

THE STATE SENATE  
Monday, February 23, 2009

Committee Substitute for  
Senate Bill No. 1105

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 1105 - By: Anderson and Mazzei of the Senate and Morrissette of the House.

[ Commercial Code - Uniform Certificate of Title Act - codification - effective date ]

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-9-801 of Title 12A, unless there is created a duplication in numbering, reads as follows:

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 1-9-802 of Title 12A, unless there is created a duplication in numbering, reads as follows:

(a) In the Uniform Certificate of Title Act:

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

(2) "Buyer in ordinary course of business" means a person that buys goods in good faith, without knowledge that the sale violates the rights of another person in the goods, and in ordinary course from a person, other than a pawnbroker, in the business of selling goods of that kind. A person buys goods in ordinary course if the

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

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

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

19 (5) "Certificate of title", except in the phrases "certificate  
20 of title created by a governmental agency of any state" and  
21 "certificate of title created by a governmental agency of any  
22 jurisdiction", means a record, created by the office and designated

1 as a certificate of title by it, that is evidence of ownership of a  
2 vehicle.

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

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

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

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

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

17 (11) "Execute" means to sign and deliver a record on, attached  
18 to, accompanying, or logically associated with a certificate of  
19 title or certificate of origin to transfer ownership of the vehicle  
20 covered by the certificate.

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

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

4           (14) "Lessee in ordinary course of business" means a person  
5 that leases goods in good faith, without knowledge that the lease  
6 violates the rights of another person, and in ordinary course of  
7 business from a person, other than a pawnbroker, in the business of  
8 selling or leasing goods of that kind. A person leases in ordinary  
9 course if the lease to the person comports with the usual or  
10 customary practices in the kind of business in which the lessor is  
11 engaged or with the lessor's own usual and customary practices. A  
12 lessee in ordinary course of business may lease for cash, by  
13 exchange of other property, or on secured or unsecured credit, and  
14 may acquire goods or a certificate of title covering goods under a  
15 preexisting lease contract. Only a lessee that takes possession of  
16 the goods or has a right to recover the goods from the lessor under  
17 Article 2A of this title may be a lessee in ordinary course of  
18 business. A person that acquires goods in bulk or as security for  
19 or in total or partial satisfaction of a money debt is not a lessee  
20 in ordinary course of business.

21           (15) "Lien creditor" means:

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

1 (B) an assignee for the benefit of creditors from the time  
2 of assignment;

3 (C) a trustee in bankruptcy from the date of the filing of  
4 the petition; or

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

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

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

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

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

12 (20) "Person" means an individual, corporation, business trust,  
13 estate, trust, partnership, limited liability company, association,  
14 joint venture, federally recognized Indian tribe, public  
15 corporation, government, or governmental subdivision, agency, or  
16 instrumentality, or any other legal or commercial entity.

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

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

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

- 1           (24) "Secured party" means:
- 2           (A) a person in whose favor a security interest is created
- 3                     or provided for under a security agreement, whether or
- 4                     not any obligation to be secured is outstanding;
- 5           (B) a person that is a consignor under Article 9 of this
- 6                     title;
- 7           (C) a person to which accounts, chattel paper, payment
- 8                     intangibles, or promissory notes have been sold;
- 9           (D) a trustee, indenture trustee, agent, collateral agent,
- 10                    or other representative in whose favor a security
- 11                    interest is created or provided for; or
- 12           (E) a person that holds a security interest arising under
- 13                    Sections 2-401, 2-505, 2-711(3), or 2A-508(5) of this
- 14                    title.

15           (25) "Secured party of record" means the secured party whose

16 name is provided as the name of the secured party or a

17 representative of the secured party in a security-interest statement

18 that has been received by the office or, if more than one are

19 indicated, the first indicated in the files of the office.

