

Quarterly NTSF Title Processing Subcommittee February 2024

February 14th, 2024



February Title Processing Subcommittee

Agenda

- Antitrust Statement
- Legislation Subcommittee Update – John Yarbrough, PDP Group
- ELT Subcommittee Update – Colleen Borys, Dealertrack
- Remarketing Subcommittee Update – Kevin Park, IAA
- Fraud Information – Amanda Van Haren, Santander Consumer
- NTSF Document Repository: New Location – Elora Rayhan, ASFA



February 14th, 2024



February Title Processing Subcommittee

Continued Agenda

- Plenary Meeting Details: October 21-22, 2024 - Phoenix, AZ
- Open Discussion:
 - Ohio House Bill Updates - Bridgette Hill-Williams, GM Financial
 - Alabama Changes - Lea Strickler, Harley Davidson
 - Maryland: Clean Up & Best Practices – Lea Stricker, Harley Davidson
 - Puerto Rico: Best Practices & Title Vendors – Bridgette Hill-Williams, GM Financial
 - Maryland ELT Issue – Michelle Dyer, Secure Title
 - Kentucky Title System Upgrade – Kevin Park, IAA



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Antitrust Policy

February 14th, 2024

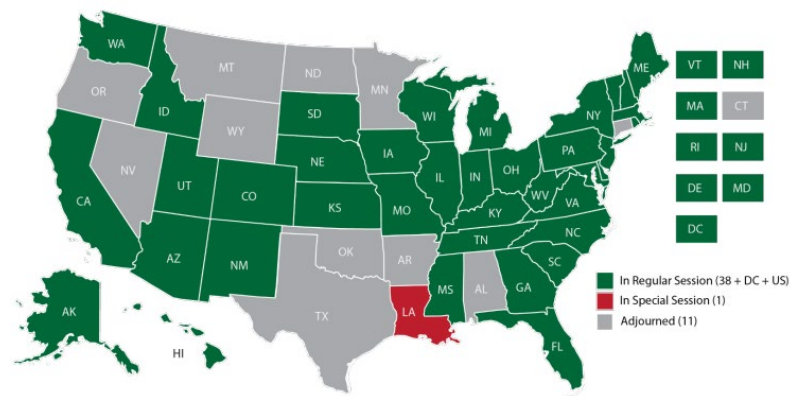


Legislation Subcommittee Update

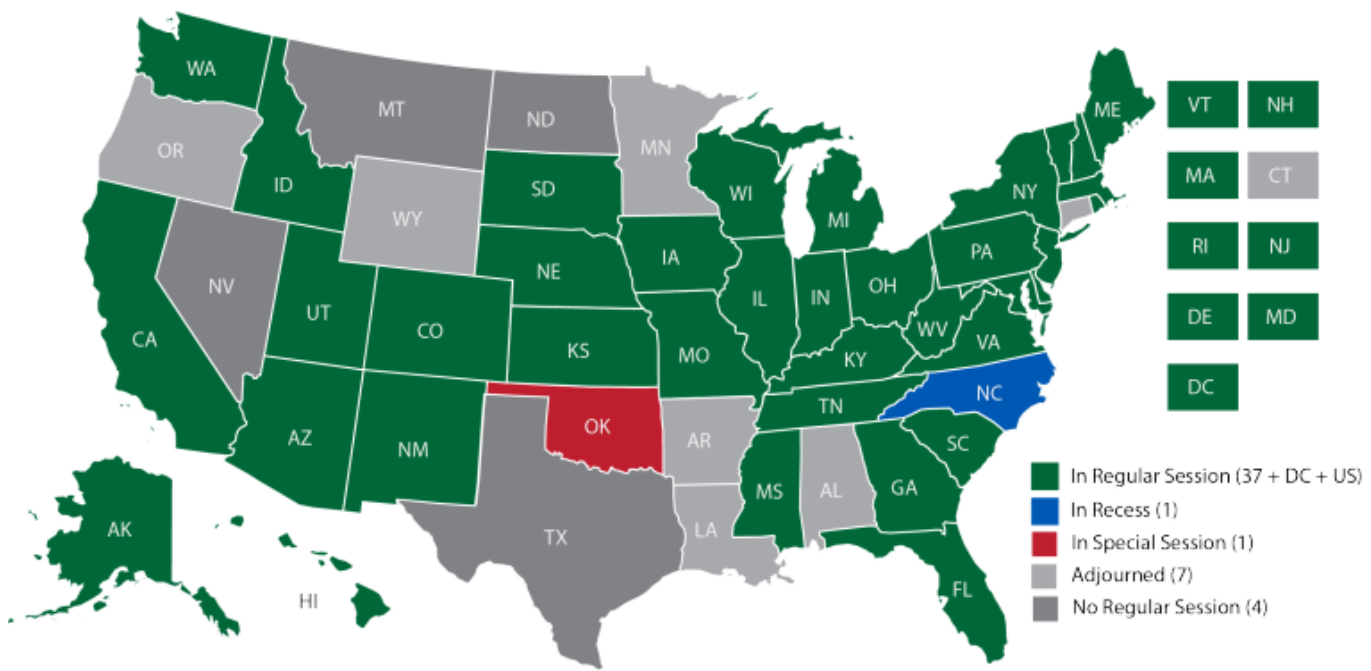
John Yarborough,
Legislative Subcommittee Chair
John.Yarborough@pdpgroupinc.com



