

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 CONFERENCE COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL 1105

By: Anderson, Mazzei and
Ivester of the Senate

6 and

7 Morrissette of the House

8
9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to motor vehicles; creating the
11 Uniform Certificate of Title Act; providing short
12 title; clarifying applicability of certain
13 definitions; defining terms; providing for
14 supplemental principles of law and equity; providing
15 for the law governing a vehicle covered by
16 certificate of title or certificate of origin;
17 requiring certain information to be kept on file;
18 providing for certificate of origin; providing for
19 cancellation and replacement of certificate of
20 origin; providing for application for certificate of
21 title; providing for creation and cancellation of
22 certificate of title; providing required contents of
23 certificate of title; providing effect of possession
24 of certificate of title or certificate of origin;
providing for maintenance of and access to files;
providing 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

1 certificate of origin; providing procedure for
2 replacement of certificate of title; providing effect
3 of security interest statement; providing procedure
4 for perfection of security interest; providing
5 procedure for filing termination statement; providing
6 for duties and operation of filing office; providing
7 for uniformity of application and construction;
8 providing relation to certain federal act; providing
9 savings clause; amending 47 O.S. 2001, Sections 1105,
10 as last amended by Section 3, Chapter 297, O.S.L.
11 2008, 1106, as last amended by Section 7, Chapter
12 238, O.S.L. 2006, 1107, as amended by Section 5,
13 Chapter 381, O.S.L. 2005, Section 6, Chapter 381,
14 O.S.L. 2005, and 1110, as last amended by Section 2,
15 Chapter 202, O.S.L. 2007 (47 O.S. Supp. 2009,
16 Sections 1105, 1106, 1107, 1107.4 and 1110), which
17 relate to the Oklahoma Vehicle License and
18 Registration Act; providing for applicability of act
19 under specified circumstances; providing for
20 codification; and providing an effective date.

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

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

SHORT TITLE. Sections 1 through 30 of this act shall be known
and may be cited as the "Uniform Certificate of Title Act".

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

DEFINITIONS.

(a) The following definitions are applicable to the Uniform
Certificate of Title Act and are not applicable to the Oklahoma

1 Motor Vehicle License and Registration Act if the same term is
2 defined in Section 1102 of Title 47 of this title:

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

4 (2) "Buyer in ordinary course of business" means a person that
5 buys goods in good faith, without knowledge that the sale violates
6 the rights of another person in the goods, and in ordinary course
7 from a person, other than a pawnbroker, in the business of selling
8 goods of that kind. A person buys goods in ordinary course if the
9 sale comports with the usual or customary practices in the kind of
10 business in which the seller is engaged or with the seller's own
11 usual or customary practices. A buyer in ordinary course of
12 business may buy for cash, by exchange of other property, or on
13 secured or unsecured credit, and may acquire goods under a
14 preexisting contract for sale. Only a buyer that takes possession
15 of the goods or has a right to recover the goods from the seller
16 under Article 2 of the Uniform Commercial Code may be a buyer in
17 ordinary course of business. The term does not include a person
18 that acquires goods in a transfer in bulk or as security for or in
19 total or partial satisfaction of a money debt. A buyer in ordinary
20 course of business does not lose that status solely because a
21 certificate of title was not executed to the buyer.

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

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1 (4) "Certificate of origin" means a record created by a
2 manufacturer or importer as the manufacturer's or importer's proof
3 of identity of a vehicle.

4 (5) "Certificate of title", except in the phrases "certificate
5 of title created by a governmental agency of any state" and
6 "certificate of title created by a governmental agency of any
7 jurisdiction", means a record, created by the office and designated
8 as a certificate of title by it, that is evidence of ownership of a
9 vehicle.

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

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

15 (8) "Electronic" means relating to technology having electrical,
16 digital, magnetic, wireless, optical, electromagnetic, or similar
17 capabilities.

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

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

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1 (11) "Execute" means to sign and deliver a record on, attached
2 to, accompanying, or logically associated with a certificate of
3 title or certificate of origin to transfer ownership of the vehicle
4 covered by the certificate.

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

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

10 (14) "Lessee in ordinary course of business" means a person that
11 leases goods in good faith, without knowledge that the lease
12 violates the rights of another person, and in ordinary course of
13 business from a person, other than a pawnbroker, in the business of
14 selling or leasing goods of that kind. A person leases in ordinary
15 course if the lease to the person comports with the usual or
16 customary practices in the kind of business in which the lessor is
17 engaged or with the lessor's own usual and customary practices. A
18 lessee in ordinary course of business may lease for cash, by
19 exchange of other property, or on secured or unsecured credit, and
20 may acquire goods or a certificate of title covering goods under a
21 preexisting lease contract. Only a lessee that takes possession of
22 the goods or has a right to recover the goods from the lessor under
23 Article 2A of the Uniform Commercial Code may be a lessee in
24 ordinary course of business. A person that acquires goods in bulk

1 or as security for or in total or partial satisfaction of a money
2 debt is not a lessee in ordinary course of business.

3 (15) "Lien creditor" means:

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

6 (B) an assignee for the benefit of creditors from the time of
7 assignment;

8 (C) a trustee in bankruptcy from the date of the filing of the
9 petition; or

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

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

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

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

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

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

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

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

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

5 (24) "Secured party" means:

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

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

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

13 (D) a trustee, indenture trustee, agent, collateral agent, or
14 other representative in whose favor a security interest is created
15 or provided for; or

16 (E) a person that holds a security interest arising under
17 Sections 2-401 or 2-505 of Title 12A of the Oklahoma Statutes or
18 under subsection (3) of Section 2-711 or subsection (6) of Section
19 2A-508 of Title 12A of the Oklahoma Statutes.

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

1 (26) "Security interest" means an interest in a vehicle which
2 secures payment or performance of an obligation. The term includes
3 any interest of a consignor in a vehicle in a transaction that is
4 subject to Article 9 of the Uniform Commercial Code. The term does
5 not include the special property interest of a buyer of a vehicle on
6 identification of that vehicle to a contract for sale under Section
7 2-401 of Title 12A of the Oklahoma Statutes, but a buyer may also
8 acquire a security interest by complying with Article 9 of the
9 Uniform Commercial Code. Except as otherwise provided in Section 2-
10 505 of Title 12A of the Oklahoma Statutes, the right of a seller or
11 lessor of a vehicle under Article 2 or 2A of the Uniform Commercial
12 Code to retain or acquire possession of the vehicle is not a
13 security interest, but a seller or lessor may also acquire a
14 security interest by complying with Article 9 of the Uniform
15 Commercial Code. The retention or reservation of title by a seller
16 of a vehicle notwithstanding shipment or delivery to the buyer under
17 Section 2-401 of Title 12A of the Oklahoma Statutes is limited in
18 effect to a reservation of a security interest. Whether a
19 transaction in the form of a lease creates a security interest is
20 determined by law other than the Uniform Certificate of Title Act.

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

22 (A) a record created by a secured party which indicates a
23 security interest; or
24

1 (B) an application for which the office is required to create a
2 certificate of title, if the application indicates a security
3 interest.

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

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

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

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

13 (30) "Termination statement" means a record created by a secured
14 party pursuant to Section 26 of this act which:

15 (A) identifies the security-interest statement to which it
16 relates; and

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

19 (31) "Title brand" means a designation of previous damage, use,
20 or condition that the Uniform Certificate of Title Act or law other
21 than the Uniform Certificate of Title Act requires to be indicated
22 on a certificate of title or a certificate of origin created by a
23 governmental agency of any jurisdiction.

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

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

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

9 (A) an item of specialized mobile equipment not designed
10 primarily for transportation of individuals or property on a road or
11 highway;

12 (B) an implement of husbandry;

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

15 (D) a manufactured home.

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

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

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

22 (1) "Agreement", paragraph (3) of subsection (b) of Section 1-
23 201 of Title 12A of the Oklahoma Statutes.

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- 1 (2) "Collateral", paragraph (12) of subsection (a) of Section 1-
2 9-102 of Title 12A of the Oklahoma Statutes.
- 3 (3) "Debtor", paragraph (28) of subsection (a) of Section 1-9-
4 102 of Title 12A of the Oklahoma Statutes.
- 5 (4) "Lease", paragraph (j) of subsection (1) of Section 2A-103
6 of Title 12A of the Oklahoma Statutes.
- 7 (5) "Lessee", paragraph (n) of subsection (1) of Section 2A-103
8 of Title 12A of the Oklahoma Statutes.
- 9 (6) "Lessor", paragraph (p) of subsection (1) of Section 2A-103
10 of Title 12A of the Oklahoma Statutes.
- 11 (7) "Manufactured home", paragraph (53) of subsection (a) of
12 Section 1-9-102 of Title 12A of the Oklahoma Statutes.
- 13 (8) "Merchant", subsection (1) of Section 2-104 of Title 12A of
14 the Oklahoma Statutes.
- 15 (9) "Notice; Knowledge", Section 1-202 of Title 12A of the
16 Oklahoma Statutes.
- 17 (10) "Representative", paragraph (33) of subsection (b) of
18 Section 1-201 of Title 12A of the Oklahoma Statutes.
- 19 (11) "Sale", subsection (1) of Section 2-106 of Title 12A of the
20 Oklahoma Statutes.
- 21 (12) "Security agreement", paragraph (73) of subsection (a) of
22 Section 1-9-102 of Title 12A of the Oklahoma Statutes.
- 23 (13) "Seller", paragraph (c) of subsection (1) of Section 2-103
24 of Title 12A of the Oklahoma Statutes.

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

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

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

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

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

14 LAW GOVERNING VEHICLE AS DEFINED IN THE UNIFORM CERTIFICATE OF
15 TITLE ACT WHICH IS COVERED BY CERTIFICATE OF TITLE OR CERTIFICATE OF
16 ORIGIN.

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

19 (b) The local law of the state under whose certificate of title
20 a vehicle is covered governs all issues relating to the certificate
21 of title, from the time the vehicle becomes covered by the
22 certificate of title until the vehicle ceases to be covered by the
23 certificate of title, even if no other relationship exists between
24 the state and the vehicle or its owner.