20           (26) "Security interest" means an interest in a vehicle which

21 secures payment or performance of an obligation. The term includes

22 any interest of a consignor in a vehicle in a transaction that is

23 subject to Article 9 of this title. The term does not include the

1 special property interest of a buyer of a vehicle on identification  
2 of that vehicle to a contract for sale under Section 2-401 of this  
3 title, but a buyer may also acquire a security interest by complying  
4 with Article 9 of this title. Except as otherwise provided in  
5 Section 2-505 of this title, the right of a seller or lessor of a  
6 vehicle under Articles 2 or 2A of this title to retain or acquire  
7 possession of the vehicle is not a security interest, but a seller  
8 or lessor may also acquire a security interest by complying with  
9 Article 9 of this title. The retention or reservation of title by a  
10 seller of a vehicle notwithstanding shipment or delivery to the  
11 buyer under Section 2-401 of this title is limited in effect to a  
12 reservation of a security interest. Whether a transaction in the  
13 form of a lease creates a security interest is determined by law  
14 other than the Uniform Certificate of Title Act.

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

16 (A) a record created by a secured party which indicates a  
17 security interest; or

18 (B) an application for which the office is required to  
19 create a certificate of title, if the application  
20 indicates a security interest.

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

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

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

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

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

9 (A) identifies the security-interest statement to which it  
10 relates; and

11 (B) indicates that it is a termination statement or that  
12 the identified security-interest statement is not  
13 effective.

14 (31) "Title brand" means a designation of previous damage, use,  
15 or condition that this act or law other than this act requires to be  
16 indicated on a certificate of title or a certificate of origin  
17 created by a governmental agency of any jurisdiction.

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

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

21 (34) "Vehicle" means goods that are any type of motorized,  
22 wheeled device of a type in, upon, or by which an individual or  
23 property is customarily transported on a road or highway, or a

1 commercial, recreational, travel, or other trailer customarily  
2 transported on a road or highway. The term does not include:

3 (A) an item of specialized mobile equipment not designed  
4 primarily for transportation of individuals or  
5 property on a road or highway;

6 (B) an implement of husbandry;

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

9 (D) a manufactured home.

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

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

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

16 (1) "Agreement", Section 1-201(b)(3) of this title.

17 (2) "Collateral", Section 1-9-102(a)(12) of this title.

18 (3) "Debtor", Section 1-9-102(a)(28) of this title.

19 (4) "Lease", Section 2A-103(1)(j) of this title.

20 (5) "Lessee", Section 2A-103(1)(n) of this title.

21 (6) "Lessor", Section 2A-103(1)(p) of this title.

22 (7) "Manufactured home", Section 1-9-102(a)(53) of this title.

23 (8) "Merchant", Section 2-104(1) of this title.

1 (9) "Notice; Knowledge", Section 1-202 of this title.

2 (10) "Representative", Section 1-201(b)(33) of this title.

3 (11) "Sale", Section 2-106(1) of this title.

4 (12) "Security agreement", Section 1-9-102(a)(73) of this  
5 title.

6 (13) "Seller", Section 2-103(1)(c) of this title.

7 (14) "Send", Section 1-201(b)(36) of this title.

8 (15) "Value", Section 1-204 of this title.

9 SECTION 3. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 1-9-803 of Title 12A, unless  
11 there is created a duplication in numbering, reads as follows:

12 SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY.

13 Unless displaced by this act, the principles of law and equity  
14 supplement its provisions.

15 SECTION 4. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 1-9-804 of Title 12A, unless  
17 there is created a duplication in numbering, reads as follows:

18 LAW GOVERNING VEHICLE COVERED BY CERTIFICATE OF TITLE OR  
19 CERTIFICATE OF ORIGIN.

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

22 (b) The local law of the state under whose certificate of title  
23 a vehicle is covered governs all issues relating to the certificate

1 of title, from the time the vehicle becomes covered by the  
2 certificate of title until the vehicle ceases to be covered by the  
3 certificate of title, even if no other relationship exists between  
4 the state and the vehicle or its owner.

5 (c) A vehicle becomes covered by a certificate of title created  
6 in this state when an application for a certificate of title and the  
7 fee are received by the office in accordance with this act. A  
8 vehicle becomes covered by a certificate of title in another state  
9 when an application for a certificate of title and the fee are  
10 received in that state pursuant to the law of that state.

