

LC004649

IN GENERAL ASSEMBLY

RELATING TO MOTOR AND OTHER VEHICLES -- ELECTRONIC REGISTRATION AND
TITLING

Referred To: House State Government & Elections

1 SECTION 1. Title 31 of the General Laws entitled "MOTOR AND OTHER VEHICLES"

2 is hereby amended by adding thereto the following chapter:

ELECTRONIC REGISTRATION AND TITLING

This chapter shall be known and may be cited as "Electronic Registration and Titling".

8 (a) The division of motor vehicles ("division") may implement electronic lien, electronic
9 titling and electronic registration systems that would enable it to handle the transactions through a
10 completely electronic process for:

11 (1) All business entities and their service providers applying for automotive titles and
12 registrations, for themselves or their customers; and

13 (2) Electronic submission of liens and lien satisfactions by financial institutions and their
14 service providers.

15 (b) Once implemented, the electronic lien, electronic titling and electronic registration
16 system shall provide that:

17 (1) Any application for registration certificate or certificate of title, as described in § 31-
18 3.1-1, may be electronically transmitted to the division. All registration certificates or certificates

1 of title, as described in § 31-3.1-1, shall be applied for electronically, unless the applications are
2 submitted by a business entity who submits fewer than twenty-five (25) transactions annually; and

3 (2) Any lien or security interest as described in § 31-3.1-16.1 may be electronically
4 transmitted to the division:

5 (i) Notwithstanding any other requirements in this title that a lien on a motor vehicle shall
6 be noted on the face of the certificate of the title, if there are one or more liens or encumbrances on
7 the motor vehicle, the division shall electronically transmit the lien to the first lienholder and notify
8 the first lienholder of any additional liens.

9 (ii) Subsequent lien satisfactions shall be electronically transmitted to the division and shall
10 include the name and address of the person satisfying the lien.

11 (iii) When electronic transmission of liens and lien satisfactions are used, a certificate of
12 title need not be issued, until the last lien is satisfied and a clear certificate of title is issued to the
13 owner of the vehicle. The division shall not be obligated to print a paper title until after the final
14 lien has been satisfied.

15 (iv) When a vehicle is subject to an electronic lien, the certificate of title for the vehicle
16 shall be considered to be physically held by the lienholder, for purposes of compliance with state
17 or federal odometer disclosure requirements.

18 (v) A duly certified copy of the division's electronic record of the lien shall be admissible
19 in any civil, criminal or administrative proceeding in this state, as evidence of the existence of the
20 lien.

21 (c) Within one year of implementation, all business entities shall participate pursuant to the
22 provisions of subsection (b) of this section unless otherwise exempt pursuant to the provisions of
23 this chapter or the rules and regulations promulgated by the division.

24 **31-3.4-3. Secure digital vehicle titles.**

25 (a) The division may implement a system that offers vehicle title holders a fully paperless,
26 secure digital vehicle title, as opposed to a secure paper vehicle title.

27 (b) Once implemented, the secure digital title and the secure digital title system shall:

28 (1) Include all functions related to title re-assignments.

29 (2) Meet or exceed applicable security requirements as set forth in rules and regulations
30 promulgated by the division.

31 (3) Provide title holders with online, real-time access to motor vehicle titles and status of
32 titles in process.

33 (c) A secure digital vehicle title produced under this chapter, shall be regarded as an official
34 vehicle title from the State of Rhode Island and be fully transactable within the State of Rhode

Island and all other U.S. jurisdictions.

(d) A duly certified copy of the division's secure digital vehicle title shall be admissible in any civil, criminal, or administrative proceeding in this state, as evidence of the existence of the title.

31-3.4-4. Fees.

(a) Notwithstanding any general law to the contrary, the division may authorize a per-transaction fee to be assessed for the use of electronic lien, electronic titling, electronic registration and secure digital vehicle titling systems as described in this chapter.

