



DATE: February 19, 2020

TO: Senate Judicial Proceedings Committee

FROM: Peter Kitzmiller (President)
Travis Martz (General Counsel)

RE: SB 778 (Senator Ready)

POSITION: SUPPORT

The Maryland Automobile Dealers Association (MADA) represents over 300 franchised new car and truck dealers, and their 24,000 employees. We strongly support SB 778.

A used vehicle trade-in is an important part of the new vehicle selling process. The intake of a used vehicle involves lots of administrative pieces. Once such key piece is verifying existing liens and paying them in full on behalf of new vehicle customers. Maryland is the only state where after the vehicle's lien is satisfied, a new title can only be issued once the MVA merges the lender's lien filing with the customer's title. This causes unnecessary delays in the titling process, as dealers must wait for the lender to send a paper lien release.

MADA is supportive of the MVA's ongoing software modernization program which will make many essential elements of vehicle ownership electronic. We believe mandating electronic lien release is next step. Pennsylvania and Virginia are mandatory electronic states and New Jersey is pushing legislation through their state house now.

SB 778 will make the lien release process more efficient which will result in faster processing of new vehicle titles for Maryland residents. **MADA respectfully asks the Senate Judicial Proceedings Committee to give SB 778 a favorable report.**