2.7	Will the lender receive an update when additional lienholder information changes, i.e., when a second lien is added to the title?	Only if that second lien is added by the same lender.
2.8	Can a lienholder remove their lien on an electronic title in any way other than through an electronic transaction - even in an emergency or as an exception? Said another way, will Nebraska accept paper lien satisfactions on an electronic transaction, If so, we would need to receive a transaction indicating that a lien no longer exists.	No
2.9	Your window of time to retrieve files from the DMV server seems short (2 hours in the middle of the night). Is there any reason why this can't be a longer time period to accommodate issues that may arise?	The timeframes have been adjusted. The timeframes established best meets the needs of the DMV. These timeframes may be modified at a later date if recurring problems occur.
2.10	Will dealers have to the ability to file liens electronically or will they still have to submit manual, paper applications with the lenders Lien Id?	Paper applications are still required to be submitted, no electronic applications are available at this time.
2.11	There is mention of the ability to perform a verification of DMV records or on-line vehicle inquiry. Is there a fee associated with? What information will be supplied? Is there login credentials that must be validated?	No fee. No login credentials will be required, this is a public website. The fields available include: vehicle make, model, year, color, series, style, type, capacity, fuel and GVWR; title issue date, type, odometer reading, acquisition date, brand, and title status; and lien notation number, data, holder and release date. This site is not yet active but is scheduled for implementation in August 2010.
2.12	Are the Participating Lender Id's assigned per name or per name and address combination? Some lenders have the same lien name, but different lines of business with different physical locations.	Participating lender ids will be assigned per name and address combination. A separate Participating Lender Application will be required for each participating lender ID being requested.
2.13	The LO transaction for the "Lender Lien Release" will be used to release the lien regardless of the nature of the payoff, correct?	Correct
2.14	On the LO transaction, what happens if the "Mail to" fields starting in position 53 are not provided?	The title will be mailed to the owner identified on our record at the address that was provided at time of initial title application.
2.15	If a Lender elects not to participate in ELT and needs a paper title with lien, will there be a fee associated with submitting the Application for Paper Title? What is the anticipated turnaround time?	No fee is required. The paper title will be mailed the next business day after receipt of request. For non-participating lenders submission of a Non-Participating Lender Request for Paper Title is required.
2.16	Is the assignment of the Participating Lender ID a new process or does Nebraska assign this ID today? Will this ID be different than the lender information normally included on the title application by the dealer?	This is a new process. We do not currently use a lender ID in our title process.

2.17	What happens if a dealer doesn't properly list the Participating Lender ID on the title application listing an ELT participating lender.	We are programming our system so that the title clerk will still be able to locate the appropriate lender with the appropriate lender ID. However, without the lender ID the chance for error may increase.
3.1	If a lender (or dealer) forgets to put a Lender code on the title application form and an electronic title with lien is created without the Lender Code, the lender will not receive the ELT. What is the process of correcting the title to apply the Lender Code and receive a notification (ELT)?	We are programming our system so that the title clerk will still be able to locate the appropriate lender with the appropriate lender ID. However, without the lender ID the chance for error may increase. If an error occurs and the correct lender is not chosen, upon notice of the error DMV can correct the title record and an LA transaction will be triggered.
3.2	Will you provide a message back to the lender to confirm receipt of LO and LG messages, even if there are no errors?	No confirmation transactions are included in the processes that we have defined at this time. If a need for this arises in the future, we will consider adding such a process.
3.3	Will owner names (type I) be formatted in a standard way? LAST*FIRST*MI*SUFFIX ?	Yes. Type I - LAST,FIRST,MIDDLE,SUFFIX (commas included). Type B may contain alpha, numeric and special characters. This information will be added to the Guide.
3.4	Please provide the descriptions of the Title Brand values. Are multiple brands delimited in some way?	This information will be added to the Guide.
3.5	Under what circumstances can LG messages be sent? Are there restrictions on requesting a printed title with lien?	When the owner of the vehicle relocates to another state or country or if requested for any other purpose approved by the DMV. At this point the only other blanket approval provided by the DMV is when necessary for civil, criminal, administrative or arbitral proceeding in any federal, state or local court, government agency, or self-regulatory body or for the repossession process.
3.6	Since there is no notification for when a lien is released based on paper release request, how will lenders be made aware that their electronic title is no longer valid?	If the lienholder is a participating lender the only means for a lien release is an LO transaction from the lender, thus there is no need for a lien release notification from DMV to the lenders.
3.7	Does the "Lender notify DMV of Error" with error code "N" actually release liens? What is the DMV process once a "Lender notify DMV of Error" has been received?	No, an LE transaction does not release a lien. See response on line 1.4 above.
3.8	Will NE DMV accept a Release Lien message for a non-ELT title?	No, since we do not have lender ID's associated with our existing records we will not be in a position to provide this service.
3.9	How quickly are titles printed and mailed once a Release Lien or Paper Title Request is received? For example, if a request is generated on Monday, it gets sent in batch Monday night, processed Monday night, printed _____ and dropped into the mail on _____.	Next business day. For your example, an LO or LG transaction received Monday evening will result in a title being printed and mailed on Tuesday provided Tuesday is a normal business day (no State Holiday).
3.10	Will any of the application forms (title application, application for lien release) be modified to include ELT Lender code?	Yes, the Nebraska Application for Title will be updated.
3.11	Will the application processes be modified to allow applications to be submitted without a paper title? For instance, owner name change, refinance situation with same lender already possessing electronic title, etc.	Owner name change - No. Refinance with same lender, yes if the new lien is perfected prior to the release of the existing lien.