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

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

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

22 (2) in the absence of an agreement effective under paragraph  
23 (1) of this subsection, the rights and obligations of the parties

1 are determined by the law that would apply under this state's  
2 choice-of-law principles.

3 SECTION 5. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1-9-805 of Title 12A, unless  
5 there is created a duplication in numbering, reads as follows:

6 EXCLUSIONS.

7 Unless the vehicle is covered by a certificate of title, this  
8 act does not apply to a vehicle owned by the United States, a state,  
9 or a foreign government, or a political subdivision of any of them.

10 SECTION 6. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 1-9-806 of Title 12A, unless  
12 there is created a duplication in numbering, reads as follows:

13 VEHICLE IDENTIFICATION NUMBER, MAKE, AND MODEL YEAR.

14 For a vehicle covered by a certificate of title, the office  
15 shall indicate in its files the vehicle identification number, make,  
16 and model year, if any, assigned by its chassis manufacturer or  
17 importer. If a vehicle identification number, make, or model year  
18 has not been assigned, the office shall assign a vehicle  
19 identification number, make, or model year and indicate the  
20 assignment in its files.

21 SECTION 7. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 1-9-807 of Title 12A, unless  
23 there is created a duplication in numbering, reads as follows:

1 EXECUTION OF CERTIFICATE OF ORIGIN.

2 (a) If a manufacturer or importer creates or is authorized or  
3 required to create a certificate of origin for a vehicle, upon  
4 transfer of ownership of the vehicle, the manufacturer or importer  
5 shall execute a certificate of origin to the transferee or deliver a  
6 signed certificate of origin to the office. Each succeeding  
7 transferor shall execute to the next transferee or sign and deliver  
8 to the office all certificates of origin covering the vehicle which  
9 are known to the transferor.

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

17 SECTION 8. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1-9-808 of Title 12A, unless  
19 there is created a duplication in numbering, reads as follows:

20 CANCELLATION AND REPLACEMENT OF CERTIFICATE OF ORIGIN.

21 (a) If a written certificate of origin is created to replace an  
22 electronic certificate of origin, the electronic certificate of

1 origin is canceled and replaced by the written certificate of  
2 origin.

3 (b) If an electronic certificate of origin is created to  
4 replace a written certificate of origin, the written certificate of  
5 origin must be canceled.

6 SECTION 9. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 1-9-809 of Title 12A, unless  
8 there is created a duplication in numbering, reads as follows:

9 APPLICATION FOR CERTIFICATE OF TITLE.

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

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

15 (1) the applicant's name, street address, and, if different,  
16 address for receiving first class mail delivered by the United  
17 States Postal Service;

18 (2) the vehicle identification number;

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

21 (4) an indication of all security interests in the vehicle  
22 known to the applicant, including the name and mailing address of  
23 the secured party or a representative of the secured party, and, if

1 the application includes a direction to terminate a security-  
2 interest statement, the information required for sufficiency of a  
3 security-interest statement under subsection (a) of Section 25 of  
4 this act and the secured party's or its representative's name and  
5 address for receiving communications;

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

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

12 (7) if the application is made in connection with a transfer of  
13 ownership, the transferor's name, physical address and, if  
14 different, address for receiving first class mail delivered by the  
15 United States Postal Service, the sales price if any, and the date  
16 of the transfer.

17 (c) A certificate of title created in another jurisdiction and  
18 submitted in connection with an application is part of the  
19 application.

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

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

11 (f) Except as otherwise provided in Section 24 of this act, if  
12 an application for a certificate of title does not include an  
13 indication of a transfer of ownership or a direction to terminate a  
14 security-interest statement, the application must be accompanied by  
15 all existing certificates of origin and any certificate of title  
16 created by a governmental agency of any jurisdiction covering the  
17 vehicle, which are known to the applicant and evidencing the  
18 applicant as owner of the vehicle.