States in Session



States in Session



Pending Legislation

Arizona HB 2087 on 2/6/24 transmitted to Senate, effective 90 days after adjournment

The bill authorizes the removal of a vehicle, watercraft or trailer when an account is in default and after proper notice to the occupant; and allows for notice to lienholder

<https://apps.azleg.gov/BillStatus/BillOverview/79857>

California AB 1901 on 2/5/24 referred to Transportation Committee; Jan 1 following 90 days after enactment

The bill allows the release of a salvage vehicle to an owner or lienholder with total loss; requires salvage pools or licensee to send notice twice to owner or lender upon notice from an insurance company.

https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202320240AB1901

Florida HB 29 on 2/1/24 passed out of Insurance & Banking Subcommittee, effective 7/1/024

The Florida Constitution allows a debtor to exempt a homestead property, regardless of value, from the claims of creditors if it is used as a residence. In addition to this constitutional exemption of homestead property and other personal property, Florida law protects certain assets from legal process so that they also remain beyond a creditor's reach including a debtor's interest, not to exceed \$1,000 in value, in a single motor vehicle. HB 29 increases the maximum value of an exempt motor vehicle from \$1,000 to \$5,000

<https://www.flsenate.gov/Session/Bill/2024/29/?Tab=BillHistory>

Pending Legislation

Florida SB 1350 on 2/8/24, placed on calendar, on 2nd reading; effective 7/1/24

The bill would allow an insurance company to request a paper title or assignment of an electronic certificate of title from the owner and has obtain a release of all liens and paid the amount due to lienholder hand has proof that the lender accepts payment as satisfying the amount due. When a vehicle is a total loss, the bill requires the insurance company to issue notice of the total loss claim to the lienholder, not just the owner. this notice would be required to be retained for three years. If the owner retains the vehicle, the salvage title or certificate of destruction will be issued to the owner (HB1517 pending in House Judiciary, A bill analysis is provided.)

<https://www.myfloridahouse.gov/Sections/Bills/billsdetail.aspx?BillId=79924&sui=YcoXcyrj30U=->

Georgia HB 3421 on 2/14/24 second reading, 180 days after appropriation of funds; 180 days after appropriation of funds

The bill establishes the Motor Vehicle Title Loan Act requirements, repealing previous statutes. See also SB 452

<https://www.legis.ga.gov/legislation/64225>

Pending Legislation

Iowa HF 344 carried over from 2023 on 1/9/24, effective date unknown (no movement)

This bill allows for filing of title and registration application in any county rather than county of residence; increases the title fee from \$20 to \$30; also allows renewals to be submitted to county; but allows lessors to submit to the county where there are primary users. Duplicate title applications for \$30 can submit to any county and be signed by the owner or lienholder. Registration fees changed to \$10 plus five percent of the purchase or lease price for each vehicle. See also SF 80 (Rowley), SF 380 (Senate Transportation Committee), SSB1053 (Small Government Committee)

<https://www.legis.iowa.gov/legislation/BillBook?ba=HF344&ga=90>

Iowa SSB 3033 now SF2117 passed Senate Transportation, introduced and placed on calendar on 1/25/24, effective date unknown

This bill removes the previous owner and address off the vehicle title but allows DOT or country treasurer to maintain the information Also HSB 2185.

<https://www.legis.iowa.gov/legislation/BillBook?ga=90&ba=SSB3033>

Maine LD 2072 hearing scheduled on 2/6/24; effective 90 days after adjournment

The bill requires the SOS to give the first lienholder names on the title who participate in the ELT program a printed paper title or salvage title mailed to an alternate address.