3.12	Similar to above, will you allow a new lien to be recorded with only a paper lien release form (and not a clear or signed off as clear paper title)? (The goal is to save the step of having to actually get the title printed.)	An additional lien may be recorded without presentation of a paper title if done so prior to the release of the existing lien.
3.13	If a printed title is lost in the mail, will you allow the owner or lienholder to request a free reprint within a certain time period?	Yes if DMV receives request within 10 working days of original mail date.
3.14	Please consider automating the conversion of paper title to ELT process or limit the communication required to an email to a NE DMV contact person, if necessary. It would be nice to add the conversion file record type to the standard message transactions.	To ease the processing of the conversion of paper title to ELT for the DMV it is necessary to keep these transactions separate. The communication required is basically an email to the IT staff assigned to the DMV for the vehicle functions.
4.1	There are some basic things missing from this document which must be added before we can implement it completely: <ul style="list-style-type: none"> • Acceptable field values – including such things as brand codes, etc. • Indication of which fields are required and which optional. • The situations in which an “LK” (DMV Notify Lender of Correction) transaction will be issued. 	These items will be added to the Guide. This will be added to the Guide. Please see questions 1.4, 2.2, 2.3 and 2.4 above.

**Additional Questions/Answers
June 18, 2010**

#	Question/Comment	Response
5.1	Timing originally discussed was as follows: Pilot with 1 service provider - September (4 to 6 weeks); Participation open to all service providers - Mid-October; Full Implementation of all Service Providers - November; Mandated Date for ELT availability - January 1st. Has there been any change in these dates?	No
5.2	When a lender signs up for participation, can they set a date that they want to start participation? This ability gives the vendors the ability to get through the set-up process with the lender early, even if for example they don't want to start participating until November 30th.	Yes
5.3	Can you provide a technical contact that we can reach in the event that there are questions about the technical requirements?	All contact information is included in the Nebraska Electronic Lender Guide. Technical support is provided by the Office of the CIO FTP Administrator.
5.4	# 3.5 of the original questions provides approved reasons for requesting a paper title with lien. Are there any other "approved purposes by the DMV" for requesting a printed certificate of title with lien?	Not at this time.
5.5	Will Nebraska reject applications to add a 2nd lien to the vehicle if that 2nd lien isn't the same lender as the currently listed lender? Can state or local agencies add a 2nd lien?	Second liens will not be rejected, regardless of who the applicant is. Part 2 of your question - are you referring to a local agency applying for a lien notation, if so, the answer is no. If you are referring to a county treasurer accepting application for a second lien, the answer is yes.

5.6	What is the time frame allotted to the service provider for pick-up of files from the DMV server?	As per page 13 of the Guide files may be picked up between 3 and 9 a.m. CDT.
5.7	As relates to DMV on-line inquiries, is the "holder" the lienholder?	Yes
5.8	Please clarify how a lender will complete a name change (borrower got married and their name changed from Mary Smith to Mary Jones). Will we need to get a paper title to complete the change?	Borrower must present a paper title with the appropriate signatures, an application for title and the title fee for a issuance of a new title.
5.9	If a refinance is occurring (no change in vehicle ownership), and the lender refinancing is the same as the lender currently on the title, no paper title is required to support the transaction as long as completed before the original lien is released, correct? What are the requirements for processing a refinance where a new lender is holding interest in the vehicle and the original lender is removing their lien?	Yes, you are correct no paper title is required for a refinance with the same lender and the new lien is perfected before the old lien is released. When the lenders are different - if the new lien is perfected before the first lien is released, no paper title is required. If the first lien is released prior to the second lien being perfected, the printed paper title will be required to be presented. If the first lien has not been released a copy of the security agreement, an application for title and the \$7 fee will be required to be presented to a county treasurer for perfection of the new lien.
5.10	What will the lender application process look like? How much time is required for the DMV to review and approve applications? Is the lender "live" on the program as soon as the application is approved?	Applications will be review and approved within a 5-day period from date of receipt. The lender is live upon approval unless a specific date for implementation is requested.
5.11	What is the process when a participating ELT lender change their legal titling name and / or address? Will a new ELT code be required?	A new ELT code will not be required, upon receipt of a new Nebraska Electronic Lien and Title Participating Lender the name and/or address associated with that lender will be updated in our database for future title issuance processes.
5.12	What is the process if a lender elects to change service providers?	A new Nebraska Electronic Lien and Title Participating Lender Application is required and upon approval all records in our database for that lender will be updated with the new provider information.
5.13	Vendor and the DMV will only run a system test at the time the Provider Agreement is executed, correct?	Correct
5.14	Where on the lender application does vendor request the effective start date for that lender's participation?	Part C, the box is titled "Requested Date of Change".
5.15	What happens to ELT records if a lienholder withdraws from the ELT program?	The records remain on our system as electronic titles and all future ELT functions (print title request and release lien) will be processed manually. No electronic updates will be allowed.
5.16	What is the deactivation process if the lienholder goes out of business?	Same as the process to request removal from the ELT program.
5.17	Can the Participating Lender Application be submitted in PDF format, faxed or emailed?	Yes
5.18	Is the Participating Lender Application submitted to the 'Department of Motor Vehicles Business Contacts' identified on page 6 of the Lender Guide?	Yes

