

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 HOUSE BILL 2173

By: Duncan

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5
6 AS INTRODUCED

7 An Act relating to motor vehicles; creating the
8 Uniform Certificate of Title Act; providing short
9 title; defining terms; providing for supplemental
10 principles of law and equity; providing for the law
11 governing a vehicle covered by certificate of title
12 or certificate of origin; requiring certain
13 information to be kept on file; providing for
14 certificate of origin; providing for cancellation and
15 replacement of certificate of origin; providing for
16 application for certificate of title; providing for
17 creation and cancellation of certificate of title;
18 providing required contents of certificate of title;
19 providing effect of possession of certificate of
20 title or certificate of origin; providing for certain
21 information that may be kept on file; providing for a
22 bond in certain circumstances; providing for
23 maintenance of and access to files; providing
24 procedure for delivery of certificate of title;
providing for certificate of title upon transfer of
ownership of vehicle; providing for notice of
transfer without application for certificate of
title; providing for rights of certain purchasers and
lessees; providing for ownership rights of other
transferees; providing effect of omission or
incorrect information in certificate of title;
providing effect of transfer by secured party's
transfer statement; providing for transfer by
operation of law; providing procedure for application
for transfer of ownership or termination of security
interest statement without certificate of title or
certificate of origin; providing procedure for
replacement of certificate of title; providing effect
of security interest statement; providing procedure
for perfection of security interest; providing
procedure for filing termination statement; providing

1 for duties and operation of filing office; providing
2 for uniformity of application and construction;
3 providing relation to certain federal act; providing
4 savings clause; providing for codification; and
5 providing an effective date.

6 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

7 SECTION 1. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 1111.1 of Title 47, unless there
9 is created a duplication in numbering, reads as follows:

10 SHORT TITLE. Sections 1 through 31 of this act shall be known
11 and may be cited as the "Uniform Certificate of Title Act".

12 SECTION 2. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 1111.2 of Title 47, unless there
14 is created a duplication in numbering, reads as follows:

15 DEFINITIONS.

16 (a) In the Uniform Certificate of Title Act:

17 (1) "Buyer" means a person that buys or contracts to buy goods.

18 (2) "Buyer in ordinary course of business" means a person that
19 buys goods in good faith, without knowledge that the sale violates
20 the rights of another person in the goods, and in ordinary course
21 from a person, other than a pawnbroker, in the business of selling
22 goods of that kind. A person buys goods in ordinary course if the
23 sale comports with the usual or customary practices in the kind of
24 business in which the seller is engaged or with the seller's own

1 usual or customary practices. A buyer in ordinary course of
2 business may buy for cash, by exchange of other property, or on
3 secured or unsecured credit, and may acquire goods under a
4 preexisting contract for sale. Only a buyer that takes possession
5 of the goods or has a right to recover the goods from the seller
6 under Article 2 of the Uniform Commercial Code may be a buyer in
7 ordinary course of business. The term does not include a person
8 that acquires goods in a transfer in bulk or as security for or in
9 total or partial satisfaction of a money debt. A buyer in ordinary
10 course of business does not lose that status solely because a
11 certificate of title was not executed to the buyer.

12 (3) "Cancel", with respect to a certificate of title or a
13 certificate of origin, means to make the certificate ineffective.

14 (4) "Certificate of origin" means a record created by a
15 manufacturer or importer as the manufacturer's or importer's proof
16 of identity of a vehicle.

17 (5) "Certificate of title", except in the phrases "certificate
18 of title created by a governmental agency of any state" and
19 "certificate of title created by a governmental agency of any
20 jurisdiction", means a record, created by the office and designated
21 as a certificate of title by it, that is evidence of ownership of a
22 vehicle.

23 (6) "Create" means to bring a record into existence by making or
24 authorizing the record.

1 (7) "Deliver" means voluntarily to give possession of a record
2 or to transmit it, by any reasonable means, properly addressed and
3 with the cost of delivery provided.

4 (8) "Electronic" means relating to technology having electrical,
5 digital, magnetic, wireless, optical, electromagnetic, or similar
6 capabilities.

7 (9) "Electronic certificate of origin" means a certificate of
8 origin consisting of information that is stored solely in an
9 electronic medium and is retrievable in perceivable form.

10 (10) "Electronic certificate of title" means a certificate of
11 title consisting of information that is stored solely in an
12 electronic medium and is retrievable in perceivable form.

13 (11) "Execute" means to sign and deliver a record on, attached
14 to, accompanying, or logically associated with a certificate of
15 title or certificate of origin to transfer ownership of the vehicle
16 covered by the certificate.

17 (12) "Good faith" means honesty in fact and the observance of
18 reasonable commercial standards of fair dealing.

19 (13) "Importer" means a person authorized by a manufacturer to
20 bring into and distribute in the United States new vehicles
21 manufactured outside the United States.

22 (14) "Lessee in ordinary course of business" means a person that
23 leases goods in good faith, without knowledge that the lease
24 violates the rights of another person, and in ordinary course of

1 business from a person, other than a pawnbroker, in the business of
2 selling or leasing goods of that kind. A person leases in ordinary
3 course if the lease to the person comports with the usual or
4 customary practices in the kind of business in which the lessor is
5 engaged or with the lessor's own usual and customary practices. A
6 lessee in ordinary course of business may lease for cash, by
7 exchange of other property, or on secured or unsecured credit, and
8 may acquire goods or a certificate of title covering goods under a
9 preexisting lease contract. Only a lessee that takes possession of
10 the goods or has a right to recover the goods from the lessor under
11 Article 2A of the Uniform Commercial Code may be a lessee in
12 ordinary course of business. A person that acquires goods in bulk
13 or as security for or in total or partial satisfaction of a money
14 debt is not a lessee in ordinary course of business.

15 (15) "Lien creditor" means:

16 (A) a creditor that has acquired a lien on the property involved
17 by attachment, levy, or the like;

18 (B) an assignee for the benefit of creditors from the time of
19 assignment;

20 (C) a trustee in bankruptcy from the date of the filing of the
21 petition; or

22 (D) a receiver in equity from the time of appointment.

23 (16) "Manufacturer" means a person that manufactures,
24 fabricates, assembles, or completes new vehicles.

1 (17) "Office" means the Oklahoma Tax Commission.

2 (18) "Owner" means a person that has legal title to a vehicle.

3 (19) "Owner of record" means the owner of a vehicle as indicated
4 in the files of the office.

5 (20) "Person" means an individual, corporation, business trust,
6 estate, trust, partnership, limited liability company, association,
7 joint venture, federally recognized Indian Tribe, public
8 corporation, government, or governmental subdivision, agency, or
9 instrumentality, or any other legal or commercial entity.

10 (21) "Purchase" means to take by sale, lease, mortgage, pledge,
11 consensual lien, security interest, gift, or any other voluntary
12 transaction that creates an interest in a vehicle.

13 (22) "Purchaser" means a person that takes by purchase.

14 (23) "Record" means information that is inscribed on a tangible
15 medium or that is stored in an electronic or other medium and is
16 retrievable in perceivable form.

