

Express Terms
Title 13, Division 1, Chapter 1
Article 3.0 – Vehicle Registration and Titling
(Electronic Lien and Title Program)

§ 153.00 Purpose

(a) The regulations in this article implement, interpret and make specific Division 3 (commencing with section 4450.5) of the Vehicle Code, providing for the regulation of an Electronic Lien and Titling Program in California.

(b) Participation in the Electronic Lien and Titling Program shall not be permitted in California except as permitted under Vehicle Code section 4450.5 and the regulations in this article.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.02 Definitions

(a) “Business documents” means a Lienholder’s license or charter by state or federal banking authorities to loan money for the purchase of a vehicle and proof of authority to conduct auto loan business in California or a service provider’s business license.

(b) “Electronic title” means the electronic data file created by the department and transmitted to a lienholder via their service provider in lieu of a certificate of ownership as defined in Vehicle Code section 4451.

(c) “Lienholder” means a legal owner as defined in Vehicle Code section 370.

(d) “Secure File Transfer” means a transfer of data, via the internet, using software that encrypts the data during the transmission.

(e) “Service Provider” means the person or entity designated by a lienholder to act on its behalf to send, receive, store, and convert electronic titles.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.04 Requirements for a Service Provider Permit

(a) A service provider may act on behalf of lienholders if all of the following requirements are met:

(1) The service provider has applied for and has been issued a Service Provider’s Permit by the department; and

(2) Successfully conducted Secure File Transfer connectivity testing and been approved by the department.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.06 Service Provider’s Permit Requirement

(a) A service provider shall not act on behalf of any lienholder if their permit is not currently in full force and effect.

(b) A service provider shall not send any data to the department unless the service provider has successfully completed Secure File Transfer testing and been approved by the department.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.08 Service Provider’s Permit Application

(a) A service provider requesting to act on behalf of lienholder(s) shall submit an application for a permit on the Electronic Lien and Title (ELT) Program Service Provider Application, form REG 670 (NEW 1/2018) which is hereby incorporated by reference, to the department.

(b) Any changes or modifications to the Service Provider’s permit required by the service provider during the term of the permit shall be requested by submitting a completed Electronic Lien and Title (ELT) Program Service Provider Application, form REG 670.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.10 Review of Application

(a) The department shall review the service provider application for a Service Provider’s permit, and notify the service provider within 30 days of receipt of the Electronic Lien and Title (ELT) Program Service Provider Application, form REG 670 whether it is complete or it is determined to be insufficient.

(b) The department shall approve an application and issue an Electronic Lien and Title (ELT) Service Provider Permit, form REG 672 (NEW 1/2018), which is hereby incorporated by reference, after determining that the application is sufficient.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.12 Term of Service Provider’s Permit

(a) Every service provider’s permit issued under this article shall be valid for a period of five years from midnight of the last day of the month of issuance unless sooner revoked or surrendered. Renewal of the permit for the ensuing term may be obtained by the service provider to whom the permit was issued upon application to and approval by the department.

(b) Every application for renewal of a service provider’s permit which expires pursuant to this section shall be made by the service provider to whom the permit was issued 60 days prior to the expiration date, and shall be made by submitting a completed Electronic Lien and Title (ELT) Program Service Provider Application, form REG 670 to the department.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.14 Refusal, Suspension, Revocation of Service Provider’s Permit

(a)The department may refuse an application for a service provider’s permit, or for the renewal of a Service Provider’s permit, and may suspend or revoke a service provider’s permit:

(1) For a violation of this article; and/or

(2) For any act or omission of the service provider or one of its agents, employees, contractors or designees which the department determines the conduct by the service provider constitutes a fraud and/or privacy risk to the public.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.16 Demand for Hearing after Refusal or Non-Renewal

(a) Upon a refusal by the department to issue or renew a service provider’s permit, the service provider shall be entitled to demand in writing a hearing before the director or his or her representative within 60 days after the notice of refusal.

(b) The hearing shall be conducted pursuant to the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.18 Reinstatement of Service Provider’s Permit

(a) Upon the suspension of a service provider’s permit by the department, the service provider shall cease all transmissions until the department has verified that the service provider has taken appropriate action to correct the issues that caused the suspension and the department has lifted the suspension.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.20 Lienholder’s Permit

(a) A lienholder shall not file a security interest electronically without having applied to the department for a permit to participate in the Electronic Lien and Title program, the department having issued a lienholder’s permit, and the permit being currently in full force and effect.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.22 Lienholder’s Permit Application

(a) A lienholder requesting to participate in the department’s Electronic Lien and Title program shall submit an Electronic Lien and Title (ELT) Program Lienholder Application, form REG 671 (NEW 1/2018), which is hereby incorporated by reference, to the department.

(b) Any changes or modifications to the lienholder’s permit required by the lienholder during the term of the permit shall be requested by submitting an Electronic Lien and Title (ELT) Program Change Request, form REG 673 (NEW 01/2018), which is hereby incorporated by reference, to the department.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.24 Review of Lienholder’s Application

(a) The department shall review the lienholder’s application for a lienholder’s permit, and notify the lienholder within 30 days of receipt of the application whether it is complete or it is determined to be insufficient.

(b) The department shall approve an application and issue an Electronic Lien and Title (ELT) Lienholder Permit, form REG 672 F (NEW 01/2018), which is hereby incorporated by reference, after determining that the application is sufficient.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.26 Term of Lienholder’s Permit

(a) Every lienholder permit issued under this article shall be non-expiring, unless the lienholder requests to withdraw from the program for the reasons listed in section 153.28, which will result in cancellation of the permit.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

§153.28 Lienholder Withdrawal from Electronic Lien and Title Program and Conversion of Electronic Titles

(a) A lienholder may request to withdraw from the Electronic Lien and Title program for the following reasons:

- (1) Mergers and Acquisitions; or
- (2) Going out of business

(b) A lienholder requesting to withdraw from the department’s Electronic Lien and Title program shall submit an Electronic Lien and Title (ELT) Program Withdrawal Request, form REG 674 (NEW 1/2018), which is hereby incorporated by reference, to the department.

(c) A lienholder requesting to withdraw from the program shall convert titles held in electronic format to paper Certificates of Ownership.

Note: Authority cited: Sections 1651 and 4450.5, Vehicle Code. Reference: Sections 4450.5 Vehicle Code.

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