19 (g) If the applicant does not know of any existing certificate  
20 of origin or certificate of title created by a governmental agency  
21 of any jurisdiction covering the vehicle, the applicant shall  
22 include in the application for a certificate of title all existing  
23 records and other information of the vehicle's ownership known to

1 the applicant. Information submitted under this subsection is part  
2 of the application for the certificate of title and must be  
3 indicated in the files of the office.

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

9 SECTION 10. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 1-9-810 of Title 12A, unless  
11 there is created a duplication in numbering, reads as follows:

12 CREATION AND CANCELLATION OF CERTIFICATE OF TITLE.

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

18 (b) Upon request of the secured party of record, the office  
19 shall create a written certificate of title or, if the office is  
20 authorized to do so, an electronic certificate of title. If no  
21 security interest is indicated in the files of the office, the owner  
22 of record may have the office create a written certificate of title  
23 or, if the office is authorized to do so, an electronic certificate

1 of title. If no request is made by an owner of record or secured  
2 party, the office may create a written certificate of title or, if  
3 authorized to do so, an electronic certificate of title.

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

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

7 (2) there is a reasonable basis for concluding that the  
8 application is fraudulent or would facilitate a fraudulent or  
9 illegal act; or

10 (3) the application does not comply with law of this state  
11 other than this act.

12 (d) If the office has created a certificate of title, it may  
13 cancel the certificate of title only if it could have rejected the  
14 application under subsection (c) of this section or is required to  
15 cancel the certificate of title under another provision of this act.  
16 The office shall provide an opportunity for a hearing at which the  
17 applicant and any other interested party may present evidence in  
18 support of or opposition to the cancellation. The office shall  
19 serve the notice of the opportunity in person or send it by first  
20 class mail delivered by the United States Postal Service to the  
21 applicant, the owner of record, and all secured parties indicated in  
22 the files of the office. If the applicant or any other interested  
23 party requests a hearing not later than ten (10) days after

1 receiving the notice, the office shall hold the hearing not later  
2 than twenty (20) days after receiving the request.

3 SECTION 11. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 1-9-811 of Title 12A, unless  
5 there is created a duplication in numbering, reads as follows:

6 CONTENTS OF CERTIFICATE OF TITLE.

7 (a) A certificate of title must contain:

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

9 (2) except as otherwise provided in subsection (b) of Section  
10 26 of this act, the name and address of any secured party of record  
11 and an indication of whether there are additional security interests  
12 indicated in the files of the office or on a record created by a  
13 governmental agency of any jurisdiction and submitted to the office;

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

18 (4) any other information required by subsection (b) of Section  
19 9 of this act, except the applicant's address.

20 (b) Nothing in this act precludes an office from noting on a  
21 certificate the name and address of a secured party that is not a  
22 secured party of record.

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

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

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

16 SECTION 12. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 1-9-812 of Title 12A, unless  
18 there is created a duplication in numbering, reads as follows:

19 EFFECT OF POSSESSION OF CERTIFICATE OF TITLE OR CERTIFICATE OF  
20 ORIGIN; JUDICIAL PROCESS.

21 A certificate of title created by a governmental agency of any  
22 jurisdiction or a certificate of origin does not by itself provide a  
23 means to obtain possession of a vehicle. Garnishment, attachment,

1 levy, replevin, or other judicial process against the certificate of  
2 title or a certificate of origin is not effective to determine  
3 possessory rights with respect to the vehicle. However, this act  
4 does not prohibit enforcement of a security interest in, levy on, or  
5 foreclosure of a statutory or common-law lien on a vehicle under law  
6 of this state other than this act. The absence of an indication of  
7 a statutory or common-law lien on a certificate of title does not  
8 invalidate the lien.

9 SECTION 13. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 1-9-813 of Title 12A, unless  
11 there is created a duplication in numbering, reads as follows:

12 OTHER INFORMATION.

13 (a) The office may accept a submission of information relating  
14 to a vehicle for indication in the files of the office, even if the  
15 requirements for a certificate of title, an application for a  
16 certificate of title, a security-interest statement, or a  
17 termination statement have not been met.