17 (24) "Secured party" means:

18 (A) a person in whose favor a security interest is created or
19 provided for under a security agreement, whether or not any
20 obligation to be secured is outstanding;

21 (B) a person that is a consignor under Article 9 of the Uniform
22 Commercial Code;

23 (C) a person to which accounts, chattel paper, payment
24 intangibles, or promissory notes have been sold;

1 (D) a trustee, indenture trustee, agent, collateral agent, or
2 other representative in whose favor a security interest is created
3 or provided for; or

4 (E) a person that holds a security interest arising under
5 Sections 2-401 or 2-505 of Title 12A of the Oklahoma Statutes or
6 under subsection (3) of Section 2-711 or subsection (6) of Section
7 2A-508 of Title 12A of the Oklahoma Statutes.

8 (25) "Secured party of record" means the secured party whose
9 name is provided as the name of the secured party or a
10 representative of the secured party in a security-interest statement
11 that has been received by the office or, if more than one are
12 indicated, the first indicated in the files of the office.

13 (26) "Security interest" means an interest in a vehicle which
14 secures payment or performance of an obligation. The term includes
15 any interest of a consignor in a vehicle in a transaction that is
16 subject to Article 9 of the Uniform Commercial Code. The term does
17 not include the special property interest of a buyer of a vehicle on
18 identification of that vehicle to a contract for sale under Section
19 2-401 of Title 12A of the Oklahoma Statutes, but a buyer may also
20 acquire a security interest by complying with Article 9 of the
21 Uniform Commercial Code. Except as otherwise provided in Section 2-
22 505 of Title 12A of the Oklahoma Statutes, the right of a seller or
23 lessor of a vehicle under Article 2 or 2A of the Uniform Commercial
24 Code to retain or acquire possession of the vehicle is not a

1 security interest, but a seller or lessor may also acquire a
2 security interest by complying with Article 9 of the Uniform
3 Commercial Code. The retention or reservation of title by a seller
4 of a vehicle notwithstanding shipment or delivery to the buyer under
5 Section 2-401 of Title 12A of the Oklahoma Statutes is limited in
6 effect to a reservation of a security interest. Whether a
7 transaction in the form of a lease creates a security interest is
8 determined by law other than the Uniform Certificate of Title Act.

9 (27) "Security-interest statement" means:

10 (A) a record created by a secured party which indicates a
11 security interest; or

12 (B) an application for which the office is required to create a
13 certificate of title, if the application indicates a security
14 interest.

15 (28) "Sign" means, with present intent to authenticate or adopt
16 a record, to:

17 (A) make or adopt a tangible symbol; or

18 (B) attach to or logically associate with the record an
19 electronic sound, symbol, or process.

20 (29) "State" means a state of the United States, the District of
21 Columbia, Puerto Rico, the United States Virgin Islands, a federally
22 recognized Indian tribe, or any territory or insular possession
23 subject to the jurisdiction of the United States.

24

1 (30) "Termination statement" means a record created by a secured
2 party pursuant to Section 27 of this act which:

3 (A) identifies the security-interest statement to which it
4 relates; and

5 (B) indicates that it is a termination statement or that the
6 identified security-interest statement is not effective.

7 (31) "Title brand" means a designation of previous damage, use,
8 or condition that the Uniform Certificate of Title Act or law other
9 than the Uniform Certificate of Title Act requires to be indicated
10 on a certificate of title or a certificate of origin created by a
11 governmental agency of any jurisdiction.

12 (32) "Transfer" means to convey, voluntarily or involuntarily,
13 an interest in a vehicle.

14 (33) "Transferee" means a person that takes by transfer.

15 (34) "Vehicle" means goods that are any type of motorized,
16 wheeled device of a type in, upon, or by which an individual or
17 property is customarily transported on a road or highway, or a
18 commercial, recreational, travel, or other trailer customarily
19 transported on a road or highway. The term does not include:

20 (A) an item of specialized mobile equipment not designed
21 primarily for transportation of individuals or property on a road or
22 highway;

23 (B) an implement of husbandry;

24

1 (C) a wheelchair or similar device designed for use by an
2 individual having a physical impairment; or

3 (D) a manufactured home that is not a residential dwelling built
4 in accordance with the National Manufactured Housing Construction
5 and Safety Standards Act of 1974, 43 U.S.C., Section 5401 et seq.,
6 and rules promulgated pursuant thereto and the rules promulgated by
7 the Oklahoma Used Motor Vehicle and Parts Commission pursuant to
8 Section 582 of Title 47 of the Oklahoma Statutes.

9 (35) "Written certificate of origin" means a certificate of
10 origin consisting of information inscribed on a tangible medium.

11 (36) "Written certificate of title" means a certificate of title
12 consisting of information inscribed on a tangible medium.

13 (b) The following definitions and terms also apply to the
14 Uniform Certificate of Title Act:

15 (1) "Agreement", paragraph (3) of subsection (b) of Section 1-
16 201 of Title 12A of the Oklahoma Statutes.

17 (2) "Collateral", paragraph (12) of subsection (a) of Section 1-
18 9-102 of Title 12A of the Oklahoma Statutes.

19 (3) "Debtor", paragraph (28) of subsection (a) of Section 1-9-
20 102 of Title 12A of the Oklahoma Statutes.

21 (4) "Lease", paragraph (j) of subsection (1) of Section 2A-103
22 of Title 12A of the Oklahoma Statutes.

23 (5) "Lessee", paragraph (n) of subsection (1) of Section 2A-103
24 of Title 12A of the Oklahoma Statutes.

1 (6) "Lessor", paragraph (p) of subsection (1) of Section 2A-103
2 of Title 12A of the Oklahoma Statutes.

3 (7) "Manufactured home", paragraph (53) of subsection (a) of
4 Section 1-9-102 of Title 12A of the Oklahoma Statutes.

5 (8) "Merchant", subsection (1) of Section 2-104 of Title 12A of
6 the Oklahoma Statutes.

7 (9) "Notice; Knowledge", Section 1-202 of Title 12A of the
8 Oklahoma Statutes.

9 (10) "Representative", paragraph (33) of subsection (b) of
10 Section 1-201 of Title 12A of the Oklahoma Statutes.

11 (11) "Sale", subsection (1) of Section 2-106 of Title 12A of the
12 Oklahoma Statutes.

13 (12) "Security agreement", paragraph (73) of subsection (a) of
14 Section 1-9-102 of Title 12A of the Oklahoma Statutes.

15 (13) "Seller", paragraph (c) of subsection (1) of Section 2-103
16 of Title 12A of the Oklahoma Statutes.

17 (14) "Send", paragraph (36) of subsection (b) of Section 1-201
18 of Title 12A of the Oklahoma Statutes.

19 (15) "Value", Section 1-204 of Title 12A of the Oklahoma
20 Statutes.

21 SECTION 3. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1111.3 of Title 47, unless there
23 is created a duplication in numbering, reads as follows:

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1 SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY. Unless displaced by
2 the Uniform Certificate of Title Act, the principles of law and
3 equity supplement its provisions.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 1111.4 of Title 47, unless there
6 is created a duplication in numbering, reads as follows:

7 LAW GOVERNING VEHICLE COVERED BY CERTIFICATE OF TITLE OR
8 CERTIFICATE OF ORIGIN.

9 (a) In this section, "certificate of title" means a certificate
10 of title created by a governmental agency of any state.

