



ELECTRONIC LIEN AND TITLE (ELT)

Summary of Changes

Made some conforming changes due to Laws 2009, Chapter 70, which require lienholders, who are customer type "O", to use the Electronic Lien and Title (ELT) process, except for mobile homes.

Purpose

To provide guidelines in regards to Electronic Lien and Title (ELT).

Policy

- A. The Arizona Electronic Transaction Act (AETA) provides uniformity for electronic commerce consistent with modern electronic business practices, which allows the Division to provide intrastate, interstate and international e-commerce transactions.
- B. The Division may accept electronic communication, transfer or receipt of any abstract, affidavit, application information, copy, form, order, report, record or other information prescribed in the Arizona Revised Statute, Title 28 and in accordance with rules adopted by the Division.
- C. The Division has established an ~~Electronic Lien & Title (ELT)~~ system to provide a ~~cost-effective means for~~ authorized lienholders THE ABILITY to electronically process newly issued Certificates of Title (titles) electronically, in lieu of the submission and maintenance of paper documents, including the perfection and release of security interests (liens), see Policy [10.1.1 Basic Title Information](#). An ELT ~~title~~ is a title that is established electronically and not printed. The Division ~~may~~ **REQUIRES PARTICIPATION FROM ALL LIENHOLDERS, WHO ARE CUSTOMER TYPE "O"**.
 - **MOBILE HOMES ARE EXEMPT FROM THE ELT REQUIREMENT**
 - ~~Encourage participation among lending institutions and finance companies of various sizes~~
 - ~~Limit the number of participating lending institutions and finance companies~~
 - ~~Expand the system to allow participation by other entities~~
- D. The ELT system allows for the electronic exchange of vehicle lien and title information between the lienholder and the Division without having to print a paper title.
 1. When processing a Title and Registration Application that includes the placement of a lien, and the lienholder is an authorized ELT participant, the Division creates an ELT record and electronically transmits the vehicle title and lien information to the authorized lienholder, through its selected authorized ELT Service Provider, as notification that the lien has been recorded.
 - An authorized ELT Service Provider is selected by each ~~participating~~ **participating** lending institution and/or finance company to ~~serve as the electronic interface between the Division and~~ **TRANSMIT LIEN INFORMATION ON BEHALF OF** the authorized

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- ~~ELT LIENHOLDER participant by supplying appropriate ELT software and electronic title administration services~~
- ~~Upon release of the lien, the authorized electronic lienholder transmits to the Division, through their chosen ELT Service Provider, an electronic lien release and a clear title is printed and mailed to the vehicle owner~~
 - ~~At any time, an authorized electronic lienholder may request that a paper title be issued instead of an electronic title~~
 - ~~Once printed, a title is no longer part of the ELT process and the lien cannot be electronically released~~
2. To release the lien, the authorized ~~electronic lienholder~~ ELT SERVICE PROVIDER transmits an electronic lien release to the Division, through its authorized ELT Service Provider ON BEHALF OF THE ELT LIENHOLDER, and a clear title is printed and mailed to the vehicle owner.
- E. ~~As part of the authorization process for all ELT participants, the Division must be provided one official mailing address for delivery of all ELT related records and correspondence. The MOTOR VEHICLE DIVISION (MVD) ELT Help Desk AND AADA ELT HELP DESK HAVE has~~ the sole authority to change the address on the Lienholder Customer Record.
- F. To exchange vehicle lien and title information electronically, a Lienholder Customer Record is required, see Policy [3.1.1 Customer Records](#). Once a lienholder has ~~been approved by the Division~~ CONTRACTED WITH AN ELT SERVICE PROVIDER to become an ELT participant and a Lienholder Customer Record (number) is assigned, the lienholder is added to an automated on-line table ~~maintained by Custom Systems Solutions~~. This table is designed to allow:
- On-line and batch processes to quickly determine if a lienholder is an ELT participant
 - ~~A method for immediately removing/suspending a lienholder from ELT participation~~
 - A method for grouping lienholders by ~~Electronic~~ ELT Service Provider
 - A METHOD FOR SWITCHING LIENHOLDERS BETWEEN ELT SERVICE PROVIDERS
- G. When the existing title has an “ELT” designation and the lien is electronically released:
1. A new title number will overlay the current title number. The current title number is considered the current title of record.
 2. The film reference number remains the same, since the electronic transaction to print the paper title does not have any supporting documentation to film. When researching film records, the Customer Service Representative (CSR) will find the application and supporting documentation from the original transaction that created the ELT.
- H. When the Division receives an electronic lien release or request for a paper title and a prohibitive status code is present on the automated system, the lien will be removed but a title will not be printed. A courtesy notice, Vehicle Title Condition, form #96-0351, will be systematically generated and mailed to the vehicle owner. The courtesy notice briefly explains that the vehicle record contains one or more conditions affecting the printing of the title and further provides the owner with a specific phone number to call for more information on how to resolve the issue(s).
- I. ~~Questions pertaining to ELT may be directed to the Electronic Lien Title (ELT) Help Desk at (602) 712-5080.~~ IF A CUSTOMER TYPE “O” LIENHOLDER RECORD NEEDS TO BE

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CREATED/UPDATED OR THERE ARE ANY QUESTIONS, PLEASE CONTACT THE FOLLOWING RESPECTIVE AREAS:

- MVD ELT HELP DESK, ONLY MVD SUPERVISORS OR LEADS, AT 602-712-5080
- THIRD PARTY MANAGEMENT SUPPORT UNIT (TPMSU), ONLY AUTHORIZED THIRD PARTY PROVIDERS, AT TPMSU@AZDOT.GOV
- AADA ELT HELP DESK, ONLY AUTHORIZED DEALERS AND ELT SERVICE PROVIDERS, AT ELTHELPDESK@AADA.COM OR 1-800-678-3875, EXT. 112
- ELT SERVICE PROVIDERS, ONLY LIENHOLDERS

25 May 2010
Date


STACEY K. STANTON
Division Director

Authority: A.R.S. §§ 28-453, 28-1327, 28-2051, 28-2064, and 28-5101

Procedure Information: [Reprint a Title and/or Title Application](#)