

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1427

By: Ivester

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5
6 AS INTRODUCED

7 An Act relating to vessel titles; enacting the
8 Uniform Certificate of Title for Vessels Act;
9 providing short title; defining terms; specifying
10 applicability of act; providing that certain
11 principles supplement act; specifying law governing
12 vessels covered by certificate of title; specifying
13 when a certificate of title is required; providing
14 for application process; providing for the creation
15 and cancellation of vessel certificates of title;
16 specifying content of certificate of title; providing
17 for title brands; specifying penalty for
18 noncompliance; providing for the maintenance of and
19 access to certain Oklahoma Tax Commission records;
20 specifying procedure upon creation of a vessel
21 certificate of title; specifying certain effects of
22 vessel certificate of title; providing procedure for
23 perfection of security interest; providing for
24 termination statements; providing procedure for
transfer of ownership with or without certificate of
title; specifying effect of missing or incorrect
information; providing for secured party's transfer
statements; providing for transfer by operation of
law; providing for replacement certificate of title;
specifying rights of certain purchasers and secured
parties; specifying duties of the Oklahoma Tax
Commission; specifying construction of act, effect of
act on certain law, and effect of act on certain
prior actions; amending 63 O.S. 2011, Sections 4003,
4005, 4007, 4008, 4009, 4012 and 4013, which relate
to the Oklahoma Vessel and Motor Registration Act;
conforming the Oklahoma Vessel and Motor Registration
Act to the Uniform Certificate of Title for Vessels
Act; providing for codification; and providing an
effective date.

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

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 4050 of Title 63, unless there
4 is created a duplication in numbering, reads as follows:

5 Sections 1 through 28 of this act shall be known and may be
6 cited as the "Uniform Certificate of Title for Vessels Act".

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4051 of Title 63, unless there
9 is created a duplication in numbering, reads as follows:

10 A. As used in the Uniform Certificate of Title for Vessels Act:

11 1. "Barge" means a vessel that is not self-propelled or fitted
12 for propulsion by sail, paddle, oar, or similar device;

13 2. "Builder's certificate" means a certificate of the facts of
14 build of a vessel described in 46 C.F.R. Section 67.99, as amended;

15 3. "Buyer" means a person that buys or contracts to buy a
16 vessel;

17 4. "Cancel", with respect to a certificate of title, means to
18 make the certificate ineffective;

19 5. "Certificate of origin" means a record created by a
20 manufacturer or importer as the manufacturer's or importer's proof
21 of identity of a vessel. The term includes a certificate or
22 statement of origin of the manufacturer and a certificate or
23 statement of origin of an importer. The term does not include a
24 builder's certificate;

1 6. "Certificate of title" means a record, created by the
2 Oklahoma Tax Commission under the Uniform Certificate of Title for
3 Vessels Act or by a governmental agency of another jurisdiction
4 under the law of that jurisdiction, that is designated as a
5 certificate of title by the Tax Commission or agency and is evidence
6 of ownership of a vessel;

7 7. "Dealer" means a person, including a manufacturer, in the
8 business of selling vessels;

9 8. "Documented vessel" means a vessel covered by a certificate
10 of documentation issued pursuant to 46 U.S.C. Section 12105, as
11 amended. The term does not include a foreign-documented vessel;

12 9. "Electronic" means relating to technology having electrical,
13 digital, magnetic, wireless, optical, electromagnetic, or similar
14 capabilities;

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

18 11. "Foreign-documented vessel" means a vessel the ownership of
19 which is recorded in a registry maintained by a country other than
20 the United States which identifies each person that has an ownership
21 interest in a vessel and includes a unique alphanumeric designation
22 for the vessel;

23 12. "Good faith" means honesty in fact and the observance of
24 reasonable commercial standards of fair dealing;

1 13. "Hull damaged" means compromised with respect to the
2 integrity of the hull of a vessel by a collision, allision,
3 lightning strike, fire, explosion, running aground, or similar
4 occurrence, or the sinking of a vessel in a manner that creates a
5 significant risk to the integrity of the hull of the vessel;

6 14. "Hull identification number" means the alphanumeric
7 designation assigned to a vessel pursuant to 33 C.F.R. Part 181, as
8 amended;

9 15. "Lien creditor", with respect to a vessel, means:

- 10 a. a creditor that has acquired a lien on the vessel by
11 attachment, levy, or the like,
12 b. an assignee for benefit of creditors from the time of
13 assignment,
14 c. a trustee in bankruptcy from the date of the filing of
15 the petition, or
16 d. a receiver in equity from the time of appointment;

17 16. "Owner" means a person that has legal title to a vessel;

18 17. "Owner of record" means the owner indicated in the files of
19 the Oklahoma Tax Commission or, if the files indicate more than one
20 owner, the one first indicated;

21 18. "Person" means an individual, corporation, business trust,
22 estate, trust, statutory trust, partnership, limited liability
23 company, association, joint venture, public corporation, government
24

1 or governmental subdivision, agency, or instrumentality, or any
2 other legal or commercial entity;

3 19. "Purchase" means to take by sale, lease, mortgage, pledge,
4 consensual lien, security interest, gift, or any other voluntary
5 transaction that creates an interest in a vessel;

6 20. "Purchaser" means a person that takes by purchase;

7 21. "Record" means information that is inscribed on a tangible
8 medium or that is stored in an electronic or other medium and is
9 retrievable in perceivable form;

10 22. "Secured party", with respect to a vessel, means a person:

- 11 a. in whose favor a security interest is created or
12 provided for under a security agreement, whether or
13 not any obligation to be secured is outstanding,
14 b. that is a consignor under Uniform Commercial Code -
15 Secured Transactions, or
16 c. that holds a security interest arising under Section
17 2-401, 2-505, 2-711(3), or 2A-508(5) of Title 12A of
18 the Oklahoma Statutes;

19 23. "Secured party of record" means the secured party whose
20 name is indicated as the name of the secured party in the files of
21 the Oklahoma Tax Commission or, if the files indicate more than one
22 secured party, the one first indicated;

23 24. "Security interest" means an interest in a vessel which
24 secures payment or performance of an obligation if the interest is

1 created by contract or arises under Section 2-401, 2-505, 2-711(3),
2 or 2A-508(5) of Title 12A of the Oklahoma Statutes. The term
3 includes any interest of a consignor in a vessel in a transaction
4 that is subject to Uniform Commercial Code - Secured Transactions.
5 The term does not include the special property interest of a buyer
6 of a vessel on identification of that vessel to a contract for sale
7 under Section 2-401 of Title 12A of the Oklahoma Statutes, but a
8 buyer also may acquire a security interest by complying with Uniform
9 Commercial Code - Secured Transactions. Except as otherwise
10 provided in Section 2-505 of Title 12A of the Oklahoma Statutes, the
11 right of a seller or lessor of a vessel under Uniform Commercial
12 Code - Sales or Uniform Commercial Code - Leases, to retain or
13 acquire possession of the vessel is not a security interest, but a
14 seller or lessor also may acquire a security interest by complying
15 with Uniform Commercial Code - Secured Transactions. The retention
16 or reservation of title by a seller of a vessel, notwithstanding
17 shipment or delivery to the buyer under Section 2-401 of Title 12A
18 of the Oklahoma Statutes, is limited in effect to a reservation of a
19 security interest. Whether a transaction in the form of a lease
20 creates a security interest is determined by Section 1-203 of Title
21 12A of the Oklahoma Statutes;

22 25. "Sign" means, with present intent to authenticate or adopt
23 a record, to:

24 a. make or adopt a tangible symbol, or

1 b. attach to or logically associate with the record an
2 electronic symbol, sound, or process;

3 26. "State" means a state of the United States, the District of
4 Columbia, Puerto Rico, the United States Virgin Islands, or any
5 territory or insular possession subject to the jurisdiction of the
6 United States;

7 27. "State of principal use" means the state on whose waters a
8 vessel is or will be used, operated, navigated, or employed more
9 than on the waters of any other state during a calendar year;

10 28. "Title brand" means a designation of previous damage, use,
11 or condition that must be indicated on a certificate of title;

12 29. "Transfer of ownership" means a voluntary or involuntary
13 conveyance of an interest in a vessel;

14 30. "Vessel" means any watercraft used or capable of being used
15 as a means of transportation on water, except:

16 a. a seaplane,

17 b. an amphibious vehicle for which a certificate of title
18 is issued pursuant to the Oklahoma Vehicle License and
19 Registration Act or a similar statute of another
20 state,

21 c. watercraft less than sixteen (16) feet in length and
22 propelled solely by sail, paddle, oar, or an engine of
23 less than ten (10) horsepower,

- 1 d. watercraft that operate only on a permanently fixed,
2 manufactured course and the movement of which is
3 restricted to or guided by means of a mechanical
4 device to which the watercraft is attached or by which
5 the watercraft is controlled,
6 e. a stationary floating structure that:
7 (1) does not have and is not designed to have a mode
8 of propulsion of its own,
9 (2) is dependent for utilities upon a continuous
10 utility hookup to a source originating on shore,
11 and
12 (3) has a permanent, continuous hookup to a shoreside
13 sewage system,
14 f. watercraft owned by the United States, a state, or a
15 foreign government or a political subdivision of any
16 of them, and
17 g. watercraft used solely as a lifeboat on another
18 watercraft;

19 31. "Vessel number" means the alphanumeric designation for a
20 vessel issued pursuant to 46 U.S.C. Section 12301, as amended; and