11 (b) The local law of the state under whose certificate of title
12 a vehicle is covered governs all issues relating to the certificate
13 of title, from the time the vehicle becomes covered by the
14 certificate of title until the vehicle ceases to be covered by the
15 certificate of title, even if no other relationship exists between
16 the state and the vehicle or its owner.

17 (c) A vehicle becomes covered by a certificate of title created
18 in this state when an application for a certificate of title and the
19 fee are received by the office in accordance with the Uniform
20 Certificate of Title Act. A vehicle becomes covered by a
21 certificate of title in another state when an application for a
22 certificate of title and the fee are received in that state pursuant
23 to the law of that state.

24

1 (d) A vehicle ceases to be covered by a certificate of title at
2 the earlier of the time the certificate of title ceases to be
3 effective under the law of the state pursuant to which it was
4 created or the time the vehicle becomes covered subsequently by
5 another certificate of title.

6 (e) If a vehicle is not covered by a certificate of title but a
7 certificate of origin has been created for the vehicle:

8 (1) if the parties to the certificate of origin have chosen the
9 law of a jurisdiction, the law of that jurisdiction applies to the
10 certificate of origin, even if there is no other relationship
11 between that jurisdiction and the vehicle or its owner; and

12 (2) in the absence of an agreement effective under paragraph (1)
13 of this subsection, the rights and obligations of the parties are
14 determined by the law that would apply under this state's choice-of-
15 law principles.

16 SECTION 5. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1111.5 of Title 47, unless there
18 is created a duplication in numbering, reads as follows:

19 EXCLUSIONS. Unless the vehicle is covered by a certificate of
20 title, the Uniform Certificate of Title Act does not apply to a
21 vehicle owned by the United States, a state, or a foreign
22 government, or a political subdivision of any of them.

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1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.6 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 VEHICLE IDENTIFICATION NUMBER, MAKE, AND MODEL YEAR. For a
5 vehicle covered by a certificate of title, the office shall indicate
6 in its files the vehicle identification number, make, and model
7 year, if any, assigned by its chassis manufacturer or importer. If
8 a vehicle identification number, make, or model year has not been
9 assigned, the office shall assign a vehicle identification number,
10 make, or model year and indicate the assignment in its files.

11 SECTION 7. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 1111.7 of Title 47, unless there
13 is created a duplication in numbering, reads as follows:

14 EXECUTION OF CERTIFICATE OF ORIGIN.

15 (a) If a manufacturer or importer creates or is authorized or
16 required to create a certificate of origin for a vehicle, upon
17 transfer of ownership of the vehicle, the manufacturer or importer
18 shall execute a certificate of origin to the transferee or deliver a
19 signed certificate of origin to the office. Each succeeding
20 transferor shall execute to the next transferee or sign and deliver
21 to the office all certificates of origin covering the vehicle which
22 are known to the transferor.

23 (b) If a certificate of title created by a governmental agency
24 of any jurisdiction is not delivered to the buyer and a written

1 certificate of origin or equivalent evidence of ownership is
2 required by the office to obtain a certificate of title, a buyer may
3 require that the buyer's transferor execute to the buyer a written
4 certificate of origin or provide equivalent evidence of ownership
5 sufficient to satisfy the requirements of the office.

6 SECTION 8. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 1111.8 of Title 47, unless there
8 is created a duplication in numbering, reads as follows:

9 CANCELLATION AND REPLACEMENT OF CERTIFICATE OF ORIGIN.

10 (a) If a written certificate of origin is created to replace an
11 electronic certificate of origin, the electronic certificate of
12 origin is canceled and replaced by the written certificate of
13 origin.

14 (b) If an electronic certificate of origin is created to replace
15 a written certificate of origin, the written certificate of origin
16 must be canceled.

17 SECTION 9. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1111.9 of Title 47, unless there
19 is created a duplication in numbering, reads as follows:

20 APPLICATION FOR CERTIFICATE OF TITLE.

21 (a) Except as otherwise provided in Sections 21 and 22 of this
22 act, only the owner of a vehicle may apply for a certificate of
23 title covering the vehicle.

24

1 (b) An application for a certificate of title must be signed by
2 the applicant and contain:

3 (1) the applicant's name, street address, and, if different, the
4 address for receiving first-class mail delivered by the United
5 States Postal Service;

6 (2) the vehicle identification number;

7 (3) a description of the vehicle including, as required by the
8 office, the make, model, model year, and body type;

9 (4) an indication of all security interests in the vehicle known
10 to the applicant, including the name and mailing address of the
11 secured party or a representative of the secured party, and, if the
12 application includes a direction to terminate a security-interest
13 statement, the information required for sufficiency of a security-
14 interest statement under subsection (a) of Section 25 of this act
15 and the secured party's or its representative's name and address for
16 receiving communications;

17 (5) any title brand known to the applicant and, if known, the
18 jurisdiction whose governmental agency created the title brand;

19 (6) if law other than this act requires that an odometer reading
20 be provided by the transferor upon transfer of ownership of the
21 vehicle, a signed record disclosing the vehicle's odometer reading;
22 and

23 (7) if the application is made in connection with a transfer of
24 ownership, the transferor's name, physical address and, if

1 different, address for receiving first-class mail delivered by the
2 United States Postal Service, the sales price if any, and the date
3 of the transfer.

4 (c) A certificate of title created in another jurisdiction and
5 submitted in connection with an application is part of the
6 application.

7 (d) In addition to the information required in subsection (b) of
8 this section, an application for a certificate of title may contain
9 electronic communication addresses of the owner and the transferor.

10 (e) Except as otherwise provided in Section 21, 22, or 23 of
11 this act, if an application for a certificate of title includes an
12 indication of a transfer of ownership, the application must be
13 accompanied by all existing certificates of origin and any
14 certificate of title created by a governmental agency of any
15 jurisdiction covering the vehicle, which have been executed to the
16 applicant or are known to the applicant. Except as otherwise
17 provided in Section 23 of this act, if an application includes a
18 direction to terminate a security-interest statement, the
19 application must be accompanied by a termination statement.

20 (f) Except as otherwise provided in Section 24 of this act, if
21 an application for a certificate of title does not include an
22 indication of a transfer of ownership or a direction to terminate a
23 security-interest statement, the application must be accompanied by
24 all existing certificates of origin and any certificate of title

1 created by a governmental agency of any jurisdiction covering the
2 vehicle, which are known to the applicant and evidencing the
3 applicant as owner of the vehicle.

4 (g) If the applicant does not know of any existing certificate
5 of origin or certificate of title created by a governmental agency
6 of any jurisdiction covering the vehicle, the applicant shall
7 include in the application for a certificate of title all existing
8 records and other information of the vehicle's ownership known to
9 the applicant. Information submitted under this subsection is part
10 of the application for the certificate of title and must be
11 indicated in the files of the office.

12 (h) The office may require that an application for a certificate
13 of title or a security-interest statement be accompanied by payment
14 of all taxes and fees payable by the applicant under the law of this
15 state in connection with the acquisition or use of a vehicle or
16 evidence of payment of the tax or fee.

17 SECTION 10. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1111.10 of Title 47, unless
19 there is created a duplication in numbering, reads as follows:

20 CREATION AND CANCELLATION OF CERTIFICATE OF TITLE.

21 (a) Unless an application for a certificate of title is rejected
22 under subsection (c) of this section, the office shall create a
23 certificate of title upon receipt of an application that complies
24 with Section 9 of this act and payment of all taxes and fees.