1 (c) A vehicle becomes covered by a certificate of title created
2 in this state when an application for a certificate of title and the
3 fee are received by the office in accordance with the Uniform
4 Certificate of Title Act. A vehicle becomes covered by a
5 certificate of title in another state when an application for a
6 certificate of title and the fee are received in that state pursuant
7 to the law of that state.

8 (d) A vehicle ceases to be covered by a certificate of title at
9 the earlier of the time the certificate of title ceases to be
10 effective under the law of the state pursuant to which it was
11 created or the time the vehicle becomes covered subsequently by
12 another certificate of title.

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

15 (1) if the parties to the certificate of origin have chosen the
16 law of a jurisdiction, the law of that jurisdiction applies to the
17 certificate of origin, even if there is no other relationship
18 between that jurisdiction and the vehicle or its owner; and

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

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

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

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

11 VEHICLE IDENTIFICATION NUMBER, MAKE, AND MODEL YEAR. For a
12 vehicle covered by a certificate of title, the office shall indicate
13 in its files the vehicle identification number, make, and model
14 year, if any, assigned by its chassis manufacturer or importer. If
15 a vehicle identification number, make, or model year has not been
16 assigned, the office shall assign a vehicle identification number,
17 make, or model year and indicate the assignment in its files.

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

21 EXECUTION OF CERTIFICATE OF ORIGIN.

22 (a) If a manufacturer or importer creates or is authorized or
23 required to create a certificate of origin for a vehicle, upon
24 transfer of ownership of the vehicle, the manufacturer or importer

1 shall execute a certificate of origin to the transferee. Each
2 succeeding transferor shall execute to the next transferee all
3 certificates of origin covering the vehicle which are known to the
4 transferor.

5 (b) If a certificate of title created by a governmental agency
6 of any jurisdiction is not delivered to the buyer and a written
7 certificate of origin or equivalent evidence of ownership is
8 required by the office to obtain a certificate of title, a buyer may
9 require that the buyer's transferor execute to the buyer a written
10 certificate of origin or provide equivalent evidence of ownership
11 sufficient to satisfy the requirements of the office.

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

15 CANCELLATION AND REPLACEMENT OF CERTIFICATE OF ORIGIN.

16 (a) If a written certificate of origin is created to replace an
17 electronic certificate of origin, the electronic certificate of
18 origin is canceled and replaced by the written certificate of
19 origin.

20 (b) If an electronic certificate of origin is created to replace
21 a written certificate of origin, the written certificate of origin
22 must be canceled.

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

4 APPLICATION FOR CERTIFICATE OF TITLE.

5 (a) Except as otherwise provided in Sections 20 and 21 of this
6 act, only the owner of a vehicle may apply for a certificate of
7 title covering the vehicle.

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

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

13 (2) the vehicle identification number;

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

16 (4) an indication of all security interests in the vehicle known
17 to the applicant, including the name and mailing address of the
18 secured party or a representative of the secured party, and, if the
19 application includes a direction to terminate a security-interest
20 statement, the information required for sufficiency of a security-
21 interest statement under subsection (a) of Section 24 of this act
22 and the secured party's or its representative's name and address for
23 receiving communications;

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

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

7 (7) if the application is made in connection with a transfer of
8 ownership, the transferor's name, the sales price if any, and the
9 date of the transfer.

10 (c) A certificate of title created in another jurisdiction and
11 submitted in connection with an application is part of the
12 application.

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

16 (e) Except as otherwise provided in Section 20, 21, or 22 of
17 this act, if an application for a certificate of title includes an
18 indication of a transfer of ownership, the application must be
19 accompanied by all existing certificates of origin and any
20 certificate of title created by a governmental agency of any
21 jurisdiction covering the vehicle, which have been executed to the
22 applicant or are known to the applicant. Except as otherwise
23 provided in Section 22 of this act, if an application includes a
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1 direction to terminate a security-interest statement, the
2 application must be accompanied by a termination statement.

3 (f) Except as otherwise provided in Section 23 of this act, if
4 an application for a certificate of title does not include an
5 indication of a transfer of ownership or a direction to terminate a
6 security-interest statement, the application must be accompanied by
7 all existing certificates of origin and any certificate of title
8 created by a governmental agency of any jurisdiction covering the
9 vehicle, which are known to the applicant and evidencing the
10 applicant as owner of the vehicle.

11 (g) If the applicant does not know of any existing certificate
12 of origin or certificate of title created by a governmental agency
13 of any jurisdiction covering the vehicle, the applicant shall
14 include in the application for a certificate of title all existing
15 records and other information of the vehicle's ownership known to
16 the applicant. Information submitted under this subsection is part
17 of the application for the certificate of title and must be
18 indicated in the files of the office.

19 (h) The office may require that an application for a certificate
20 of title or a security-interest statement be accompanied by
21 documentation required by law other than this act and by payment of
22 all taxes and fees payable by the applicant under the law of this
23 state in connection with the acquisition or use of a vehicle or
24 evidence of payment of the tax or fee.

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

4 CREATION AND CANCELLATION OF CERTIFICATE OF TITLE.

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

9 (b) Upon request of the secured party of record, the office
10 shall create a written certificate of title or, if the office is
11 authorized to do so, an electronic certificate of title. If no
12 security interest is indicated in the files of the office, the owner
13 of record may have the office create a written certificate of title
14 or, if the office is authorized to do so, an electronic certificate
15 of title. If no request is made by an owner of record or secured
16 party, the office may create a written certificate of title or, if
17 authorized to do so, an electronic certificate of title.

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

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

21 (2) there is a reasonable basis for concluding that the
22 application is fraudulent or would facilitate a fraudulent or
23 illegal act; or

24

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

3 (d) If the office has created a certificate of title, it may
4 cancel the certificate of title only if it could have rejected the
5 application under subsection (c) of this section or is required to
6 cancel the certificate of title under another provision of the
7 Uniform Certificate of Title Act. The office shall provide an
8 opportunity for a hearing at which the applicant and any other
9 interested party may present evidence in support of or opposition to
10 the cancellation. The office may, after ten (10) days' notice and a
11 hearing, cancel the certificate of title. Said notice may be served
12 in person or by registered mail.

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

16 CONTENTS OF CERTIFICATE OF TITLE.

17 (a) A certificate of title must contain:

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

19 (2) except as otherwise provided in subsection (b) of Section 25
20 of this act, the name and address of any secured party of record and
21 an indication of whether there are additional security interests
22 indicated in the files of the office or on a record created by a
23 governmental agency of any jurisdiction and submitted to the office;

24

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

5 (4) any other information required by subsection (b) of Section
6 9 of this act, except the applicant's address.

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

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

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

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

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

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

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

20 MAINTENANCE OF AND ACCESS TO FILES.

21 (a) Except as otherwise provided by Section 1109 of Title 47
22 and Section 205 of Title 68 of the Oklahoma Statutes and the
23 Drivers' Privacy Protection Act, Sections 2721 through 2725 of Title
24 18 of the United States Code, the information required under Section

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

5 (b) For each record relating to a certificate of title
6 submitted to the office, the office shall:

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

10 (2) indicate in the files of the office the vehicle
11 identification number, make, and model year of the vehicle to which
12 the record relates and the information in the record, including the
13 date the record was delivered to the office;

14 (3) maintain the file for inspection subject to subsection (a)
15 of this section; and

16 (4) index the files of the office so as to be accessible as
17 required by subsection (c) of this section.

18 (c) The office shall indicate in the files of the office the
19 information contained in all certificates of title created under the
20 Uniform Certificate of Title Act. The files of the office must be
21 accessible by the vehicle identification number for the vehicle
22 covered by the certificate and any other indexing method used by the
23 office.

24

1 (d) To the extent known to the office, the files of the office
2 maintained under this section relating to a vehicle must indicate
3 all title brands and the name or names of any secured party and
4 claimant to ownership of the vehicle and include stolen-property
5 reports and security-interest statements.

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

9 DELIVERY OF CERTIFICATE OF TITLE.

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

24

1 (b) Within a reasonable time after receipt of a request that a
2 written certificate of title be created and delivered pursuant to
3 subsection (a) of this section, the office shall create the
4 certificate and deliver it to the person making the request.

5 (c) If a written certificate of title is created, any electronic
6 certificate of title is canceled and replaced by the written
7 certificate of title. The cancellation must be indicated in the
8 files of the office with an indication of the date of 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 of destruction or other cancellation. If the written
15 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 15. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.15 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 TRANSFER.

22 Except as otherwise provided, the provisions of this section
23 require no action of the office:
24

1 (a) Upon sale of a vehicle covered by a certificate of title, a
2 person authorized to execute the certificate of title, as promptly
3 as practicable and in compliance with this act and law of this state
4 other than this act, shall execute the certificate to the buyer or
5 deliver to the office a record evidencing execution of an electronic
6 certificate of title to the buyer. The buyer of a vehicle covered
7 by a certificate of title has a specifically enforceable right to
8 require the seller to execute the certificate of title to the buyer
9 or deliver to the office a record evidencing the transfer.

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

13 (c) As between the parties to a transfer and their assignees and
14 successors, a transfer of ownership is not rendered ineffective by a
15 failure to execute a certificate of title or certificate of origin
16 as provided in this section. However, except as otherwise provided
17 in subsections (b) and (c) of Section 17 of this act, or Sections
18 18, 20, or 21 of this act, a transfer of ownership without execution
19 of a certificate of title or certificate of origin is not effective
20 as to other persons claiming an interest in the vehicle.

21 (d) Before an agreement to transfer ownership by an electronic
22 certificate of title is made or any consideration for the transfer
23 is paid, and before a record evidencing the transfer is executed to
24 the transferee or delivered by the transferor to the office, the

1 transferor shall deliver to the transferee a signed record
2 containing the information required by subsection (b) of Section 9
3 of this act, and the transferee shall deliver to the transferor a
4 signed record acknowledging receipt of the information. The
5 transferee has a specifically enforceable right to receive this
6 information before any consideration is paid. The record delivered
7 to the office must indicate that these requirements have been met.

