1 ENGROSSED HOUSE AMENDMENT TΟ ENGROSSED SENATE BILL NO. 998 By: Standridge of the Senate 3 and Osburn of the House 4 5 6 An Act relating to the Oklahoma Vehicle License and 7 Registration Act; requiring the Oklahoma Tax Commission to implement a program for electronic certificates of title and associated liens; requiring 8 designation of a vendor; providing date to establish 9 program; requiring the Commission to promulgate rules; requiring certain program procedures; adding 10 definitions; requiring certain electronic documents and signatures be considered valid; requiring certain certified copies of Oklahoma Tax Commission records 11 to be considered admissible evidence; providing for 12 codification; and providing an effective date. 1.3 14 AMENDMENT NO. 1. Delete the title, enacting clause and entire bill and replace with: 15 16 "An Act relating to the Oklahoma Vehicle License and Registration Act; requiring the Oklahoma Tax 17 Commission to implement a program for electronic certificates of title and associated liens; 18 requiring certain competitive contracts; providing date to establish program; requiring the Commission 19 to promulgate rules; requiring certain program procedures; adding definitions; requiring certain 20 electronic documents and signatures be considered valid; requiring certain certified copies of 2.1 Oklahoma Tax Commission records to be considered admissible evidence; requiring certain consultation; 22 providing for codification; and providing an effective date. 23

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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 1105A of Title 47, unless there is created a duplication in numbering, reads as follows:

On or before July 1, 2022, the Oklahoma Tax Commission shall implement a program which will permit the electronic filing, storage and delivery of motor vehicle certificates of title and allow a lienholder to perfect, assign and release a lien on a motor vehicle in lieu of submission and maintenance of paper documents as otherwise provided in the provisions of Section 1101 et seq. of Title 47 of the Oklahoma Statutes. The Tax Commission shall enter into a competitive contract with a qualified third-party service provider (System Developer), subject to the provisions of the Oklahoma Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes, to provide necessary hardware, software and services facilitating the interconnection between motor license agents and electronic title service providers described in subsection B of this section for a certificate of title and for filing or releasing a lien pursuant to the procedures prescribed by the Oklahoma Tax Commission. The provisions of this section shall apply to applications for certificates of title and liens filed after June 30, 2022. The Tax Commission shall promulgate rules to implement the provisions of this section.

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B. The program authorized under subsection A of this section shall include, but not be limited to, procedures:

- 1. For the delivery of a certificate of title, on a paper document or in an electronic format, to the secured party having the primary perfected security interest in a vehicle in lieu of delivery to the record owner, notwithstanding the provisions of Section 1101 et seq. of Title 47 of the Oklahoma Statutes. Provided, when electronic transmission of liens and lien satisfactions is used, a certificate of title need not be issued or printed until the last lien is satisfied and a clear certificate of title is issued to the owner of the vehicle at their request;
- 2. Establishing qualifications for third-party electronic title service providers offering electronic lien services. The vendor selected in subsection A of this section shall not be considered an electronic title service provider and shall not operate or own an electronic title service provider.
- 3. Establishing reasonable fees, if necessary, to be charged by service providers or contractors for the establishment, maintenance and operation of the electronic lien title program;
- 4. Providing access to the electronic certificate of title records including liens on record, for licensed motor vehicle dealers and lienholders who participate in the program notwithstanding the provisions of Section 1109 of Title 47 of the Oklahoma Statutes;

- 5. Allowing motor license agents to participate in the electronic lien title program. Participating motor license agents shall receive all fees provided by the Oklahoma Vehicle License and Registration Act unless otherwise provided in Section 1132A of Title 47 of the Oklahoma Statutes; and
- 6. For the acceptance and use of electronic or digital signatures.
- C. As used in this section and Section 1101 et seq. of Title 47 of the Oklahoma Statutes:
- 1. "Deliver" or "delivery" means, with respect to a certificate of title or lien, either the physical delivery of a paper document or the electronic delivery of a document in an electronic format;
- 2. "Electronic format" means an electronic or digital format or medium of any document, record or other information; and
- 3. "Possess" or "possession" means, with respect to a certificate of title or lien, to hold or otherwise exercise control over a document which is in either a physical or electronic format.
- D. Any documents created, stored or delivered under the electronic lien title program as provided in this section shall be considered valid including any signatures which are generated electronically or contained on a scanned copy. A certified copy of the Oklahoma Tax Commission's electronic record of a motor vehicle certificate of title or lien is admissible in any civil, criminal or

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Τ	administrative proceeding in this state as evidence of the existence
2	and contents of the certificate of title or lien.
3	E. The Tax Commission is authorized to expend funds necessary
4	for the implementation of the program provided in subsection A of
5	this section from available monies in the Oklahoma Tax Commission
6	and Office of Management and Enterprise Services Joint Computer
7	Enhancement Fund created pursuant to Section 265 of Title 68 of the
8	Oklahoma Statutes.
9	F. In the development of the program provided in subsection A
10	of this section, the Oklahoma Tax Commission shall consult
11	interested parties including, but not limited to, representatives of
12	the Oklahoma Automobile Dealers Association, the Oklahoma Bankers
13	Association, the Oklahoma Credit Union Association and the Oklahoma
14	Tag Agent Coalition.
15	SECTION 2. This act shall become effective November 1, 2021."
16	Passed the House of Representatives the 22nd day of April, 2021.
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19	Presiding Officer of the House of Representatives
20	Representatives
21	Passed the Senate the day of, 2021.
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24	Presiding Officer of the Senate