1 (b) Upon request of the secured party of record, the office
2 shall create a written certificate of title or, if the office is
3 authorized to do so, an electronic certificate of title. If no
4 security interest is indicated in the files of the office, the owner
5 of record may have the office create a written certificate of title
6 or, if the office is authorized to do so, an electronic certificate
7 of title. If no request is made by an owner of record or secured
8 party, the office may create a written certificate of title or, if
9 authorized to do so, an electronic certificate of title.

10 (c) The office may reject an application for a certificate of
11 title only if:

12 (1) the application does not comply with Section 9 of this act;

13 (2) there is a reasonable basis for concluding that the
14 application is fraudulent or would facilitate a fraudulent or
15 illegal act; or

16 (3) the application does not comply with law of this state other
17 than the Uniform Certificate of Title Act.

18 (d) If the office has created a certificate of title, it may
19 cancel the certificate of title only if it could have rejected the
20 application under subsection (c) of this section or is required to
21 cancel the certificate of title under another provision of the
22 Uniform Certificate of Title Act. The office shall provide an
23 opportunity for a hearing at which the applicant and any other
24 interested party may present evidence in support of or opposition to

1 the cancellation. The office shall serve the notice of the
2 opportunity in person or send it by first class mail delivered by
3 the United States Postal Service to the applicant, the owner of
4 record, and all secured parties indicated in the files of the
5 office. If the applicant or any other interested party requests a
6 hearing not later than ten (10) days after receiving the notice, the
7 office shall hold the hearing not later than twenty (20) days after
8 receiving the request.

9 SECTION 11. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 1111.11 of Title 47, unless
11 there is created a duplication in numbering, reads as follows:

12 CONTENTS OF CERTIFICATE OF TITLE.

13 (a) A certificate of title must contain:

14 (1) the date the certificate of title was created;

15 (2) except as otherwise provided in subsection (b) of Section 26
16 of this act, the name and address of any secured party of record and
17 an indication of whether there are additional security interests
18 indicated in the files of the office or on a record created by a
19 governmental agency of any jurisdiction and submitted to the office;

20 (3) all title brands covering the vehicle, including brands
21 previously indicated on a certificate of origin or certificate of
22 title created by a governmental agency of any jurisdiction, which
23 are known to the office; and
24

1 (4) any other information required by subsection (b) of Section
2 9 of this act, except the applicant's address.

3 (b) Nothing in the Uniform Certificate of Title Act precludes an
4 office from noting on a certificate the name and address of a
5 secured party that is not a secured party of record.

6 (c) An indication of a title brand on a certificate of title may
7 consist of an abbreviation, but not a symbol, and must identify the
8 jurisdiction that created the title brand or the jurisdiction that
9 created a certificate of title created by a governmental agency of
10 any jurisdiction that indicated the title brand. If the meaning of
11 a title brand is not easily ascertainable or cannot be accommodated
12 on the certificate of title, the certificate of title may state:
13 "Previously branded in [insert the particular jurisdiction that
14 created the title brand or whose certificate of title previously
15 indicated the title brand]."

16 (d) If a vehicle was previously registered in a jurisdiction
17 other than a state, the office shall indicate on the certificate of
18 title that the vehicle was registered in that jurisdiction.

19 (e) A certificate of title must contain a form that the owner
20 may sign in order to execute the certificate.

21 SECTION 12. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1111.12 of Title 47, unless
23 there is created a duplication in numbering, reads as follows:

24

1 EFFECT OF POSSESSION OF CERTIFICATE OF TITLE OR CERTIFICATE OF
2 ORIGIN; JUDICIAL PROCESS. A certificate of title created by a
3 governmental agency of any jurisdiction or a certificate of origin
4 does not by itself provide a means to obtain possession of a
5 vehicle. Garnishment, attachment, levy, replevin, or other judicial
6 process against the certificate of title or a certificate of origin
7 is not effective to determine possessory rights with respect to the
8 vehicle. However, the Uniform Certificate of Title Act does not
9 prohibit enforcement of a security interest in, levy on, or
10 foreclosure of a statutory or common-law lien on a vehicle under law
11 of this state other than the Uniform Certificate of Title Act. The
12 absence of an indication of a statutory or common-law lien on a
13 certificate of title does not invalidate the lien.

14 SECTION 13. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1111.13 of Title 47, unless
16 there is created a duplication in numbering, reads as follows:

17 OTHER INFORMATION.

18 (a) The office may accept a submission of information relating
19 to a vehicle for indication in the files of the office, even if the
20 requirements for a certificate of title, an application for a
21 certificate of title, a security-interest statement, or a
22 termination statement have not been met.

23 (b) A submission of information under this section, to the
24 extent practicable, must include the information required by

1 subsection (b) of Section 9 of this act for an application for a
2 certificate of title.

3 (c) The office may require the submission of information
4 relating to a vehicle required for payment of taxes and fees for
5 issuance or renewal of registration.

6 (d) The office may require a person submitting information under
7 this section to provide a bond in a form and amount determined by
8 the office. A bond must provide for indemnification of any secured
9 party or other interested party against any expense, loss, or damage
10 resulting from indication of the information in the files of the
11 office.

12 (e) A submission of information under this section and its
13 indication in the files of the office is not a certificate of title,
14 an application for a certificate of title, a security-interest
15 statement, or a termination statement and does not provide a basis
16 for transferring or determining ownership of a vehicle or the
17 effectiveness of a security-interest statement.

18 SECTION 14. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.14 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 MAINTENANCE OF AND ACCESS TO FILES.

22 (a) For each record relating to a certificate of title submitted
23 to the office, the office shall:

24

1 (1) ascertain or assign the vehicle identification number, make,
2 and model year of the vehicle to which the record relates pursuant
3 to Section 6 of this act;

4 (2) indicate in the files of the office the vehicle
5 identification number, make, and model year of the vehicle to which
6 the record relates and the information in the record, including the
7 date (and time) the record was delivered to the office;

8 (3) maintain the file for public inspection subject to
9 subsection (d) of this section; and

10 (4) index the files of the office so as to be accessible as
11 required by subsection (b) of this section.

12 (b) The office shall indicate in the files of the office the
13 information contained in all certificates of title created under the
14 Uniform Certificate of Title Act. The files of the office must be
15 accessible by the vehicle identification number for the vehicle
16 covered by the certificate and any other indexing method used by the
17 office.

18 (c) To the extent known to the office, the files of the office
19 maintained under this section relating to a vehicle must indicate
20 all title brands and the name or names of any secured party and
21 claimant to ownership of the vehicle and include stolen-property
22 reports and security-interest statements.

23 (d) Except as otherwise provided by law of this state other than
24 the Uniform Certificate of Title Act, the information required under

1 Section 11 of this act is a public record. Whether other
2 information in the files of the office is made available to the
3 public is governed by law of this state other than the Uniform
4 Certificate of Title Act.