21 32. "Written certificate of title" means a certificate of title
22 consisting of information inscribed on a tangible medium;

23 B. The following definitions and terms also apply to the
24 Uniform Certificate of Title for Vessels Act:

- 1 1. "Agreement" as defined in Section 1-201(b) (3) of Title 12A
2 of the Oklahoma Statutes;
- 3 2. "Buyer in ordinary course of business" as defined in Section
4 1-201(b) (9) of Title 12A of the Oklahoma Statutes;
- 5 3. "Conspicuous" as defined in Section 1-201(b) (10) of Title
6 12A of the Oklahoma Statutes;
- 7 4. "Consumer goods" as defined in Section 9-102(a) (23) of Title
8 12A of the Oklahoma Statutes;
- 9 5. "Debtor" as defined in Section 1-9-102(a) (28) of Title 12A
10 of the Oklahoma Statutes;
- 11 6. "Knowledge" as defined in Section 1-202 of Title 12A of the
12 Oklahoma Statutes;
- 13 7. "Lease" as defined in Section 2A-103(1) (j) of Title 12A of
14 the Oklahoma Statutes;
- 15 8. "Lessor" as defined in Section 2A-103(1) (p) of Title 12A of
16 the Oklahoma Statutes;
- 17 9. "Notice" as defined in Section 1-202 of Title 12A of the
18 Oklahoma Statutes;
- 19 10. "Representative" as defined in Section 1-201(b) (33) of
20 Title 12A of the Oklahoma Statutes;
- 21 11. "Sale" as defined in Section 2-106(1) of Title 12A of the
22 Oklahoma Statutes;
- 23 12. "Security agreement" as defined in Section 9-102(a) (73) of
24 Title 12A of the Oklahoma Statutes;

1 13. "Seller" as defined in Section 2-103(1) (c) of Title 12A of
2 the Oklahoma Statutes;

3 14. "Send" as defined in Section 1-201(b) (36) of Title 12A of
4 the Oklahoma Statutes; and

5 15. "Value" as defined in Section 1-204 of Title 12A of the
6 Oklahoma Statutes.

7 C. The definitions in subsections A and B of this section do
8 not apply to any state or federal law governing licensing,
9 numbering, or registration if the same term is used in that law.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 4052 of Title 63, unless there
12 is created a duplication in numbering, reads as follows:

13 Subject to Section 28 of this act, the Uniform Certificate of
14 Title for Vessels Act applies to any transaction, certificate of
15 title, or record relating to a vessel, even if the transaction,
16 certificate of title, or record was entered into or created before
17 January 1, 2013.

18 SECTION 4. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 4053 of Title 63, unless there
20 is created a duplication in numbering, reads as follows:

21 Unless displaced by a provision of the Uniform Certificate of
22 Title for Vessels Act, the principles of law and equity supplement
23 the provisions of the Uniform Certificate of Title for Vessels Act.

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1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4054 of Title 63, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The local law of the jurisdiction under whose certificate of
5 title a vessel is covered governs all issues relating to the
6 certificate from the time the vessel becomes covered by the
7 certificate until the vessel becomes covered by another certificate
8 or becomes a documented vessel, even if no other relationship exists
9 between the jurisdiction and the vessel or its owner.

10 B. A vessel becomes covered by a certificate of title when an
11 application for the certificate and the applicable fee are delivered
12 to the Oklahoma Tax Commission in accordance with the Uniform
13 Certificate of Title for Vessels Act or to the governmental agency
14 that creates a certificate in another jurisdiction in accordance
15 with the law of that jurisdiction.

16 SECTION 6. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4055 of Title 63, unless there
18 is created a duplication in numbering, reads as follows:

19 A. Except as otherwise provided in subsections B and C of this
20 section, the owner of a vessel for which this state is the state of
21 principal use shall deliver to the Oklahoma Tax Commission an
22 application for a certificate of title for the vessel, with the
23 applicable fee, not later than twenty (20) days after the later of:

24 1. The date of a transfer of ownership; or

1 2. The date this state becomes the state of principal use.

2 B. An application for a certificate of title is not required
3 for a:

4 1. Documented vessel;

5 2. Foreign-documented vessel;

6 3. Barge;

7 4. Vessel before delivery if the vessel is under construction
8 pursuant to contract; or

9 5. Vessel held by a dealer for sale or lease.

10 C. The Tax Commission may not issue, transfer, or renew a
11 certificate of number for a vessel issued pursuant to the
12 requirements of 46 U.S.C. Section 12301, as amended, unless the Tax
13 Commission has created a certificate of title for the vessel or an
14 application for a certificate for the vessel and the applicable fee
15 has been delivered to the Tax Commission.

16 SECTION 7. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4056 of Title 63, unless there
18 is created a duplication in numbering, reads as follows:

19 A. Except as otherwise provided in Sections 10, 15, 19, 20, 21
20 and 22 of this act, only an owner may apply for a certificate of
21 title.

22 B. An application for a certificate of title must be signed by
23 the applicant and contain:

24

- 1 1. The name of the applicant, the street address of the
2 principal residence of the applicant, and, if different, the mailing
3 address of the applicant;
- 4 2. The name and mailing address of each other owner of the
5 vessel;
- 6 3. The social security number or taxpayer identification number
7 of each owner;
- 8 4. The hull identification number for the vessel or, if none,
9 an application for the issuance of a hull identification number for
10 the vessel;
- 11 5. The vessel number for the vessel or, if none issued by the
12 Oklahoma Tax Commission, an application for a vessel number;
- 13 6. A description of the vessel as required by the Tax
14 Commission, which must include:
 - 15 a. the official number for the vessel, if any, assigned
16 by the United States Coast Guard,
 - 17 b. the name of the manufacturer, builder, or maker,
 - 18 c. the model year or the year in which the manufacture or
19 build of the vessel was completed,
 - 20 d. the overall length of the vessel,
 - 21 e. the vessel type,
 - 22 f. the hull material,
 - 23 g. the propulsion type,
 - 24 h. the engine drive type, if any, and

1 i. the fuel type, if any;

2 7. An indication of all security interests in the vessel known
3 to the applicant and the name and mailing address of each secured
4 party;

5 8. A statement that the vessel is not a documented vessel or a
6 foreign-documented vessel;

7 9. Any title brand known to the applicant and, if known, the
8 jurisdiction under whose law the title brand was created;

9 10. If the applicant knows that the vessel is hull damaged, a
10 statement that the vessel is hull damaged;

11 11. If the application is made in connection with a transfer of
12 ownership, the name, street address, and, if different, mailing
13 address of the transferor, the sales price, if any, and the date of
14 the transfer; and

15 12. If the vessel previously was registered or titled in
16 another jurisdiction, a statement identifying each jurisdiction
17 known to the applicant in which the vessel was registered or titled.

18 C. In addition to the information required by subsection B of
19 this section, an application for a certificate of title may contain
20 an electronic communication address of the owner, transferor, or
21 secured party.

22 D. Except as otherwise provided in Section 19, 20, 21, or 22 of
23 this act, an application for a certificate of title must be
24 accompanied by:

1 1. A certificate of title signed by the owner shown on the
2 certificate and which:

- 3 a. identifies the applicant as the owner of the vessel,
4 or
- 5 b. is accompanied by a record that identifies the
6 applicant as the owner; or

7 2. If there is no certificate of title:

- 8 a. if the vessel was a documented vessel, a record issued
9 by the United States Coast Guard which shows the
10 vessel is no longer a documented vessel and identifies
11 the applicant as the owner,
- 12 b. if the vessel was a foreign-documented vessel, a
13 record issued by the foreign country which shows the
14 vessel is no longer a foreign-documented vessel and
15 identifies the applicant as the owner, or
- 16 c. in all other cases, a certificate of origin, bill of
17 sale, or other record that to the satisfaction of the
18 Tax Commission identifies the applicant as the owner.

19 E. A record submitted in connection with an application is part
20 of the application. The Tax Commission shall maintain the record in
21 its files.

22 F. The Tax Commission may require that an application for a
23 certificate of title be accompanied by payment or evidence of
24 payment of all fees and taxes payable by the applicant under law of

1 this state other than the Uniform Certificate of Title for Vessels
2 Act in connection with the application or the acquisition or use of
3 the vessel.

4 SECTION 8. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 4057 of Title 63, unless there
6 is created a duplication in numbering, reads as follows:

7 A. Unless an application for a certificate of title is rejected
8 under subsection C or D of this section, the Oklahoma Tax Commission
9 shall create a certificate for the vessel in accordance with
10 subsection B of this section not later than twenty (20) days after
11 delivery to it of an application that complies with Section 7 of
12 this act.

13 B. If the Tax Commission creates electronic certificates of
14 title, the Tax Commission shall create an electronic certificate
15 unless in the application the secured party of record or, if none,
16 the owner of record, requests that the Tax Commission create a
17 written certificate.

18 C. Except as otherwise provided in subsection D of this
19 section, the Tax Commission may reject an application for a
20 certificate of title only if:

- 21 1. The application does not comply with Section 7 of this act;
- 22 2. The application does not contain documentation sufficient
23 for the Tax Commission to determine whether the applicant is
24 entitled to a certificate;

1 3. There is a reasonable basis for concluding that the
2 application is fraudulent or issuance of a certificate would
3 facilitate a fraudulent or illegal act; or

4 4. The application does not comply with the law of this state
5 other than the Uniform Certificate of Title for Vessels Act.