<https://legislature.maine.gov/billtracker/#Paper/2072?legislature=131>

Pending Legislation

Massachusetts HB 3421 hearing scheduled on 1/10/24, effective 90 days after enactment (no movement)

This bill would allow a vehicle contract of sale or lease to be voided by the buyer or lessee if the motor vehicle fails to pass a vehicle inspection within seven days from the date of such sale or lease.

<https://malegislature.gov/Bills/193/H3421>

Michigan HB 4417 and 4419 passed and enrolled; effective 90 days after enactment

These bills modifies the maximum value and adjust for cost of living that all vehicles and watercraft transfers to the surviving spouse or heir.

[https://www.legislature.mi.gov/\(S\(kgypdoig1alpe4tiord0ejri\)\)/mileg.aspx?page=getObject&objectName=2023-HB-4417](https://www.legislature.mi.gov/(S(kgypdoig1alpe4tiord0ejri))/mileg.aspx?page=getObject&objectName=2023-HB-4417)

[https://www.legislature.mi.gov/\(S\(oe5dzi04ts4pa2oi11sanuys\)\)/mileg.aspx?page=getObject&objectname=2023-HB-4419](https://www.legislature.mi.gov/(S(oe5dzi04ts4pa2oi11sanuys))/mileg.aspx?page=getObject&objectname=2023-HB-4419)

Michigan HB 5354 referred to Insurance and Financial Services Committee on 1/10/24, effective date unknown

The bill, in Sec.29, requires the buyer be given a copy of the installment contract be stamped paid, termination of lien, and a final statement of account showing a zero balance.

[https://www.legislature.mi.gov/\(S\(nyf2hc4d5dvkuk1dduzglraq\)\)/mileg.aspx?page=getObject&objectName=2023-HB-5354](https://www.legislature.mi.gov/(S(nyf2hc4d5dvkuk1dduzglraq))/mileg.aspx?page=getObject&objectName=2023-HB-5354)

Pending Legislation

Mississippi HB310 was referred to Transportation on 1/18/24; effective July 1, 2024

The bill extends the time a new owner must apply for plates from 7 to 30 working days

<https://billstatus.ls.state.ms.us/2024/pdf/history/HB/HB0310.xml>

Mississippi HB121 was referred to Transportation, Banking and Finance on 1/17/24; effective 7/1/24

The bill allows a mechanic to obtain a title on a vehicle provided by a title loan company if there is a failure to make payment; notification of lienholder is present

<https://billstatus.ls.state.ms.us/2024/pdf/history/HB/HB0121.xml>

Missouri HB 1499 is in second reading in the House on 1/4/24; effective 90 days following adjournment

The bill requires a motor vehicle inspection each time a used vehicle is sold regardless of the age or mileage

<https://house.mo.gov/BillContent.aspx?bill=HB1499&year=2024&code=R%20>

Pending Legislation

New Hampshire HB 1123 has hearing scheduled in the Transportation Committee on 1/16/24; effective not stated in the bill text

Bill requires town or city clerk to return the bill of sale and/or title when registering the vehicle

https://www.gencourt.state.nh.us/bill_status/results.aspx?adv=2&txtbillno=HB1123

New Jersey AB 3003 introduced and referred to Transportation; effective the first day of July unless noted
The bill mandates that the MVC study ELT implementation and one year from implementing that they make it mandatory.

<https://www.njleg.state.nj.us/bill-search/2024/A3003>

New Jersey SB 1197 referred to Senate Commerce Committee on 1/9/24, effective after July 4, unless noted
The bill allows a lender to release title to buyer's assignee and requires delivery of the title within 15 days after non-certified monies are received; furthermore, a notice must be filed within 15 days after "performance of the contract or termination of the security interest. Also, see SB 1724

<https://www.njleg.state.nj.us/bill-search/2024/S1197>

Pending Legislation

New Jersey SB 2022 moved to Senate Transportation Committee, effective after July 4, unless otherwise noted.

The bill prohibits a fee for a clear title after vehicle payoff

<https://www.njleg.state.nj.us/bill-search/2024/S2022>

Ohio HB 373 introduced, effective 90 days after enactment

The bill requires the clerk of the courts to perform a physical inspection, if the vehicle is an out of state vehicle

<https://www.legislature.ohio.gov/legislation/135/hb373/status>

South Dakota SB 95 on 2/13/24 a hearing is scheduled; effective the 20th day after the governor's signature

The bill creates an exemption for a debtor around the legal process. The value of one motor vehicle, not to exceed five thousand dollars over any security interest on the motor vehicle, is exempt for each debtor. The total value of exempt property selected by the debtor under this section and § 43-45-4 may be combined.