5 SECTION 15. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1111.15 of Title 47, unless
7 there is created a duplication in numbering, reads as follows:

8 DELIVERY OF CERTIFICATE OF TITLE.

9 (a) Upon creation of a certificate of title, the office shall
10 promptly deliver a written certificate of title, or a record
11 evidencing an electronic certificate of title, to any secured party
12 of record at the address shown on the security-interest statement
13 submitted by the secured party of record. Unless previously
14 provided to the owner of record, the office shall promptly deliver a
15 record evidencing the certificate of title to the owner of record at
16 the address indicated in the files of the office. If no secured
17 party is indicated in the files of the office, the written
18 certificate of title or record evidencing the electronic certificate
19 of title must be delivered to the owner of record. A record
20 evidencing an electronic certificate of title may be delivered to a
21 mailing address or, if indicated in the files of the office, an
22 electronic communication address.

23 (b) Within a reasonable time not to exceed fifteen (15) business
24 days after receipt of a request that a written certificate of title

1 be created and delivered pursuant to subsection (a) of this section,
2 the office shall create the certificate and deliver it to the person
3 making the request.

4 (c) If a written certificate of title is created, any electronic
5 certificate of title is canceled and replaced by the written
6 certificate of title. The cancellation must be indicated in the
7 files of the office with an indication of the date and time of
8 cancellation.

9 (d) Before an electronic certificate of title is created, any
10 certificate of title must be surrendered. If an electronic
11 certificate of title is created, any existing written certificate of
12 title that has been surrendered to the office must be destroyed or
13 otherwise canceled, with an indication in the files of the office of
14 the date (and time) of destruction or other cancellation. If the
15 written certificate of title being canceled is not destroyed, the
16 cancellation must be indicated on the face of the written
17 certificate of title.

18 SECTION 16. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.16 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 TRANSFER.

22 (a) Upon sale of a vehicle covered by a certificate of title, a
23 person authorized to execute the certificate of title, as promptly
24 as practicable and in compliance with this act and law of this state

1 other than this act, shall execute the certificate to the buyer or
2 deliver to the office a signed certificate of title or a record
3 evidencing execution of an electronic certificate of title to the
4 buyer. The buyer of a vehicle covered by a certificate of title has
5 a specifically enforceable right to require the seller to execute
6 the certificate of title to the buyer or deliver to the office a
7 signed certificate of title or other record evidencing the transfer.

8 (b) Execution of a certificate of title created by a
9 governmental agency of any jurisdiction satisfies subsection (a) of
10 this section.

11 (c) As between the parties to a transfer and their assignees and
12 successors, a transfer of ownership is not rendered ineffective by a
13 failure to execute a certificate of title or certificate of origin
14 as provided in this section. However, except as otherwise provided
15 in subsections (b) and (c) of Section 18 of this act, or Sections
16 19, 21, or 22 of this act, a transfer of ownership without execution
17 of a certificate of title or certificate of origin is not effective
18 as to other persons claiming an interest in the vehicle.

19 (d) Before an agreement to transfer ownership by an electronic
20 certificate of title is made or any consideration for the transfer
21 is paid, and before a record evidencing the transfer is executed to
22 the transferee or delivered by the transferor to the office, the
23 transferor shall deliver to the transferee a signed record
24 containing the information required by subsection (b) of Section 9

1 of this act, and the transferee shall deliver to the transferor a
2 signed record acknowledging receipt of the information. The
3 transferee has a specifically enforceable right to receive this
4 information before any consideration is paid. The record delivered
5 to the office must indicate that these requirements have been met.

6 (e) After execution of the certificate of title and delivery of
7 possession of the vehicle to the transferee, the transferor is not
8 liable as owner for any damages resulting from operation of the
9 vehicle thereafter even if the transferee fails to apply for a new
10 certificate of title reflecting the transfer.

11 SECTION 17. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 1111.17 of Title 47, unless
13 there is created a duplication in numbering, reads as follows:

14 NOTICE OF TRANSFER WITHOUT APPLICATION. A transferee or
15 transferor, in accordance with standards and procedures established
16 by the office, may deliver a signed record to the office giving
17 notice of the transfer, to indicate its ownership or lack of
18 ownership, without filing an application for a certificate of title.
19 The record may indicate the transfer of ownership between the
20 transferor and transferee. The record is not a certificate of title
21 and is not effective as to other persons claiming an interest in the
22 vehicle. The delivery to the office of the record containing the
23 notice does not relieve any party of any obligation under Section 9
24 or 16 of this act.

1 SECTION 18. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.18 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 POWER TO TRANSFER.

5 (a) A purchaser of a vehicle has the protections afforded by
6 subsection (1) of Section 2-403 of Title 12A of the Oklahoma
7 Statutes, subsection (1) of Section 2A-304 of Title 12A of the
8 Oklahoma Statutes, and subsection (1) of Section 2A-305 of Title 12A
9 of the Oklahoma Statutes.

10 (b) A buyer in ordinary course of business or lessee in ordinary
11 course of business of a vehicle has the protections afforded by
12 subsection (2) of Section 2-403 of Title 12A of the Oklahoma
13 Statutes, subsection (2) of Section 2A-304 of Title 12A of the
14 Oklahoma Statutes, and subsection (2) of Section 2A-305 of Title 12A
15 of the Oklahoma Statutes, even if the certificate of title is not
16 executed to the buyer or lessee.

17 (c) A purchase of a leasehold interest is subject to Section 2A-
18 303 of Title 12A of the Oklahoma Statutes.

19 (d) Except as otherwise provided in Section 16 of this act, the
20 rights of other purchasers of vehicles and of lien creditors are
21 governed by Articles 2, 2A, 7, and 9 of the Uniform Commercial Code.

22 SECTION 19. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1111.19 of Title 47, unless
24 there is created a duplication in numbering, reads as follows:

1 OTHER TRANSFEREES OF VEHICLE COVERED BY CERTIFICATE OF TITLE.

2 (a) Except as otherwise provided in this section or subsection
3 (b) of Section 18 of this act, a transferee of ownership takes
4 subject to:

5 (1) a security interest in the vehicle indicated on a
6 certificate of title; and

7 (2) if the certificate of title contains a statement that the
8 vehicle is or may be subject to security interests not indicated on
9 the certificate of title, a security interest not so indicated.

10 (b) If, while a security interest in a vehicle is perfected by
11 any method under the law of any jurisdiction, the office creates a
12 certificate of title that does not indicate the vehicle is subject
13 to the security interest or contain a statement that it may be
14 subject to security interests not indicated on the certificate, a
15 buyer of the vehicle, other than a person in the business of selling
16 or leasing goods of that kind, takes free of the security interest
17 if the buyer:

18 (1) gives value in good faith, receives possession of the
19 vehicle, and obtains execution of the certificate of title; and

20 (2) does not have knowledge of the security interest in the
21 vehicle.

22 (c) A buyer in ordinary course of business takes free of a
23 security interest in the vehicle, including a security interest
24 indicated on a certificate of title, created by the buyer's seller,

1 even if the security interest is perfected, the buyer knows of its
2 existence, and the certificate of title was not executed to the
3 buyer. A lessee in ordinary course of business takes its leasehold
4 interest free of a security interest in the vehicle, including a
5 security interest indicated on a certificate of title, created by
6 the lessee's lessor, even if the security interest is perfected, the
7 lessee knows of its existence, and the certificate of title was not
8 executed to the lessee. This subsection does not affect a security
9 interest in a vehicle in the possession of the secured party under
10 Article 9 of the Uniform Commercial Code.

