

**TESTIMONY**  
**OF**  
**JOSEPH GRASSO**  
**BOARD MEMBER**  
**PENNSYLVANIA ON-LINE MESSENGERS**  
**ASSOCIATION**  
**PRESENTED TO THE**  
**PENNSYLVANIA HOUSE TRANSPORTATION COMMITTEE**  
**MARCH 5, 2024**

Chairman Neilson, Chairman Benninghoff and Members of the Committee, my name is Joseph Grasso and I volunteer as a Board Member of the Pennsylvania On-Line Messengers Association (PAOLMA). Thank you for inviting me to present this testimony today regarding House Bill 1247.

In addition to serving the Association, I am the President and Co-Owner of Northeast Title and Tag, Inc., a family-owned notary, title, and tag retail company with 15 locations across counties throughout Northeast Pennsylvania—where we have been dedicated to serving the public for over 50 years. As the largest privately owned title and tag agency in the Commonwealth, I am honored to uphold the legacy of our family business, now as its third-generation owner.

My journey in the industry began years ago, as I worked summers and during high school at our business. Even while attending college, I would return home to assist wherever needed. In 2013, I officially joined the business full time. As you can see, I have worked in the industry for many years and am passionate about supporting the efforts of PennDOT while ensuring that the messenger industry in Pennsylvania continues to provide Pennsylvania consumers with accessible, prompt, courteous, enthusiastic, and comprehensive driver and motor vehicle services.

Pennsylvania's On-Line Messengers are private retail small businesses such as mine operating in every corner of the Commonwealth which contract with PennDOT to provide driver licensing and vehicle registration services for customers via an online connection with the Department. The On-Line Messenger collects and remits the normal state fee and will charge a nominal service fee for, in many cases, providing the PennDOT product immediately across the counter to the consumer. Our stores provide a wide variety of services and products including notary

services, driver record requests, driver license renewals, duplicates, photo ID cards, vehicle title transfers, vehicle registration renewals, license plate issuance and much more. Because we survive in our businesses, there is no question that the Pennsylvania consumer finds the local title and tag store in your neighborhoods to be a very viable option for their needs. Because we are heavily patronized, we know the model is a success.

I will say that the industry's professional partnership with PennDOT has been a long, productive, and rewarding one as on-line messengers have been able to add efficiencies to the Department in issuing important consumer products, provide consumer convenience and accessibility, reduce costs to the consumer and taxpayer, and contribute to promoting public and roadway safety. Please allow the record to reflect the pivotal role PennDOT Secretary Mike Carroll, Deputy Secretary Kara Templeton, and their entire team have played in revitalizing the relations between the Pennsylvania On-Line Messengers Association and the Department. Their dedication and collaborative efforts have been instrumental in fostering a productive partnership that benefits Pennsylvania drivers, vehicle owners, consumers and taxpayers.

Pennsylvania's On-Line Messengers commend State Representative Dan Miller for his introduction of HB 1247 related to the issuance of electronic driver's licenses as we view the bill as potentially enhancing consumer convenience. We recognize that the digital age is clearly upon us here in Pennsylvania and that, if policy and law are thoughtfully and comprehensively developed, the Pennsylvania driving public will benefit substantially.

Clearly Pennsylvania's On-Line Messengers can support technological advances that make products and services we provide convenient to the consumer. Our industry has proven that we are an important component of the overall delivery model in Pennsylvania that assures the consumer receives affordable, quick, and satisfactory service when seeking PennDOT products. Any move to a technological platform for any PennDOT services or products should account for the role of the On-Line Messengers as a partner and operator in it, not just because our retail model has proven effective and efficient, but also because the consumer continues to come to our businesses for the service they demand and require.

Additionally, as each member of this committee is aware, Pennsylvania citizens confront a true challenge with access and connectivity to broadband coverage that allows entry into the digital world. Representative Miller and many members of the General Assembly are fortunate to live in communities where access to the internet and the incredible resources provided through it are readily available. But a huge number of communities across Pennsylvania do not have such access. Places such as western Chester County, large parts of nearby Perry and Cumberland counties, Butler and Greene counties, and many more do not have the infrastructure to access the digital age. As a result, we encourage the Committee to be thoughtful about any transportation technology implementation that may not be available to all Pennsylvanians. We promise each of you that the PA On-Line Messengers Association is willing to work with you, PennDOT, and our customers to be a part of the provision of electronic driver's licenses for every driver in the Commonwealth. We are curious to know the role we can play inside the structure of a system such as that outlined in HB 1247. What we do know is that many

Pennsylvanians still voluntarily avoid a technology option for many services, not just transportation related services, in their lives. We believe the messenger process needs to integrate into the move forward into the digital economy so that no Pennsylvanian is left behind.