6 D. The Tax Commission shall reject an application for a
7 certificate of title for a vessel that is a documented vessel or a
8 foreign-documented vessel.

9 E. The Tax Commission may cancel a certificate of title created
10 by it only if the Tax Commission:

11 1. Could have rejected the application for the certificate
12 under subsection C of this section;

13 2. Is required to cancel the certificate under another
14 provision of the Uniform Certification of Title for Vessels Act; or

15 3. Receives satisfactory evidence that the vessel is a
16 documented vessel or a foreign-documented vessel.

17 F. The Tax Commission shall provide an opportunity for a
18 hearing at which the owner and any other interested party may
19 present evidence in support of or opposition to cancellation of a
20 certificate of title. The Tax Commission shall serve all owners and
21 secured parties indicated in the files of the Tax Commission with
22 notice of the opportunity for a hearing. Service must be made
23 personally or by mail through the United States Postal Service,
24 properly addressed, postage paid, return receipt requested. Service

1 by mail is complete on deposit with the United States Postal
2 Service. The Tax Commission, by rule, may authorize service by
3 electronic transmission if a copy is sent on the same day by first-
4 class mail or by a commercial delivery company. If not later than
5 thirty (30) days after the notice was served, the Tax Commission
6 receives a request for a hearing from an interested party, the Tax
7 Commission shall hold the hearing not later than twenty (20) days
8 after receiving the request.

9 SECTION 9. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 4058 of Title 63, unless there
11 is created a duplication in numbering, reads as follows:

12 A. A certificate of title must contain:

- 13 1. The date the certificate was created;
- 14 2. The name of the owner of record and, if not all owners are
15 listed, an indication that there are additional owners indicated in
16 the files of the Oklahoma Tax Commission;
- 17 3. The mailing address of the owner of record;
- 18 4. The hull identification number;
- 19 5. The information listed in paragraph 6 of subsection B of
20 Section 7 of this act;
- 21 6. Except as otherwise provided in subsection B of Section 15
22 of this act, the name and mailing address of the secured party of
23 record, if any, and if not all secured parties are listed, an
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1 indication that there are other security interests indicated in the
2 files of the Tax Commission; and

3 7. All title brands indicated in the files of the Tax
4 Commission covering the vessel, including brands indicated on a
5 certificate created by a governmental agency of another jurisdiction
6 and delivered to the Tax Commission.

7 B. The Uniform Certificate of Title for Vessels Act does not
8 preclude the Tax Commission from noting on a certificate of title
9 the name and mailing address of a secured party that is not a
10 secured party of record.

11 C. For each title brand indicated on a certificate of title,
12 the certificate must identify the jurisdiction under whose law the
13 title brand was created or the jurisdiction that created the
14 certificate on which the title brand was indicated. If the meaning
15 of a title brand is not easily ascertainable or cannot be
16 accommodated on the certificate, the certificate may state:
17 "Previously branded in (insert the jurisdiction under whose law the
18 title brand was created or whose certificate of title previously
19 indicated the title brand)."

20 D. If the files of the Tax Commission indicate that a vessel
21 previously was registered or titled in a foreign country, the Tax
22 Commission shall indicate on the certificate of title that the
23 vessel was registered or titled in that country.

24

1 E. A written certificate of title must contain a form that all
2 owners indicated on the certificate may sign to evidence consent to
3 a transfer of an ownership interest to another person. The form
4 must include a certification, signed under penalty of perjury, that
5 the statements made are true and correct to the best of the
6 knowledge, information, and belief of each owner.

7 F. A written certificate of title must contain a form for the
8 owner of record to indicate, in connection with a transfer of an
9 ownership interest, that the vessel is hull damaged.

10 SECTION 10. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 4059 of Title 63, unless there
12 is created a duplication in numbering, reads as follows:

13 A. Unless subsection C of this section applies, at or before
14 the time the owner of record transfers an ownership interest in a
15 hull-damaged vessel that is covered by a certificate of title
16 created by the Oklahoma Tax Commission, if the damage occurred while
17 that person was an owner of the vessel and the person has notice of
18 the damage at the time of the transfer, the owner shall:

19 1. Deliver to the Tax Commission an application for a new
20 certificate that complies with Section 7 of this act and includes
21 the title brand designation "Hull Damaged"; or

22 2. Indicate on the certificate in the place designated for that
23 purpose that the vessel is hull damaged and deliver the certificate
24 to the transferee.

1 B. Not later than twenty (20) days after delivery to the Tax
2 Commission of the application under paragraph 1 of subsection A of
3 this section or the certificate of title under paragraph 2 of
4 subsection A of this section, the Tax Commission shall create a new
5 certificate that indicates that the vessel is branded "Hull
6 Damaged".

7 C. Before an insurer transfers an ownership interest in a hull-
8 damaged vessel that is covered by a certificate of title created by
9 the Tax Commission, the insurer shall deliver to the Tax Commission
10 an application for a new certificate that complies with Section 6 of
11 this act and includes the title brand designation "Hull Damaged".
12 Not later than twenty (20) days after delivery of the application to
13 the Tax Commission, the Tax Commission shall create a new
14 certificate that indicates that the vessel is branded "Hull
15 Damaged".

16 D. An owner of record that fails to comply with subsection A of
17 this section, a person that solicits or colludes in a failure by an
18 owner of record to comply with subsection A of this section, or an
19 insurer that fails to comply with subsection C of this section is
20 subject to an administrative penalty of One Thousand Dollars
21 (\$1,000.00).

22 SECTION 11. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4060 of Title 63, unless there
24 is created a duplication in numbering, reads as follows:

1 A. For each record relating to a certificate of title submitted
2 to the Oklahoma Tax Commission, the Tax Commission shall:

3 1. Ascertain or assign the hull identification number for the
4 vessel;

5 2. Maintain the hull identification number and all the
6 information submitted with the application pursuant to subsection B
7 of Section 7 of this act to which the record relates, including the
8 date and time the record was delivered to the Tax Commission;

9 3. Maintain the files for public inspection subject to
10 subsection E of this section; and

11 4. Index the files of the Tax Commission as required by
12 subsection B of this section.

13 B. The Tax Commission shall maintain in its files the
14 information contained in all certificates of title created under the
15 Uniform Certificate of Title for Vessels Act. The information in
16 the files of the Tax Commission must be searchable by the hull
17 identification number of the vessel, the vessel number, the name of
18 the owner of record, and any other method used by the Tax
19 Commission.

20 C. The Tax Commission shall maintain in its files, for each
21 vessel for which it has created a certificate of title, all title
22 brands known to the Tax Commission, the name of each secured party
23 known to the Tax Commission, the name of each person known to the
24

1 Tax Commission to be claiming an ownership interest, and all stolen-
2 property reports the Tax Commission has received.

3 D. Upon request, for safety, security, or law-enforcement
4 purposes, the Oklahoma Tax Commission shall provide to federal,
5 state, or local government the information in its files relating to
6 any vessel for which the Tax Commission has issued a certificate of
7 title.

8 E. Except as otherwise provided by the law of this state other
9 than the Uniform Certificate of Title for Vessels Act, the
10 information required under Section 9 of this act is a public record.
11 The information provided under paragraph 3 of subsection B of
12 Section 7 of this act is not a public record.

13 SECTION 12. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 4061 of Title 63, unless there
15 is created a duplication in numbering, reads as follows:

16 A. On creation of a written certificate of title, the Oklahoma
17 Tax Commission promptly shall send the certificate to the secured
18 party of record or, if none, to the owner of record, at the address
19 indicated for that in the files of the Tax Commission. On creation
20 of an electronic certificate of title, the Tax Commission promptly
21 shall send a record evidencing the certificate to the owner of
22 record and, if there is one, to the secured party of record, at the
23 address indicated for that person in the files of the Tax
24 Commission. The Tax Commission may send the record to the mailing

1 address of the person or, if indicated in the files of the Tax
2 Commission, an electronic address.

3 B. If the Tax Commission creates a written certificate of
4 title, any electronic certificate of title for the vessel is
5 canceled and replaced by the written certificate. The Tax
6 Commission shall maintain in the files of the Commission the date
7 and time of cancellation.

8 C. Before the Tax Commission creates an electronic certificate
9 of title, any written certificate for the vessel must be surrendered
10 to the Tax Commission. If the Tax Commission creates an electronic
11 certificate, the Tax Commission shall destroy or otherwise cancel
12 the written certificate for the vessel which has been surrendered to
13 the Tax Commission and maintain in the files of the Tax Commission
14 the date and time of destruction or other cancellation. If a
15 written certificate being canceled is not destroyed, the Tax
16 Commission shall indicate on the face of the certificate that it has
17 been canceled.

18 SECTION 13. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 4062 of Title 63, unless there
20 is created a duplication in numbering, reads as follows:

21 A certificate of title is prima facie evidence of the accuracy
22 of the information in the record that constitutes the certificate.

23
24

1 SECTION 14. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4063 of Title 63, unless there
3 is created a duplication in numbering, reads as follows:

4 Possession of a certificate of title does not by itself provide
5 a right to obtain possession of a vessel. Garnishment, attachment,
6 levy, replevin, or other judicial process against the certificate is
7 not effective to determine possessory rights to the vessel. The
8 Uniform Certificate of Title for Vessels Act does not prohibit
9 enforcement under law of this state other than the Uniform
10 Certificate of Title for Vessels Act of a security interest in, levy
11 on, or foreclosure of a statutory or common-law lien on a vessel.
12 Absence of an indication of a statutory or common-law lien on a
13 certificate does not invalidate the lien.

