

MLA Covered Borrower Database Implementation Questions

Question	Answer to Question
What will be the frequency of the updates for CRAs?	Customers will define the use of BBS themselves.
Is it up to the servicemember to identify the relationship?	We do not require the servicemember to self-identify. We identify in our population then send info out to financial institutions
If we choose to direct connect, what is the contact info? If we intend to connect to DMDC database, is there a fee charged for direct contact? Do we know what the response turn time will be? How quickly will we get confirmation?	The MLA Help Desk email will be sent to all stakeholders by Ken. There is no fee to connect to DMDC. No information on the speed of response/confirmation.
Will we be charged if we go through CRAs or will banks separately negotiate? Can financial institution select both options, direct and going through CRAs? With pilot, just one financial institution will be selected? What's the deadline?	February 1 is the deadline. Banks will negotiate separately. Institutions can select both options.
Can you provide clarification of dependents under 18? Also, are spouses considered dependents?	Any under-18 service members authorize us to release their information for purposes such as the MLA covered borrower check when they join the military, but dependents do not, hence the tighter protections for dependents under 18. Yes, spouses are dependents.
For dependents under 18, what are the methods to check covered? Are there privacy concerns for push method?	Option 1: Direct connection with new DMDC web service; Option 2: Existing MLA website that is available today; Option 3: Consume web service for real time and be able to produce that response—CRAs can ping the web service or direct connection. No concerns for push method—DMDC has no problem pushing out info. We have approval to push the covered borrower population to CRAs, but CRAs are not sending us identifying information. We can only push for 18 and over to protect the identities of minors to the fullest extent.
Who should we contact for direct connection?	Ken will send out info directly, or use the Help Desk mailbox. Ken will send out info separately to avoid confusion.
Please confirm direct connect for dependents and all covered borrowers.	Yes, direct connection for all covered borrowers.
Do you have any targets for uptime and reliability?	No answer to share with you right now until we solidify requirements.

<p>Please define 'Active Duty' and what happens if a soldier is AD and not in the DMDC database?</p>	<p>The MLA law and rule is very specific for who qualifies as AD. DMDC maintains the largest database and is authoritative for the military so we capture the AD population as defined in legislation, so if your gray area population is not called out they would not be covered in respect to the act.</p>
<p>Are you planning to send out dates to the group?</p>	<p>Our dates are pretty well in line with the straw man plan. For CRAs, we may be a week behind with your straw man plan, but in general we are in line with the milestones created. Ken will be happy to send it out via Todd to recirculate to stakeholders.</p>
<p>When will the direct connect interface be available?</p>	<p>Response to email provided: the question has been documented and will be</p>
<p>Did the DoD deliver specs to the CRAs as expected in the socialized project timeline? If not, when is it expected to happen?</p>	<p>No, that hasn't been distributed to CRAs yet, but CRAs have been given a preview of a what they will need to do at a technical level to interface with DMDC, but they have not not been sent out as we are finalizing the specs internally.</p>
<p>Went through questions quickly, can the notes be sent out after the call?</p>	<p>Yes, notes will be provided with next week's agenda</p>
<p>Straw man plan, clarify couple of things: 1) Have the specs have been given to CRAs, the connectivity the CRAs will need to deliver to the financial institutions MLA indications? 2) Regarding CRA specs on the straw man to financial institutions, the 1/22 delivery will be in question pending delivery on 1/8.</p>	<p>1) No, that hasn't been distributed to CRAs yet, but CRAs have been given a preview of a what they will need to do at a technical level to interface with DMDC, but they have not not been sent out as we are finalizing the specs internally. 2) The 1/22 date will be pushed out since the DoD specs to CRAs have not yet been delivered. CRAs will need to expound on that.</p>
<p>We need to get this out to all banks to sign up with DMDC's database by February 1?</p>	<p>Yes, we don't have unlimited resources. We will do our direct connect capability with one or two pilot partners and then rollout as capacity allowed us to others beyond that. Housing Policy council has circulated the MLA Help Desk email for opt-in. This will allow us to priotize with respect to the resources we have available.</p>