HB 1247 is clear in requiring that, along with the creation of an electronic driver's license, there will still be a legal requirement to carry a physical driver's license. Again, we commend Representative Miller for asserting the need for a physical driver's license in his legislation. That requirement is critical to moving forward with this digital concept. Requiring a physical license probably presents advantages for law enforcement, inspection and service stations, and general security operations (TSA, event security, venue access, etc.). While they are better equipped to explain their position, we see areas of our own operations that absolutely will warrant a physical driver's license over any digital substitute.

One example of maintaining the physical driver's license in services and products offered by PennDOT is in the transfer of vehicle ownership—title transfers. As we conduct thousands of title transfers a year, we understand the challenges faced in this area of PennDOT oversight/regulation that might be less reliable with the digital option. We would have serious concerns about identity verification, address verification, fraud, documentary evidence for investigations, and the vulnerability of the electronic program.

In transferring the property (including mobile homes which are titled by PennDOT and not normally a traditional real estate transaction) the physical driver's license will allow for immediate verification of the owner's identity thus avoiding identity theft or fraud. Again, address verification is an important documentation during vehicle owner transfers. While electronic updates may take up to 30 days to reflect address changes, the physical license serves as an immediate and verifiable source of address information, enhancing the accuracy of records maintained by PennDOT.

During quality control reviews and verification processes, the signature on the physical driver's license can be compared to signatures on forms to detect any discrepancies and prevent fraud. This is an additional layer of security PennDOT uses that may not be replicated even with the most sophisticated technology.

Having a physical driver's license allows agents and authorities to create photocopies of the license which then is securely attached to all vehicle transfer paperwork. These photocopies contain the individual's photo, full name, address, date of birth, and other verifying information. In the event of a fraudulent vehicle sale or transfer, these copies serve as the documentary evidence which aids enforcement investigations. These simple copies are a comprehensive record of the transaction and confirm the true identity of the parties involved. In contrast, electronic driver's licenses offer limited accessibility for creating these important supporting documents. The electronic license may only allow the individual processing the transaction to verify a purchaser's identity without providing the important detailed photographic or documentary evidence that is regularly utilized in investigative proceedings. Relying solely on

electronic driver's licenses may result in fewer supporting documents available for investigation purposes, potentially hindering efforts to uncover or prove fraud related to title transfers.

Finally, consideration should be given to the vulnerability of electronic licenses to internet outages and technology failures. Beyond the general broadband access issues I have previously mentioned, outages and technology problems will force PennDOT and the involved parties in the transfer to resort to the proven use of the physical license which has been the standard for verification for decades. The introduction of electronic identification creates a potential scenario where PennDOT receives some transfer documentation with proof of identity in electronic format and others with hard copies in physical format. Maintaining uniformity in acceptable proofs of identity with mandate on the use of physical identification will create uniformity and standardization across the PennDOT enterprise to assure we all avoid confusion and maintain that seamless, convenient, and efficient title transfer process PennDOT and our customers have come to recognize and enjoy! Every driver having a physical driver's license on person is critical to a smooth process in the transfer of vehicle ownership.

Mr. Chairman, thank you again for allowing the Pennsylvania On-Line Messengers Association to present our thoughts on HB 1247 to you and the Committee. We look forward to working in collaboration with Representative Miller, other bill co-sponsors, you and the Committee on this and other similar legislation in the days and months ahead. The digital age has arrived, and we simply ask that in the provision of transportation services, the General Assembly and PennDOT continue to integrate and utilize our small local retail on-line messenger businesses as providers and purveyors of as many PennDOT services and products as possible, particularly as you contemplate the increasing use of technology in driver and vehicle services. Pennsylvania drivers, vehicle owners, consumers and taxpayers will all be better served as we work together here in Harrisburg to move forward in this complex digital age.

Thank you!