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

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

16 NOTICE OF TRANSFER WITHOUT APPLICATION. A transferee or
17 transferor, in accordance with standards and procedures established
18 by the office, may deliver a signed record to the office giving
19 notice of the transfer accompanied by the fee required, to indicate
20 its ownership or lack of ownership, without filing an application
21 for a certificate of title. The record may indicate the transfer of
22 ownership between the transferor and transferee. The record is not
23 a certificate of title and is not effective as to other persons
24 claiming an interest in the vehicle. The delivery to the office of

1 the record containing the notice does not relieve any party of any
2 obligation under Section 9 or 15 of this act.

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

6 POWER TO TRANSFER.

7 The provisions of this section require no action of the office:

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

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

20 (c) A purchase of a leasehold interest is subject to Section 2A-
21 303 of Title 12A of the Oklahoma Statutes.

22 (d) Except as otherwise provided in Section 15 of this act, the
23 rights of other purchasers of vehicles and of lien creditors are
24 governed by Articles 2, 2A, 7, and 9 of the Uniform Commercial Code.

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 OTHER TRANSFEREES OF VEHICLE COVERED BY CERTIFICATE OF TITLE.

5 The provisions of this section require no action of the office:

6 (a) Except as otherwise provided in this section or subsection

7 (b) of Section 17 of this act, a transferee of ownership takes

8 subject to:

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

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

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

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

24

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

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

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

1 (e) A security interest is indicated on an electronic
2 certificate of title if it is indicated in the record of the
3 certificate of title maintained by the office.

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

7 EFFECT OF OMISSION OR INCORRECT INFORMATION.

8 The provisions of this section require no action of the office:

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

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

24

1 (c) Except as otherwise provided in subsection (d) of this
2 section or subsection (c) of Section 24 of this act, a description
3 of a vehicle, including the vehicle identification number, in a
4 certificate of title, certificate of origin, security-interest
5 statement, or other record required or authorized by the Uniform
6 Certificate of Title Act which otherwise satisfies the Uniform
7 Certificate of Title Act is not seriously misleading, even if not
8 specific and accurate, if the description reasonably identifies the
9 vehicle.

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

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

21 TRANSFER BY SECURED PARTY'S TRANSFER STATEMENT.

22 (a) In this section, "secured party's transfer statement" means
23 a record signed by the secured party of record stating:
24

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

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

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

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

8 (A) the owner of record;

9 (B) the secured party of record; and

10 (C) any other purchaser;

11 (5) any other information required by subsection (b) of Section
12 9 of this act; and

13 (6) that the certificate of title is an electronic certificate
14 of title, or that the secured party does not have possession of the
15 written certificate of title created in the name of the owner of
16 record, or that the secured party is delivering the written
17 certificate of title to the office with the secured party's transfer
18 statement.

19 (b) Completion and delivery to the office of a secured party's
20 transfer statement, and payment of all applicable taxes and fees,
21 entitles the secured party to the creation of a certificate of title
22 showing the secured party of record as the owner of record. Unless
23 the secured party's transfer statement is rejected by the office for
24

1 a reason set forth in subsection (c) of Section 10 of this act, the
2 office shall:

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

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

5 (3) cancel the certificate of title created in the name of the
6 owner of record listed in the secured party's transfer statement,
7 whether or not the certificate of title has been delivered to the
8 office;

9 (4) create a new certificate of title indicating the secured
10 party of record as the vehicle's owner of record; and

11 (5) deliver the new certificate of title pursuant to Section 14
12 of this act.

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

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

20 TRANSFER BY OPERATION OF LAW.

21 (a) In this section:

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

24

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

3 (B) through the exercise of the rights of a lien creditor or a
4 person having a statutory or common law lien or other nonconsensual
5 lien; or

6 (C) through other legal process.

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

11 (A) the name and mailing address of the owner of record and the
12 transferee and the other information required by subsection (b) of
13 Section 9 of this act;

14 (B) documentation sufficient to establish the transferee's
15 interest or right to acquire the ownership interest of the owner of
16 record; and

17 (C) a statement that:

18 (i) the certificate of title is an electronic certificate of
19 title;

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

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

24

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

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

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

9 (3) cancel the certificate of title created in the name of the
10 owner of record indicated in the transfer-by-law statement, whether
11 or not the certificate has been delivered to the office;

12 (4) create a new certificate of title, indicating the transferee
13 as owner of record; and

14 (5) deliver the new certificate of title.

15 (c) This section does not apply to a transfer of an interest in
16 a vehicle by a secured party under Article 9 of the Uniform
17 Commercial Code or Section 20 of this act.

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

21 APPLICATION FOR TRANSFER OF OWNERSHIP OR TERMINATION OF
22 SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE OR
23 CERTIFICATE OF ORIGIN.

24

1 (a) Except as otherwise provided in Section 20 or 21 of this
2 act, upon receiving an application that includes an indication of a
3 transfer of ownership or a direction to terminate a security-
4 interest statement but is not accompanied by submission of a signed
5 certificate of title or certificate of origin or, as applicable, a
6 termination statement pursuant to Section 26 of this act, the office
7 may create a certificate of title or terminate the security-interest
8 statement under this section only if:

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

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

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

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

1 (b) The provisions of this section create no obligation on the
2 part of the office to create a certificate of title or terminate the
3 security-interest statement. The office's decision is not subject
4 to review.

5 (c) The office may indicate in a certificate of title created
6 under subsection (a) of this section that the certificate of title
7 was created without submission of a signed certificate of title or
8 termination statement. If no credible information indicating theft,
9 fraud, or any undisclosed or unsatisfied security interest, lien, or
10 other claim to an interest in the vehicle has been delivered to the
11 office within one (1) year after creation of the certificate of
12 title, upon request in a form and manner specified by the office,
13 the office shall remove the indication from the certificate of
14 title.

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 REPLACEMENT CERTIFICATE OF TITLE.

19 (a) If a written certificate of title is lost, stolen,
20 mutilated, destroyed, or otherwise becomes unavailable or illegible,
21 the secured party of record or, if there is no secured party
22 indicated in the files of the office, the owner of record may apply
23 for and, by furnishing information satisfactory to the office,
24

1 obtain a replacement certificate of title in the name of the owner
2 of record.

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

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

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

15 (e) If a person receiving a replacement certificate of title
16 subsequently obtains possession of the original written certificate
17 of title, the person shall promptly destroy the original written
18 certificate of title.

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

22 EFFECTIVENESS OF SECURITY-INTEREST STATEMENT.

23 (a) A security-interest statement is sufficient if it includes
24 the name of the debtor, the name of the secured party or a

1 representative of the secured party, a description that reasonably
2 identifies the vehicle and is not seriously misleading under Section
3 19 of this act, and is delivered as follows:

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

7 (2) if the security-interest statement is not indicated on an
8 application for which the office is required to create a certificate
9 of title, by a person authorized to file an initial financing
10 statement covering the vehicle pursuant to Section 1-9-509 of Title
11 12A of the Oklahoma Statutes.

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

15 (c) Subject to subsections (e) and (f) of this section, a
16 security-interest statement is not received if the office rejects
17 the statement pursuant to subsection (e) of this section. The
18 office may reject a security-interest statement only in the manner
19 specified in subsection (e) of this section and only if:

20 (1) the record is not delivered by a means authorized by the
21 office;

22 (2) an amount equal to or greater than the required filing fee
23 is not tendered with the statement or, if the office elects to
24

1 notify the secured party of the filing fee deficiency, within seven
2 (7) days after the notification has been given;

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

5 (4) the record does not contain the vehicle identification
6 number; or

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

10 (d) The office shall maintain files of the office showing the
11 date of receipt of each security-interest statement that is not
12 rejected and shall make this information available on request as
13 provided by Section 1109 of Title 47 and Section 205 of Title 68 of
14 the Oklahoma Statutes and the Drivers' Privacy Protection Act,
15 Sections 2721 through 2725 of Title 18 of the United States Code.

16 (e) To reject a security-interest statement, the office must
17 send notice of rejection to the person that delivered the statement,
18 indicating the reasons for the rejection and the date the statement
19 would have been received had the office not rejected it.

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

23 Confirmation by the office that the security-interest statement has
24

1 | been entered in the files of the office is conclusive proof that
2 | receipt has occurred.

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

11 | (h) Failure of the office to index a security-interest statement
12 | correctly or to indicate the security interest on the certificate of
13 | title does not affect the receipt of the security-interest
14 | statement.

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

18 | PERFECTION OF SECURITY INTEREST.

19 | (a) Except as otherwise provided in subsection (b), (d), or (e)
20 | of this section, a security interest in a vehicle may be perfected
21 | only by a security-interest statement that is effective under
22 | Section 24 of this act. The security interest is perfected upon the
23 | later of receipt of the security-interest statement under Section 24

24 |

1 of this act or attachment of the security interest under Section 1-
2 9-203 of Title 12A of the Oklahoma Statutes.

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

15 (c) If a secured party assigns a perfected security interest in
16 a vehicle, the receipt by the office of a security-interest
17 statement providing the name of the transferee or its representative
18 as secured party is not required in order to continue the perfected
19 status of the security interest against creditors of and transferees
20 from the original debtor. However, a purchaser of a vehicle subject
21 to a security interest which obtains a release from the secured
22 party indicated in the files of the office or on the certificate of
23 title takes free of the security interest and of the rights of a
24

1 transferee if the transfer is not indicated in the files of the
2 office and on the certificate of title.

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

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

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

17 TERMINATION STATEMENT.

18 (a) A secured party indicated in the files of the office as
19 having a security interest in a vehicle shall deliver to the office
20 and, upon the debtor's request, to the debtor, a signed termination
21 statement if:

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

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

3 (b) A secured party indicated in the files of the office as
4 having a security interest in a vehicle shall deliver a signed
5 termination statement upon the earlier of:

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

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

15 (c) If a written certificate of title has been created and
16 delivered to a secured party and a termination statement is required
17 under subsection (a) of this section, the secured party, within the
18 time provided in subsection (b) of this section, shall deliver the
19 written certificate of title to the debtor with the termination
20 statement. If the written certificate is lost, stolen, mutilated,
21 or destroyed or is otherwise unavailable or illegible, the secured
22 party shall deliver with the termination statement, within the time
23 provided in subsection (b) of this section, an application for a
24

1 replacement certificate of title meeting the requirements of Section
2 23 of this act.