14 SECTION 15. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 4064 of Title 63, unless there
16 is created a duplication in numbering, reads as follows:

17 A. Except as otherwise provided in this section or Section 28
18 of this act, a security interest in a vessel may be perfected only
19 by delivery to the Oklahoma Tax Commission of an application for a
20 certificate of title that identifies the secured party and otherwise
21 complies with Section 7 of this act. The security interest is
22 perfected on the later of delivery to the office of the application
23 and the applicable fee or attachment of the security interest under
24 Section 1-9-203 of Title 12A of the Oklahoma Statutes.

1 B. If the interest of a person named as owner, lessor,
2 consignor, or bailor in an application for a certificate of title
3 delivered to the Tax Commission is a security interest, the
4 application sufficiently identifies the person as a secured party.
5 Identification on the application for a certificate of a person as
6 owner, lessor, consignor, or bailor is not by itself a factor in
7 determining whether the interest of the person is a security
8 interest.

9 C. If the Tax Commission has created a certificate of title for
10 a vessel, a security interest in the vessel may be perfected by
11 delivery to the Tax Commission of an application, on a form the Tax
12 Commission may require, to have the security interest added to the
13 certificate. The application must be signed by an owner of the
14 vessel or by the secured party and must include:

- 15 1. The name of the owner of record;
- 16 2. The name and mailing address of the secured party;
- 17 3. The hull identification number for the vessel; and
- 18 4. If the Tax Commission has created a written certificate of
19 title for the vessel, the certificate.

20 D. A security interest perfected under subsection C of this
21 section is perfected on the later of delivery to the Tax Commission
22 of the application and all applicable fees or attachment of the
23 security interest under Section 1-9-203 of Title 12A of the Oklahoma
24 Statutes.

1 E. On delivery of an application that complies with subsection
2 C of this section and payment of all applicable fees, the Tax
3 Commission shall create a new certificate of title pursuant to
4 Section 8 of this act and deliver the new certificate or a record
5 evidencing an electronic certificate pursuant to subsection A of
6 Section 12 of this act. The Tax Commission shall maintain in the
7 files of the Tax Commission the date and time of delivery of the
8 application to the Tax Commission.

9 F. If a secured party assigns a perfected security interest in
10 a vessel, the receipt by the Tax Commission of a statement providing
11 the name of the assignee as secured party is not required to
12 continue the perfected status of the security interest against
13 creditors of and transferees from the original debtor. A purchaser
14 of a vessel subject to a security interest which obtains a release
15 from the secured party indicated in the files of the Tax Commission
16 or on the certificate takes free of the security interest and of the
17 rights of a transferee unless the transfer is indicated in the files
18 of the Tax Commission or on the certificate.

19 G. This section does not apply to a security interest:

20 1. Created in a vessel by a person during any period in which
21 the vessel is inventory held for sale or lease by the person or is
22 leased by the person as lessor if the person is in the business of
23 selling vessels;

24

1 2. In a barge for which no application for a certificate of
2 title has been delivered to the Tax Commission; or

3 3. In a vessel before delivery if the vessel is under
4 construction, or completed, pursuant to contract and for which no
5 application for a certificate has been delivered to the Tax
6 Commission.

7 H. This subsection applies if a certificate of documentation
8 for a documented vessel is deleted or canceled. If a security
9 interest in the vessel was valid immediately before deletion or
10 cancellation against a third party as a result of compliance with 42
11 U.S.C. Section 31321, the security interest is and remains perfected
12 until the earlier of four (4) months after cancellation of the
13 certificate or the time the security interest becomes perfected
14 under the Uniform Certificate of Title for Vessels Act.

15 I. A security interest in a vessel arising under Section 2-401,
16 2-505, 2-711(3), or 2A-508(5) of Title 12A of the Oklahoma Statutes
17 is perfected when it attaches but becomes unperfected when the
18 debtor obtains possession of the vessel, unless before the debtor
19 obtains possession the security interest is perfected pursuant to
20 subsection A or C of this section.

21 J. A security interest in a vessel as proceeds of other
22 collateral is perfected to the extent provided in Section 1-9-315 of
23 Title 12A of the Oklahoma Statutes.
24

1 K. A security interest in a vessel perfected under the law of
2 another jurisdiction is perfected to the extent provided in Section
3 1-9-316(d) of Title 12A of the Oklahoma Statutes.

4 SECTION 16. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 4065 of Title 63, unless there
6 is created a duplication in numbering, reads as follows:

7 A. A secured party indicated in the files of the Oklahoma Tax
8 Commission as having a security interest in a vessel shall deliver a
9 termination statement to the Tax Commission and, on the request of
10 the debtor, to the debtor, by the earlier of:

11 1. Twenty (20) days after the secured party receives a signed
12 demand from an owner for a termination statement and there is no
13 obligation secured by the vessel subject to the security interest
14 and no commitment to make an advance, incur an obligation, or
15 otherwise give value secured by the vessel; or

16 2. If the vessel is consumer goods, thirty (30) days after
17 there is no obligation secured by the vessel and no commitment to
18 make an advance, incur an obligation, or otherwise give value
19 secured by the vessel.

20 B. If a written certificate of title has been created and
21 delivered to a secured party and a termination statement is required
22 under subsection A of this section, the secured party, not later
23 than the date required by subsection A of this section, shall
24 deliver the certificate to the debtor or to the Tax Commission with

1 the statement. If the certificate is lost, stolen, mutilated,
2 destroyed, or is otherwise unavailable or illegible, the secured
3 party shall deliver with the statement, not later than the date
4 required by subsection A of this section, an application for a
5 replacement certificate meeting the requirements of Section 22 of
6 this act.

7 C. On delivery to the Tax Commission of a termination statement
8 authorized by the secured party, the security interest to which the
9 statement relates ceases to be perfected. If the security interest
10 to which the statement relates was indicated on the certificate of
11 title, the Tax Commission shall create a new certificate and deliver
12 the new certificate or a record evidencing an electronic
13 certificate. The Tax Commission shall maintain in its files the
14 date and time of delivery to the Tax Commission of the statement.

15 D. A secured party that fails to comply with this section is
16 liable for any loss that the secured party had reason to know might
17 result from its failure to comply and which could not reasonably
18 have been prevented and for the cost of an application for a
19 certificate of title under Section 7 or 22 of this Act.

20 SECTION 17. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 4066 of Title 63, unless there
22 is created a duplication in numbering, reads as follows:

23 A. On voluntary transfer of an ownership interest in a vessel
24 covered by a certificate of title, the following rules apply:

1 1. If the certificate is a written certificate of title and the
2 interest of the transferor is noted on the certificate, the
3 transferor promptly shall sign the certificate and deliver it to the
4 transferee. If the transferor does not have possession of the
5 certificate, the person in possession of the certificate has a duty
6 to facilitate the compliance of the transferor with this paragraph.
7 A secured party does not have a duty to facilitate the compliance of
8 the transferor with this paragraph if the proposed transfer is
9 prohibited by the security agreement;

10 2. If the certificate of title is an electronic certificate of
11 title, the transferor promptly shall sign and deliver to the
12 transferee a record evidencing the transfer of ownership to the
13 transferee; and

14 3. The transferee has a right enforceable by specific
15 performance to require the transferor comply with paragraph 1 or 2
16 of this subsection.

17 B. The creation of a certificate of title identifying the
18 transferee as owner of record satisfies subsection A of this
19 section.

20 C. A failure to comply with subsection A of this section or to
21 apply for a new certificate of title does not render a transfer of
22 ownership of a vessel ineffective between the parties. Except as
23 otherwise provided in Section 18, 19, 23(a), or 24 of this act, a
24 transfer of ownership without compliance with subsection A of this

1 section is not effective against another person claiming an interest
2 in the vessel.

3 D. A transferor that complies with subsection A of this section
4 is not liable as owner of the vessel for an event occurring after
5 the transfer, regardless of whether the transferee applies for a new
6 certificate of title.

7 SECTION 18. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4067 of Title 63, unless there
9 is created a duplication in numbering, reads as follows:

10 Except as otherwise provided in Section 1-9-337 of Title 12A of
11 the Oklahoma Statutes, a certificate of title or other record
12 required or authorized by the Uniform Certificate of Title for
13 Vessels Act is effective even if it contains incorrect information
14 or does not contain required information.

15 SECTION 19. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4068 of Title 63, unless there
17 is created a duplication in numbering, reads as follows:

18 A. As used in this section, "secured party's transfer
19 statement" means a record signed by the secured party of record
20 stating:

21 1. That there has been a default on an obligation secured by
22 the vessel;

23 2. The secured party of record is exercising or has exercised
24 post-default remedies with respect to the vessel;

1 3. By reason of the exercise, the secured party of record has
2 the right to transfer the ownership interest of an owner, and the
3 name of the owner;

4 4. The name and last-known mailing address of the owner of
5 record and the secured party of record;

6 5. The name of the transferee;

7 6. Other information required by subsection B of Section 7 of
8 this act; and

9 7. One of the following:

10 a. the certificate of title is an electronic certificate,

11 b. the secured party does not have possession of the
12 written certificate of title created in the name of
13 the owner of record, or

14 c. the secured party is delivering the written
15 certificate of title to the Oklahoma Tax Commission
16 with the secured party's transfer statement.