<p>Difference between direct connect and using the website to determine if we have a covered borrower? What is the benefit of direct connect then?</p>	<p>In order to check for covered borrower status under MLA, there's the MLA website--MLA.dmdc.osd.mil--it's operational today. You need SSN, DOB and last name in order to receive an on-demand response. The website also facilitates a batch request for users to submit a request for to 250k customer records for up to 50 files a day to DMDC to facilitate covered borrowers. That is up to 50 batch files max per day of 250k customers each, or a net of 12.5 million records per day. This is available now.</p>
<p>What is the benefit of direct connect then if you can get everything from the website?</p>	<p>Banks with high volumes, at time credit is extended, the MLA check must be conducted. For higher volumes, we are encouraging direct connect for major banks and high volume users. The benefit of direct connect is to process large volumes, we are architecting for very high volumes and low response times. We do think it will be a small number of connections. Most users will use the MLA website. Covered borrower check can be done now through the website. The batch through the website could take up to 24 hours as opposed to the the direct connect which will be a sub-second response.</p>
<p>Is there an effort to make the website as fast as direct connect?</p>	<p>No, the website will never be as fast as direct connect.</p>
<p>Is there a fee for direct connect?</p>	<p>No fee for direct connect.</p>
<p>I hear there will be four different scenarios--will there be a page that lays out different options, capabilities, constraints, fees, targeted user along with the different options: 1 &amp; 2) Website for individual and batch, 3) direct connect, 4) CRAs. Do I understand those options correctly?</p>	<p>Yes, those options are correct. Much of this is called out by the MLA rule itself, directing folks to the MLA website. We will see if we can put something together for this.</p>
<p>For CRAs, will they pull and and update consumer reports vs. push method? DMDC will push the data to CRAs daily?</p>	<p>CRA's will be pushed population except under 18. Inquiries of that small subset will need to come to DMDC. If a user wishes to do the MLA covered borrow check through the CRA then they can do that. Yes, this is pushed out daily.</p>
<p>Is there a date the example upload file for the website date will be available?</p>	<p>Ken will try to get this out this week</p>
<p>Are all the CRAs going to be reporting the information on the credit reports?</p>	<p>No, that data should not be available on a credit report...permissible use of data for the purpose of facilitating covered borrower check.</p>
<p>Will two credit reports be necessary? One for credit worthiness and another for covered borrower status?</p>	<p>Up to CRAs to respond. Transunion--add on component to credit report for a single transaction.</p>

Will the inquiry and MLA indicator be on the same report?	Yes, all 3 CRAs (Transunion, Experian, Equifax) are using the same approach (MLA indicator will be on the same bureau report) pending DMDC privacy restrictions and permissible use to see what they can and can't do.
Does anyone know the fees on the service? If only a certain number can direct connect, this limits the safe harbors as a practical manner (up to 24 hours), all of data to include fee structures would have to be revealed...this is a curve ball for small businesses to find out MLA in real time.	CRAs responded to question: The cost of the covered borrower check from the CRAs will be provided by each CRA on a client by client basis.
Record keeping requirement: Is it known how and what the information will be received and returned? How do we document how we check the status? Screen shots?	We can't speak to this...we cannot make a recommendation about how long institutions have to keep records.
For Nesa (?), will you be sending anything out to the banks? I only heard last week about Feb 1 date, nothing in written form...I have not seen any broad announcements regarding this. Folks need to be informed of the deadline and what this means.	We are collecting ALL opt-ins in order to prioritize the list and our connections. We have finite resources available to support everyone based on the volumes hitting DMDC.
When will the decisions/selections for direct connect be made?	Not until after February 1 once we've collected all the opt-ins.
How many institutions do you anticipate being able to use direct connect?	We are looking at volume, not number of users. This will alleviate the load on the website. There is a ramping up of the technology to prevent a crash.
Can the Feb 1 deadline be pushed back for all considerations until all options and information are considered	We can extend the February 1 application deadline and work with the responses we've received thus far.
1) How quickly will you be asking us on volumes? 2) Regarding capacity, some banks will not be able to get on, the CRAs will not be providing info on under 18, then you have eliminated safe harbor option on under 18.	2) Other than existing web site, then yes, that may be the case, 1) Volumes to be researched by Ken and follow-up with opt-ins.
Long term, is it possible that everyone be able to direct connect?	Can't speak to that based on uncertainty and reality of fiscal budgets.
Has a timeline been published?	No published timeline yet, we have a draft and are close to publishing. We have Internal milestones we have to straighten out before it's ready.
1) When do people get confirmation from the opt-ins, 2) Are vendors allowed to sign up for the direct connect?	1) We try to respond to opt-ins within 24 hours, which is accompanied by the questionnaire and 2) We are not authorized to work with vendors, solely CRAs and client banks only, although we are not discouraging vendors.