11 (d) If, while a security interest in a vehicle is perfected by
12 any method under the law of any jurisdiction, the office creates a
13 certificate of title that does not indicate that the vehicle is
14 subject to the security interest or contain a statement that it may
15 be subject to security interests not indicated on the certificate of
16 title, the security interest is subordinate to a conflicting
17 security interest in the vehicle which is perfected after creation
18 of the certificate of title and without the conflicting secured
19 party's knowledge of the security interest.

20 (e) A security interest is indicated on an electronic
21 certificate of title if it is indicated in the record of the
22 certificate of title maintained by the office.

23
24

1 SECTION 20. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.20 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 EFFECT OF OMISSION OR INCORRECT INFORMATION.

5 (a) Except as otherwise provided in this section, a certificate
6 of title, certificate of origin, security-interest statement, or
7 other record required or authorized by this act is effective even if
8 it contains incorrect information or does not contain required
9 information.

10 (b) In addition to any rights provided under Section 18 or 19 of
11 this act, if a certificate of title, certificate of origin,
12 security-interest statement, or other record required or authorized
13 by this act is seriously misleading because it contains incorrect
14 information or omits required information, a purchaser of the
15 vehicle to which the record relates takes free of any interest that
16 would have been indicated in the record if the correct or omitted
17 information had been indicated, to the extent that the purchaser
18 gives value in reasonable reliance on the incorrect information or
19 the absence of the omitted information.

20 (c) Except as otherwise provided in subsection (d) of this
21 section or subsection (c) of Section 25 of this act, a description
22 of a vehicle, including the vehicle identification number, in a
23 certificate of title, certificate of origin, security-interest
24 statement, or other record required or authorized by the Uniform

1 Certificate of Title Act which otherwise satisfies the Uniform
2 Certificate of Title Act is not seriously misleading, even if not
3 specific and accurate, if the description reasonably identifies the
4 vehicle.

5 (d) With respect to a security interest or other interest
6 indicated in the files of the office and not indicated on a written
7 certificate of title, a failure to indicate the information
8 specifically or accurately is not seriously misleading if a search
9 of the files of the office using the correct vehicle identification
10 number or other required information, using the office's standard
11 search logic, if any, would disclose the security interest or other
12 interest.

13 SECTION 21. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1111.21 of Title 47, unless
15 there is created a duplication in numbering, reads as follows:

16 TRANSFER BY SECURED PARTY'S TRANSFER STATEMENT.

17 (a) In this section, "secured party's transfer statement" means
18 a record signed by the secured party of record stating:

19 (1) that the owner of record has defaulted on an obligation to
20 the secured party of record;

21 (2) that the secured party of record is exercising or has
22 exercised post-default remedies with respect to the vehicle;

23 (3) that, by reason of the exercise, the secured party of record
24 has the right to transfer the rights of the owner of record;

1 (4) the name and last known mailing address of:

2 (A) the owner of record;

3 (B) the secured party of record; and

4 (C) any other purchaser;

5 (5) any other information required by subsection (b) of Section
6 9 of this act; and

7 (6) that the certificate of title is an electronic certificate
8 of title, or that the secured party does not have possession of the
9 written certificate of title created in the name of the owner of
10 record, or that the secured party is delivering the written
11 certificate of title to the office with the secured party's transfer
12 statement.

13 (b) Completion and delivery to the office of a secured party's
14 transfer statement, and payment of all applicable taxes and fees,
15 entitles the secured party to the creation of a certificate of title
16 showing the secured party of record or other purchaser as the owner
17 of record. Unless the secured party's transfer statement is
18 rejected by the office for a reason set forth in subsection (c) of
19 Section 10 of this act, the office shall:

20 (1) accept the secured party's transfer statement;

21 (2) amend the files of the office to reflect the transfer;

22 (3) cancel the certificate of title created in the name of the
23 owner of record listed in the secured party's transfer statement,
24

1 whether or not the certificate of title has been delivered to the
2 office;

3 (4) create a new certificate of title indicating the secured
4 party of record or other purchaser as the vehicle's owner of record;
5 and

6 (5) deliver the new certificate of title pursuant to Section 15
7 of this act.

8 (c) The creation of a certificate of title under subsection (b)
9 of this section is not of itself a disposition of the vehicle and
10 does not of itself relieve the secured party of its duties under
11 Article 9 of the Uniform Commercial Code.

12 SECTION 22. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 1111.22 of Title 47, unless
14 there is created a duplication in numbering, reads as follows:

15 TRANSFER BY OPERATION OF LAW.

16 (a) In this section:

17 (1) "By operation of law" means pursuant to a law or judicial
18 order affecting ownership of a vehicle:

19 (A) on account of death, divorce or other family law proceeding,
20 merger, consolidation, dissolution, or bankruptcy;

21 (B) through the exercise of the rights of a lien creditor or a
22 person having a statutory or common law lien or other nonconsensual
23 lien; or

24 (C) through other legal process.

1 (2) "Transfer-by-law statement" means a record signed by a
2 transferee stating that, by operation of law, the transferee has
3 acquired or has the right to acquire the ownership interest of the
4 owner of record and containing:

5 (A) the name and mailing address of the owner of record and the
6 transferee and the other information required by subsection (b) of
7 Section 9 of this act;

8 (B) documentation sufficient to establish the transferee's
9 interest or right to acquire the ownership interest of the owner of
10 record; and

11 (C) a statement that:

12 (i) the certificate of title is an electronic certificate of
13 title;

14 (ii) the transferee does not have possession of the written
15 certificate of title created in the name of the owner of record; or

16 (iii) the transferee is delivering the written certificate of
17 title to the office with the transfer-by-law statement.

18 (b) If a transfer-by-law statement is delivered to the office
19 with all taxes and fees and documentation satisfactory to the office
20 as to the transferee's ownership interest or right to acquire the
21 ownership interest of the owner of record, unless it is rejected by
22 the office for a reason set forth in subsection (c) of Section 10 of
23 this act, the office shall:

24 (1) accept delivery of the transfer-by-law statement;

1 (2) promptly send notice to the owner of record and to all
2 persons indicated in the files of the office as having an interest,
3 including a security interest, in the vehicle that a transfer-by-law
4 statement has been delivered to the office;

5 (3) amend the files of the office to reflect the transfer;

6 (4) cancel the certificate of title created in the name of the
7 owner of record indicated in the transfer-by-law statement, whether
8 or not the certificate has been delivered to the office;

9 (5) create a new certificate of title, indicating the transferee
10 as owner of record; and

11 (6) deliver the new certificate of title.

12 (c) This section does not apply to a transfer of an interest in
13 a vehicle by a secured party under Article 9 of the Uniform
14 Commercial Code or Section 21 of this act.

15 SECTION 23. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1111.23 of Title 47, unless
17 there is created a duplication in numbering, reads as follows:

18 APPLICATION FOR TRANSFER OF OWNERSHIP OR TERMINATION OF
19 SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE OR
20 CERTIFICATE OF ORIGIN.