<https://sdlegislature.gov/Session/Bill/24462>

Pending Legislation

South Dakota SB 112 on 2/13/24 passed the Senate, sent to House Transportation Committee; effective the first July 1st after adjournment unless noted.

The bill allows for an out of state vehicle, ORV, snowmobile or boat can obtain a title for an additional \$100

<https://sdlegislature.gov/Session/Bill/24878>

Utah HB 25 on 1/24/24 is in 2nd reading in the Senate, effective May 1, 2024

This bill: provides for the electronic notarization of documents allowed to be recorded electronically in a county recorder's office; modifies definitions applicable to those electronic notarizations; and modifies a provision authorizing the Office of the Lieutenant Governor to adopt rules to address electronic notarizations

<https://le.utah.gov/~2024/bills/static/HB0025.html>

Virginia HB 1109 on 2/1/24 referred from Transportation; effective the July 1st after adjournment

This bill authorizes the use of a trackable correspondence equivalent to certified mail for sending invoices for unpaid tolls to a vehicle owner prior to the Department of Motor Vehicles placing a registration stop on such vehicle due to unpaid tolls. Current law requires such invoices to be mailed by certified mail. See also SB205

<https://lis.virginia.gov/cgi-bin/legp604.exe?241+sum+HB1109>

Pending Legislation

Virginia HB 845 on 2/1/24 passed House and sent to Senate Transportation Committee, effective July 1, after adjournment

This bill allows third party, if vehicle is abandoned and titled out of state, to provide title information from nationally recognized title database; the business is required to hold the DMV and the Commonwealth harmless

<https://lis.virginia.gov/cgi-bin/legp604.exe?241+ful+HB845+pdf>

Wisconsin SB 629 public hearing held on 1/17/24, effective one day after publication

The bill exempts criminal and civil liability from seller once the certificate of title is assigned to the buyer (unless there is malicious intent.)

<https://docs.legis.wisconsin.gov/2023/proposals/reg/sen/bill/sb629>

Wisconsin SB 654 on 2/6/24 a public hearing was held; effective one day after publication by Legislative Bureau

The bill would allow a non-resident insurance company to obtain a title on a total loss claim