18 (b) A submission of information under this section, to the  
19 extent practicable, must include the information required by  
20 subsection (b) of Section 9 of this act for an application for a  
21 certificate of title.

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

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

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

16 SECTION 14. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 1-9-814 of Title 12A, unless  
18 there is created a duplication in numbering, reads as follows:

19 MAINTENANCE OF AND ACCESS TO FILES.

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

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

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

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

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

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

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

22          (d) Except as otherwise provided by the laws of this state  
23 other than this act, the information required under Section 11 of

1 this act is a public record. Whether other information in the files  
2 of the office is made available to the public is governed by law of  
3 this state other than this act.

4 SECTION 15. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 1-9-815 of Title 12A, unless  
6 there is created a duplication in numbering, reads as follows:

7 DELIVERY OF CERTIFICATE OF TITLE.

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

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

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

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

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

18 SECTION 16. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 1-9-816 of Title 12A, unless  
20 there is created a duplication in numbering, reads as follows:

21 TRANSFER.

22 (a) Upon sale of a vehicle covered by a certificate of title, a  
23 person authorized to execute the certificate of title, as promptly

1 as practicable and in compliance with this act and the laws of this  
2 state other than this act, shall execute the certificate to the  
3 buyer or deliver to the office a signed certificate of title or a  
4 record evidencing execution of an electronic certificate of title to  
5 the buyer. The buyer of a vehicle covered by a certificate of title  
6 has a specifically enforceable right to require the seller to  
7 execute the certificate of title to the buyer or deliver to the  
8 office a signed certificate of title or other record evidencing the  
9 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  
14 and successors, a transfer of ownership is not rendered ineffective  
15 by a failure to execute a certificate of title or certificate of  
16 origin as provided in this section. However, except as otherwise  
17 provided in subsections (b) and (c) of Section 18 of this act, or  
18 Sections 19, 21, or 22 of this act, a transfer of ownership without  
19 execution of a certificate of title or certificate of origin is not  
20 effective 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

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

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

14 SECTION 17. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 1-9-817 of Title 12A, unless  
16 there is created a duplication in numbering, reads as follows:

17 NOTICE OF TRANSFER WITHOUT APPLICATION.

18 A transferee or transferor, in accordance with standards and  
19 procedures established by the office, may deliver a signed record to  
20 the office giving notice of the transfer, to indicate its ownership  
21 or lack of ownership, without filing an application for a  
22 certificate of title. The record may indicate the transfer of  
23 ownership between the transferor and transferee. The record is not

1 a certificate of title and is not effective as to other persons  
2 claiming an interest in the vehicle. The delivery to the office of  
3 the record containing the notice does not relieve any party of any  
4 obligation under Section 9 or 16 of this act.

5 SECTION 18. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 1-9-818 of Title 12A, unless  
7 there is created a duplication in numbering, reads as follows:

8 POWER TO TRANSFER.

9 (a) A purchaser of a vehicle has the protections afforded by  
10 Sections 2-403(1), 2A-304(1), and 2A-305(1) of this title.

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

16 (c) A purchase of a leasehold interest is subject to Section  
17 2A-303 of this title.

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

21 SECTION 19. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 1-9-819 of Title 12A, unless  
23 there is created a duplication in numbering, reads as follows:

1 OTHER TRANSFEREES OF VEHICLE COVERED BY CERTIFICATE OF TITLE.

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

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

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

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

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

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

22 (c) A buyer in ordinary course of business takes free of a  
23 security interest in the vehicle, including a security interest

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

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

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

1           SECTION 20.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-820 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4           EFFECT OF OMISSION OR INCORRECT INFORMATION.

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

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

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

1 statement, or other record required or authorized by this act which  
2 otherwise satisfies this act is not seriously misleading, even if  
3 not specific and accurate, if the description reasonably identifies  
4 the vehicle.

