



Larry Hogan
Governor
Boyd K. Rutherford
Lt. Governor
Gregory Slater
Acting Secretary

February 19, 2020

The Honorable Delores Kelley
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis MD 21401

Re: Letter of Information– Senate Bill 778 – Vehicle Laws – Liens – Electronic Recording

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on Senate Bill 778 but offers the following information for the Committee’s consideration.

Senate Bill 778 requires that certain lienholders electronically file any release related to motor vehicle liens with the MDOT MVA (Motor Vehicle Administration), and further requires that the MDOT MVA develop and implement an electronic system for recording and releasing security interests. The bill requires that the electronic system provide for the recording and releasing of liens without security interest filing and authorizes several other system capabilities.

MDOT MVA is currently engaged in its five-year comprehensive systems modernization project to overhaul all systems used to deliver service to our customers. A top objective of Customer Connect is to improve customer experience by enhancing and improving data exchanges to create efficiencies; once complete, Customer Connect will dramatically enhance delivery of driver licensing, business licensing, and title and registration services.

The electronic lien system (ELS) mandated by Senate Bill 778 is currently available for lienholders and functionality will be even more robust in the upgraded system. MDOT MVA looks forward to implementing an expanded ELS system in order to enhance information security, reduce manual typographical errors, shorten wait times by reducing reliance on postal mail, and add ease to processing for car dealers. In addition to providing for the recording and release of liens, the ELS feature of the new system will allow for a variety of notices to be exchanged between the lienholder and MDOT MVA, such as confirmation that a lien was printed, or that a title number was updated. Enhanced ELS is a feature of Phase I of Customer Connect implementation, which will deploy to the public May 26, 2020; the second and final phase will be implemented October 2021.

The Maryland Department of Transportation respectfully requests that the Committee consider this information while deliberating Senate Bill 778.

Respectfully submitted,

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