

OFFICE OF POLICY AND LEGAL ANALYSIS

Date: April 13, 2020
To: Transportation Committee
From: Karen Nadeau, Legislative Analyst

LD 645 – Resolve, To Create an Electronic Titling Work Group

Directs the Department of the Secretary of State, Bureau of Motor Vehicles to convene a work group to study electronic titling and make annual reports to the joint standing committee of the Legislature having jurisdiction over transportation matters through the 132nd Legislature, at the end of which time the work group dissolves.

Proponents: *Secretary of State (SOS)/Bureau of Motor Vehicles (BMV); Maine Motor Transport Association (MMTA); Maine Credit Union League; written only: Maine Automobile Dealers Association*

- Twenty-four states have some variety of electronic lien and title program and is likely to increase due to the push towards digital and remote access.
- An electronic lien and title system would allow for electronic exchange of the title information between the holder and the BMV.
- Benefits include: reduction in errors; faster delivery; reduced paper and mailing and printing costs; and improved data collection and forms.
- An electronic titling program has the advantage of reducing some of the burden on dealers and lenders and can speed up the process of title transfers.
- SOS requested that under Section 1 of the bill, Line 14 that paragraph H be removed. The new Deputy SOS would bring national titling expertise to the work group; she recently led a working group with representatives of 10 state motor vehicle agencies that drafted a framework for a national e-titling solution.
- MMTA, through our subsidiary MMTA Services, is a trailer registration agent for BMV; we submit thousands of title applications by mail to BMV; the entire process takes 12 to 14 weeks before the ultimate title reaches the registered owner or lien holder.

Opponents: *None*

NFNA: *None*

NOTES:

- Senator Diamond asked Secretary Bellows if the timeline in the Resolve would be adequate.
- Rep. Parry asked Secretary Bellows to consider adding “examine security measure” to the list of duties of the work group.
- Committee member suggested a legislator serve on the working group.
 - Groups may include up to two legislators as long as no other legislative resources are used and will not be considered a legislative study, which must conform with Joint Rule 353.
 - However, if any legislators serve on the working group, the Resolve would still go to the Study Table and there would be a fiscal note as legislators on the working group would receive per diem and expenses.
- Annual report – does the committee want to specify month and day?
- Joint Rule 353, section 8 – Upon receipt of a report submitted by a legislative or non-legislative study committee or group, the joint standing committee to which the report is submitted, or the appropriate joint standing committee of jurisdiction in the event that the report is submitted to the Legislature as a whole, may introduce a bill during the session to which the report is submitted to implement its recommendations on matters relating to the study.

FISCAL IMPACT: *Fiscal note required: No.*

- *Minor cost increase – General Fund; Minor cost increase – Highway Fund*
- *Additional costs to the Department of the Secretary of State associated with serving on the work group and reporting the results can be absorbed within existing budgeted resources.*