Electronic Title Working Group RECOMMENDATIONS JUNE 3, 2024 JT. TRANSPORTATION COMMITTEE

Working Group Members

Wyoming Department of Transportation, Wyoming County Treasurers, Wyoming County Clerks Association, GoWest Credit Union Association, Wyoming Bankers Association, Wyoming Automobile Dealers Association, Wyoming Trucking Association, American Property Casualty Insurance Association (APCIA), Insurance Auto Auctions, Wyoming Towing & Recovery Association, Association of Wyoming Insurance Agents, Independent Licensed Wyoming Dealers, Independent Salvage Auctions.

Background

The working group met September 18, October 18, November 30 and December 23, 2023. These meetings included discussions and concurrence that moving to an electronic/digital titling process would be beneficial to Wyoming citizens, businesses and government. The group had four different electronic/digital titling demonstrations from providers which provide an end-to-end solution. The group met again on January 24, 2024 and discussed the statutes that may need to be amended to facilitate moving to an electronic platform. Post-session three sub-groups met in May 2024 to review and discuss potential statutory changes below.



Figure 1 – An illustration of the Digital Titling Network participants and data flows

SOURCE: CARIO

The group agreed:

- Moving the complete process to electronic platform would achieve the greatest efficiencies.
- An electronic system would be mandatory, meaning all entities that are a party to the transaction (Dealers, lenders, insurance, county clerks & treasurers, insurance, etc.) would utilize the platform, however if a customer needed assistance or requested a paper copy of title they would continue to get this assistance from the county.
- Selected platform/system would interface with the county and include vehicle identification number (VIN) Decoding and link to National Motor Vehicle Title Information System (NMVTIS).
- The cost of the system should be covered in an increase in fees and/or transaction fees.
- Consumer payment of sales tax will be included in platform functionality.

POTENTIAL STATUTORY CHANGES

Title 31 – MOTOR VEHICLES

- 31-1-101. Possible definition of "electronic title" and "electronic titling system" from <u>AAMVA Whitepaper</u> if not already addressed by language in <u>Title 40</u>, <u>Chapter 21 Uniform Electronic Transactions Act</u>.
 - Electronic titling (e-titling) A secure solution made up of various elements to electronically transfer vehicle ownership issued and maintained by a jurisdiction.
 - Electronic title (e-title) The electronic record (digital data) of vehicle ownership created and maintained by a jurisdiction.
- 31-1-201 already includes WYDOT rulemaking authority.
- 31-1-202 (a) Records. Address county treasurers (registrations) and county clerks (titles) maintaining records paper copy vs. electronic, ensure consistency with public records archival requirements.
- 31-2-101(a) amend as follows:
 "...shall apply for a certificate of title electronically, or if a paper copy is requested FROM the office of county clerk, within the same time periods...

Amend language throughout to emphasize electronic and paper, if requested.

31-2-103 Contents of application; signature; vehicle identification number; issuance of certificate

(a) Applications for paper certificates of title or electronic certificates of title, if available

 (v) The current title containing and assignment of warranty of title, if applicable, and affidavit by the seller either on a separate form, in an electronic format that provides for remote authentication to validate identity, or contained on the current title, which shall contain a reference to the federal regulations... (Odometer Disclosure)

(vi) In the case of a vehicle registered or titled in a state other than Wyoming, or any homemade vehicle, rebuilt vehicle, reconstructed vehicle, any vehicle assembled from a kit or any vehicle for which a bond is required, a current statement submitted in a physical or electronic format, made by a Wyoming law enforcement officer, or licensed Wyoming dealer only for vehicles in his inventory or possession, that the vehicle identification number on the vehicle has been inspected...(VIN Inspection)

31-2-103(d) – Reference to 40-21-102(a)(xiv) for electronic signature in lieu of notarized signature.

31-2-104(a)Transfer of Ownership – Odometer requirements to meet federal requirements. Reference 40-21-102(a)(xiv) again for electronic signature procedures.

31-2-104. (i) – certificate of title held by a bank or other financial institution on date vehicle delivered. May need modified to recognize electronic transaction.

31-2-105. Duplicate titles; affidavit of vehicle ownership – Amend existing language to specify process for loss of a "paper" certificate of title. Insert new language to facilitate replacement of a digital title.

31-2-107 Title for damaged vehicles – Amend existing language to incorporate electronic : "shall forward the properly endorsed certificate of title to the office of the county clerk that issued the certificate of title together with an application for a certificate of title branded salvage.."

This section recognizes electronic signature as a properly endorsed certificate of title not requiring notarization.

(o) Amend language to facilitate electronic application/certificate of title for salvage vehicles.

Workgroup recommends not including mobile homes at this time. Once the system is in place may add it later.

Current Statutory established fees

31-3-102(a)(vi) Title Fee - \$15

18-3-402(a)(xvi)(T) Lien filing fee \$20

The workgroup discussed an increase in fees with portion to cover cost of vendor or establishment of transaction fee established by rule.

Comparison estimates E-temps system:

In WYDOT E-Temp system, there were 64,415 temps issued in 2023 @ \$5 each (\$322,075 to the vendor). During FY 2023; 248,258 titles were issued in Wyoming (@ \$5 transaction fee would be \$1,241,290). If 40% of titles issued had liens, that would be 99,303 liens (@ \$5 transaction fee would be \$496,515).

Title 34.1 – UNIFORM COMMERCIAL CODE

Current language includes electronic medium. Did not identify any necessary changes.

Title 40, Chapter 21 – UNIFORM ELECTRONIC TRANSACTION ACT

No changes recommended. This Act will help facilitate the electronic transactions of e-titling.