



Automobile Dealers Association of Indiana, Inc.

REGULATORY BULLETIN

CINDY NELSON
Regulatory Agency Liaison

April 23, 2001

Bulletin #4

Child Welfare Lien Program Restarted – STATEWIDE –

On Monday, April 16, 2001 the Bureau of Motor Vehicles, in conjunction with the Family & Social Services Administration's Child Support Bureau (CSB), restarted the temporarily suspended child welfare title lien program. The program will now cover the entire state of Indiana instead of only Marion county. Consequently more dealers may be affected.

Under the current program, all title transaction social security numbers are checked against the CSB files. If the number is found on the file, the license branch clerk is alerted on-line. The applicant is given a notification indicating what county is involved and advised to contact that county's Prosecutor's Office. If the transaction is for a duplicate or correction transaction remaining in the original owner's name, the BMV system will bypass the CSB program and no welfare lien will be added. If the application was for a change of ownership or 'restored' title transaction, the information will be sent to the CSB program for lien determination.

NOTE: The turn around time for welfare lien transactions will be extended by a minimum of five (5) days with the exception of the aforementioned underlined scenario. You cannot get a "speed" title on the vehicle.

How can you protect yourself? The precautions currently advised by ADAI regarding revenue (tax) and welfare (child support) liens would still apply. If you accept a trade-in without a title, we suggest the following:

- 1) Ask the customer if he has any unsatisfied liens on the vehicle;
- 2) If so, stamp the payoff check "Do Not Cash if Second Lien Present".
- 3) If the customer states there is no unsatisfied lien, check the BMV record by using AccessIN.

If you follow these steps, you should not have to worry about any "hidden" or, more specifically, "unknown" liens on a trade-in vehicle.

If you have any further questions, do not hesitate to contact ADAI headquarters.