17 B. Unless the Tax Commission rejects a secured party's transfer
18 statement for a reason stated in subsection C of Section 8 of this
19 act, not later than twenty (20) days after delivery to the Tax
20 Commission of the statement and payment of fees and taxes payable
21 under the law of this state other than the Uniform Certificate of
22 Title for Vessels Act in connection with the statement or the
23 acquisition or use of the vessel, the Tax Commission shall:

24 1. Accept the statement;

1 2. Amend the files of the Tax Commission to reflect the
2 transfer; and

3 3. If the name of the owner whose ownership interest is being
4 transferred is indicated on the certificate of title:

5 a. cancel the certificate even if the certificate has not
6 been delivered to the Tax Commission,

7 b. create a new certificate indicating the transferee as
8 owner, and

9 c. deliver the new certificate or a record evidencing an
10 electronic certificate.

11 C. An application under subsection A of this section or the
12 creation of a certificate of title under subsection B of this
13 section is not by itself a disposition of the vessel and does not by
14 itself relieve the secured party of its duties under Uniform
15 Commercial Code - Secured Transactions.

16 SECTION 20. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 4069 of Title 63, unless there
18 is created a duplication in numbering, reads as follows:

19 A. As used in this section:

20 1. "By operation of law" means pursuant to a law or judicial
21 order affecting ownership of a vessel:

22 a. because of death, divorce or other family law
23 proceeding, merger, consolidation, dissolution, or
24 bankruptcy,

1 b. through the exercise of the rights of a lien creditor
2 or a person having a lien created by statute or rule
3 of law, or

4 c. through other legal process; and

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 an ownership interest in a
8 vessel.

9 B. A transfer-by-law statement must contain:

10 1. The name and last known mailing address of the owner of
11 record and the transferee and the other information required by
12 subsection B of Section 7 of this act;

13 2. Documentation sufficient to establish the ownership interest
14 or right to acquire the ownership interest of the transferee;

15 3. A statement that:

16 a. the certificate of title is an electronic certificate
17 of title,

18 b. the transferee does not have possession of the written
19 certificate of title created in the name of the owner
20 of record, or

21 c. the transferee is delivering the written certificate
22 to the Oklahoma Tax Commission with the transfer-by-
23 law statement; and

1 4. Except for a transfer described in subparagraph a of
2 paragraph 1 of subsection A of this section, evidence that
3 notification of the transfer and the intent to file the transfer-by-
4 law statement has been sent to all persons indicated in the files of
5 the Tax Commission as having an interest, including a security
6 interest, in the vessel.

7 C. Unless the Tax Commission rejects a transfer-by-law
8 statement for a reason stated in subsection C of Section 8 of this
9 act or because the statement does not include documentation
10 satisfactory to the Tax Commission as to the ownership interest or
11 right to acquire the ownership interest of the transferee, not later
12 than twenty (20) days after delivery to the Tax Commission of the
13 statement and payment of fees and taxes payable under the law of
14 this state other than the Uniform Certificate of Title for Vessels
15 Act in connection with the statement or with the acquisition or use
16 of the vessel, the Tax Commission shall:

17 1. Accept the statement;

18 2. Amend the files of the Tax Commission to reflect the
19 transfer; and

20 3. If the name of the owner whose ownership interest is being
21 transferred is indicated on the certificate of title:

22 a. cancel the certificate even if the certificate has not
23 been delivered to the Tax Commission,

24

- b. create a new certificate indicating the transferee as owner,
- c. indicate on the new certificate any security interest indicated on the canceled certificate, unless a court order provides otherwise, and
- d. deliver the new certificate or a record evidencing an electronic certificate.

D. This section does not apply to a transfer of an interest in a vessel by a secured party under Uniform Commercial Code - Secured Transactions, Part 6.

SECTION 21. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4070 of Title 63, unless there is created a duplication in numbering, reads as follows:

A. Except as otherwise provided in Section 19 or 20 of this act, if the Oklahoma Tax Commission receives, unaccompanied by a signed certificate of title, an application for a new certificate that includes an indication of a transfer of ownership or a termination statement, the Tax Commission may create a new certificate under this section only if:

1. All other requirements under Sections 7 and 8 of this section are met;

2. The applicant provides an affidavit stating facts showing the applicant is entitled to a transfer of ownership or termination statement;

1 3. The applicant provides the Tax Commission with satisfactory
2 evidence that notification of the application has been sent to the
3 owner of record and all persons indicated in the files of the Tax
4 Commission as having an interest, including a security interest, in
5 the vessel, at least forty-five (45) days have passed since the
6 notification was sent, and the Tax Commission has not received an
7 objection from any of those persons; and

8 4. The applicant submits any other information required by the
9 Tax Commission as evidence of the ownership or right to terminate
10 the security interest of the applicant, and the Tax Commission has
11 no credible information indicating theft, fraud, or an undisclosed
12 or unsatisfied security interest, lien, or other claim to an
13 interest in the vessel.

14 B. The Tax Commission may indicate in a certificate of title
15 created under subsection A of this section that the certificate was
16 created without submission of a signed certificate or termination
17 statement. Unless credible information indicating theft, fraud, or
18 an undisclosed or unsatisfied security interest, lien, or other
19 claim to an interest in the vessel is delivered to the Tax
20 Commission not later than one (1) year after creation of the
21 certificate, on request in a form and manner required by the Tax
22 Commission, the Tax Commission shall remove the indication from the
23 certificate.

24

1 C. Unless the Tax Commission determines that the value of a
2 vessel is less than Five Thousand Dollars (\$5,000.00), before the
3 Tax Commission creates a certificate of title under subsection A of
4 this section, the Tax Commission may require the applicant to post a
5 bond or provide an equivalent source of indemnity or security. The
6 bond, indemnity, or other security may not exceed twice the value of
7 the vessel as determined by the Tax Commission. The bond,
8 indemnity, or other security must be in a form required by the Tax
9 Commission and provide for indemnification of any owner, purchaser,
10 or other claimant for any expense, loss, delay, or damage, including
11 reasonable attorney fees and costs, but not including incidental or
12 consequential damages, resulting from creation or amendment of the
13 certificate.

14 D. Unless the Tax Commission receives a claim for indemnity not
15 later than one (1) year after creation of a certificate of title
16 under subsection A of this section, on request in a form and manner
17 required by the Tax Commission, the Tax Commission shall release any
18 bond, indemnity, or other security.

19 SECTION 22. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 4071 of Title 63, unless there
21 is created a duplication in numbering, reads as follows:

22 A. If a written certificate of title is lost, stolen,
23 mutilated, destroyed, or otherwise becomes unavailable or illegible,
24 the secured party of record or, if no secured party is indicated in

1 the files of the Oklahoma Tax Commission, the owner of record may
2 apply for and, by furnishing information satisfactory to the Tax
3 Commission, obtain a replacement certificate in the name of the
4 owner of record.

5 B. An applicant for a replacement certificate of title must
6 sign the application, and, except as otherwise permitted by the Tax
7 Commission, the application must comply with Section 7 of this act.
8 The application must include the existing certificate unless the
9 certificate is lost, stolen, mutilated, destroyed, or otherwise
10 unavailable.

11 C. A replacement certificate of title created by the Tax
12 Commission must comply with Section 9 of this act and indicate on
13 the face of the certificate that it is a replacement certificate.

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

17 SECTION 23. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 4072 of Title 63, unless there
19 is created a duplication in numbering, reads as follows:

20 A. A buyer in ordinary course of business has the protections
21 afforded by subsection (2) of Section 2-403 of Title 12A of the
22 Oklahoma Statutes and subsection (a) of 1-9-320 of Title 12A of the
23 Oklahoma Statutes even if an existing certificate of title was not
24

1 signed and delivered to the buyer or a new certificate listing the
2 buyer as owner of record was not created.

3 B. Except as otherwise provided in Sections 17 and 24 of this
4 act, the rights of a purchaser of a vessel which is not a buyer in
5 ordinary course of business or a lien creditor are governed by the
6 provisions of Title 12A of the Oklahoma Statutes.

7 SECTION 24. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4073 of Title 63, unless there
9 is created a duplication in numbering, reads as follows:

10 A. Subject to subsection B of this section, the effect of
11 perfection and nonperfection of a security interest and the priority
12 of a perfected or unperfected security interest with respect to the
13 rights of a purchaser or creditor, including a lien creditor, is
14 governed by the provisions of Title 12A of the Oklahoma Statutes.

15 B. If, while a security interest in a vessel is perfected by
16 any method under the Uniform Certificate of Title for Vessels Act,
17 the Oklahoma Tax Commission creates a certificate of title that does
18 not indicate that the vessel is subject to the security interest or
19 contain a statement that it may be subject to security interests not
20 indicated on the certificate:

21 1. A buyer of the vessel, other than a person in the business
22 of selling or leasing vessels of that kind, takes free of the
23 security interest if the buyer, acting in good faith and without
24

1 knowledge of the security interest, gives value and receives
2 possession of the vessel; and

3 2. The security interest is subordinate to a conflicting
4 security interest in the vessel that is perfected under Section 15
5 of this act after creation of the certificate and without the
6 conflicting secured party's knowledge of the security interest.

7 SECTION 25. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 4074 of Title 63, unless there
9 is created a duplication in numbering, reads as follows:

10 A. The Oklahoma Tax Commission shall retain the evidence used
11 to establish the accuracy of the information in its files relating
12 to the current ownership of a vessel and the information on the
13 certificate of title.