<p>If you send back the questionnaire, does that guarantee you are automatically in?</p>	<p>Confirmation of the opt-in does not guarantee you will be selected. Data in the questionnaire will be used to prioritize starting Feb 2 based on answers to questions ; if selected you will be contacted. There is no estimate when we will make a decision.</p>
<p>How quickly do you send out the questionnaire after you email the help desk?</p>	<p>You should have received a response through COB yesterday if you mailed in your opt-in.</p>
<p>When will CRAs be on board and offering the information?</p>	<p>The solution will be in place prior to the Oct 1 deadline. The solution for the CRAs will roll out prior to the direct connect. We will test in March and production rollout in April. By hopefully springtime the CRAs should have production information from DMDC. The direct connect info will follow probably late summer.</p>
<p>Is there an update on privacy assessment?</p>	<p>No, not yet. We're still coordinating with Privacy.</p>
<p>How regularly will the CRA's obtain the MLA status information? Will they be checking on a daily basis?</p>	<p>DMDC does hourly updates (15 minutes at best) so I would say for CRAs the information will be available for them hourly. CRAs will be able to configure that on the client side or however often they wish to do that. Experian committed to updating on a daily basis, if not more frequently. Transunion, as well. Equifax is in customer conversations to understand their needs.</p>
<p>Is realtime being offered by DMDC to the CRAs so banks can get information in this manner?</p>	<p>That's not the model we are pursuing. Caveat - DoD will not allow DMDC to proactively send under 18 info to CRAs. Those requests must come directly to DMDC for that information. A separate connection for CRAs to pass along inquiries for covered borrowers under 18, on a realtime basis using the direct connect. The stipulation is that the interface is for MLA covered borrowers under 18 only and NOT for a general interface for covered borrower information.If you need realtime through CRAs to DMDC then it will not be possible.</p>
<p>What if confirmation of opt-in was received without a questionnaire? Request it again?</p>	<p>Yes, please do email the MLA Help Desk and request the questionnaire.</p>

	<p>We have several methods for covered borrow checks--available now is the MLA website, which allows user to key in information to submit and receive certificate with yes/no. The website also offers batch request for up to 250k records. This requires a person to key in the information or upload the info to the site. There are two additional options: CRAs for covered borrower checks as cited by the MLA rule. DMDC is also making available a realtime direct connect interface for quick determinations (server to server, from client institution to DMDC via web service) for large volumes. A realtime response is generated for single or batch for multiples.</p>
What is realtime if CRAs option isn't realtime?	
Do you expect response from direct connect coming back as a PDF?	It will probably come back as JSON in XML.
You will provide CRAs with MOST of information for status? What does most mean?	That is the under 18 information that was previously mentioned.
Is under 18 available on the website?	Yes, it's available now.
Please clarify realtime--when you contact the CRAs they will have realtime information hourly? Under 18 will not be realtime since going through DMDC?	<p>Realtime is speed of request, not the currency of the data. The hourly figure is how often we facilitate the data refresh with respect to the info the CRAs will be receiving. We can do as often as 15 minutes, but the MLA info does not fluctuate. Hourly is really sufficient for data currency for safe harbor MLA checks. Realtime is the speed of the interface. Our realtime interface is with the CRAs for under 18 and for client banks for large inquiries for subsecond response times.</p>
How do we get costs for CRAs?	Reach out to your sales rep regarding costs. Need to develop a product solution.
Before ordering a credit bureau report, the indicator will come at the same time the bureau is returned?	The credit will invoke flag that it is returned based on inquiry, assuming customer settings are designated to return a flag.
If we say the return value from CRA says yes or no, that meets the requirement of saving the info for client banks?	That is a point to take up with your counsel; the DoD does not enforce this.
The creditor will need to pull the MLA status or covered credit...is there a setting to determine student loan and differentiate from a mortgage?	Depends on the code and how you pull data. We would have to create new codes. We have the capability to do that...based on customer configuration.
Would you provide that answer to all co-borrowers or cosigners?	Assuming the inquiry is pulled on each individual, then yes.
If you provide a credit report with the MLA flag come with it?	Each CRA will determine their own match logic based on indicative info. It will be determined by each CRA separately.

<p>For CRA options safe harbor and identification, which option were you talking about that would not have a general interface? Which option were you talking about?</p>	<p>All options really, as DMDC will be entering into will stipulate that info from CRAs or DMDC will only be for MLA covered borrow checks, no other uses permitted.</p>
<p>Can lenders use the information for purposes of not making an offer to someone?</p>	<p>That is a point to take up with your counsel.</p>
<p>Are there any dependencies, contracts or specs that DMDC needs to complete for CRAs to proceed?</p>	<p>Yes, we are working on doing the leg work for creating an agreement vehicle relationship with CRAs. We don't know the form yet (MOUs not applicable with commercial entities) so we are looking at other options. We are finalizing data use caveats...we previously discussed with CRAs and FSR last year. As far as specs, we sent technical information to CRAs earlier this week. We are still doing interface development in-house.</p>