21 (a) Except as otherwise provided in Section 21 or 22 of this
22 act, upon receiving an application that includes an indication of a
23 transfer of ownership or a direction to terminate a security-
24 interest statement but is not accompanied by submission of a signed

1 certificate of title or certificate of origin or, as applicable, a
2 termination statement pursuant to Section 27 of this act, the office
3 may create a certificate of title or terminate the security-interest
4 statement under this section only if:

5 (1) all other requirements under Sections 9 and 10 of this act
6 are met;

7 (2) the applicant has provided an affidavit stating facts that
8 indicate the applicant is entitled to a transfer of ownership or
9 termination of the effectiveness of a security-interest statement;

10 (3) at least forty-five (45) days before the office creates the
11 certificate of title, the office has sent notice of the application
12 to all persons having an interest in the vehicle as indicated in the
13 files of the office and no objection from any of those persons has
14 been received by the office; and

15 (4) the applicant submits any other information required by the
16 office to evidence the applicant's ownership or right to termination
17 of the security-interest statement, and the office has no credible
18 information indicating theft, fraud, or any undisclosed or
19 unsatisfied security interest, lien, or other claim to an interest
20 in the vehicle.

21 (b) Unless the office determines, by any reasonable method, that
22 the value of the vehicle is less than Three Thousand Dollars
23 (\$3,000.00), before creating a certificate of title, the office may
24 require an applicant under subsection (a) of this section to post a

1 bond or provide an equivalent source of indemnity or security. The
2 bond, indemnity, or other security must be in a form prescribed by
3 the office and provide for indemnification of any owner, purchaser,
4 or other claimant for any expense, loss, delay, or damage, including
5 reasonable attorney fees and costs but not consequential damages,
6 resulting from creation of a certificate of title or termination of
7 a security-interest statement, but may not exceed twice the value of
8 the vehicle as determined by the office.

9 (c) If the office has not received a claim for indemnity within
10 one (1) year after creation of the certificate of title under
11 subsection (a) of this section, upon request in a form and manner
12 specified by the office, the office shall release any bond,
13 indemnity, or other security.

14 (d) The office may indicate in a certificate of title created
15 under subsection (a) of this section that the certificate of title
16 was created without submission of a signed certificate of title or
17 termination statement. If no credible information indicating theft,
18 fraud, or any undisclosed or unsatisfied security interest, lien, or
19 other claim to an interest in the vehicle has been delivered to the
20 office within one (1) year after creation of the certificate of
21 title, upon request in a form and manner specified by the office,
22 the office shall remove the indication from the certificate of
23 title.

24

1 SECTION 24. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.24 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 REPLACEMENT CERTIFICATE OF TITLE.

5 (a) If a written certificate of title is lost, stolen,
6 mutilated, destroyed, or otherwise becomes unavailable or illegible,
7 the secured party of record or, if there is no secured party
8 indicated in the files of the office, the owner of record may apply
9 for and, by furnishing information satisfactory to the office,
10 obtain a replacement certificate of title in the name of the owner
11 of record.

12 (b) An application for a replacement certificate of title must
13 be submitted in a record signed by the applicant and, except as
14 otherwise permitted by the office, must comply with Section 9 of
15 this act.

16 (c) Unless it has been lost, stolen, or destroyed or is
17 otherwise unavailable, the existing written certificate of title
18 must be submitted to the office with an application for a
19 replacement certificate of title.

20 (d) A replacement certificate of title created by the office
21 must comply with Section 11 of this act and indicate on the face of
22 the certificate of title that it is a replacement certificate of
23 title.

24

1 (e) If a person receiving a replacement certificate of title
2 subsequently obtains possession of the original written certificate
3 of title, the person shall promptly destroy the original written
4 certificate of title.

5 SECTION 25. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1111.25 of Title 47, unless
7 there is created a duplication in numbering, reads as follows:

8 EFFECTIVENESS OF SECURITY-INTEREST STATEMENT.

9 (a) A security-interest statement is sufficient if it includes
10 the name of the debtor, the name of the secured party or a
11 representative of the secured party, a description that reasonably
12 identifies the vehicle and is not seriously misleading under Section
13 20 of this act, and is delivered as follows:

14 (1) if the security-interest statement is indicated on an
15 application for which the office is required to create a certificate
16 of title, by the owner; or

17 (2) if the security-interest statement is not indicated on an
18 application for which the office is required to create a certificate
19 of title, by a person authorized to file an initial financing
20 statement covering the vehicle pursuant to Section 1-9-509 of Title
21 12A of the Oklahoma Statutes.

22 (b) A security-interest statement that is sufficient under
23 subsection (a) of this section is effective upon receipt by the
24 office.

1 (c) Subject to subsections (e) and (f) of this section, a
2 security-interest statement is not received if the office rejects
3 the statement pursuant to subsection (e) of this section. The
4 office may reject a security-interest statement only in the manner
5 specified in subsection (e) of this section and only if:

6 (1) the record is not delivered by a means authorized by the
7 office;

8 (2) an amount equal to or greater than the required filing fee
9 is not tendered with the statement or, if the office elects to
10 notify the secured party of the filing fee deficiency, within seven
11 (7) days after the notification has been given;

12 (3) the record does not include the name and mailing address of
13 a debtor and a secured party or a representative of a secured party;

14 (4) the record does not contain the vehicle identification
15 number; or

16 (5) the office cannot identify a file of the office, certificate
17 of title, or application for a certificate of title to which the
18 security-interest statement relates.

19 (d) The office shall maintain files of the office showing the
20 date of receipt of each security-interest statement that is not
21 rejected and shall make this information available on request.

22 (e) To reject a security-interest statement, the office must
23 send notice of rejection to the person that delivered the statement,
24

1 indicating the reasons for the rejection and the date the statement
2 would have been received had the office not rejected it.

3 (f) If the office does not send notice of rejection under
4 subsection (e) of this section, the security-interest statement is
5 received as of the time it was delivered to the office.

6 Confirmation by the office that the security-interest statement has
7 been entered in the files of the office is conclusive proof that
8 receipt has occurred.

9 (g) If a security-interest statement sufficient under subsection
10 (a) of this section is tendered with the filing fee and the office
11 sends a notice of rejection without indicating a reason set forth in
12 subsection (c) of this section, the security-interest statement is
13 effective as of the business day on which the statement was tendered
14 to the office except as against a purchaser of the vehicle which
15 gives value in reasonable reliance upon the absence of the security-
16 interest statement from the files of the office.

17 (h) Failure of the office to index a security-interest statement
18 correctly or to indicate the security interest on the certificate of
19 title does not affect the receipt of the security-interest
20 statement.

21 SECTION 26. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1111.26 of Title 47, unless
23 there is created a duplication in numbering, reads as follows:

24 PERFECTION OF SECURITY INTEREST.

1 (a) Except as otherwise provided in subsection (b), (d), or (e)
2 of this section, a security interest in a vehicle may be perfected
3 only by a security-interest statement that is effective under
4 Section 25 of this act. The security interest is perfected upon the
5 later of receipt of the security-interest statement under Section 25
6 of this act or attachment of the security interest under Section 1-
7 9-203 of Title 12A of the Oklahoma Statutes.

8 (b) If the office creates a certificate of title naming a
9 lessor, consignor, bailor, or secured party as owner and the
10 interest of the person named as owner is a security interest, the
11 certificate of title serves as a security-interest statement that
12 provides the name of the person as secured party. If the interest
13 of the person named as owner in an application for a certificate of
14 title delivered to the office in accordance with Section 9 of this
15 act is a security interest, the application is a security-interest
16 statement that provides the name of the person as secured party.
17 The naming of the person as owner on the application or certificate
18 of title is not of itself a factor in determining whether the
19 interest is a security interest.