14 B. The Tax Commission shall retain in its files all information
15 regarding a security interest in a vessel for at least ten (10)
16 years after the Tax Commission receives a termination statement
17 regarding the security interest. The information must be accessible
18 by the hull identification number for the vessel and any other
19 methods provided by the Tax Commission.

20 C. If a person submits a record to the Tax Commission, or
21 submits information that is accepted by the Tax Commission, and
22 requests an acknowledgment of the filing or submission, the Tax
23 Commission shall send to the person an acknowledgment showing the
24 hull identification number of the vessel to which the record or

1 submission relates, the information in the filed record or
2 submission, and the date and time the record was received or the
3 submission accepted. A request under this section must contain the
4 hull identification number and be delivered by means authorized by
5 the Tax Commission.

6 D. The Tax Commission shall send or otherwise make available in
7 a record the following information to any person that requests it
8 and pays the applicable fee:

9 1. Whether the files of the Tax Commission indicate, as of a
10 date and time specified by the Tax Commission, but not a date
11 earlier than three (3) days before the Tax Commission received the
12 request, any certificate of title, security interest, termination
13 statement, or title brand that relates to a vessel:

- 14 a. identified by a hull identification number designated
15 in the request,
- 16 b. identified by a vessel number designated in the
17 request, or
- 18 c. owned by a person designated in the request;

19 2. With respect to the vessel:

- 20 a. the name and address of any owner as indicated in the
21 files of the Tax Commission or on the certificate of
22 title,
- 23 b. the name and address of any secured party as indicated
24 in the files of the Tax Commission or on the

1 certificate, and the effective date of the
2 information, and

3 c. a copy of any termination statement indicated in the
4 files of the Tax Commission and the effective date of
5 the termination statement; and

6 3. With respect to the vessel, a copy of any certificate of
7 origin, secured party transfer statement, transfer-by-law statement
8 under Section 20 of this act, and other evidence of previous or
9 current transfers of ownership.

10 E. In responding to a request under this section, the Tax
11 Commission may provide the requested information in any medium. On
12 request, the Tax Commission shall send the requested information in
13 a record that is self-authenticating under Section 2902 of Title 12
14 of the Oklahoma Statutes.

15 SECTION 26. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 4075 of Title 63, unless there
17 is created a duplication in numbering, reads as follows:

18 In applying and construing the Uniform Certificate of Title for
19 Vessels Act, consideration must be given to the need to promote
20 uniformity of the law with respect to its subject matter among
21 states that enact it.

22 SECTION 27. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 4076 of Title 63, unless there
24 is created a duplication in numbering, reads as follows:

1 The Uniform Certificate of Title for Vessels Act modifies,
2 limits, and supersedes the federal Electronic Signatures in Global
3 and National Commerce Act, 15 U.S.C. Section 7001, et seq., but does
4 not modify, limit, or supersede Section 101(c) of that act, 15
5 U.S.C. Section 7001(c), or authorize electronic delivery of any of
6 the notices described in Section 103(b) of that act, 15 U.S.C.
7 Section 7003(b).

8 SECTION 28. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 4077 of Title 63, unless there
10 is created a duplication in numbering, reads as follows:

11 A. The rights, duties, and interests flowing from a
12 transaction, certificate of title, or record relating to a vessel
13 which was validly entered into or created before January 1, 2013,
14 and would be subject to the Uniform Certificate of Title for Vessels
15 Act if it had been entered into or created on or after the effective
16 date of the Uniform Certificate of Title for Vessels Act, remain
17 valid on and after January 1, 2013.

18 B. The Uniform Certificate of Title for Vessels Act does not
19 affect an action or proceeding commenced before January 1, 2013.

20 C. Except as otherwise provided in subsection D of this
21 section, a security interest that is enforceable immediately before
22 January 1, 2013, and would have priority over the rights of a person
23 that becomes a lien creditor at that time is a perfected security
24 interest under the Uniform Certificate of Title for Vessels Act.

1 D. A security interest perfected immediately before January 1,
2 2013, remains perfected until the earlier of:

3 1. The time perfection would have ceased under the law under
4 which the security interest was perfected; or

5 2. Three (3) years after January 1, 2013.

6 E. The Uniform Certificate of Title for Vessels Act does not
7 affect the priority of a security interest in a vessel if
8 immediately before January 1, 2013, the security interest is
9 enforceable and perfected, and that priority is established.

10 SECTION 29. AMENDATORY 63 O.S. 2011, Section 4003, is
11 amended to read as follows:

12 Section 4003. A. 1. ~~Except as otherwise provided in Sections~~
13 ~~4005 and 4024 of this title, every vessel in this state,~~
14 ~~irrespective of whether used on waters of this state, is required to~~
15 ~~be titled within thirty (30) calendar days from the purchase date or~~
16 ~~from the date the owner becomes a resident of this state and~~
17 ~~annually registered under the provisions of the Oklahoma Vessel and~~
18 ~~Motor Registration Act, Section 4002 et seq. of this title. The~~
19 ~~owner of any such vessel shall file an application as required by~~
20 ~~the Oklahoma Vessel and Motor Registration Act with the Oklahoma Tax~~
21 ~~Commission for a certificate of title, a number, and for the annual~~
22 ~~registration for such vessel on forms prescribed and furnished by~~
23 ~~the Commission.~~

24

1 ~~2. The provisions of this subsection shall not apply to new~~
2 ~~vessels in the inventory or stock of licensed dealers for resale~~
3 ~~which new vessels shall be subject to ad valorem taxation.~~

4 ~~3. Said provisions shall apply to and cover all used vessels in~~
5 ~~the possession and inventory of a dealer except as provided for in~~
6 ~~Section 4036 of this title.~~

7 ~~B.~~ 1. Except as otherwise provided in Sections 4005 and 4024
8 of this title, every outboard motor in excess of ten (10) horsepower
9 in this state, irrespective of whether used on waters of this state,
10 is required to be titled within thirty (30) calendar days from the
11 purchase date, or from the expiration of registration, or from the
12 date the owner becomes a resident of this state and registered under
13 the provisions of the Oklahoma Vessel and Motor Registration Act.

14 The owner of any such motor shall file an application as
15 required by the Oklahoma Vessel and Motor Registration Act for a
16 certificate of title and for an annual registration for such vessel
17 on forms prescribed and furnished by the Commission.

18 2. The provisions of this subsection shall not apply to new
19 motors in the inventory or stock of licensed dealers for resale
20 which such new motors shall be subject to ad valorem taxation.

21 3. ~~Said~~ The provisions shall apply to and cover all used motors
22 in the possession and inventory of a dealer except as provided for
23 in Section 4036 of this title.

1 ~~C.~~ B. Any person engaged in the business of selling, trading,
2 renting with option to purchase, or attempting to or negotiating
3 sales or exchanges of interests in new or used vessels or motors, or
4 new and used vessels or motors, or any combination thereof shall be
5 licensed pursuant to Section 4033 of this title.

6 SECTION 30. AMENDATORY 63 O.S. 2011, Section 4005, is
7 amended to read as follows:

8 Section 4005. A. A vessel shall not be required to be
9 registered or a motor shall not be required to be titled and
10 registered pursuant to the provisions of the Oklahoma Vessel and
11 Motor Registration Act, ~~Section 4002 et seq. of this title,~~ if:

12 1. Such vessel or motor is owned by the United States, a state
13 other than the State of Oklahoma, any agency thereof, or any
14 subdivision of the state; provided, however, if such vessel is used
15 for recreational or rental purposes on the waters of this state,
16 said vessel shall be registered and numbered in accordance with
17 ~~Section 4002 et seq. of this title~~ the Oklahoma Vessel and Motor
18 Registration Act;

19 2. Such vessel or motor is owned by a visiting nonresident and
20 is currently registered in another state. Provided that if any such
21 vessel or motor remains in Oklahoma in excess of sixty (60) calendar
22 days, such vessel or motor shall be registered pursuant to the
23 provisions of the Oklahoma Vessel and Motor Registration Act and the
24

1 registration fees due thereon from the date of entry into Oklahoma
2 must be paid;

3 3. Such vessel or motor is from a country other than the United
4 States provided such vessel or motor does not remain in Oklahoma in
5 excess of sixty (60) calendar days;

6 4. Such vessel is used exclusively and solely as a lifeboat;

7 5. Such vessel is used exclusively and solely for racing
8 purposes;

9 6. Such vessel is a commercial flotation device which is issued
10 a permit by the Oklahoma Scenic River Commission pursuant to the
11 provisions of ~~Section 1461 et seq. of Title 82 of the Oklahoma~~
12 ~~Statutes the Scenic Rivers Act; provided, a commercial flotation~~
13 ~~device shall be required to be titled pursuant to the provisions of~~
14 ~~Section 4008 of this title; or~~

15 7. Such vessel is a documented vessel provided such documented
16 vessel shall be required to be registered pursuant to the provisions
17 of Section 4016 of this title.

18 B. Motors classified as inboard motors shall not be required to
19 be titled or registered pursuant to the provisions of the Oklahoma
20 Vessel and Motor Registration Act.

21 C. All vessels and motors which are owned by the State of
22 Oklahoma, its agencies or departments, or political subdivisions
23 thereof, or which, under the law, would be exempt from direct ad
24 valorem taxation, shall be ~~titled and~~ registered pursuant to the

1 provisions of the Oklahoma Vessel and Motor Registration Act.
2 Provided, all vessels and motors titled and registered to the
3 Department of Public Safety shall be exempt from all registration
4 fees.