3 (d) Upon the delivery of a termination statement to the office
4 pursuant to this section, the security-interest statement and any
5 indication of the security interest on the certificate of title to
6 which the termination statement relates ceases to be effective. The
7 files of the office must indicate the date of delivery of the
8 termination statement to the office.

9 (e) A secured party is liable for damages in the amount of any
10 loss caused by its failure to comply with this section and for the
11 reasonable cost of an application for a certificate of title under
12 Section 9 or 23 of this act.

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

16 DUTIES AND OPERATION OF FILING OFFICE.

17 (a) The files of the office must indicate the information
18 provided in security-interest statements and termination statements
19 received by the office under Section 24 or 26 of this act for at
20 least ten (10) years after termination of the security-interest
21 statement under Section 26 of this act. The information must be
22 accessible by the vehicle identification number for the vehicle and
23 any other indexing methods provided by the office.

24

1 (b) As authorized by Section 1109 of Title 47 and Section 205 of
2 Title 68 of the Oklahoma Statutes and the Drivers' Privacy
3 Protection Act, Sections 2721 through 2725 of Title 18 of the United
4 States Code, the office shall send to a person that submits a record
5 to the office, or submits information that is accepted by the
6 office, and requests an acknowledgment of the filing or submission,
7 an acknowledgment showing the vehicle identification number of the
8 vehicle to which the record or submission relates, the information
9 in the filed record or submission, and the date the record was
10 received or the submission accepted. A request under this section
11 must contain the vehicle identification number and be delivered by
12 means authorized by the office.

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

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

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

24

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.

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

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

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

18 ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. The
19 Uniform Certificate of Title Act modifies, limits, and supersedes
20 the federal Electronic Signatures in Global and National Commerce
21 Act, 15 U.S.C., Section 7001 et seq., but does not modify, limit, or
22 supersede Section 101(c) of that act, 15 U.S.C., Section 7001(c), or
23 authorize electronic delivery of any of the notices described in
24 Section 103(b) of that act, 15 U.S.C., Section 7003(b).

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

4 SAVINGS CLAUSE.

5 (a) Except as otherwise provided in this section, the Uniform
6 Certificate of Title Act applies to any transaction, certificate of
7 title, or record involving a vehicle, even if the transaction,
8 certificate of title, or record was entered into or created before
9 January 1, 2012.

10 (b) A transaction, certificate of title, or record that was
11 validly entered into or created before January 1, 2012, and would be
12 subject to the Uniform Certificate of Title Act if it had been
13 entered into or created on or after January 1, 2012, and the rights,
14 duties, and interests flowing from the transaction, certificate of
15 title, or record remains valid after January 1, 2012.

16 (c) This act does not affect an action or proceeding commenced
17 before January 1, 2012.

18 (d) A security interest that is enforceable immediately before
19 January 1, 2012, and would have priority over the rights of a person
20 that becomes a lien creditor at that time is a perfected security
21 interest under the Uniform Certificate of Title Act.

22 (e) The Uniform Certificate of Title Act does not affect the
23 priority of a security interest in a vehicle if immediately before
24

1 January 1, 2012, the security interest is enforceable and perfected,
2 and that priority is established.

3 SECTION 31. AMENDATORY 47 O.S. 2001, Section 1105, as
4 last amended by Section 3, Chapter 297, O.S.L. 2008 (47 O.S. Supp.
5 2009, Section 1105), is amended to read as follows:

6 Section 1105. A. As used in the Oklahoma Vehicle License and
7 Registration Act:

8 1. "Salvage vehicle" means any vehicle which is within the last
9 ten (10) model years and which has been damaged by collision or
10 other occurrence to the extent that the cost of repairing the
11 vehicle for safe operation on the highway exceeds sixty percent
12 (60%) of its fair market value, as defined by Section 1111 of this
13 title, immediately prior to the damage. For purposes of this
14 section, actual repair costs shall only include labor and parts for
15 actual damage to the suspension, motor, transmission, frame or
16 unibody and designated structural components;

17 2. "Rebuilt vehicle" means any salvage vehicle which has been
18 rebuilt and inspected for the purpose of registration and title;

19 3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle
20 which was damaged by flooding or a vehicle which was submerged at a
21 level to or above the dashboard of the vehicle and on which an
22 amount of loss was paid by the insurer;

23 4. "Unrecovered-theft vehicle" means a vehicle which has been
24 stolen and not yet recovered;

1 5. "Recovered-theft vehicle" means a vehicle, including a
2 salvage or rebuilt vehicle, which was recovered from a theft; and

3 6. "Junked vehicle" means any vehicle which is incapable of
4 operation or use on the highway, has no resale value except as a
5 source of parts or scrap and has an eighty percent (80%) loss in
6 fair market value.

7 B. The owner of every vehicle in this state shall possess a
8 certificate of title as proof of ownership of such vehicle, except
9 those vehicles registered pursuant to Section 1120 of this title and
10 trailers registered pursuant to Section 1133 of this title,
11 previously titled by anyone in another state and engaged in
12 interstate commerce, and except as provided in subsection M of this
13 section. Except for owners that possess an agricultural exemption
14 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma
15 Statutes, the owner of an all-terrain vehicle or a motorcycle used
16 exclusively off roads or highways in this state which is purchased
17 or the ownership of which is transferred on or after July 1, 2005,
18 and the owner of a utility vehicle used exclusively off roads and
19 highways in this state which is purchased or the ownership of which
20 is transferred on or after July 1, 2008, shall possess a certificate
21 of title as proof of ownership. Any person possessing an
22 agricultural exemption permit and owning an all-terrain vehicle or a
23 motorcycle used exclusively off roads or highways in this state
24 which is purchased or the ownership of which is transferred on or

1 after July 1, 2008, shall possess a certificate of title as proof of
2 ownership. Upon receipt of proper application information by such
3 owner, the Oklahoma Tax Commission shall issue an original or
4 transfer certificate of title. Until July 1, 2008, any security
5 interest in an all-terrain vehicle that attached and was perfected
6 before July 1, 2005, and that has not otherwise terminated shall
7 remain perfected, and shall take priority over any subsequently
8 perfected security interest in the same all-terrain vehicle,
9 notwithstanding that a certificate of title may have been issued
10 with respect to the same all-terrain vehicle on or after July 1,
11 2005, and that a lien may have been recorded on said certificate of
12 title. There shall be seven types of certificates of title:

13 1. Original title for any motor vehicle which is not a
14 remanufactured, salvage, unrecovered-theft, rebuilt or junked
15 vehicle;

16 2. Salvage title for any motor vehicle which is a salvage
17 vehicle or is specified as a salvage vehicle or the equivalent
18 thereof on a certificate of title from another state;

19 3. Rebuilt title for any motor vehicle which is a rebuilt
20 vehicle;

21 4. Junked title for any motor vehicle which is a junked vehicle
22 or is specified as a junked vehicle or the equivalent thereof on a
23 certificate of title from another state;

24

1 5. Classic title for any motor vehicle, except a junked
2 vehicle, which is twenty-five (25) model years or older;

3 6. Remanufactured title for any vehicle which is a
4 remanufactured vehicle; and

5 7. Unrecovered-theft title for any motor vehicle which has been
6 stolen and not recovered.

7 Application for a certificate of title, whether the initial
8 certificate of title or a duplicate, may be made to the Tax
9 Commission or any motor license agent. When application is made
10 with a motor license agent, the application information shall be
11 transmitted either electronically or by mail to the Tax Commission
12 by the motor license agent. If the application information is
13 transmitted electronically, the motor license agent shall forward
14 the required application along with evidence of ownership, where
15 required, by mail. Where the transmission of application
16 information cannot be performed electronically, the Tax Commission
17 is authorized to provide postage paid envelopes to motor license
18 agents for the purpose of mailing the application along with
19 evidence of ownership, where required. The Tax Commission shall
20 upon receipt of proper application information issue an Oklahoma
21 certificate of title. The certificates may be mailed to the
22 applicant. Upon issuance of a certificate of title, the Tax
23 Commission shall provide the appropriate motor license agent with
24 confirmation of such issuance.

1 C. 1. The application for certificate of title shall be upon a
2 blank form furnished by the Tax Commission, containing:

- 3 a. a full description of the vehicle,
- 4 b. the manufacturer's serial or other identification
5 number,
- 6 c. the motor number and the date on which first sold by
7 the manufacturer or dealer to the owner,
- 8 d. any distinguishing marks,
- 9 e. a statement of the applicant's source of title,
- 10 f. any security interest upon the vehicle, and
- 11 g. such other information as the Tax Commission may
12 require.

13 2. The application for a certificate of title for a vehicle
14 which is within the last seven (7) model years shall require a
15 declaration as to whether the vehicle has been damaged by collision
16 or other occurrence and whether the vehicle has been recovered from
17 theft and the extent of the damage to the vehicle. The declaration
18 shall be made by the owner of a vehicle if:

- 19 a. the vehicle has been damaged or stolen,
- 20 b. the owner did or did not receive any payment for the
21 loss from an insurer, or
- 22 c. the vehicle is titled or registered in a state that
23 does not classify the vehicle or brand the title
24

1 because of damage to or loss of the vehicle similar to
2 the classifications or brands utilized by this state.

3 The declaration shall be based upon the best information and
4 knowledge of the owner and shall be in addition to the requirements
5 specified in paragraph 1 of this subsection. The Tax Commission
6 shall not issue a certificate of title for a vehicle which is
7 subject to the provisions of this paragraph without the required
8 declaration, completed and signed by the owner of the vehicle. Upon
9 receipt of an application without the properly completed
10 declaration, the Tax Commission shall return the application to the
11 applicant with notice that the title may not be issued without the
12 required declaration. Nothing in this paragraph shall prohibit the
13 Tax Commission from recognizing the type of or brand on a title or
14 other ownership document issued by another state or the inspection
15 conducted in another state and issuing the appropriate certificate
16 of title for the vehicle.

