

## RMV Memorandum Title Proposal Webinar 04/27/2021 – Questions and Answers (Q&As)

The following table lists questions received prior to the Memorandum Title (Memo Title) Proposal webinar being hosted by the Massachusetts (MA) Registry of Motor Vehicles (RMV). The corresponding answers are provided below.

For additional details, review the [Memorandum Title Proposal](#).

RMV Memorandum Title Proposal Questions and Answers	
Question	Answer
How do we treat the memo title?	See the definition of a Memo Title; it is a notification to the lender that the owner/registrator has applied and paid for a MA Title.
Can we release the lien on the memo title electronically? Or is it considered an informational record?	No. It is considered an informational record.
What happens if the memo title is sent to the wrong lender?	The lender would notify the RMV that they believe there is an error and the RMV would review the original paperwork and make the necessary corrections. This is a manual process today, precisely how this will occur for electronic process is to be determined.
What happens if the memo title is received and a title correction is needed?	The lender would notify the RMV that they believe there is an error and the RMV would review the original paperwork and make the necessary corrections. This is a manual process today, precisely how this will occur for electronic process is to be determined.
What happens if memo title is received and the vehicle gets repossessed?	The Memorandum Title should have no impact to the repossession process.
How will the lenders send the image of the title? Will we be required to send through email, portal, or a file feed?	The Title Only Web Service transaction will have a provision in it to send the scanned document portfolio. The details of this transaction process will be determined as part of the transaction definition sessions.

<p>What happens if a lender releases a lien and [the customer] moves to MA, the lender will not have the title?</p>	<p>If the lien is released in error, the lender would have to follow-up with their customer.</p>
<p>What happens if a customer moves from a title holding state? Lenders receives a memo title and the lender does not have the title. What would MA accept from the lender?</p>	<p>The customer will be required to present the Out of State (OOS) Title and the Memorandum Title process would not apply.</p>
<p>Is there a time limit to when the lender has to get the other state's title to MA?</p>	<p>The RMV has not placed any specific time requirement on this, but as a practical matter, the quicker the transaction is processed, the better chance it has of being successful.</p>
<p>What happens if the memo title's lienholder on the registration does not match the title from another state?</p>	<p>The lienholder information entered will match what is recorded on the Registration and Title Application (RTA Form). If it does not, the RMV will make the appropriate correction.</p>
<p>Would there be a rejection of paper work sent to the state? And if so, what would the rejection codes and descriptions be?</p>	<p>These will be addressed as part of the transaction definition sessions.</p>
<p>Will MA send confirmation of receipt of paperwork?</p>	<p>This will be addressed as part of the transaction definition sessions.</p>
<p>What sort of confirmation that we destroyed the previous title is required?</p>	<p>This will be addressed as part of the transaction definition sessions.</p>
<p>What is MA SLA to send the title record to the lender?</p>	<p>MA does not currently have a Service Level Agreement (SLA) for the Electronic Lien and Title (ELT) process. That said, and with some exceptions for transactions that have apparent errors, all ELT notifications are processed and available at the end of the day the original Registration and Title transaction was processed.</p>
<p>Will the RMV clarify that only non-ELT participants will receive the paper letter indicating a Memo Title has been issued? The first sentence on page 2</p>	<p>This is correct; we will address it in the documentation.</p>

<p>appears to be contradicted by the following two sentences.</p>	
<p>What will the process be for correcting data elements on the Memo Title? For example, the data on the Memo Title does not match the data on the paper or ELT title issued by the previous state of residence.</p>	<p>The process may vary depending on the issue. If it is that the wrong lienholder has been recorded, then either the lender or Service Provider would contact the RMV using a TBD process, we would review the application and make any necessary corrections. If the issue was that one owner (instead of two owners) was recorded, the RMV would essentially follow the same process.</p>
<p>How is the RMV linking the Memo Title to the lienholder? Consumers will not know what their lender's ELT ID code is to list on the title application, and they often get the name and address combo of the lienholder incorrect. What controls will the RMV put in place around this process?</p>	<p>The Memorandum Title process has been in place for many (20+) years. In short, this is not something that is new to either the registrant or the lender community. While there are problems and errors that do occur, they are no more or less than with a "normal" Title.</p>
<p>Will the RMV confirm whether step 4 in the Proposed Process is an electronic notification from the lienholder informing the RMV that it destroyed the previous title or an electronic notification from the RMV advising the lienholder to destroy the previous title?</p>	<p>The intent is to follow the same cadence we have established as part of the Registration and Title process, e.g., the Service Provider processes a transaction with the RMV that will identify all of the transactions where the documentation is eligible for shredding. Once completed, the Service Provider will send a confirming transaction.</p>
<p>Will the RMV allow ELT participants to follow the current paper process after receiving the electronic notification letter (step 1 in Proposed Process)?</p>	<p>No.</p>
<p>Will the RMV confirm the process when the service provider is notified by a lienholder that a customer moved into MA as opposed to the RMV notifying the service provider? A current example is as follows – a customer notifies the lienholder that they moved to MA, the lienholder notifies the service provider, the service provider informs the RMV, and the state contacts the customer to register the vehicle in MA.</p>	<p>This is an interesting scenario as what is being suggested here is the customer is maintaining the out of state registration even though they have become a resident of MA. This scenario is always of interest to the State and Local Tax Collectors and we do have a process where anyone can notify us of the circumstance via the <b>I Pay Tax</b> function at: <a href="https://myRMV-massachusettsregistryofmotorvehicles.state.ma.us">myRMV - Massachusetts Registry of Motor Vehicles (state.ma.us)</a>. That said, we think the question also is can a lender initiate the described Memo Title process exclusive of being notified by MA. It certainly cannot be undertaken until the vehicle is registered. Other than that, this is something that we will have to address as part of the definition sessions.</p>