<https://docs.legis.wisconsin.gov/2023/proposals/REG/SB654>

ELT Subcommittee Update

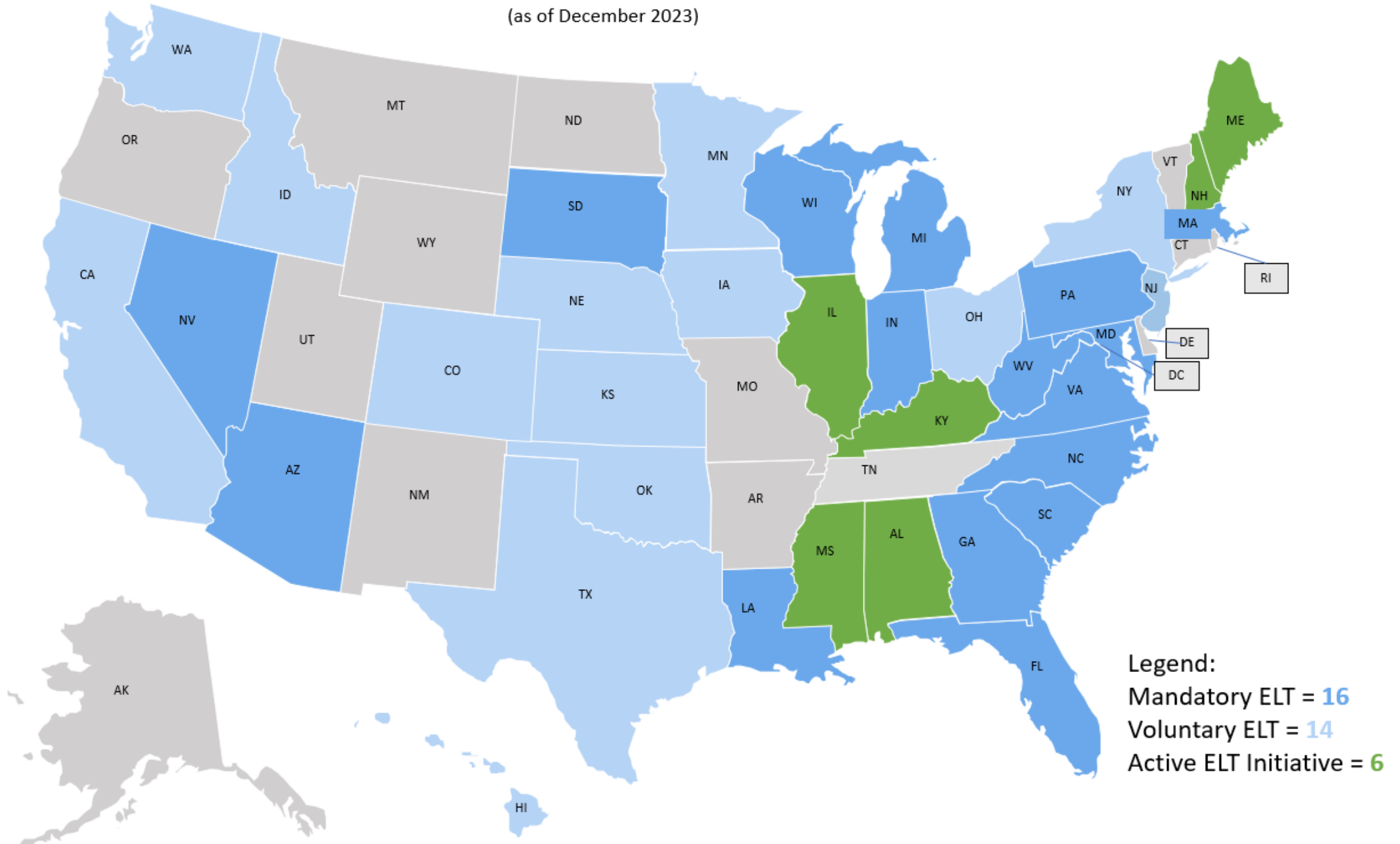
**Colleen Borys,
ELT Subcommittee Chair**

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Electronic Lien & Title (ELT) Landscape

(as of December 2023)



ELT Updates

ELT Program – updates to active ELT programs

Oklahoma:

ELT Program

- ELT Program is live in Oklahoma
- Service Oklahoma met with the NTSF in late November 2023 to review questions the group developed and to clarify processing requirements.
- Program is voluntary and open to lenders wishing to participate

Michigan

ELT Program

- As part of the states enforcing mandatory participation in the ELT Program, the State is considering and reviewing the discontinuation of the Convert ELT to Paper transaction.
- No information available on final decisions

ELT State Updates

ELT Initiatives – future programs

New Jersey:

ELT Initiative

- The NJ MVC is live as of early December 2023
- They are currently in Pilot which is planned to continue until the state is comfortable that the program will be successful,
- However, NJ is a mandatory state for lienholders with 5 or more liens and statutorily all eligible lenders will need to be processing electronically by EOY 2024.

Illinois:

ELT Initiative

- Illinois SOS is currently developing their ELT program with their third-party hub provider.
- Planned go live for the state is early Q3, 2024.
- Pending information from Hub Provider/IL SOS on Technical Specifications and Business Rules.

ELT State Updates

ELT Initiatives – future programs

Kentucky:

E-Lien Initiative

- Kentucky launched a new statewide system (KAVIS) in early January 2024.
- They are working through post implementation processes Q1 2024.
- The Hub Provider indicates ELT Service Provider integration should be completed in early Q3 2024.
- Anticipating a Go Live date in early Q3 2024.
- Pending more information from KY Transportation Cabinet/Hub Provider on next steps.

Maine:

ELT Initiative

- The BMV is currently working with Service Providers and is targeting testing through early March.
- The Maine BMV ELT program is voluntary
- The state will operate a limited Pilot with all service providers before rolling out general availability.
- Anticipate a full roll out late 2024
- Dates and timelines are fluid and subject to change

ELT State Updates

ELT Initiatives – future programs

Mississippi:

ELT Initiative

- Mississippi DOR is currently developing their ELT Program and is targeting a July 2024 go live date.
- Pending more information from Mississippi on next steps, Technical Specifications and Business Rules.

Alabama:

ELT Initiative

- State has rolled out their new platform, ALVIN, which includes the ability for Designated Agents to indicate their preference for receiving titles and some management capabilities.
- Pending next steps from Alabama on functionality for non-Designated Agents(out of state lenders) and their Service Providers.