17 3. The certificate of title shall have the following security
18 features:

- 19 a. intaglio printing or security thread, with or without
20 watermark,
- 21 b. latent images,
- 22 c. fluorescent inks,
- 23 d. micro print,
- 24 e. void background, and

1 f. color coding.

2 4. Each title issued pursuant to the provisions of the Oklahoma
3 Vehicle License and Registration Act shall be color coded as
4 determined by the Tax Commission.

5 5. The certificate of title shall be of such size and design
6 and color as the Tax Commission may direct pursuant to the
7 provisions of this section. The title shall be on colored paper or
8 other material as designated by the Tax Commission and be of such
9 intensity or hue as will allow easy identification as to whether the
10 title is an original title, a salvage title, a rebuilt title,
11 remanufactured title, or a junked title. The type of title shall be
12 identified on the front of the certificate of title. The original
13 title, rebuilt title, remanufactured title, an unrecovered-theft
14 title or classic title shall be identified by the word "Original",
15 "Rebuilt", "Remanufactured", "Unrecovered Theft" or "Classic"
16 printed in the upper right quadrant of the certificate of title, in
17 the space which is currently captioned "type of title".

18 D. 1. To obtain an original certificate of title for a vehicle
19 that is being registered for the first time in this state which has
20 not been previously registered in any other state, the applicant
21 shall be required to deliver, as evidence of ownership, a
22 manufacturer's certificate of origin properly assigned by the
23 manufacturer, distributor, or dealer licensed in this or any other
24 state shown thereon to be the last transferee to the applicant upon

1 a form to be prescribed and approved by the Tax Commission. A
2 manufacturer's certificate of origin shall contain:

- 3 a. the manufacturer's serial or other identification
4 number,
- 5 b. date on which first sold by the manufacturer to the
6 dealer,
- 7 c. any distinguishing marks including model and the year
8 same was made,
- 9 d. a statement of any security interests upon the
10 vehicle, and
- 11 e. such other information as the Tax Commission may
12 require.

13 2. The manufacturer's certificate of origin shall have the
14 following security features:

- 15 a. intaglio printing or security thread, with or without
16 watermark,
- 17 b. latent images,
- 18 c. fluorescent inks,
- 19 d. micro print, and
- 20 e. void background.

21 E. In the absence of a dealer's or manufacturer's number, the
22 Tax Commission may assign such identifying number to the vehicle,
23 which shall be permanently stamped, burned or pressed or attached
24 into the vehicle, and a certificate of title shall be delivered to

1 the applicant upon payment of all fees and taxes, and the remaining
2 copies shall be permanently filed and indexed by the Tax Commission.
3 The Tax Commission shall assign an identifying number to any rebuilt
4 vehicle if the vehicle identification number displayed on the
5 rebuilt vehicle does not accurately describe the vehicle as rebuilt.
6 The motor license agent, at the time of inspection of the rebuilt
7 vehicle pursuant to Section 1111 of this title, shall identify the
8 make, model, and year for the body to accurately describe the
9 rebuilt vehicle. At the time of the inspection, an appropriate
10 identifying number shall be permanently stamped, burned, pressed, or
11 attached on the rebuilt vehicle. The assigned identifying number
12 shall be recorded on the certificate of title for the rebuilt
13 vehicle. The dealer's or manufacturer's vehicle identification
14 number on the rebuilt vehicle shall be preserved in the computer
15 files of the Tax Commission for at least five (5) years.

16 F. When registering for the first time in this state a vehicle
17 which was not originally manufactured for sale in the United States,
18 to obtain a certificate of title, the Tax Commission shall require
19 the applicant to deliver:

20 1. As evidence of ownership, if the vehicle has not previously
21 been titled in the United States, the documents constituting valid
22 proof of ownership in the country in which the vehicle was
23 originally purchased, together with a notarized translation of any
24 such documents; and

1 2. As evidence of compliance with federal law, copies of the
2 bond release letters for the vehicle issued by the United States
3 Environmental Protection Agency and the United States Department of
4 Transportation, together with a receipt issued by the Internal
5 Revenue Service indicating that the applicable federal gas guzzler
6 tax has been paid.

7 The Tax Commission shall not issue a certificate of title for a
8 vehicle which is subject to the provisions of this paragraph without
9 the required documentation from agencies of the United States and
10 evidence of ownership. Upon receipt of an application without the
11 required documentation, the Tax Commission shall return the
12 application to the applicant with notice that the certificate of
13 title may not be issued without the required documentation. Nothing
14 in this paragraph shall prohibit the Tax Commission from issuing
15 certificates of title for antique or classic vehicles not driven
16 upon the public streets, roads, or highways, for mini-trucks
17 registered pursuant to ~~Section 3 of Enrolled Senate Bill No. 1998 of~~
18 ~~the 2nd Session of the 51st Oklahoma Legislature~~ 1151.3 of this
19 title, or for medium-speed electric vehicles.

20 G. When registering in this state a vehicle which was titled in
21 another state and which title contains the name of a secured party
22 on the face of the other state certificate of title, or such state
23 certificate is being held by the secured party in that state or any
24 other state, the Tax Commission or the motor license agent shall

1 complete a lien entry form as prescribed by the Tax Commission. The
2 owner of such vehicle shall file an affidavit with the Tax
3 Commission or the motor license agent stating that title to the
4 vehicle is being held by a secured party has not been issued
5 pursuant to the laws of the state where titled, and that there is an
6 existing lien or encumbrance on the vehicle. The current name and
7 address of the secured party or lienholder shall also be stated in
8 the affidavit. The form of the affidavit shall be prescribed by the
9 Tax Commission and contain any other information deemed necessary by
10 the Tax Commission. A statement of the lien or encumbrance shall be
11 included on the Oklahoma certificate of title and the lien or
12 encumbrance shall be deemed continuously perfected as though it had
13 been perfected pursuant to Section 1110 of this title. For
14 completing the lien entry form and recording the security interest
15 on the certificate of title, the Tax Commission or the motor license
16 agent shall collect a fee of Three Dollars (\$3.00) which shall be in
17 addition to other fees provided by the Oklahoma Vehicle License and
18 Registration Act. The fee, if collected by the motor license agent
19 pursuant to this subsection, shall be retained by the motor license
20 agent.

21 H. The charge for each certificate of title issued, except for
22 junked titles as defined in paragraph 4 of subsection B of this
23 section, shall be Eleven Dollars (\$11.00), which charge shall be in
24 addition to any other fees or taxes imposed by law for such vehicle.

1 One Dollar (\$1.00) of each such charge shall be deposited in the
2 Oklahoma Tax Commission Reimbursement Fund. However, the charge
3 shall not apply to any vehicle which is to be registered in this
4 state pursuant to the provisions of Section 1120 or 1133 of this
5 title and which was registered in another state at least sixty (60)
6 days prior to the time it is required to be registered in this
7 state.

8 I. The vehicle identification number of a junked vehicle shall
9 be preserved in the computer files of the Tax Commission for a
10 period of not less than five (5) years. The charge of junked titles
11 as defined in paragraph 4 of subsection B of this section shall be
12 Four Dollars (\$4.00). The fee remitted to the Tax Commission shall
13 be deposited in the Oklahoma Tax Commission Reimbursement Fund.

14 J. If a vehicle is sold to a resident of another state
15 destroyed, dismantled, or ceases to be used as a vehicle, the owner
16 shall immediately notify the Tax Commission. Absent evidence to the
17 contrary, failure to notify the Tax Commission shall be prima facie
18 evidence that the vehicle has been in continuous operation in this
19 state.

20 K. If a vehicle is stolen, the owner shall immediately notify
21 the appropriate law enforcement agency. Immediately after receiving
22 such notification, the law enforcement agency shall notify the Tax
23 Commission.

24

1 L. Except for all-terrain vehicles, utility vehicles and
2 motorcycles used exclusively for off-road use, no title for an out-
3 of-state vehicle, except any commercial truck or truck-tractor
4 registered pursuant to Section 1120 of this title which is engaged
5 in interstate commerce or any trailer or semitrailer registered
6 pursuant to Section 1133 of this title which is engaged in
7 interstate commerce, shall be issued without an inspection of such
8 vehicle and payment of a fee of Four Dollars (\$4.00) for such
9 inspection; provided, the Tax Commission may enter into reciprocal
10 agreements with other states for such inspections to be performed at
11 locations outside the boundaries of this state for vehicles which:

- 12 1. Are offered for sale at auction;
- 13 2. Have been solely used as vehicles for rent under the
14 ownership of a licensed motor vehicle dealer or a person engaged in
15 the business of renting motor vehicles; or
- 16 3. Have not been registered in this or any other state for more
17 than one (1) year.

18 The inspection shall include a comparison of the vehicle
19 identification number on the vehicle with the number recorded on the
20 ownership records and the recording of the actual odometer reading
21 on the vehicle. The four-dollar fee shall be collected by the motor
22 license agent or Tax Commission when the title is issued. The motor
23 license agent shall retain Two Dollars (\$2.00). The remaining Two
24

1 Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission
2 Reimbursement Fund.

3 The Tax Commission may allow the inspection to be performed at a
4 location out-of-state by another state's department of motor
5 vehicles or state police.

6 M. No title for any out-of-state vehicle offered for sale at
7 salvage pools, salvage disposal sales, or an auction, or by a dealer
8 or a licensed automotive dismantler and parts recycler, shall be
9 issued without an inspection to compare the vehicle identification
10 number on the vehicle with the number recorded on the ownership
11 record and to record the actual odometer reading on the vehicle.
12 Upon request of the seller, person or entity conducting an auction,
13 dealer or licensed dismantler, the inspection shall be conducted at
14 the location or place of business of the sale, auction, dealer, or
15 the dismantler. The inspection shall be conducted by any motor
16 license agent or a duly authorized employee thereof; provided, if
17 the vehicle identification number on the vehicle offered for sale at
18 salvage pools, salvage disposal sales or a classic or antique
19 auction does not match the number recorded on the ownership record,
20 the inspection may be conducted at the location of or place of
21 business of such sale or auction by any state, county or city law
22 enforcement officer. The Tax Commission may enter into reciprocal
23 agreements with other states for such inspections to be performed at
24 locations outside the boundaries of this state for vehicles which:

1 1. Are offered for sale at auction;

2 2. Have been solely used as vehicles for rent under the
3 ownership of a licensed motor vehicle dealer or a person engaged in
4 the business of renting motor vehicles; or

5 3. Have not been registered in this or any other state for more
6 than one (1) year.

