



DATE: February 27, 2020

TO: House Environment and Transportation Committee

FROM: Dawn Auffarth, MVTA Board Chair
Travis Martz, MVTA Lobbyist

RE: HB 1033 (Delegate Stein)

POSITION: SUPPORT WITH AMENDMENT

The Maryland Vehicle Titling Association (MVTA) represents over 100 private title service agent licensees of the MVA. MVTA's mission is to advocate for and educate our member title service agents.

Fraudulent paper lien releases are a major problem in the title service agent industry. Bad actors can easily manipulate the security of a paper lien release to steal vehicles subject to liens using a title service agent. Currently, the MVA administers a voluntary electronic lien release system for lenders. HB 1033 will make the process mandatory. Pennsylvania and Virginia are already mandatory electronic lien release states. New Jersey is adopting similar legislation this year.

The title service agent is a licensee of the MVA that handles private party vehicle sales transactions. MVTA members provide more locations and longer hours than MVA branch locations so it's easier for a private citizen to handle title registration needs at one of our locations. Electronic lien release is a valuable tool just like electronic vehicle inspection so that information is transferred more efficiently and securely. While dealers have 30 days to submit title work following the sale of a vehicle, title service agents are not afforded the same window of time to collect all proper documentation. Mandating electronic lien release will provide title agents with peace of mind that title is being transferred free and clear of all liens.

The title service agent industry has many allies in support of HB 1033. Maryland lenders, dealers and insurance companies will all benefit from an electronic lien release and a compromise amendment has been crafted. **We are asking the House Environment & Transportation Committee to give HB 1033 a favorable report as amended by the Sponsor.**

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