(b) The per-transaction fee:

(1) Shall be consistent with market pricing for costs associated with the development and ongoing management, maintenance and enhancement of the systems outlined in this chapter.

(2) Shall integrate with current division payment service provider(s)

31-3.4-5. Rules and regulations.

The administrator of the division of motor vehicles shall promulgate rules and regulations to implement the provisions of this chapter.

SECTION 2. Section 31-23.2-6 of the General Laws in Chapter 31-23.2 entitled "Tampering with Odometers" is hereby amended to read as follows:

31-23.2-6. Transfer of vehicle.

(a) Any sales agreement for the transfer of a motor vehicle between persons as defined in this chapter shall contain the words "both buyer and seller have examined the title certificate of this motor vehicle and it correctly reflects the mileage as it appears on the odometer" which shall be placed conspicuously and prominently on the agreement.

(b) It shall be unlawful for any person to transfer ownership of a motor vehicle previously registered in this state or a motor vehicle used by a dealer as a demonstrator unless the person:

(1) Enters on a written or electronic form prescribed by the department of revenue, as prescribed by state law, the mileage the motor vehicle has been operated. The form shall be signed by both the seller and buyer and contain a statement that both parties have viewed the odometer of the motor vehicle. The form as completed shall then be attached to the instrument evidencing transfer of ownership; or

(2) Enters upon the form "not actual mileage" in the event that the odometer mileage is known to the person to be less than the motor vehicle has actually traveled; or

(3) Enters the total cumulative mileage on the form in the event that it is known that the mileage indicated on the odometer is beyond its designated mechanical limits;

(4) Enters the same information as set forth in ~~subdivisions~~ subsections (1) through (3) of

1 this ~~subsection~~ [subsection](#) on the owner's title certificate; and

2 (5) The owner of a motor vehicle shall supply its mileage upon the annual renewal

3 registration form supplied by the division of motor vehicles.

4 (c) It shall be a violation of this chapter for any person to give a false statement to a

5 transferee under the provisions of this section; provided, however, that no person shall be in

6 violation of this chapter where a vehicle has been resold in reliance on the required statement of

7 the prior owner made pursuant to this section.

8 (d) No motor vehicle, previously registered in another state, shall be registered for use in

9 this state unless the application for a certificate of title in Rhode Island is accompanied by the prior

10 owner's certificate of title and a form as set forth in ~~subdivision~~ [subsection](#) (b)(1) of this section.

11 (e) The certificate of title of the motor vehicle issued to the new owner by the state of

12 Rhode Island shall:

13 (1) Be [provided electronically, or](#) printed using a process determined by the director to be

14 the most efficient and effective means of avoiding unauthorized duplication;

15 (2) Indicate on its face the mileage required to be disclosed by the transferor under

16 subsections (b)(1) and (d) of this section; and

17 (3) Contains a space for the transferee to disclose the mileage at the time of any future

18 transfer and to sign and date the disclosure.

19 (f) No registration card may be issued in this state for any motor vehicle unless:

20 (1) The application for the registration card contains the prior owner's most recent

21 registration card and the prior owner's title; and

22 (2) The new registration card contains such information as provided on the application.

23 [\(g\) Pursuant to the provisions of § 42-127.1-7, any form required by the provisions of this](#)

24 [section may be signed electronically and shall not require notarization.](#)

25 SECTION 3. Section 1 of this act shall take effect on July 1, 2027. Section 2 of this act

26 shall take effect upon the implementation of chapter 3.4 of title 31 by the division of motor vehicles.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO MOTOR AND OTHER VEHICLES -- ELECTRONIC REGISTRATION AND
TITLING

1 This act would permit the implementation of a system of electronic registration and titling
2 of motor vehicles, by the DMV and would require that rules and regulations to implement the
3 provisions of this chapter, would be promulgated by the administrator of the division of motor
4 vehicles.

5 Section 1 of this act would take effect on July 1, 2027. Section 2 of this act would take
6 effect upon the implementation of chapter 3.4 of title 31 by the division of motor vehicles.

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