

Where Does The Title Go From Here?

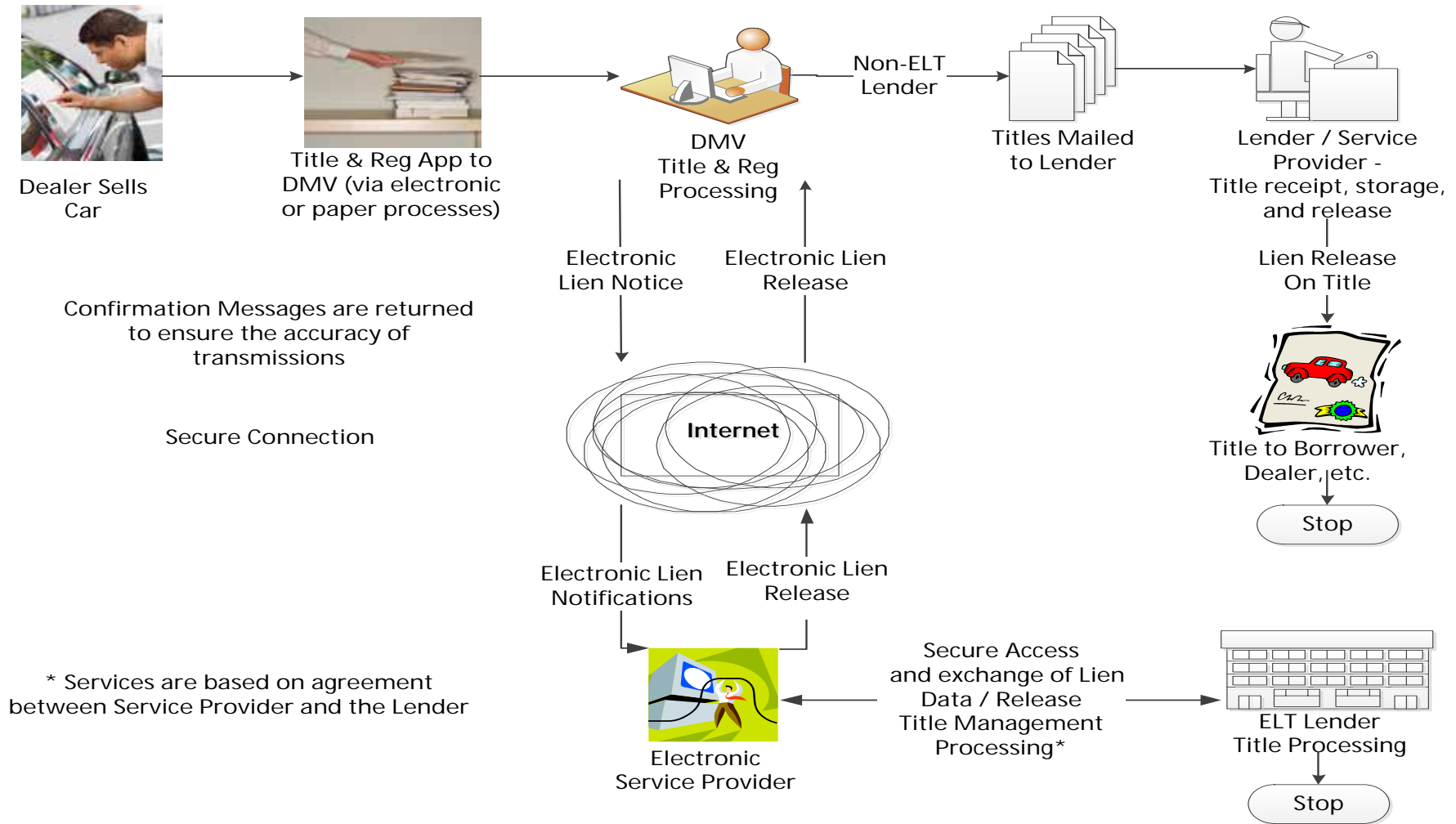


Introduction to NTSF

- National Title Solutions Forum (NTSF) - an active committee of the American Financial Services Association (AFSA)
- NTSF consists of ~40 national and regional vehicle financing companies, banks and vendors supporting vehicle titling activities
- Membership represents about 80% of the vehicles financed or leased in the United States
- Focus is on the accurate and timely recordation of titles and liens and advocacy for electronic solutions to support consistent and efficient vehicle title administration across all states



Vehicle Titling Model – The Happy Path!



Title Not Received



Did you know that with a Dealer Sale (Indirect) it can take a week or more after the sale for the Lender to “fund” the loan? Did you know that on a Consumer (Direct) loan where there is no dealer involvement, the Borrower may be required to complete the title and registration paperwork rather than the Dealer?

Dealer Title & Reg Responsibility (Indirect Sale)	Consumer Title & Reg Responsibility (Direct Sale)
<ul style="list-style-type: none"> • Funding delays (dealer issues, consumer involvement required, etc.) • Variations in state processing times • Follow-up for title – Dealer contacts and Motor Vehicle Inquiries (on-line, phone, other) • Inconsistent method of delivery – ELT vs. Paper 	<ul style="list-style-type: none"> • Inexperienced consumer may be responsible for title & reg application process • Variations in state processing times • Follow-up for title – Consumer contacts and Motor Vehicle Inquiries (on-line, phone, other) • Inconsistent method of delivery – ELT vs. Paper



Did you know that even though Electronic Title is held by the Lender, they often need to get a paper title to support everyday activity that could occur through the life of a loan?

Types of Activities	Challenges
<ul style="list-style-type: none"> • Title Corrections • Owner Relocation from State to State • Name Changes • Substitution of VIN and Transfer of Equity 	<ul style="list-style-type: none"> • If ELT, required to flip to paper to complete the transaction • Added process can negatively impact time to resolve • Processing requirements vary from state to state • Fraud concerns if the consumer has the title in their care, custody and control • Consumer delays create problems for both the State and the Lender



Did you know that clear titles often need to be routed to someone other than the owner or that frequently, a paper title with lien is needed to support legal actions or other disposition of the vehicle?

Types of Activities

Clear Title Releases

- Release clear title to an address other than the owners address of record
- Release of lien to 3rd party such as a Dealer, Lender, Insurance Company, Auction, or the like

Paper Title with Lien Intact

- Bankruptcy, Repossession or other Legal Action
- End of Lease Term

Challenges

- Release time requirements versus time required to ensure valid funds
- The DMV does not always have the current address of record
- Level of effort and time required to obtain a paper title with lien if ELT is held
- Variation of state requirements and processes
- Delay of receipt of title for disposition of vehicle increases costs
- Notification or impound, towing or other similar activity

Goal: Easy for the State – Easy for the Stakeholders – Easy for the Consumer!

- All states on the electronic highway!
 - 23 states currently on ELT
 - 27 states with some form of ERT
 - 29 total states ELT or ERT
- On-line, real-time access to title status
- Ability to transact business without a paper title in hand
- Electronic verification of key information like insurance, credential validation, etc.
- Broad use of e-Signatures, e-POA, e-Notary, and other evolving electronic solutions
- **True paperless vehicle life-cycle!**



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<https://www.afsaonline.org/Get-Involved/Committee-Information/>