



# Maine Credit Union League

Testimony by Robert Caverly  
In Support of LD 645

*Resolve, To Create an Electronic Titling Work Group*

Committee on Transportation

March 16, 2021

Good Afternoon Senator Diamond, Representative Bryant, and distinguished members of the Committee on Transportation, my name is Robert Caverly and I serve as the Vice President of Governmental Affairs at the Maine Credit Union League. The Maine Credit Union League is the trade association for Maine's 54 credit unions and over 725,000 members statewide. Today I am submitting testimony on behalf of the League in support of LD 645, "Resolve, To Create an Electronic Titling Work Group."

An Electronic Lien and Title System would allow for an electronic exchange of the title and lien information between the holder and the Bureau of Motor Vehicles (BMV). The COVID-19 pandemic has highlighted the importance of online and electronic services. With offices and businesses adjusting the way they operate because of the pandemic; it is clear Maine should consider alternatives to physical titling. Setting aside the obvious challenges presented by the pandemic, there are huge benefits to adopting an electronic system. Twenty-four states have some variety of electronic lien and title program and this number is likely to increase due to the push towards digital and remote access we have seen throughout the pandemic.

The American Association of Motor Vehicle Administrators or AAMVA reports a number of benefits to e-titling for states that have started some sort of e-titling system. These benefits

include a reduction in errors on titles, faster delivery, reduced paper, mailing, and printing costs, and improved data collection and forms. Additionally, a system of intrastate electronic titling would provide simpler cross-state sales for all involved.

In addition, an electronic titling program has the advantage of reducing the burden on dealers and lenders and can speed up the process of title transfers. At the present time, there is a significant backlog at the BMV that has led to costs to credit unions and delays to consumers. This sort of backlog would likely be eliminated under e-titling.

Electronic titling has been considered by both this committee and the BMV for quite some time. What this bill aims to do is to bring the interested parties together to chart a course forward to bring electronic titling to Maine. Studying this matter now will provide us with the framework needed to make the right investments in modernizing our motor vehicle titling system. Electronic titling has the potential to reduce costs to the state, consumers, and lenders and to significantly improve efficiencies at the BMV.

The League would like to thank Representative White for bringing this proposal forward. We urge the committee to support this bill that would allow the state and interested parties to research what electronic titling in Maine should look like.