



1 the laws of this state that has the statutory authority to accept money on deposit pursuant to title  
2 19, including an entity that is prohibited from accepting deposits by its own bylaws or agreement  
3 to form; the term includes, but is not limited to, banks, trust companies, savings banks, loan and  
4 investment banks, and savings and loan associations.

5 (7) "Licensed motor vehicle dealer" means a motor vehicle dealer licensed under chapter  
6 5 of this title.

7 (8) "Service provider" means a person or entity that provides credit unions, financial  
8 institutions, or licensed motor vehicle dealers with software or services to interact with the  
9 division's electronic lien and title system or electronic registration and title system.

10 **31-3.4-3. Implementation.**

11 (a) The division may implement an electronic lien and title ("ELT") system, as authorized  
12 in § 31-3.1-16.1, and an electronic registration and title ("ERT") system that enable the ability to  
13 transact through a completely electronic process for:

14 (1) All business entities, including licensed motor vehicle dealers, and their service  
15 providers applying for automotive titles and registrations, for themselves or their customers; and

16 (2) All credit unions or financial institutions and their service providers recording and  
17 releasing security interests.

18 (b) With respect to transactions processed through the ELT system or the ERT system:

19 (1) Notwithstanding any other requirements in this title that a security interest on a motor  
20 vehicle shall be noted on the face of the certificate of title, if there are one or more security interests  
21 on the motor vehicle, the division shall electronically transmit the lien to the first lienholder and  
22 notify the first lienholder of any additional liens;

23 (2) Subsequent releases of security interests shall be electronically transmitted to the  
24 division and shall include the name and address of the person releasing the security interest;

25 (3) A certificate of title need not be issued to the owner of the motor vehicle until the last  
26 security interest is released. The division is not obligated to print a paper certificate of title until  
27 after the last security interest has been released;

28 (4) When a motor vehicle is subject to an electronic lien, the certificate of title for the motor  
29 vehicle shall be considered to be physically held by the lienholder for purposes of compliance with  
30 state or federal odometer disclosure requirements;

31 (5) A duly certified copy of the division's electronic record of a security interest shall be  
32 admissible in any civil, criminal, or administrative proceeding in this state as evidence of the  
33 existence of the security interest.

34 (c) Beginning on October 1, 2026, all credit unions and financial institutions that record

1 five (5) or more security interests in a calendar year shall use the division's ELT system to record  
2 and release all security interests. Provided, however, nothing shall prohibit any credit union or  
3 financial institution that records four (4) or less security interests in a calendar year from using the  
4 division's ELT system to record and release security interests.

5 (d) Beginning twelve (12) months after the administrator of the division certifies that the  
6 division's ERT system is available for use by all licensed motor vehicle dealers, any licensed motor  
7 vehicle dealer who sells more than one hundred fifty (150) motor vehicles in a calendar year shall  
8 use the division's ERT system to submit title and registration applications. Provided, however,  
9 nothing shall prohibit any licensed motor vehicle dealer who sells one hundred fifty (150) or less  
10 motor vehicles in a calendar year from using the division's ERT system to submit title and  
11 registration applications.

12 **31-3.4-4. Secure digital vehicle titles.**

13 (a) The division may implement a system that offers vehicle title holders a fully paperless,  
14 secure digital vehicle certificate of title in lieu of a secure paper vehicle certificate of title.

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

16 (1) Include all functions related to title re-assignments;

17 (2) Meet or exceed applicable security requirements as set forth in regulations promulgated  
18 by the division; and

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

21 (c) A secure digital vehicle title produced under this section shall be regarded as an official  
22 vehicle title from the State of Rhode Island and be fully transactable within the State of Rhode  
23 Island and all other U.S. jurisdictions.

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

27 **31-3.4-5. Fees.**

28 (a) Notwithstanding any general law to the contrary, the division may authorize a per-  
29 transaction fee to be assessed for the use of the ELT system and the ERT system.

30 (b) The per-transaction fee:

31 (1) Shall be consistent with market pricing for costs associated with the development and  
32 ongoing management, maintenance and enhancement of the ELT system and the ERT system; and

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

34 **31-3.4-6. Rules and regulations.**

1           The administrator of the division may promulgate rules and regulations to implement the  
2 provisions of this chapter.

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

5           **31-23.2-6. Transfer of vehicle.**

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

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

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

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

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

21           (4) Enters the same information as set forth in ~~subdivisions~~ subsections (b)(1) through  
22 (b)(3) of this ~~subsection~~ section on the owner's title certificate; and

23           (5) The owner of a motor vehicle shall supply its mileage upon the annual renewal  
24 registration form supplied by the division of motor vehicles.

25           (c) It shall be a violation of this chapter for any person to give a false statement to a  
26 transferee under the provisions of this section; provided, however, that no person shall be in  
27 violation of this chapter where a vehicle has been resold in reliance on the required statement of  
28 the prior owner made pursuant to this section.

29           (d) No motor vehicle, previously registered in another state, shall be registered for use in  
30 this state unless the application for a certificate of title in Rhode Island is accompanied by the prior  
31 owner's certificate of title and a form as set forth in ~~subdivision~~ subsection (b)(1) of this section.

32           (e) The certificate of title of the motor vehicle issued to the new owner by the state of  
33 Rhode Island shall:

34           (1) Be provided electronically, or printed using a process determined by the director to be

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

2 (2) Indicate on its face the mileage required to be disclosed by the transferor under  
3 subsections (b)(1) and (d) of this section; and

4 (3) Contains a space for the transferee to disclose the mileage at the time of any future  
5 transfer and to sign and date the disclosure.

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

7 (1) The application for the registration card contains the prior owner's most recent  
8 registration card and the prior owner's title; and

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

10 [\(g\) Pursuant to the provisions of § 42-127.1-7, any form required pursuant to the provisions](#)  
11 [of this section may be signed electronically and shall not require notarization.](#)

12 SECTION 3. This act shall take effect on July 1, 2026.

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LC004346/SUB A  
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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

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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           This act would take effect on July 1, 2026.

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