<p>Are you eliminating the insurance agency from receiving the OOS title? If a customer submits the transaction, they often times do not know the correct name and/or address for the lender.</p>	<p>No, the RMV is not changing the process for applying for a Registration and Title. The Memorandum Title process has been in place for many (20+) years. In short, this is not something that is new to either the registrant or the lender community. While there are problems and errors that do occur, they are no more or less than with a "normal" Title.</p>
<p>If the lender is not a participating ELT lender, the RMV could notify the lender that participation is mandatory at this point.</p>	<p>The RMV will take that under advisement, as we have a significant push underway to encourage all lenders to become part of ELT.</p>
<p>Does proposal #2 allow the lender to submit the application on behalf of the customer? Do the customer need to sign this change?</p>	<p>The customer has already applied and paid for a MA Title at this point. This transaction allows the lender to exchange the OOS Title for a MA Title with them recorded as the lienholder.</p>
<p>In Proposed process #4, this applies to lender's with the current paper title, correct? Is an affirmation necessary? Lenders have a vested interest in having only one title. What would the affirmation entail? Can it be electronic?</p>	<p>Yes, this is the process the lender has to follow; they must destroy the prior Title and electronically notify the RMV that the destruction has occurred. This is the same process.</p>

The following table provides the questions received during and after the Memorandum Title (Memo Title) Proposal webinar on April 27, 2021. The corresponding answers are provided below.

<b>RMV Memorandum Title Proposal Questions and Answers</b>	
<b>Question</b>	<b>Answer</b>
When a customer contacts their lender, and sometimes they don't, will the lender then do the application for Title?	In MA, the customer usually contacts their insurance company to register and insure their vehicle. In MA, it is required to have insured and registered the vehicle within 30 days of establishing residence in MA. The lender would wait until the car is registered to apply for the Title.
How does a customer know the lender name?	The owner/registrant must list the lienholder on the MA Registration and Title Application (RTA Form). In addition, the lender is also listed as a Loss Payee on the insurance policy. However, we are aware that this is a known gap and will be addressed and discussed during the definition sessions.
When we get a notice of a Memorandum Title, can we scan and send the Title to the RMV?	Yes, and this is the Proposal under discussion.
If the lender doesn't have the Title but needs to obtain it, is there a timeframe that the RMV will wait to receive it?	We do not have an exact timeframe yet. We will discuss this at the definition sessions.
Will the definition sessions be weekly?	Yes, that is the current plan. We typically have definition sessions with the Service Providers and some End Users directly, as they can be technical in nature. We also will distribute Business and Technical Specifications for review.
If there is a discrepancy with the Title (e.g., incorrect name), how do we fix this?	The current state process is to correct the Title manually. However, we will discuss the future state process at the definition sessions.

<p>Does the RMV require that the original OOS Title be destroyed?</p>	<p>Today, we do receive notification from the EVR Service Providers that they destroyed required documents by a specified date; we expect this to be the same for ELT. We will discuss in more detail at the definition sessions.</p>
<p>When will the proposed Memo Title process be implemented?</p>	<p>The RMV intends on starting definition sessions in the Q3-Q4 2021 timeframe, issuing Technical and Business Specifications in Q4 2021, with an estimated implementation by year end. The approximate date for mandatory implementation by all ELT Service Providers would be by the end of Q1 2022.</p>
<p>Are there any other states that have a similar process to what the MA RMV has proposed?</p>	<p>Maryland (MD) has a similar process, but it is not exactly the same as the MA Memorandum Title Proposal. MD does not use the ELT process; they use Web Services.</p>
<p>What if the customer contacts their lender directly? Is this allowed?</p>	<p>Yes, this is allowed.</p>
<p>What is the turnaround time from when they get the scan until the Electronic Title is received?</p>	<p>If this is done via Web Services, the Service Provider would be notified right away and would also get a formal notice that same evening.</p>
<p>Because the new proposed process eliminates the need for the lender to prepare documents and mail paper titles (which are sometimes lost, especially during a year of Covid where there were significant mailing issues); would we be able to direct all customer who reach out to us directly to just process with their Insurance Agent and then have the Memorandum electronic notification process kick off? It seem to me that this would eliminate mailing costs to lenders, inconvenience to customers who have to wait for the preparation and mailing of documents and stop the risk of lost in the mail documents (or having to have the Insurance Agent return documents to the lender due to the owner not following through in a timely manner).</p>	<p>Not all customers go through an insurance agent and not all agents process the application on behalf of the customer. Also, the Memorandum process does not start until the transaction has been completed. If the Title is received by the insurance agent, it should be submitted as part of the application process, which would eliminate the Memorandum process altogether.</p>