7 The inspection shall be certified upon forms prescribed by the Tax
8 Commission. The name and other identification of the authorized
9 person conducting the inspection shall be legibly printed or typed
10 on the form. Prior to any inspection by any employee of a motor
11 license agent, the motor license agent shall notify the Tax
12 Commission of the name and any other identification information
13 requested by the Tax Commission of the authorized person. A
14 signature specimen of the authorized person shall be submitted to
15 the Tax Commission by the employing motor license agent. If the
16 authorization to inspect vehicles is withdrawn or the employer-
17 employee relationship is terminated, the motor license agent,
18 immediately, shall notify the Tax Commission and return any
19 remaining inspection forms to the Tax Commission. The fee for the
20 inspection shall be Four Dollars (\$4.00). The motor license agent
21 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
22 motor license agent or an authorized employee thereof shall be
23 handled and accounted for in the manner as prescribed by law for any
24 other fees paid to or received by a motor license agent. Out-of-

1 state vehicles brought into this state by a person licensed in
2 another state to sell new or used vehicles to be sold within this
3 state at a motor vehicle auction which is limited to dealer-to-
4 dealer transactions shall not be required to be inspected, unless
5 the vehicle is purchased by an Oklahoma dealer. Any person licensed
6 in another state to sell new or used motor vehicles, who offers a
7 motor vehicle for sale within this state at a motor vehicle auction
8 which is limited to dealer-to-dealer transactions, shall not be
9 within the definition of "owner" in Section 1102 of this title, for
10 purposes of Section 1101 et seq. of this title.

11 N. A licensed motor vehicle dealer, upon payment of a fee of
12 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
13 of title to a used motor vehicle provided such dealer obtains the
14 appropriate inspection form required by either subsection L or M of
15 this section and attaches the form to the out-of-state certificate
16 of title. Motor license agents shall be allowed to retain Two
17 Dollars and twenty-five cents (\$2.25) of the fee plus an additional
18 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in
19 subsections L and M of this section for performance of the
20 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
21 the Tax Commission Reimbursement Fund. An out-of-state vehicle
22 which has been rebuilt shall be inspected pursuant to the provisions
23 of Section 1111 of this title. The Tax Commission shall train motor
24 license agents in interpreting vehicle identification numbers to

1 assure that it accurately describes the vehicle and to detect
2 rollback or alteration of the odometer. Failure of a motor license
3 agent to inspect the vehicle and make the required notations shall
4 be a misdemeanor punishable by a fine of not more than One Thousand
5 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
6 (\$5,000.00) for the second offense or subsequent offense, or by
7 imprisonment in the county jail for not more than six (6) months, or
8 by both such fine and imprisonment.

9 O. The ownership of any unrecovered vehicle which has been
10 declared a total loss by an insurer because of theft shall be
11 transferred to the insurer by an unrecovered-theft vehicle title;
12 provided, the ownership of any such vehicle which has been declared
13 a total loss by an insurer licensed by the Insurance Department of
14 the State of Oklahoma and maintaining a multi-state motor vehicle
15 salvage processing center in this state shall be transferred to the
16 insurer by a salvage or an unrecovered-theft title without the
17 requirement of a visual inspection of the vehicle identification
18 number by the insurer. Upon recovery of the vehicle, the ownership
19 shall be transferred by an original title, salvage title, or junked
20 title, as may be appropriate based upon an estimate of the amount of
21 loss submitted by the insurer.

22 P. The owner of any vehicle which is incapable of operation or
23 use on the public roads and has no resale value, except as parts,
24 scrap or junk, may deliver the certificate of title to the vehicle

1 to the Tax Commission for cancellation. Upon verification that any
2 perfected lien against the vehicle has been released, the
3 certificate of title shall be canceled without any fee, charge, or
4 cost required from the owner. The vehicle identification numbers on
5 the certificates of title shall be preserved in the computer files
6 of the Tax Commission for at least five (5) years from the date of
7 cancellation of the certificate of title. The Tax Commission shall
8 prescribe and provide an affidavit form to be completed by the owner
9 of any vehicle for which the certificate of title is canceled. No
10 title or registration shall subsequently be issued for a vehicle for
11 which the certificate of title has been surrendered pursuant to this
12 subsection. The Tax Commission shall prescribe a form for the
13 transfer of ownership of a vehicle for which the certificate of
14 title has been canceled.

15 Q. The owner of a vehicle which is not within the last ten (10)
16 model years, not roadworthy and not capable of repair for operation
17 or use on the roads and highways shall transfer the vehicle only
18 upon a certificate of ownership prescribed by the Tax Commission, if
19 the certificate of title to the vehicle is lost, has been canceled,
20 or otherwise not available. The prescribed ownership form shall
21 include the names and addresses of the buyer and seller, the driver
22 license number or social security number of the seller, the make and
23 model of the vehicle, and the public vehicle identification number.
24 If there is no public vehicle identification number, the vehicle

1 shall be inspected by a law enforcement officer to verify the
2 absence of the number on the vehicle and the prescribed ownership
3 form shall include a signed statement, by such officer, verifying
4 the absence of the number.

5 The certificate of ownership shall be completed in triplicate.
6 The buyer and seller shall each retain a copy. Within thirty (30)
7 days of the transaction, the seller shall submit one copy to the Tax
8 Commission or a motor license agent accompanied with a fee of Four
9 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
10 license agent and Three Dollars (\$3.00) shall be deposited in the
11 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

12 Upon receipt of the certificate, the Tax Commission shall verify
13 that any perfected lien upon the vehicle has been released. If the
14 lien is not released, the Tax Commission shall mail notice of the
15 transfer to the lienholder at the lienholder's last-known address.
16 If a certificate of title has been issued, it shall be canceled and
17 the vehicle identification number shall be preserved in the computer
18 of the Tax Commission for at least five (5) years. The buyer of the
19 vehicle may not be sued and shall not be liable for monetary damages
20 to the lienholder, however, the vehicle shall be subject to a valid
21 repossession by a lienholder.

22 R. The Tax Commission shall notify the chief administrative
23 officer of the agency or department responsible for issuing motor
24 vehicle certificates of title in each state in the United States of

1 the types of motor vehicle certificate of title effective in
2 Oklahoma on and after January 1, 1989.

3 S. When registering for the first time in this state a
4 remanufactured vehicle which has not been registered in any other
5 state since its remanufacture, before issuing a certificate of
6 title, the Tax Commission shall require the applicant to deliver a
7 statement of origin from the remanufacturer.

8 T. If a vehicle is sold to a foreign buyer pursuant to the
9 provisions of the Automotive Dismantlers and Parts Recycler Act, the
10 licensed seller shall stamp the title with: "EXPORT ONLY.
11 NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall
12 supply the Tax Commission the title number, the vehicle
13 identification number and the foreign buyer's bid identification
14 number on a form prescribed by the Tax Commission. The Tax
15 Commission shall cancel the title, and the vehicle identification
16 number shall be preserved in the computer files of the Tax
17 Commission for a period of not less than five (5) years.

18 U. The Tax Commission shall not be considered a necessary party
19 to any lawsuit which is instigated for the purpose of determining
20 ownership of a vehicle, wherein the Tax Commission's only
21 involvement would be to issue title, and the court shall issue an
22 order dismissing the Tax Commission from the pending action. In the
23 event no other party or lienholder can be identified as to ownership
24

1 or claim, the Tax Commission shall accept an affidavit of ownership
2 from the party claiming ownership and issue proper title thereon.

3 V. To the extent that the provisions of the Uniform Certificate
4 of Title Act conflict with the provisions of this section, the
5 provisions of the Uniform Certificate of Title Act shall be applied
6 to vehicles subject to the Uniform Certificate of Title Act. If the
7 provisions of the Uniform Certificate of Title Act are not in
8 conflict with the provisions of this section, the provisions of this
9 section shall also apply to vehicles subject to the Uniform
10 Certificate of Title Act.

11 SECTION 32. AMENDATORY 47 O.S. 2001, Section 1106, as
12 last amended by Section 7, Chapter 238, O.S.L. 2006 (47 O.S. Supp.
13 2009, Section 1106), is amended to read as follows:

14 Section 1106. A. 1. If the Oklahoma Tax Commission shall
15 determine at any time that an applicant for a certificate of title
16 of a vehicle is not entitled thereto, it may refuse to issue such
17 certificate or to register such vehicle.

18 2. The Commission may for a similar reason, after ten (10)
19 days' notice and a hearing, revoke the registration and the
20 certificate of title already acquired on any outstanding certificate
21 of title. Said notice may be served in person or by registered
22 mail.

23 B. 1. The Oklahoma Tax Commission may refuse registration and
24 issuance of a certificate of title of a commercial motor vehicle, or

1 any transfer of title and registration of a commercial motor
2 vehicle, to a commercial motor carrier whose ability to operate has
3 been terminated or denied by a federal agency.

4 2. The Commission may revoke the registration, certificate of
5 title, and license plate of a commercial motor vehicle if the
6 vehicle has been assigned to be operated by a commercial motor
7 carrier whose ability to operate has been terminated or denied by a
8 federal agency.

9 C. The Corporation Commission may revoke, suspend or deny
10 registration of a commercial motor vehicle licensed pursuant to the
11 jurisdiction of the Corporation Commission and whose ability to
12 operate has been terminated or denied by a state or federal agency.

13 D. To the extent that the provisions of the Uniform Certificate
14 of Title Act conflict with the provisions of this section, the
15 provisions of the Uniform Certificate of Title Act shall be applied
16 to vehicles subject to the Uniform Certificate of Title Act. If the
17 provisions of the Uniform Certificate of Title Act are not in
18 conflict with the provisions of this section, the provisions of this
19 section shall also apply to vehicles subject to the Uniform
20 Certificate of Title Act.