5 D. All other vessels shall be ~~titled and~~ registered pursuant to
6 the provisions of the Oklahoma Vessel and Motor Registration Act.

7 SECTION 31. AMENDATORY 63 O.S. 2011, Section 4007, is
8 amended to read as follows:

9 Section 4007. A. Except as otherwise provided by this section,
10 all information contained in the certificate of title or the
11 registration of any ~~vessel or motor~~ or the registration of a vessel
12 shall be confidential and privileged, subject only to disclosure to
13 the following:

14 1. Any duly authorized peace officer of this state in the
15 regular course of the peace officer's duties;

16 2. Any official person or body of any other state or of the
17 United States, when required in their governmental functions;

18 3. Any person or firm, when the Oklahoma Tax Commission is
19 satisfied the request for information is reasonable and is related
20 primarily to boating safety;

21 4. Any filer of a mechanics, storage or abandoned vessel
22 possessory lien under the applicable provisions of Sections 91
23 through 200 of Title 42, Section 908 of Title 47 or Section 4217.4
24

1 of Title 63 of the Oklahoma Statutes, when such information is
2 required to fulfill the notification requirements contained therein;

3 5. Any vessel or motor manufacturer or an authorized
4 representative thereof in connection with matters of vessel or motor
5 safety and theft, vessel motor emissions, vessel or motor product
6 alterations, recalls or advisories, performance monitoring of vessel
7 or motor parts and dealers, vessel or motor market research
8 activities, including survey research, and removal of non-owner
9 records from the original owner records of vessel or motor
10 manufacturers. The confidentiality of the information shall be
11 protected, as set out above, and used only for the purpose stated;
12 provided, further, that the Tax Commission shall be authorized to
13 review the use of and the measures employed to safeguard the
14 information; and provided, further, that the manufacturer or
15 representative shall bear the cost incurred by the Tax Commission in
16 the production of the information requested. If the confidentiality
17 provisions, pursuant to this section, are violated, the provisions
18 of subsection D of Section 205 of Title 68 of the Oklahoma Statutes
19 shall apply and the privilege of obtaining information shall be
20 terminated. Any manufacturer or representative violating the
21 provisions of this section, upon conviction, shall be punishable by
22 a fine not to exceed Fifty Thousand Dollars (\$50,000.00); and

23 6. Any person compiling and publishing vessel or motor
24 statistics, provided that such statistics do not disclose the names

1 or addresses of individuals. Such information shall be provided
2 upon payment of a fee as determined by the Tax Commission.

3 B. The Tax Commission or a motor license agent may furnish the
4 holder of a security interest in a specific vessel or motor upon
5 payment of the fee specified by Section 4014 of this title, a copy
6 or certified copy of the certificate of title or registration
7 information for such vessel.

8 SECTION 32. AMENDATORY 63 O.S. 2011, Section 4008, is
9 amended to read as follows:

10 Section 4008. Except as otherwise provided in Section 4005 of
11 this title, the owner of every ~~vessel or~~ motor in this state shall
12 possess a certificate of title as proof of ownership of such ~~vessel~~
13 ~~or~~ motor. Application for a certificate of title, whether an
14 original or duplicate, may be made to the Oklahoma Tax Commission or
15 any motor license agent. When application is made with a motor
16 license agent, the application information shall be transmitted
17 either electronically or by mail to the Commission by the motor
18 license agent. If the application information is transmitted
19 electronically, the motor license agent shall forward the required
20 application along with evidence of ownership, where required, by
21 mail. Where the transmission of application information cannot be
22 performed electronically, the Commission is authorized to provide
23 postage-paid envelopes to motor license agents for the purpose of
24 mailing the application along with evidence of ownership, where

1 required. The Commission shall upon receipt of proper application
2 information issue an Oklahoma certificate of title. Such
3 certificates may be mailed to the applicant. Upon issuance of a
4 certificate of title, the Commission shall provide the appropriate
5 motor license agent with confirmation of such issuance.

6 SECTION 33. AMENDATORY 63 O.S. 2011, Section 4009, is
7 amended to read as follows:

8 Section 4009. A. The application for a certificate of title
9 and registration for a ~~vessel or~~ an outboard motor shall be upon a
10 form furnished by the Oklahoma Tax Commission and shall contain:

- 11 1. A full description of the ~~vessel or~~ outboard motor;
- 12 2. The manufacturer's serial and model number or other
13 identification number;
- 14 3. ~~The length of the vessel;~~
- 15 4. The date on which first sold by the manufacturer or dealer
16 to the owner;
- 17 5. 4. Any distinguishing marks;
- 18 6. 5. A statement of the applicant's source of title;
- 19 7. ~~Whether the vessel is a documented vessel and the number
20 assigned to such vessel;~~
- 21 8. 6. Any security interest upon ~~said vessel or~~ the outboard
22 motor, ~~or vessel and motor;~~ and
- 23 9. 7. Such other information as the Commission may require.

24

1 Every original or duplicate certificate of title and
2 registration for ~~a vessel or~~ an outboard motor shall contain all
3 items listed in this subsection.

4 B. To obtain an original certificate of title for ~~a vessel or~~
5 an outboard motor that is being registered for the first time in
6 this state or for ~~a vessel or~~ an outboard motor that has not been
7 previously registered in any other state, the applicant shall be
8 required to deliver, as evidence of ownership, a manufacturer's
9 certificate of origin or at the discretion of the Commission a copy
10 of the manufacturer's certificate of origin properly assigned by the
11 manufacturer, distributor, or dealer licensed in this or any other
12 state shown thereon to be the last transferee to the applicant upon
13 a form to be prescribed and approved by the Commission. A
14 manufacturer's certificate of origin shall contain:

- 15 1. The manufacturer's serial or other identification number;
- 16 2. Date on which first sold by the manufacturer to the dealer;
- 17 3. Any distinguishing marks including model and the year same
18 was made;
- 19 4. A statement of any security interests upon ~~said vessel or~~
20 the outboard motor, ~~or vessel and motor;~~ and
- 21 5. Such other information as the Commission may require.

22 C. In the absence of a dealer's or manufacturer's number, the
23 Commission may assign ~~such~~ an identifying number to the ~~vessel or~~

24

1 outboard motor, which shall be permanently stamped, burned or
2 pressed into or attached onto ~~such vessel or~~ the outboard motor.

3 D. Every dealer selling new or used ~~vessels or~~ outboard motors
4 and every individual not licensed as a dealer who sells a new or
5 used ~~vessel or~~ outboard motor shall verify the ~~hull identification~~
6 ~~number or~~ serial number is the same as the number on the current
7 registration of the ~~vessel or~~ outboard motor. The seller of the
8 ~~vessel or~~ outboard motor shall sign a notarized affidavit, under
9 penalty of perjury, affirming the numbers are the same.

10 E. 1. ~~Before a homemade vessel is issued a hull identification~~
11 ~~number from the Commission, the vessel and the motor shall be~~
12 ~~inspected by a commissioned officer of the Oklahoma Highway Patrol~~
13 ~~Division of the Department of Public Safety or by any other employee~~
14 ~~of the Department or any other law enforcement officer of the state~~
15 ~~as the Commissioner of Public Safety may designate, pursuant to the~~
16 ~~rules promulgated by the Commissioner of Public Safety. For the~~
17 ~~purposes of this act, "homemade vessel" means any vessel not~~
18 ~~allotted a hull identification number (HIN) by a manufacturer, and~~
19 ~~specifically excludes any vessel upon which the hull identification~~
20 ~~number has been covered, altered, defaced, destroyed, or removed.~~

21 ~~2.~~ The Department of Public Safety is hereby granted authority
22 and jurisdiction, pursuant to Article 1 of the Administrative
23 Procedures Act, ~~Section 250 et seq. of Title 75 of the Oklahoma~~

24

1 ~~Statutes~~, to promulgate, administer and enforce all necessary rules
2 deemed necessary to implement the provisions of this section.

3 ~~3.~~ 2. The Department of Public Safety shall prescribe all forms
4 deemed necessary to implement the provisions of this section.

5 F. It shall be unlawful to:

6 1. Improperly display or fail to display a vessel's hull
7 identification number;

8 2. Operate or possess a vessel on which the hull identification
9 number has been removed; or

10 3. Operate or possess a motor on which the serial number has
11 been removed.

12 G. When registering in this state a vessel which was titled in
13 another state and which title contains the name of a secured party
14 on the face of the other state certificate of title, the Oklahoma
15 Tax Commission or the motor license agent shall complete a lien
16 entry form as prescribed by ~~said~~ the Commission. A statement of the
17 lien or encumbrance shall be included on the Oklahoma certificate of
18 title and the lien or encumbrance shall be deemed continuously
19 perfected as though it had been perfected pursuant to Section 4013
20 of this title. For completing the lien entry form and recording the
21 security interest on the certificate of title, the Commission or the
22 motor license agent shall collect a fee of Three Dollars (\$3.00)
23 which shall be in addition to other fees provided by the Oklahoma
24 Vessel and Motor Registration Act.

1 H. Upon payment of all fees and taxes, a certificate of title,
2 a certificate of registration and, for a vessel, two registration
3 decals or, for an outboard motor, one registration decal shall be
4 delivered to the applicant. Provided, yearly decals shall be issued
5 for vessels and motors titled and registered to the Department of
6 Public Safety.

