

**HB 3080 A STAFF MEASURE SUMMARY****Carrier:** Rep. McLain**Joint Committee On Transportation****Action Date:** 05/11/23**Action:** Do pass with amendments. (Printed A-Eng.)**House Vote****Yeas:** 7 - Boshart Davis, Evans, Helfrich, Mannix, McLain, Nathanson, Pham K**Senate Vote****Yeas:** 3 - Frederick, President Wagner, Woods**Abs:** 2 - Boquist, Findley**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Patrick Brennan, LPRO Analyst**Meeting Dates:** 2/16, 5/11**WHAT THE MEASURE DOES:**

Requires the Department of Transportation to adopt rules to allow vehicle dealers and financial institutions to electronically transmit vehicle titles related to vehicle sales. Specifies that vehicle dealer records may be maintained electronically. Specifies circumstances and procedure through which Department may issue vehicle title to vehicle dealer acquiring the vehicle through paying the balance of an outstanding loan.

**ISSUES DISCUSSED:**

- Benefits of electronic titling
- Applicability to out-of-state titles
- Car titling process
- Security of electronic processes

**EFFECT OF AMENDMENT:**

Revises language in ORS 803.206 to specify that entities may submit documents to Department of Transportation necessary to issue or transfer a title in either paper or electronic form or apply for notation of the security interest on the title, and to specify that department is to adopt rules permitting vehicle dealers or financial institutions to electronically transmit documents as permitted by department by rule. Revises language in ORS 803.092 to specify that department is to provide primary security holder with an electronic title if requested on application for title, and that the primary security interest holder is to submit release of interest to department within 30 days in manner provided by department by rule. Adds requirement that department submit annual report to Joint Committee on Transportation on progress of rules adoption related to measure. Sunsets reporting requirement on January 2, 2027. Sets operative date of January 1, 2027 and authorizes department to take actions as needed prior to that date.

**BACKGROUND:**

The Driver and Motor Vehicle Services Division (DMV) of the Oregon Department of Transportation (ODOT) is the state agency charged with titling and registering motor vehicles. Many vehicle dealers in Oregon are authorized to act as agents of DMV, which allows them to work with customers to title and register a newly purchased motor vehicle. The dealer assists the customer in filling out DMV forms, collects the required fees, and files both with DMV following the transaction. DMV also maintains regulatory authority over vehicle dealers, and conducts the Oregon Dealer Advisory Committee (ODAC) to solicit input from dealers on the administration of laws regulating vehicle dealers.

## **HB 3080 A STAFF MEASURE SUMMARY**

House Bill 3080 A allows for documents to be submitted to issue and/or transfer vehicle titles in either paper or electronic format. The measure authorizes ODOT to adopt rules governing these electronic submissions. Electronic titles would be optional at the applicant's request. The measure also requires the department to report to the Joint Committee on Transportation regarding rules adoption related to electronic titling.