20 (c) If a secured party assigns a perfected security interest in
21 a vehicle, the receipt by the office of a security-interest
22 statement providing the name of the transferee or its representative
23 as secured party is not required in order to continue the perfected
24 status of the security interest against creditors of and transferees

1 from the original debtor. However, a purchaser of a vehicle subject
2 to a security interest which obtains a release from the secured
3 party indicated in the files of the office or on the certificate of
4 title takes free of the security interest and of the rights of a
5 transferee if the transfer is not indicated in the files of the
6 office and on the certificate of title.

7 (d) This section does not apply to a security interest in a
8 vehicle created by a person during any period in which the vehicle
9 is inventory held for sale or lease by the person or is leased by
10 the person as lessor if the person is in the business of selling
11 goods of that kind.

12 (e) A security interest is perfected to the extent provided in
13 subsection (d) of Section 1-9-316 of Title 12A of the Oklahoma
14 Statutes. A secured party may also perfect a security interest by
15 taking possession of a vehicle only pursuant to subsection (b) of
16 Section 1-9-313 of Title 12A of the Oklahoma Statutes and subsection
17 (d) of Section 1-9-316 of Title 12A of the Oklahoma Statutes.

18 SECTION 27. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.27 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 TERMINATION STATEMENT.

22 (a) A secured party indicated in the files of the office as
23 having a security interest in a vehicle shall deliver to the office
24

1 and, upon the debtor's request, to the debtor, a signed termination
2 statement if:

3 (1) there is no obligation secured by the vehicle subject to the
4 security interest and no commitment to make an advance, incur an
5 obligation, or otherwise give value secured by the vehicle; or

6 (2) the debtor did not authorize the filing of the security-
7 interest statement.

8 (b) A secured party indicated in the files of the office as
9 having a security interest in a vehicle shall deliver a signed
10 termination statement to the debtor or the office upon the earlier
11 of:

12 (1) thirty (30) days after there is no obligation secured by the
13 vehicle subject to the security-interest statement and no commitment
14 to make an advance, incur an obligation, or otherwise give value
15 secured by the vehicle; or

16 (2) fourteen (14) days after the secured party receives a signed
17 demand from an owner and there is no obligation secured by the
18 vehicle subject to the security interest and no commitment to make
19 an advance, incur an obligation, or otherwise give value secured by
20 the vehicle.

21 (c) If a written certificate of title has been created and
22 delivered to a secured party and a termination statement is required
23 under subsection (a) of this section, the secured party, within the
24 time provided in subsection (b) of this section, shall deliver the

1 written certificate of title to the debtor or the office with the
2 termination statement. If the written certificate is lost, stolen,
3 mutilated, or destroyed or is otherwise unavailable or illegible,
4 the secured party shall deliver with the termination statement,
5 within the time provided in subsection (b) of this section, an
6 application for a replacement certificate of title meeting the
7 requirements of Section 24 of this act.

8 (d) Upon the delivery of a termination statement to the office
9 pursuant to this section, the security-interest statement and any
10 indication of the security interest on the certificate of title to
11 which the termination statement relates ceases to be effective. The
12 files of the office must indicate the date and time of delivery of
13 the termination statement to the office.

14 (e) A secured party is liable for damages in the amount of any
15 loss caused by its failure to comply with this section and for the
16 reasonable cost of an application for a certificate of title under
17 Section 9 or 24 of this act.

18 SECTION 28. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.28 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 DUTIES AND OPERATION OF FILING OFFICE.

22 (a) The files of the office must indicate the information
23 provided in security-interest statements and termination statements
24 received by the office under Section 25 or 27 of this act for at

1 least ten (10) years after termination of the security-interest
2 statement under Section 27 of this act. The information must be
3 accessible by the vehicle identification number for the vehicle and
4 any other indexing methods provided by the office.

5 (b) The office shall send to a person that submits a record to
6 the office, or submits information that is accepted by the office,
7 and requests an acknowledgment of the filing or submission, an
8 acknowledgment showing the vehicle identification number of the
9 vehicle to which the record or submission relates, the information
10 in the filed record or submission, and the date and time the record
11 was received or the submission accepted. A request under this
12 section must contain the vehicle identification number and be
13 delivered by means authorized by the office.

14 (c) The office shall send or otherwise make available in a
15 record the following information to any person that requests it:

16 (1) whether the files of the office indicate, as of a date and
17 time specified by the office, but not a date earlier than three (3)
18 business days before the office received the request, any
19 certificate of title, security-interest statement, or termination
20 statement that relates to a vehicle identified by a vehicle
21 identification number designated in the request; and

22 (2) the name of the owner of record and the effective date of
23 all security-interest statements and termination statements
24 indicated in the files of the office.

1 (d) In responding to a request under this section, the office
2 may communicate the requested information in any medium. However,
3 if requested, the office shall send the requested information in a
4 record that is self-authenticating under Section 2902 of Title 12 of
5 the Oklahoma Statutes.

6 (e) The office shall comply with this section at the time and in
7 the manner prescribed by the rules of the office but shall respond
8 to requests under this section not later than two (2) business days
9 after the office receives the request.

10 SECTION 29. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1111.29 of Title 47, unless
12 there is created a duplication in numbering, reads as follows:

13 UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and
14 construing the Uniform Certificate of Title Act, consideration must
15 be given to the need to promote uniformity of the law with respect
16 to its subject matter among states that enact it.

17 SECTION 30. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1111.30 of Title 47, unless
19 there is created a duplication in numbering, reads as follows:

20 ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. The
21 Uniform Certificate of Title Act modifies, limits, and supersedes
22 the federal Electronic Signatures in Global and National Commerce
23 Act, 15 U.S.C., Section 7001 et seq., but does not modify, limit, or
24 supersede Section 101(c) of that act, 15 U.S.C., Section 7001(c), or

1 authorize electronic delivery of any of the notices described in
2 Section 103(b) of that act, 15 U.S.C., Section 7003(b).

3 SECTION 31. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1111.31 of Title 47, unless
5 there is created a duplication in numbering, reads as follows:

6 SAVINGS CLAUSE.

7 (a) Except as otherwise provided in this section, the Uniform
8 Certificate of Title Act applies to any transaction, certificate of
9 title, or record involving a vehicle, even if the transaction,
10 certificate of title, or record was entered into or created before
11 January 1, 2008.

12 (b) A transaction, certificate of title, or record that was
13 validly entered into or created before January 1, 2008, and would be
14 subject to the Uniform Certificate of Title Act if it had been
15 entered into or created on or after January 1, 2008, and the rights,
16 duties, and interests flowing from the transaction, certificate of
17 title, or record remains valid after January 1, 2008.

18 (c) This act does not affect an action or proceeding commenced
19 before January 1, 2008.

20 (d) A security interest that is enforceable immediately before
21 January 1, 2008, and would have priority over the rights of a person
22 that becomes a lien creditor at that time is a perfected security
23 interest under the Uniform Certificate of Title Act.

24

1 (e) The Uniform Certificate of Title Act does not affect the
2 priority of a security interest in a vehicle if immediately before
3 January 1, 2008, the security interest is enforceable and perfected,
4 and that priority is established.

5 SECTION 32. This act shall become effective January 1, 2008.

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