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

13 SECTION 21. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1-9-821 of Title 12A, unless  
15 there is created a duplication in numbering, reads as follows:

16 TRANSFER BY SECURED PARTY'S TRANSFER STATEMENT.

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

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

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

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

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

4 (A) the owner of record;

5 (B) the secured party of record; and

6 (C) any other purchaser;

7 (5) any other information required by subsection (b) of Section  
8 9 of this act; and

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

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

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

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

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

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

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

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

14 SECTION 22. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 1-9-822 of Title 12A, unless  
16 there is created a duplication in numbering, reads as follows:

17 TRANSFER BY OPERATION OF LAW.

18 (a) In this section:

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

21 (A) on account of death, divorce or other family law  
22 proceeding, merger, consolidation, dissolution, or  
23 bankruptcy;

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

4 (C) through other legal process.

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

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

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

15 (C) a statement that:

16 (i) the certificate of title is an electronic  
17 certificate of title;

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

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

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

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

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

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

18 (6) deliver the new certificate of title.

19 (c) This section does not apply to a transfer of an interest in  
20 a vehicle by a secured party under Article 9 of this title or  
21 Section 21 of this act.

1 SECTION 23. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-823 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4 APPLICATION FOR TRANSFER OF OWNERSHIP OR TERMINATION OF  
5 SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE OR  
6 CERTIFICATE OF ORIGIN.

7 (a) Except as otherwise provided in Section 21 or 22 of this  
8 act, upon receiving an application that includes an indication of a  
9 transfer of ownership or a direction to terminate a security-  
10 interest statement but is not accompanied by submission of a signed  
11 certificate of title or certificate of origin or, as applicable, a  
12 termination statement pursuant to Section 27 of this act, the office  
13 may create a certificate of title or terminate the security-interest  
14 statement under this section only if:

- 15 (1) all other requirements under Sections 9 and 10 of this act  
16 are met;
- 17 (2) the applicant has provided an affidavit stating facts that  
18 indicate the applicant is entitled to a transfer of ownership or  
19 termination of the effectiveness of a security-interest statement;
- 20 (3) at least forty-five (45) days before the office creates the  
21 certificate of title, the office has sent notice of the application  
22 to all persons having an interest in the vehicle as indicated in the

1 files of the office and no objection from any of those persons has  
2 been received by the office; and

3 (4) the applicant submits any other information required by the  
4 office to evidence the applicant's ownership or right to termination  
5 of the security-interest statement, and the office has no credible  
6 information indicating theft, fraud, or any undisclosed or  
7 unsatisfied security interest, lien, or other claim to an interest  
8 in the vehicle.

9 (b) Unless the office determines, by any reasonable method,  
10 that the value of the vehicle is less than Three Thousand Dollars  
11 (\$3,000.00), before creating a certificate of title, the office may  
12 require an applicant under subsection (a) of this section to post a  
13 bond or provide an equivalent source of indemnity or security. The  
14 bond, indemnity, or other security must be in a form prescribed by  
15 the office and provide for indemnification of any owner, purchaser,  
16 or other claimant for any expense, loss, delay, or damage, including  
17 reasonable attorney's fees and costs but not consequential damages,  
18 resulting from creation of a certificate of title or termination of  
19 a security-interest statement, but may not exceed twice the value of  
20 the vehicle as determined by the office.

21 (c) If the office has not received a claim for indemnity within  
22 one year after creation of the certificate of title under subsection  
23 (a) of this section, upon request in a form and manner specified by

1 the office, the office shall release any bond, indemnity, or other  
2 security.

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

13 SECTION 24. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1-9-824 of Title 12A, unless  
15 there is created a duplication in numbering, reads as follows:

16 REPLACEMENT CERTIFICATE OF TITLE.

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

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

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

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

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

17 SECTION 25. NEW LAW A new section of law to be codified  
18 in the Oklahoma Statutes as Section 1-9-825 of Title 12A, unless  
19 there is created a duplication in numbering, reads as follows:

20 EFFECTIVENESS OF SECURITY-INTEREST STATEMENT.

21 (a) A security-interest statement is sufficient if it includes  
22 the name of the debtor, the name of the secured party or a  
23 representative of the secured party, a description that reasonably

1 identifies the vehicle and is not seriously misleading under Section  
2 20 of this act, and is delivered as follows:

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

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

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

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

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

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

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,  
8 certificate of title, or application for a certificate of title to  
9 which the 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.

