

Date of Hearing:

**ASSEMBLY COMMITTEE ON TRANSPORTATION**

Jim Frazier, Chair

AB 3163 (Frazier) – As Introduced February 16, 2018

**SUBJECT:** Department of Motor Vehicles: electronic submission of documents

**SUMMARY:** Eliminates the requirement that the Department of Motor Vehicles (DMV) retain information verifying the identity of the person submitting an electronic signature.

**EXISTING LAW:**

- 1) Establishes standards for conducting electronic transactions in California, permitting but not requiring a record or signature to be created, generated, sent, communicated, received, stored, or otherwise processed or used by electronic means or in electronic form.
- 2) Defines an "electronic signature" as an electronic sound, symbol, or process attached to, or logically associated with, an electronic record and executed or adopted by a person with the intent to sign the electronic record.
- 3) Authorizes DMV to allow a person to submit a document by using electronic media deemed feasible by DMV instead of requiring the actual submittal of the original document.
- 4) Authorizes DMV to accept an electronic signature on a document required by law in order to complete a transaction as long as DMV retains information verifying the identity of the person submitting the electronic signature.
- 5) Deems any electronic document accepted by DMV to be the same as an original document and is admissible in all administrative, quasi-judicial, and judicial proceedings.

**FISCAL EFFECT:** Unknown

**COMMENTS:** In 1999, the Legislature passed and Governor Davis signed SB 820 (Sher), Chapter 428, Statutes of 1999, creating the comprehensive Uniform Electronic Transactions Act (UETA), which established uniform standards for conducting electronic transactions in California. UETA set out a voluntary system of rules and procedures for the sending and receiving of electronic records and signatures, the formation of contracts using electronic records, the making and retention of electronic records and signatures, and the procedures governing changes and errors in electronically transmitted records. It also established the validity of transactions formed, transmitted and recorded electronically, and it established the admissibility of electronic records in a legal proceeding.

DMV started the voluntary Business Partner Automation (BPA) Program in 2003 in order to accelerate the development of electronic DMV services, increasing efficiency in transaction processing, improving customer service and, ultimately, reducing DMV costs. Since that time, the BPA Program has proven highly successful. The DMV currently utilizes BPA partners to offer a variety of DMV digital and online services to the public and vehicle dealers, including processing and issuing validated registration cards, full year registration stickers, and vehicle license plates.

Although electronic signatures are currently permitted for electronically submitted documents, existing law requires DMV to retain information verifying the identity of the person submitting the electronic signature. This cumbersome administrative requirement is inconsistent with the manner in which electronic signatures are utilized by other agencies and with current industry standards.

According to the author, this bill updates existing law to allow DMV the flexibility to use its existing partnerships to deploy the best electronic signature technology available. This bill allows DMV to proceed with digital signature pilot projects in order to improve efficiency and customer experience, while helping to bring more DMV services into the digital age. Further, this bill is consistent with other recent efforts by the Legislature and the Administration to increase the efficiency, quality and convenience of DMV services offered to the public.

**REGISTERED SUPPORT / OPPOSITION:****Support**

California Motorcycle Dealers Association  
California Trucking Association  
Dealertrack Registration and Titling Solutions, Inc.  
Insurance Auto Auctions  
Motor Vehicle Software Corporation

**Opposition**

None on file

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