21 SECTION 33. AMENDATORY 47 O.S. 2001, Section 1107, as
22 amended by Section 5, Chapter 381, O.S.L. 2005 (47 O.S. Supp. 2009,
23 Section 1107), is amended to read as follows:

24

1 Section 1107. A. In the event of the sale or transfer of the
2 ownership of a vehicle for which a certificate of title has been
3 issued as provided by Section 1105 of this title, the holder of such
4 certificate shall endorse on the back of same a complete assignment
5 thereof with warranty of title in form printed thereon with a
6 statement of all liens or encumbrances on the vehicle, sworn to
7 before a notary public or some other person authorized by law to
8 take acknowledgments, and deliver same to the purchaser or
9 transferee at the time of delivery to the purchaser or transferee of
10 the vehicle. The purchaser or transferee, unless such person is a
11 bona fide used motor vehicle dealer licensed by this state, or a
12 charitable organization shall, within thirty (30) days from the time
13 of delivery to the purchaser or transferee of the vehicle, present
14 the assigned certificate of title and the insurance security
15 verification to the vehicle to the Oklahoma Tax Commission, or one
16 of its motor license agents, accompanied by a fee of Eleven Dollars
17 (\$11.00), together with any motor vehicle excise tax or license fee
18 that may be due, whereupon a new certificate of title, shall be
19 issued to the assignee. One Dollar (\$1.00) of each fee shall be
20 deposited in the Oklahoma Tax Commission Reimbursement Fund. Any
21 charitable organization utilizing the exemption authorized by this
22 subsection shall receive training as prescribed by the Oklahoma Used
23 Motor Vehicle and Parts Commission.

24

1 B. A licensed dealer or charitable organization shall, on
2 selling or otherwise disposing of a vehicle, execute and deliver to
3 the purchaser thereof the certificate of title properly and
4 completely reassigned. Thereupon, the purchaser of the vehicle
5 shall present the reassigned certificate to the Commission, or a
6 motor license agent, accompanied by a fee of Eleven Dollars
7 (\$11.00), and any motor vehicle excise tax or license fee that may
8 be due, whereupon a new certificate of title will be issued to the
9 purchaser. One Dollar (\$1.00) of each fee shall be deposited in the
10 Oklahoma Tax Commission Reimbursement Fund. The certificate, when
11 so assigned and returned to the Commission, together with any
12 subsequent assignment or reissue thereof, shall be appropriately
13 filed and indexed so that at all times it will be possible to trace
14 title to the vehicle designated therein. Provided, when the
15 ownership of any motor vehicle shall pass by operation of law, the
16 person owning the vehicle may, upon furnishing satisfactory proof to
17 the Commission of ownership, procure a title to the motor vehicle,
18 regardless of whether a certificate of title has ever been issued.
19 The dealer shall execute and deliver to the purchaser bills of sale
20 on forms prescribed by the Commission for all new vehicles sold by
21 the dealer. On presentation of a bill of sale executed on forms
22 prescribed by the Commission, by a manufacturer or dealer for a new
23 vehicle sold in this state, accompanied by remittance in the sum of
24 Eleven Dollars (\$11.00), together with any motor vehicle excise tax

1 or license fee that may be due, a certificate of title shall be
2 issued in accordance with the provisions of the Oklahoma Vehicle
3 License and Registration Act. One Dollar (\$1.00) of each fee shall
4 be deposited in the Oklahoma Tax Commission Reimbursement Fund. For
5 purposes of this subsection, "charitable organization" shall mean
6 any organization which is exempt from taxation pursuant to the
7 provisions of the Internal Revenue Code, 26 U.S.C., Section
8 501(c)(3) and which is registered as a charitable organization with
9 the Oklahoma Secretary of State and the Oklahoma Attorney General's
10 office.

11 C. Any person violating the provisions of this section shall be
12 guilty of a misdemeanor and upon the first conviction thereof shall
13 be punished by a fine not to exceed Five Hundred Dollars (\$500.00),
14 with impoundment of the vehicle until all taxes and fees are paid.
15 A second or subsequent conviction shall be punished by a fine not to
16 exceed One Thousand Dollars (\$1,000.00), with impoundment of the
17 vehicle until all taxes and fees are paid. If a vehicle is
18 impounded pursuant to the provisions of this section, the vehicle
19 shall not be released to the owner until the owner provides proof of
20 security or an affidavit that the vehicle will not be used on public
21 highways or public streets, as required pursuant to Section 7-600 et
22 seq. of this title. Each vehicle involved in a violation of this
23 section shall be considered a separate offense.

24

1 D. To the extent that the provisions of the Uniform Certificate
2 of Title Act conflict with the provisions of this section, the
3 provisions of the Uniform Certificate of Title Act shall be applied
4 to vehicles subject to the Uniform Certificate of Title Act. If the
5 provisions of the Uniform Certificate of Title Act are not in
6 conflict with the provisions of this section, the provisions of this
7 section shall also apply to vehicles subject to the Uniform
8 Certificate of Title Act.

9 SECTION 34. AMENDATORY Section 6, Chapter 381, O.S.L.
10 2005 (47 O.S. Supp. 2009, Section 1107.4), is amended to read as
11 follows:

12 Section 1107.4 A. Upon the transfer of a vehicle, the
13 transferor may file a written notice of transfer with the Tax
14 Commission or a motor license agent. On receipt of a written notice
15 of transfer, the Commission shall indicate the transfer on the
16 vehicle records maintained by the Commission. The written notice of
17 transfer shall contain the following information:

- 18 1. The vehicle identification number of the vehicle;
- 19 2. The number of the license plate issued to the vehicle, if
20 any;
- 21 3. The full name and address of the transferor;
- 22 4. The full name and address of the transferee;
- 23 5. The date the transferor delivered possession of the vehicle
24 to the transferee; and

1 6. The signature of the transferor.

2 B. There shall be assessed a fee of Ten Dollars (\$10.00) when
3 filing the notice of transfer. Seven Dollars (\$7.00) of the fee
4 shall be retained by the motor license agent. Three Dollars (\$3.00)
5 of the fee shall be apportioned to the Oklahoma Tax Commission
6 Reimbursement Fund.

7 C. After the date of the transfer of the vehicle as shown on
8 the records of the Commission, the transferee of the vehicle shown
9 on the records is rebuttably presumed to be:

10 1. The owner of the vehicle; and

11 2. Subject to civil and criminal liability arising out of the
12 use, operation, or abandonment of a vehicle, to the extent that
13 ownership of the vehicle subjects the owner of the vehicle to civil
14 or criminal liability pursuant to law.

15 D. This section does not impose or establish any civil or
16 criminal liability on the owner of a vehicle who transfers ownership
17 of the vehicle but does not file a written notice of transfer with
18 the Commission.

19 E. To the extent that the provisions of the Uniform Certificate
20 of Title Act conflict with the provisions of this section, the
21 provisions of the Uniform Certificate of Title Act shall be applied
22 to vehicles subject to the Uniform Certificate of Title Act. If the
23 provisions of the Uniform Certificate of Title Act are not in
24 conflict with the provisions of this section, the provisions of this

1 section shall also apply to vehicles subject to the Uniform
2 Certificate of Title Act.

3 SECTION 35. AMENDATORY 47 O.S. 2001, Section 1110, as
4 last amended by Section 2, Chapter 202, O.S.L. 2007 (47 O.S. Supp.
5 2009, Section 1110), is amended to read as follows:

6 Section 1110. A. 1. Except for a security interest in
7 vehicles held by a dealer for sale or lease, a vehicle registered by
8 a federally recognized Indian tribe as provided in subsection G of
9 this section, and a vehicle being registered in this state which was
10 previously registered in another state and which title contains the
11 name of a secured party on the face of the other state certificate
12 or title, and except as otherwise provided in subsection B of
13 Section 1105 of this title, a security interest in a vehicle as to
14 which a certificate of title may be properly issued by the Oklahoma
15 Tax Commission shall be perfected only when a lien entry form, and
16 the existing certificate of title, if any, or application for a
17 certificate of title and manufacturer's certificate of origin
18 containing the name and address of the secured party and the date of
19 the security agreement and the required fee are delivered to the Tax
20 Commission or to a motor license agent. As used in this section,
21 the term "dealer" shall be defined as provided in Section 1-112 of
22 this title and the term "security interest" shall be defined as
23 provided in paragraph (35) of Section 1-201 of Title 12A of the
24 Oklahoma Statutes. When a vehicle title is presented to a motor

1 license agent for transferring or registering and the documents
2 reflect a lien holder, the motor license agent shall perfect the
3 lien pursuant to subsection G of Section 1105 of this title. For
4 the purposes of this section, the term "vehicle" shall not include
5 special mobilized machinery, machinery used in highway construction
6 or road material construction and rubber-tired road construction
7 vehicles including rubber-tired cranes. The filing and duration of
8 perfection of a security interest, pursuant to the provisions of
9 Title 12A of the Oklahoma Statutes, including, but not limited to,
10 Section 1-9-311 of Title 12A of the Oklahoma Statutes, shall not be
11 applicable to perfection of security interests in vehicles as to
12 which a certificate of title may be properly issued by the Tax
13 Commission, except as to vehicles held by a dealer for sale or lease
14 and except as provided in subsection D of this section. In all
15 other respects Title 12A of the Oklahoma Statutes shall be
16 applicable to such security interests in vehicles as to which a
17 certificate of title may be properly issued by the Tax Commission.

18 2. Whenever a person creates a security interest in a vehicle,
19 the person shall surrender to the secured party the certificate of
20 title or the signed application for a new certificate of title, on
21 the form prescribed by the Tax Commission, and the manufacturer's
22 certificate of origin. The secured party shall deliver the lien
23 entry form and the required lien filing fee within twenty-five (25)
24 days as provided hereafter with certificate of title or the

1 application for certificate of title and the manufacturer's
2 certificate of origin to the Tax Commission or to a motor license
3 agent. If the lien entry form, the lien filing fee and the
4 certificate of title or application for certificate of title and the
5 manufacturer's certificate of origin are delivered to the Tax
6 Commission or to a motor license agent within twenty-five (25) days
7 after the date of the lien entry form, perfection of the security
8 interest shall begin from the date of the execution of the lien
9 entry form, but otherwise, perfection of the security interest shall
10 begin from the date of the delivery to the Tax Commission or to a
11 motor license agent.

