

HB 3080 (2023)

Progress Report on eLiens and eTitles

Introduction / Background

HB 3080, passed in the 2023 legislative session, requires ODOT's Driver and Motor Vehicle Division to adopt rules to allow vehicle dealers meeting certain criteria to electronically transmit certain documents related to vehicle sales, and to report by September 15, 2024 on its progress of implementing that law, which becomes operative on January 1, 2027.

While the bill specifies adopting administrative rules, the fundamental purpose of the bill is for DMV to implement electronic vehicle title and registration applications, for use by vehicle dealers and financial institutions, and to provide the option of electronic titles for security interest holders. The law does not mandate that these business partners use the electronic system. Therefore, this will be permissive for security interest holders, financial institutions and vehicle dealers, and will supplement – not replace - the current paper-intensive process.

Status of Progress toward implementation of specific provisions

Section 1: ORS 803.206 (2) and (5)

DMV has initiated projects to procure services to enable electronic vehicle title and registration applications (EVR Program Expansion) and implement a new Electronic Lien and Title program. These projects will include associated rule changes and enable the requirements identified in the law. The EVR Program Expansion will include electronic application services for vehicle dealers and financial institutions, per new requirement outlined in the law. DMV is seeking multiple vendors to support these programs. Contracts for the EVR Program Expansion are expected to be awarded in 2025, with implementation of expanded electronic services in 2026. DMV is pursuing a Special Procurement process to allow for multiple vendors offering from a menu of potential services. This procurement process is lengthy in development including coordination with and permissions from Department of Administrative Services (DAS) and Department of Justice (DOJ).

Section 3: ORS 803.092 (4)

This will be enabled by the procurement of third-party services to support Electronic Lien and Titling, referenced above. Multiple vendors will interface with DMV's system and DMV will develop new rules to support the new program. The Electronic-Lien and Title Program procurement is still in the early development stages. Contract awards are projected for 2026.

Overall Status

It is still unclear whether ODOT-DMV will be able to achieve the January 1, 2027, operative date for this portion of the bill. These projects require lengthy procurements, information system programming, system interfaces with third-party service providers, and changes to administrative rules, policies, and processes. Our current understanding is that the cost of the third-party services will be borne by the businesses that use these services, which are vehicle dealers and financial institutions. However, available ODOT-DMV resources, procurement and implementation processes and timelines will be principal factors, over the financial cost to the agency. DMV has a significant number of IT projects in process, or not yet begun, that are federally required, are fundamental to the operation of our core IT systems or are a customer service benefit to large swaths of our customer base.