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

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

20 Confirmation by the office that the security-interest statement has  
21 been entered in the files of the office is conclusive proof that  
22 receipt has occurred.

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

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

13 SECTION 26. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1-9-826 of Title 12A, unless  
15 there is created a duplication in numbering, reads as follows:

16 PERFECTION OF SECURITY INTEREST.

17 (a) Except as otherwise provided in subsection (b), (d), or (e)  
18 of this section, a security interest in a vehicle may be perfected  
19 only by a security-interest statement that is effective under  
20 Section 25 of this act. The security interest is perfected upon the  
21 later of receipt of the security-interest statement under Section 25  
22 of this act or attachment of the security interest under Section  
23 1-9-203 of this title.

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

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

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

6 (e) A security interest is perfected to the extent provided in  
7 Section 1-9-316(d) of this title. A secured party may also perfect a  
8 security interest by taking possession of a vehicle only pursuant to  
9 Sections 1-9-313(b) and 1-9-316(d) of this title.

10 SECTION 27. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 1-9-827 of Title 12A, unless  
12 there is created a duplication in numbering, reads as follows:

13 TERMINATION STATEMENT.

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

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

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

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

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

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

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

1 application for a replacement certificate of title meeting the  
2 requirements of Section 24 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 and time of delivery of  
8 the 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 24 of this act.

13 SECTION 28. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 1-9-828 of Title 12A, 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 25 or 27 of this act for at  
20 least ten (10) years after termination of the security-interest  
21 statement under Section 27 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.

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

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

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

18 (2) the name of the owner of record and the effective date of  
19 all security-interest statements and termination statements  
20 indicated in the files of the office.

21 (d) In responding to a request under this section, the office  
22 may communicate the requested information in any medium. However,  
23 if requested, the office shall send the requested information in a

1 record that is self-authenticating under Section 2902 of Title 12 of  
2 the Oklahoma Statutes.

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

7 SECTION 29. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 1-9-829 of Title 12A, unless  
9 there is created a duplication in numbering, reads as follows:

10 UNIFORMITY OF APPLICATION AND CONSTRUCTION.

11 In applying and construing this uniform act, consideration must  
12 be given to the need to promote uniformity of the law with respect  
13 to its subject matter among states that enact it.

14 SECTION 30. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 1-9-830 of Title 12A, unless  
16 there is created a duplication in numbering, reads as follows:

17 ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT.

18 This act modifies, limits, and supersedes the federal Electronic  
19 Signatures in Global and National Commerce Act (15 U.S.C. Section  
20 7001, et seq.) but does not modify, limit, or supersede Section  
21 101(c) of that act (15 U.S.C. Section 7001(c)) or authorize  
22 electronic delivery of any of the notices described in Section  
23 103(b) of that act (15 U.S.C. Section 7003(b)).

1           SECTION 31.           NEW LAW           A new section of law to be codified  
2 in the Oklahoma Statutes as Section 1-9-831 of Title 12A, unless  
3 there is created a duplication in numbering, reads as follows:

4           SAVINGS CLAUSE.

5           (a) Except as otherwise provided in this section, this act  
6 applies to any transaction, certificate of title, or record  
7 involving a vehicle, even if the transaction, certificate of title,  
8 or record was entered into or created before the effective date of  
9 this act.

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

16          (c) This act does not affect an action or proceeding commenced  
17 before the effective date of this act.

18          (d) A security interest that is enforceable immediately before  
19 the effective date of this act and would have priority over the  
20 rights of a person that becomes a lien creditor at that time is a  
21 perfected security interest under this act.

22          (e) This act does not affect the priority of a security  
23 interest in a vehicle if immediately before the effective date of

1 this act the security interest is enforceable and perfected, and  
2 that priority is established.

3 SECTION 32. This act shall become effective November 1, 2009.

4 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY, dated 2-17-09 - DO  
5 PASS, As Amended and Coauthored.