7 SECTION 34. AMENDATORY 63 O.S. 2011, Section 4012, is
8 amended to read as follows:

9 Section 4012. A. In the event of the sale or transfer of the
10 ownership of a ~~vessel or~~ motor for which a certificate of title has
11 been issued, the holder of such certificate shall endorse on the
12 back of same a complete assignment thereof with warranty of title in
13 form printed thereon with a statement of all liens or encumbrances
14 on ~~said vessel or~~ the motor sworn to before a notary public or some
15 other person authorized by law to take acknowledgments, and deliver
16 same to the purchaser or transferee at the time of delivery to ~~him~~
17 the purchaser or transferee of ~~such vessel or~~ the motor. The
18 purchaser or transferee, unless such person is a bona fide dealer
19 licensed by the State of Oklahoma, shall, within thirty (30)
20 calendar days from the time of delivery to ~~him~~ the purchaser or
21 transferee of ~~such vessel or~~ the motor, present the assigned
22 certificate of title to the Oklahoma Tax Commission, or one of its
23 motor license agents, accompanied by the fee required pursuant to
24 Section 4014 of this title, together with any excise tax or

1 registration fee that may be due, whereupon a new certificate of
2 title, shall be issued to the assignee.

3 B. A licensed dealer shall, on selling or otherwise disposing
4 of a ~~vessel or~~ motor, execute and deliver to the purchaser thereof
5 the certificate of title properly and completely reassigned.

6 C. ~~Said~~ The certificate, when so assigned and returned to the
7 Commission, together with any subsequent assignment or reissue
8 thereof, shall be appropriately filed and indexed so that at all
9 times it will be possible to trace title to the ~~vessel or~~ motor
10 designated therein. Provided, when the ownership of any ~~vessel or~~
11 motor shall pass by operation of law, the person owning ~~such vessel~~
12 ~~or~~ the motor may, upon furnishing satisfactory proof to the
13 Commission of such ownership, procure a title to ~~said vessel or~~ the
14 motor, regardless of whether a certificate of title has ever been
15 issued. ~~Provided, however, all homemade vessels shall first comply~~
16 ~~with the provisions of subsection D of Section 4009 of this title.~~

17 D. The dealer shall execute and deliver to the purchaser bills
18 of sale for all new ~~vessels or new~~ motors sold by him. On
19 presentation of a bill of sale by a dealer for a new ~~vessel or~~ motor
20 sold in this state, accompanied by any fee required by Section 4014
21 of this title and any excise tax that may be due, a certificate of
22 title shall be issued.

23 E. Upon proper proof of a lost certificate of title being made
24 to the Commission or one of its motor license agents, accompanied by

1 an application therefor and payment of the fees required by Section
2 4014 of this title, a duplicate certificate of title shall be issued
3 to said applicant.

4 SECTION 35. AMENDATORY 63 O.S. 2011, Section 4013, is
5 amended to read as follows:

6 Section 4013. A. 1. Except for a security interest in ~~vessels~~
7 ~~or~~ motors held by a dealer for sale or lease, a security interest,
8 as defined in paragraph (37) of Section 1-201 of Title 12A of the
9 Oklahoma Statutes, in a ~~vessel~~ ~~or~~ motor as to which a certificate of
10 title may be properly issued by the Oklahoma Tax Commission shall be
11 perfected only when a lien entry form prescribed by the Tax
12 Commission, and the existing certificate of title, if any, or
13 application for a certificate of title and manufacturer's
14 certificate of origin or other identification number containing the
15 name and address of the secured party and the date of the security
16 agreement and the required fee are delivered to the Tax Commission
17 or to a motor license agent. The filing and duration of perfection
18 of a security interest, pursuant to the provisions of Title 12A of
19 the Oklahoma Statutes, including, but not limited to, Section
20 1-9-311 of Title 12A of the Oklahoma Statutes, shall not be
21 applicable to perfection of security interests in ~~vessels~~ ~~or~~ motors
22 as to which a certificate of title may be properly issued by the Tax
23 Commission, except as to ~~vessels~~ ~~or~~ motors held by a dealer for sale
24 or lease and except as provided in subsection D of this section. In

1 all other respects Title 12A of the Oklahoma Statutes shall be
2 applicable to such security interests in ~~vessels or~~ motors as to
3 which a certificate of title may be properly issued by the Tax
4 Commission.

5 2. Whenever a person creates a security interest in a ~~vessel or~~
6 motor, such person shall surrender to the secured party the
7 certificate of title or the signed application for a new certificate
8 of title, on the form prescribed by the Tax Commission, and the
9 manufacturer's certificate of origin or other identification number.
10 The secured party shall deliver the lien entry form and the required
11 lien filing fee within twenty-five (25) calendar days as provided
12 hereafter with certificate of title or the application for
13 certificate of title, and the manufacturer's certificate of origin
14 or other identification number to the Tax Commission or to a motor
15 license agent. Perfection of the security interest shall begin from
16 the date of the delivery to the Tax Commission or to a motor license
17 agent of (i) the lien entry form, (ii) the lien filing fee, and
18 (iii) the certificate of title or application for certificate of
19 title and the manufacturer's certificate of origin or other
20 identification number. When a ~~vessel or~~ motor title is presented to
21 a motor license agent for transfer or registration and the documents
22 reflect a lienholder, the motor license agent shall perfect the lien
23 as provided for in subsection G of Section 1105 of Title 47 of the
24 Oklahoma Statutes.

1 3. Upon the receipt of the lien entry form and the required
2 fees with either the certificate of title or an application for
3 certificate of title and manufacturer's certificate of origin or
4 other identification number, a motor license agent shall, by
5 placement of a clearly distinguishing mark, record the date and
6 number shown in a conspicuous place, on each of these instruments.

7 4. The certificate of title or the application for certificate
8 of title and manufacturer's certificate of origin or other
9 identification number with the record of the date of receipt clearly
10 marked thereon shall be returned to the debtor together with a
11 notice that the debtor is required to register and pay all
12 additional fees and taxes due within thirty (30) calendar days from
13 the date of purchase of ~~said vessel or~~ the motor.

14 5. Any person creating a security interest in a ~~vessel or~~ motor
15 that has been previously registered in the debtor's name and on
16 which all taxes due the state have been paid shall surrender the
17 certificate of ownership to the secured party. The secured party
18 shall have the duty to record the security interest as provided in
19 this section and shall, at the same time, obtain a new certificate
20 of title which shall show the secured interest on the face of such
21 certificate of title.

22 6. The lien entry form with the date and assigned number
23 thereof clearly marked thereon shall be returned to the secured
24 party. If the lien entry form is received and authenticated, as

1 herein provided, by a motor license agent, such agent shall make a
2 report thereof to the Tax Commission upon the forms and in the
3 manner as may be prescribed by the Tax Commission.

4 7. The Tax Commission shall have the duty to record the lien
5 upon the face of the certificate of title issued at the time of
6 registering and paying all fees and taxes due on ~~such vessel or~~ the
7 motor.

8 B. 1. A secured party shall, within seven (7) business days
9 after the satisfaction of such security interest, furnish directly
10 or by mail a release of a security interest to the Tax Commission
11 and mail a copy thereof to the last-known address of the debtor. If
12 the security interest has been satisfied by payment from a licensed
13 used boat dealer to whom the used ~~vessel or~~ motor has been
14 transferred, the secured party shall also, within seven (7) business
15 days after such satisfaction, mail a certified copy of copy number
16 one of the release of security interest to such dealer. If the
17 secured party fails to furnish such release as herein required, the
18 secured party shall be liable to the debtor for a penalty of One
19 Hundred Dollars (\$100.00) and, in addition, any loss caused to the
20 debtor by such failure.

21 2. Upon release of a security interest the owner may obtain a
22 new certificate of title omitting reference to the security
23 interest, by submitting to the Tax Commission or to a motor license
24 agent:

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

11 Upon receiving such affidavit that the security interest has been
12 satisfied, the Tax Commission shall issue a new certificate of title
13 eliminating the satisfied security interest and the name and address
14 of the secured parties who have been paid and satisfied. The Tax
15 Commission shall accept a release of a security interest in any form
16 that identifies the debtor, the secured party, and the ~~vessel or~~
17 motor and contains the signature of the secured party. The Tax
18 Commission shall not require any particular form for the release of
19 a security interest.

20 The words "security interest" when used in the Oklahoma Vessel
21 and Motor Registration Act do not include liens dependent upon
22 possession.

23 C. The Tax Commission shall file and index certificates of
24 title so that at all times it will be possible to trace a

1 certificate of title to the ~~vessel or~~ motor designated therein,
2 identify the lien entry form, and the names and addresses of secured
3 parties, or their assignees, so that all or any part of such
4 information may be made readily available to those who make
5 legitimate inquiry of the Tax Commission as to the existence or
6 nonexistence of security interest in the ~~vessel or~~ motor.

7 D. 1. Any security interest in a vessel or motor properly
8 perfected prior to January 1, 1990, may be continued as to its
9 effectiveness or duration as provided by Section 1-9-515 of Title
10 12A of the Oklahoma Statutes, or may be terminated, assigned or
11 released as provided by Sections 1-9-513 and 1-9-514 of Title 12A of
12 the Oklahoma Statutes, as fully as if this section had not been
13 enacted, or, at the option of the secured party, may also be
14 perfected under this section, and, if so perfected, the time of
15 perfection under this section shall be the date ~~said~~ the security
16 interest was originally perfected under the prior law.

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

21 SECTION 36. This act shall become effective January 1, 2013.

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