

More States Require Paperless Titles

The ELT's are coming! The ELT's are coming! (Apologies to Paul Revere)

A clear trend has been identified at DMV's across the country. States which have operable paperless title (also known as ELT) programs are passing legislation requiring all lienholders to join the program.

This trend started in 2006 in PA which required all lienholders to join the PA ELT program by July 2008. Soon thereafter the following states passed legislation moving all lienholders to their respective ELT programs -

- ✓ LA - deadline 12/31/09 (grace period to 6/30/10)
- ✓ AZ - deadline 5/31/10
- ✓ CA - deadline 12/31/2011

In VA the DMV is preparing to send notifications to lienholders requiring them to join the VA ELP program. VA passed legislation in 2009 giving the DMV the authority to eliminate the use of paper titles with liens by providing 12 months advance notice to lienholders.

In 2007 FL eliminated the printing of paper titles when an ELT is released. Consumers, dealers and third parties who desire a paper title in FL now must pay a \$2.50 fee for the "privilege" of obtaining a paper title.

Why is this happening?

Simple... states are reeling from budget deficits. State revenue has dropped significantly and in response states are seeking every single manner possible to cut operating costs.

ELT offers the potential for significant cost savings by eliminating the use of paper in order to communicate the status of a lien to a lienholder. But if the ELT program is voluntary, the state will see cost reductions only to the extent of the lienholders who voluntarily join the ELT program.

States are wising up and passing legislation which, in essence is "guaranteeing" the state will see cost reductions by moving all lienholders to the ELT process.

Paper = cost and states must reduce cost. It is that simple.

Another trend sweeping the country is the redoubled interest by states that don't currently have an ELT program to introduce an ELT program. And the new states are taking cues from the states which passed legislation requiring 100% of the liens to be held electronically.

NE passed legislation in 2009 which introduces ELT and requires all lienholders to be on the program by 12/31/10. This is what LA did in 2008.

TX introduced ELT in 2009 and TX represented the last of the large states to roll out ELT. Now more than 57% of the titles issued in the US can be issued electronically when a lien is present. Paper titles are now in the minority and ELT represents the majority of title issuances nationwide.

Don't fret... VINtek is here for you. We are fully operational in all ELT states. We have lived through the implementation of a totally paperless lien process for lienholders. We can scale to handle the smallest to the largest lienholder.

Come see why almost 800 lienholders nationwide use VINtek for their ELT needs.

Don't get left behind... join ELT now with VINtek.

For more information visit our website at www.vintek.com or call us at 888-VIN-6500.