

May 26, 2016

Docket Management Facility, M-30  
U.S. Department of Transportation  
West Building, Ground Floor Rm. W12-140  
1200 New Jersey Avenue SE  
Washington, DC 20590

**Re: Odometer Disclosure Requirements**  
**Docket No.: NHTSA-2016-0037**

Dear Sir/Madam:

On behalf of the 1.453 million credit union members we represent, the Heartland Credit Union Association (HCUA) appreciates the opportunity to comment on the National Highway Traffic Safety Administration (NHTSA), Department of Transportation's (DOT) Notice of Proposed Rulemaking on Odometer Disclosure Requirements.

HCUA appreciates the opportunity to provide comments on odometer disclosure requirements which will allow the 50 states to adopt schemes for electronic odometer disclosure statements. Our member institutions are frequently involved in the financing of automobiles and the transfer of a title, and the ability to perfect a lien is of utmost importance to our members. HCUA supports basic uniform standards that will facilitate the electronic disclosure of odometer information both within a state and among the states.

***Identity of Parties to a Motor Vehicle Transfer and Security of Signatures:***

HCUA believes that the current proposal, which requires a Level 3 Authentication to ensure that odometer disclosure documents can be electronically signed in person and remotely, is too high. A Level 2 authentication for electronic odometer disclosures is more appropriate. State departments of motor vehicles (DMVs) often do not support the needed systems to perform the necessary validations required by a Level 3 standard. Level 2 standards will facilitate electronic disclosure transactions for those individuals who may not have the necessary established credit or utility accounts to otherwise perform an electronic disclosure. This is important for many of the members of our credit unions. Accordingly, we urge the NHTSA to consider only requiring a Level 2 authentication.

***Electronic Odometer Disclosures:***

HCUA supports the ability to incorporate electronic disclosures contemporaneously with the electronic title. We urge the NHTSA, however, to clarify that database records can be substituted for scanned images of paper titles by state DMVs. The database record will necessarily include data that supports the authentication of the executing signature as well as an audit trail of the transaction.

As far as the requirements for electronic transactions, HCUA supports the requirement for an individual identification and signature (and the corresponding equivalent for businesses). We further support the proposal to allow states to use an official copy of an electronic title for a paper record of ownership.

***Powers of Attorney:***

We support the ability to use a power of attorney to process. Although we believe the use of powers of attorney are governed by state law, the NTHSB should clarify that the lienholder may serve as agent of both transferor and transferee and execute the statements on their behalf. This is necessary (or desirable) for credit unions who are often involved in the financing of private sales of automobiles. Finally, we urge the NTHSB to allow for a system, as the technology improves, to allow for transfer of appropriate certifications or transfers of secure title data from one state to another which inevitably will facilitate electronic transfers.

***Providing Odometer Statements to Lienholders:***

We urge the NTHSB to allow the electronic odometer system to provide a means of electronically sharing the odometer reading with a lienholder or finance company that has an interest in the transaction. This is currently provided by a dealership at the time of purchase.

As always, we appreciate the opportunity to review this issue. We will be happy to respond to any questions regarding these comments.

Sincerely,

A handwritten signature in black ink that reads "Bradley D. Douglas". The signature is written in a cursive style with a large initial 'B'.

Brad Douglas  
President/CEO