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1	ENGROSSED SENATE BILL NO. 998  By: Standridge of the Senate
2	and
3	Osburn of the House
4	OSBULLI OF the house
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6	An Act relating to the Oklahoma Vehicle License and
7	Registration Act; requiring the Oklahoma Tax Commission to implement a program for electronic
8	certificates of title and associated liens; requiring designation of a vendor; providing date to establish
9	program; requiring the Commission to promulgate rules; requiring certain program procedures; adding
	definitions; requiring certain electronic documents
LO	and signatures be considered valid; requiring certain certified copies of Oklahoma Tax Commission records
1	to be considered admissible evidence; providing for codification; and providing an effective date.
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L 4	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
L5	SECTION 3. NEW LAW A new section of law to be codified
L 6	in the Oklahoma Statutes as Section 1105A of Title 47, unless there
L7	is created a duplication in numbering, reads as follows:
L8	A. On or before July 1, 2022, the Oklahoma Tax Commission shall
L9	implement a program which will permit the electronic filing, storage
20	and delivery of motor vehicle certificates of title and allow a
21	lienholder to perfect, assign and release a lien on a motor vehicle
22	in lieu of submission and maintenance of paper documents as
23	otherwise provided in the provisions of Section 1101 et seq. of

Title 47 of the Oklahoma Statutes. The Tax Commission shall

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- 1 designate a vendor or vendors, subject to the provisions of the Oklahoma Central Purchasing Act, Section 85.1 et seq. of Title 74 of 2 3 the Oklahoma Statutes, to provide necessary hardware, software and services to motor license agents who shall provide an electronic 5 filing, storage and delivery system to be used by applicants for a certificate of title and for filing or releasing a lien pursuant to 6 7 the procedures prescribed by the Oklahoma Tax Commission. provisions of this section shall apply to applications for 9 certificates of title and liens filed after June 30, 2022. 10 Commission shall promulgate rules to implement the provisions of this section. 11
  - B. The program authorized under subsection A of this section shall include, but not be limited to, procedures:
    - 1. For the delivery of a certificate of title, on a paper document or in an electronic format, to the secured party having the primary perfected security interest in a vehicle in lieu of delivery to the record owner, notwithstanding the provisions of Section 1101 et seq. of Title 47 of the Oklahoma Statutes. Provided, when electronic transmission of liens and lien satisfactions is used, a certificate of title need not be issued or printed until the last lien is satisfied and a clear certificate of title is issued to the owner of the vehicle at their request;
    - 2. Establishing qualifications for third-party service providers offering electronic lien services;

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- 3. Establishing reasonable fees, if necessary, to be charged by service providers or contractors for the establishment, maintenance and operation of the electronic lien title program;
- 4. Providing access to the electronic certificate of title records including liens on record, for licensed motor vehicle dealers and lienholders who participate in the program notwithstanding the provisions of Section 1109 of Title 47 of the Oklahoma Statutes;
- 5. Allowing motor license agents to participate in the electronic lien title program. Participating motor license agents shall receive all fees provided by the Oklahoma Vehicle License and Registration Act unless otherwise provided in Section 1132A of Title 47 of the Oklahoma Statutes; and
- 6. For the acceptance and use of electronic or digital signatures.
  - C. As used in this section and Section 1101 et seq. of Title 47 of the Oklahoma Statutes:
  - 1. "Deliver" or "delivery" means, with respect to a certificate of title or lien, either the physical delivery of a paper document or the electronic delivery of a document in an electronic format;
  - 2. "Electronic format" means an electronic or digital format or medium of any document, record or other information; and

- 3. "Possess" or "possession" means, with respect to a certificate of title or lien, to hold or otherwise exercise control over a document which is in either a physical or electronic format.
- D. Any documents created, stored or delivered under the electronic lien title program as provided in this section shall be considered valid including any signatures which are generated electronically or contained on a scanned copy. A certified copy of the Oklahoma Tax Commission's electronic record of a motor vehicle certificate of title or lien is admissible in any civil, criminal or administrative proceeding in this state as evidence of the existence and contents of the certificate of title or lien.
- E. The Tax Commission is authorized to expend funds necessary for the implementation of the program provided in subsection A of this section from available monies in the Oklahoma Tax Commission and Office of Management and Enterprise Services Joint Computer Enhancement Fund created pursuant to Section 265 of Title 68 of the Oklahoma Statutes.

SECTION 4. This act shall become effective November 1, 2021.

1	Passed the Senate the 8th day of March, 2021.
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4	Presiding Officer of the Senate
5	Passed the House of Representatives the day of,
6	2021.
7	2021.
8	Presiding Officer of the House
9	of Representatives
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