5.19	<p>Are the following purposes approved by the DMV for a paper title request:</p> <ul style="list-style-type: none"> a. State Change (owner moving to another state) b. Name Change (as in the case of marriage) c. Request for a Correction of Information on the Title d. Legal Reasons <p>Are there any other approved purposes?</p>	<p>Items a, b and d are the only approved purposes at this time.</p>
5.20	<p>Is the Customer Name on the LG transaction (paper title request) the name of the Lender? Our experience is that the lender is always the one requesting a paper title with lien and wants the document mailed to a lender location or one of the lender's agent's (repossession company, etc.).</p>	<p>It is the name of the entity to whom the lender wants the paper title mailed. It may be the lender, the owner, a DMV office, etc. This customer name may be a lender's agent.</p>
5.21	<p>What is the Lien Notation Number? Does the DMV ever change or correct the lien notation number and /or lien notation date on the title?</p>	<p>DMV assigns a lien notation number at the time the lien is noted. The lien notation number is supplied to you as part of the LA transaction. This number does not change.</p>
5.22	<p>According to the answer for question 2.4 in the May 18th set of questions and answers, the type of error determines whether the DMV sends a corrected title (LK transaction) or deletes and re-enters the title information and sends an LA transaction. What type of error would cause the title to be deleted and re-entered?</p>	<p>Some examples of errors that would cause the title to be deleted and re-entered include: the previous title number entered incorrectly causing the incorrect title to be connected to the wrong history; a title is branded in error (no brand belongs on record); VIN is miss-keyed resulting in the vehicle being associated with another vehicle's record.</p>
5.23	<p>If the VIN is updated on an existing title in the VTR database does the DMV send an LK transaction or does the DMV send an LA transaction to the Lender?</p>	<p>If the VINerror results in the vehicle being associated with another vehicle record on our database a new LA transaction will be sent, otherwise an LK transaction is sent.</p>
5.24	<p>If a second lienholder is added to a title with an existing lienholder does the DMV notify the existing (first) lienholder that a second lien has been added to the title? If so, how is the existing lien holder notified?</p>	<p>No notification is sent.</p>
5.25	<p>Follow-up to question 12: Does the DMV notify the second lienholder of the existence of the first lienholder? If so, how is the second lienholder notified? Will the second lienholder be able to hold an electronic title?</p>	<p>If the second lienholder is a participating lender, the LA transaction contains the first lienholder information in addition to their information. All titles that contain liens issued after implementation are electronic titles.</p>
5.26	<p>Does the DMV or vendor host the SFTP site for exchanging files? Alternatively, does the DMV host a site only for placing outbound files and vendor host a site for placing inbound files?</p>	<p>DMV will host a site for placing the outbound file, and the vendor would host the site for the inbound file.</p>
5.27	<p>If venfor has no transactions to submit for a day do we still create an inbound file for that day's retrieval? In other words, are you expecting a file each day for retrieval even if there are 0 transactions in the file (other than the File Header)?</p>	<p>Yes</p>
5.28	<p>Will the DMV generate an outbound file for retrieval even if there are no transactions to report to vendor?</p>	<p>Yes</p>

5.29	The retrieval times in the Lender Guide are for CDT. Does that mean that the retrieval times are always for Central Daylight Time, or do the retrieval times change as the clocks change from daylight to standard time and back?	The times would change accordingly as it changes to and from Central Daylight Time.
5.30	Can we get an example of an inbound file and an outbound file?	We will be creating examples of each file. As soon as the examples are available they will be sent to all vendors who have signed a DMV Agreement.
5.31	What happens if, unexpectedly, we don't retrieve an outbound file within the designated window of time?	As stated on page 13 of the User's Guide: Providers must notify the DMV and the Office of the CIO contact person (see page 6) immediately upon discovery of the failure to retrieve outbound files or submit inbound files. This notification shall occur within 24 hours of the failure.
5.32	Does vendor generate one and only one outbound file per day? How would the system behave if more than one file were available for DMV retrieval?	The vendor would generate one outbound file each day. With the naming conventions that are defined in the Nebraska Electronic Lender Guide pg 16, only one could exist (a second submission with the same file name would replace/coverup the first submission).