12 3. a. For each security interest recorded on a certificate
13 of title, or manufacturer's certificate of origin,
14 such person shall pay a fee of Ten Dollars (\$10.00),
15 which shall be in addition to other fees provided for
16 in the Oklahoma Vehicle License and Registration Act.
17 Upon the receipt of the lien entry form and the
18 required fees with either the certificate of title or
19 an application for certificate of title and
20 manufacturer's certificate of origin, a motor license
21 agent shall, by placement of a clearly distinguishing
22 mark, record the date and number shown in a
23 conspicuous place, on each of these instruments. Of
24 the ten-dollar fee, the motor license agent shall

1 retain Two Dollars (\$2.00) for recording the security
2 interest lien.

3 b. It shall be unlawful for any person to solicit, accept
4 or receive any gratuity or compensation for acting as
5 a messenger and for acting as the agent or
6 representative of another person in applying for the
7 recording of a security interest or for the
8 registration of a motor vehicle and obtaining the
9 license plates or for the issuance of a certificate of
10 title therefor unless the Tax Commission has appointed
11 and approved the person to perform such acts; and
12 before acting as a messenger, any such person shall
13 furnish to the Tax Commission a surety bond in such
14 amount as the Tax Commission shall determine
15 appropriate.

16 4. The certificate of title or the application for certificate
17 of title and manufacturer's certificate of origin with the record of
18 the date of receipt clearly marked thereon shall be returned to the
19 debtor together with a notice that the debtor is required to
20 register and pay all additional fees and taxes due within thirty
21 (30) days from the date of purchase of the vehicle.

22 5. Any person creating a security interest in a vehicle that
23 has been previously registered in the debtor's name and on which all
24 taxes due the state have been paid shall surrender the certificate

1 of ownership to the secured party. The secured party shall have the
2 duty to record the security interest as provided in this section and
3 shall, at the same time, obtain a new certificate of title which
4 shall show the secured interest on the face of the certificate of
5 title.

6 6. The lien entry form with the date and assigned number
7 thereof clearly marked thereon shall be returned to the secured
8 party. If the lien entry form is received and authenticated, as
9 herein provided, by a motor license agent, the agent shall make a
10 report thereof to the Tax Commission upon the forms and in the
11 manner as may be prescribed by the Tax Commission.

12 7. The Tax Commission shall have the duty to record the lien
13 upon the face of the certificate of title issued at the time of
14 registering and paying all fees and taxes due on the vehicle.

15 B. 1. A secured party shall, within seven (7) business days
16 after the satisfaction of the security interest, furnish directly or
17 by mail a release of a security interest to the Tax Commission and
18 mail a copy thereof to the last-known address of the debtor. If the
19 security interest has been satisfied by payment from a licensed used
20 motor vehicle dealer to whom the motor vehicle has been transferred,
21 the secured party shall also, within seven (7) business days after
22 such satisfaction, mail an additional copy of the release to the
23 dealer. If the secured party fails to furnish the release as
24 required, the secured party shall be liable to the debtor for a

1 penalty of One Hundred Dollars (\$100.00) and, in addition, any loss
2 caused to the debtor by such failure.

3 2. Upon release of a security interest the owner may obtain a
4 new certificate of title omitting reference to the security
5 interest, by submitting to the Tax Commission or to a motor license
6 agent:

- 7 a. a release signed by the secured party, an application
8 for new certificate of title and the proper fees, or
- 9 b. by submitting to the Tax Commission or the motor
10 license agent an affidavit, supported by such
11 documentation as the Tax Commission may require, by
12 the owner on a form prescribed by the Tax Commission
13 stating that the security interest has been satisfied
14 and stating the reasons why a release cannot be
15 obtained, an application for a new certificate of
16 title and the proper fees.

17 Upon receiving such affidavit that the security interest has been
18 satisfied, the Tax Commission shall issue a new certificate of title
19 eliminating the satisfied security interest and the name and address
20 of the secured parties who have been paid and satisfied. The Tax
21 Commission shall accept a release of a security interest in any form
22 that identifies the debtor, the secured party, and the vehicle, and
23 contains the signature of the secured party. The Tax Commission
24

1 shall not require any particular form for the release of a security
2 interest.

3 The words "security interest" when used in the Oklahoma Vehicle
4 License and Registration Act do not include liens dependent upon
5 possession.

6 C. The Tax Commission shall file and index certificates of
7 title so that at all times it will be possible to trace a
8 certificate of title to the vehicle designated therein, identify the
9 lien entry form, and the names and addresses of secured parties, or
10 their assignees, so that all or any part of such information may be
11 made readily available to those who make legitimate inquiry of the
12 Tax Commission as to the existence or nonexistence of security
13 interest in the vehicle.

14 D. 1. Any security interest in a vehicle properly perfected
15 prior to July 1, 1979, may be continued as to its effectiveness or
16 duration as provided by Sections 1-9-501 and 1-9-515 of Title 12A of
17 the Oklahoma Statutes, or may be terminated, assigned or released as
18 provided by Sections 1-9-512, 1-9-513 and 1-9-514 of Title 12A of
19 the Oklahoma Statutes, as fully as if this section had not been
20 enacted, or, at the option of the secured party, may also be
21 perfected under this section, and, if so perfected, the time of
22 perfection under this section shall be the date the security
23 interest was originally perfected under the prior law.

24

1 2. Upon request of the secured party, the debtor or any other
2 holder of the certificate of title shall surrender the certificate
3 of title to the secured party and shall do such other acts as may be
4 required to perfect the security interest under this section.

5 E. If a manufactured home is permanently affixed to real
6 estate, the original document of title may be surrendered to the Tax
7 Commission or a motor license agent for cancellation. When the
8 document of title is surrendered, the owner shall provide the legal
9 description or the appropriate tract or parcel number of the real
10 estate and other information as may be required on a form provided
11 by the Tax Commission. The Tax Commission may not cancel a document
12 of title if a lien has been registered or recorded. The Tax
13 Commission or motor license agent shall notify the owner and any
14 lienholder that the title has been surrendered to the Tax Commission
15 and that the Tax Commission may not cancel the title until the lien
16 is released. Such notification shall include a description of the
17 lien and such notification to the owner shall be accompanied by the
18 return of title surrendered. Permanent attachment to real estate
19 does not affect the validity of a lien recorded or registered with
20 the Tax Commission before the document of title is cancelled
21 pursuant to this section. The rights of a prior lienholder pursuant
22 to a security agreement or the provisions of a credit transaction
23 and the rights of the state pursuant to a tax lien are preserved.
24 The Tax Commission or motor license agent shall forward the

1 information to the county assessor of the county where the real
2 estate is located and indicate whether the original document of
3 title has been canceled. A fee of Five Dollars (\$5.00) shall
4 accompany the application for cancellation of title. When the fee
5 is paid by a person making an application directly with the Tax
6 Commission, the fee shall be deposited in the Oklahoma Tax
7 Commission Revolving Fund. A fee paid to a motor license agent
8 shall be retained by the agent. The owner of a manufactured home
9 upon which the document of title has been properly surrendered, may
10 apply to the Tax Commission for issuance of a new original
11 certificate of title upon submission of: (1) an attestation from the
12 homeowner indicating ownership of the manufactured home and the
13 nonexistence of any security interest or lien of record in the
14 manufactured home, and (2) a title opinion by a licensed attorney,
15 determining that the owner of the manufactured home has marketable
16 title to the real property upon which the manufactured home is
17 located and that no documents filed of record in the county clerk's
18 office concerning the real property contain a mortgage, recorded
19 financial statement, judgment, or lien of record. Persons or
20 entities to whom the title opinion is addressed may rely on said
21 title opinion. A security interest in a manufactured home perfected
22 pursuant to this section shall have priority over a conflicting
23 interest of a mortgagee or other lien encumbrancer, or the owner of
24 the real property upon which the manufactured home became affixed or

1 otherwise permanently attached. The holder of the security interest
2 in the manufactured home, upon default, may remove the manufactured
3 home from such real property. The holder of the security interest
4 in the manufactured home shall reimburse the owner of the real
5 property who is not the debtor and who has not otherwise agreed to
6 access the real property for the cost of repair of any physical
7 injury to the real property, but shall not be liable for any
8 diminution in value to the real property caused by the removal of
9 the manufactured home, trespass, or any other damages caused by the
10 removal. The debtor shall notify the holder of the security
11 interest in the manufactured home of the street address, if any, and
12 the legal description of the real property upon which the
13 manufactured home is affixed or otherwise permanently attached and
14 shall sign such other documents, including any appropriate mortgage,
15 as may reasonably be requested by the holder of such security
16 interest.

17 F. In the case of motor vehicles or trailers, notwithstanding
18 any other provision of law, a transaction does not create a sale or
19 security interest merely because it provides that the rental price
20 is permitted or required to be adjusted under the agreement either
21 upward or downward by reference to the amount realized upon sale or
22 other disposition of the motor vehicle or trailer.

23 G. A security interest in vehicles registered by a federally
24 recognized Indian tribe shall be deemed valid under Oklahoma law if

1 validly perfected under the applicable tribal law and the lien is
2 noted on the face of the tribal certificate of title.

3 H. To the extent that the provisions of the Uniform Certificate
4 of Title Act conflict with the provisions of this section, the
5 provisions of the Uniform Certificate of Title Act shall be applied
6 to vehicles subject to the Uniform Certificate of Title Act. If the
7 provisions of the Uniform Certificate of Title Act are not in
8 conflict with the provisions of this section, the provisions of this
9 section shall also apply to vehicles subject to the Uniform
10 Certificate of Title Act.

11 SECTION 36. This act shall become effective January 1, 2012.

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