
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1014 Session of
2005

INTRODUCED BY GEIST, McCALL, ARMSTRONG, BALDWIN, CALTAGIRONE, CAPPELLI, CRAHALLA, CREIGHTON, DALLY, J. EVANS, FAIRCHILD, GERBER, GILLESPIE, GOOD, HARRIS, M. KELLER, W. KELLER, KILLION, MARSICO, McGILL, McILHINNEY, R. MILLER, NAILOR, PHILLIPS, PICKETT, PRESTON, REICHLEY, ROBERTS, SCAVELLO, SCHRODER, SHANER, B. SMITH, SOLOBAY, STAIRS, STERN, STURLA, SURRA, E. Z. TAYLOR, THOMAS, WALKO, WANSACZ, WOJNAROSKI AND YOUNGBLOOD, MARCH 16, 2005

REFERRED TO COMMITTEE ON TRANSPORTATION, MARCH 16, 2005

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, further providing for an electronic titling
3 program.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Sections 1151 and 1152 of Title 75 of the
7 Pennsylvania Consolidated Statutes are amended to read:

8 § 1151. Electronic media system for vehicle titles.

9 (a) Initial responsibilities of department.--The department
10 is authorized to form a task force for the purpose of developing
11 a system which will permit the voluntary recording of vehicle
12 title information for new, transferred and corrected
13 certificates of title, including the perfection and release of
14 security interests, through electronic media in a cost-effective
15 manner in lieu of the submission and maintenance of paper

1 documents otherwise required by this chapter. The members of the
2 task force shall be appointed by the secretary and shall include
3 representatives from the department, the commercial banking
4 industry, sales finance companies, credit unions, savings
5 institutions and the vehicle dealership industry.

6 (b) Task force responsibilities.--The task force shall
7 research methods whereby the department, lending institutions
8 and sales finance companies may exchange and maintain
9 information concerning the perfection and release of vehicle
10 security interests without submitting or receiving the paper
11 title document. Further, the task force shall develop methods
12 whereby lending institutions and sales finance companies may
13 submit, through a variety of electronic media, updated
14 information pertaining to the title record, including the
15 addition, assignment or release of vehicle security interests.

16 (c) Expiration.--This section expires January 1, 2007.

17 § 1152. Development of pilot program.

18 (a) Pilot program development.--The task force appointed
19 under section 1151 (relating to electronic media system for
20 vehicle titles) shall develop a pilot program to implement
21 voluntary electronic transactions in lieu of the paper documents
22 required by this chapter. The department may limit the number of
23 counties in which the pilot program will be in effect and may
24 also limit the number of lending institutions and sales finance
25 companies participating in the program, but shall encourage
26 lending institutions and sales finance companies of various
27 sizes to participate.

28 (b) Expiration.--This section expires January 1, 2007.

29 Section 2. Title 75 is amended by adding a section to read:

30 § 1151.1. Program.

1 (a) General rule.--The department shall administer an
2 electronic titling program that permits the recording of vehicle
3 title information for new, transferred and corrected
4 certificates of title through electronic media in a cost-
5 effective manner in lieu of the submission and maintenance of
6 paper documents otherwise required by this chapter.

7 (b) Description.--The electronic titling program shall
8 include, but not be limited to, methods by which vehicle title
9 information, including the perfection, release and assignment of
10 vehicle security interests may be submitted by lienholders
11 through electronic media.

12 (c) Deadline and transition.--

13 (1) Except as set forth in paragraph (2), on and after
14 January 1, 2007, a lienholder that has a valid lien recorded
15 in the department against a vehicle during any month within
16 the immediately preceding calendar year must participate in
17 the electronic titling program.

18 (2) The department shall provide for and has the
19 authority to require lienholders to participate in a phased
20 implementation of the electronic titling program in
21 accordance with the following schedule:

22 (i) As of January 1, 2006, a minimum of 33% of total
23 vehicle title information received by the department for
24 new, transferred and corrected certificates of title and
25 the perfection, lienholder notification, release and
26 assignment of vehicle security interests must be
27 submitted through electronic media.

28 (ii) As of July 1, 2006, a minimum of 66% of total
29 vehicle title information for new, transferred and
30 corrected certificates of title and the perfection,

1 lienholder notification, release and assignment of
2 vehicle security interests must be submitted through
3 electronic media.

4 Section 3. Section 1154 of Title 75 is amended to read:

5 § 1154. Expansion of pilot program.

6 (a) Pilot program expansion.--If, after 12 months of
7 operation, the secretary certifies in the Pennsylvania Bulletin
8 that the pilot program created under section 1152 (relating to
9 development of pilot program) has been successful, the
10 department shall promulgate regulations governing voluntary
11 electronic media transactions in lieu of submission and
12 maintenance of paper documents otherwise required by this
13 chapter. Until the regulations are adopted, the department may
14 maintain and expand the pilot program provided for in section
15 1152.

16 (b) Expiration.--This section expires January 1, 2007.

17 Section 4. This act shall take effect in 60 days.