ELT State Updates

ELT Initiatives – future programs

New Hampshire:

ELT Initiative

- The state is in the process of evaluating the RFP that will include both Electronic Registration & Titling and Electronic Lien & Title programs.
- More information to follow however the state an indicated they will be implementing an Electronic Registration and Titling program before the ELT Program.

Vermont

ELT Initiative

- Completion of the vehicle services module of the DMV Core System Modernization was completed in late 2023 as scheduled.
- Pending more details from the Vermont DMV on plans for electronic title issuance.

ELT State Updates

ELT Initiatives – future programs



Utah

- Utah presented their plan and priorities for the adoption of electronic titling during the Annual Plenary meeting in Salt Lake in 2023.
- Subsequent follow up with the DMV indicates they are in the very early stages of developing roadmap for fully electronic processing that would include an electronic title.
- Legislation is pending to enable the ERT and ELT programs

ELT State Updates

ELT Legislation – ELT legislation in 2023 Session

Oregon – HB 3080

Legislation

ELT Legislation – Enacted in 2023

- Directs the Department of Transportation to adopt rules permitting vehicle dealers or financial institutions to electronically transmit documents necessary to take actions related to vehicle ownership including registering and titling vehicles(ERT).
- Directs the department to provide the primary security interest holder of a vehicle with an electronic title if requested(Voluntary ELT).
- This 2023 Act becomes operative on January 1, 2027; however, the Department of Transportation may take any action before the operative date.

ELT State Updates

ELT Legislation – ELT legislation in 2023 Session

North Dakota:

ELT Legislation

- SB 2111 - Legislation passed in March 2023 allowing a certificate of title to be in paper or electronic form.
- Legislation effective August 1, 2023, however, does not mandate an implementation date.
- Pending more information from North Dakota on next steps.

ELT State Updates

ELT Legislation – ELT legislation in 2024 Session to date

Tennessee – HB 2075/SB 1837

Legislation

- Legislation introduced in the 2024 session, pending House and Senate passage
- Requires the department to, on or before December 31, 2025, procure and implement an electronic lien and title system to be used throughout the state.

Utah – SB 179

Legislation

- Enables electronic registration and titling(ERT) and electronic lien and title(ELT) system
- Effective January 1, 2025, and 2026

Maine – LD 2072

Legislation

- Enables the SOS to print a paper certificate of title or Salvage title and mail to an alternate address when lienholder is participating in the ELT Program.

Remarketing Subcommittee Update

Kevin Park,
Remarketing Subcommittee Chair
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NTSF Remarketing

Improving efficiency of obtaining titles for used vehicles

- **Since 2024 Targeted areas for focus:**
 - Cycle time reduction for vehicle sales:
 - End of Lease, Repossession, Total Loss, Auction, Fleet end of life, Trade-in, Other
- **Improving processes:**
 - Acquiring titles, regulations and legislation, odometer/title brands, loan payoff, taxes, reassignments (dealers, rebuilders), junk/salvage brands, variation among states

NTSF Remarketing

Improving efficiency of obtaining titles for used vehicles

2024 Areas of Focus

- DMV processing, turn times
- eSignature, eNotary, eTitling
- Power of Attorney
- Repossession process
- Branding, salvage, total loss, insurance
- Title maintenance
- Refinance
- Internet sales
- Fleet

NTSF Remarketing

Improving efficiency of obtaining titles for used vehicles



Current Items

- **eSignature** discussions between NHTSA, AAMVA, DMVs, industry concerning ODO Statements
- KY system upgrade.
- NJ and IL to modernize on-line systems

Fraud Information

**Amanda Van Haren,
NTSF Chair**

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NTSF Document Repository: New Location

Elora Rayhan,
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Plenary Meeting Details

October 21st-22nd, 2024
Phoenix, AZ



Open Discussion

- Ohio House Bill Updates – Bridgette Hill-Williams, GM Financial
- Alabama Changes – Lea Strickler, Harley Davidson
- Maryland: Clean Up & Best Practices – Lea Stricker, Harley Davidson
- Puerto Rico: Best Practices & Title Vendors – Bridgette Hill-Williams, GM Financial
- Maryland ELT Issue – Michelle Dyer, Secure Title
- Kentucky Title System Upgrade – Kevin Park, IAA

Thank you!

- Next Title Processing meeting: April 10th, 2024