HB3817 FULLPCS1 Lonnie Sims-JL 2/17/2022 4:11:12 pm

COMMITTEE AMENDMENT HOUSE OF REPRESENTATIVES State of Oklahoma

SPEAKER:

CHAIR:

I move to amend <u>HB3817</u> Of the printed Bill Page Section Lines Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Lonnie Sims

Adopted: _____

Reading Clerk

1	STATE OF OKLAHOMA							
2	2nd Session of the 58th Legislature (2022)							
3	PROPOSED COMMITTEE SUBSTITUTE							
4	FOR HOUSE BILL NO. 3817 By: Sims							
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7	PROPOSED COMMITTEE SUBSTITUTE							
8	An Act relating to liens; amending 42 O.S. 2021, Sections 91 and 91A, which relate to liens on							
9	personal property; requiring property to be possessed for a certain number of days before Notice of Sale can be mailed; prohibiting additional fees for resubmission of title application under certain circumstances; providing that a Notice of Possessory Lien and the Notice of Sale may be mailed on the date of title application submission; requiring in the event of title application resubmissions the storage charges shall only be charged from the date of resubmission; and providing an effective date.							
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14	resubmission, and providing an effective date.							
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16								
17	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:							
18	SECTION 1. AMENDATORY 42 O.S. 2021, Section 91,							
19	is amended to read as follows:							
20	Section 91.							
21	A. 1. a. This section applies to every vehicle, all-terrain							
22	vehicle, utility vehicle, manufactured home,							
23	motorcycle, boat, outboard motor, or trailer that has							
24	a certificate of title issued by the Oklahoma Tax							

Commission or by a federally recognized Indian tribe in the State of Oklahoma, except as otherwise provided in subsection D of this section. This section does not apply to farm equipment as defined in Section 91.2 of this title. The items of personal property to which this section applies are collectively referred to as "Section 91 Personal Property". If personal property is apparently covered both by this section and by Sections 191 through 200 of this title, the procedures set out in this section shall apply instead of Sections 191 through 200 of this title.

Salvage pools as defined in Section 591.2 of Title 47 12 b. 13 of the Oklahoma Statutes and class AA licensed wrecker 14 services taking possession of a vehicle pursuant to an 15 agreement with or at the direction of, or dispatched 16 by, a state or local law enforcement or government 17 agency, or pursuant to the abandoned vehicle renewal 18 provisions of Section 954A of Title 47 of the Oklahoma 19 Statutes, shall not be subject to the provisions of 20 this section, but shall be subject to the provisions 21 of Section 91A of this title. Unless otherwise 22 provided by this subparagraph, class AA licensed 23 wrecker services performing consensual tows shall be 24 subject to the provisions of this section.

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Any person who, while lawfully in possession of an article
 of Section 91 Personal Property, renders any service to the owner
 thereof by furnishing storage, rental space, material, labor or
 skill for the protection, improvement, safekeeping, towing, right to
 occupy space, storage or carriage thereof, has a special lien
 thereon, dependent on possession, for the compensation, if any,
 which is due to such person from the owner for such service.

3. This special lien shall be subordinate to any perfected 8 9 security interest unless the claimant complies with the requirements 10 of this section. Failure to comply with any requirements of this 11 section shall result in denial of any title application and cause 12 the special lien to be subordinate to any perfected lien. Upon such 13 denial, the applicant shall be entitled to one resubmission of the 14 title application within fifteen (15) business days of receipt of 15 the denial, and proceed to comply with the requirements of this 16 section. In the event of a denial, the Notice of Possessory Lien 17 and the Notice of Sale may be mailed on the same day in separate 18 envelopes and storage charges shall only be charged from the date of 19 resubmission; however, before a Notice of Sale is to be mailed, the 20 personal property must have been possessed by the possessory lien 21 claimant for at least twenty-one (21) days. Furthermore, if the 22 denial was due to error by the party submitting the title 23 application, then no additional fee for the resubmission shall be

1 <u>charged to the property owner</u>. "Failure to comply" includes, but is
2 not limited to:

3	a.	failure to timely provide additional documentation			
4		supporting or verifying any entry on submitted forms			
5		as requested by the Tax Commission, including but not			
6		limited to United States Postal Service proof of			
7		return receipt requested such as Form 3811 or United			
8		States Postal Service electronic equivalent,			
9	b.	failure to provide the documentation supporting lawful			
10		possession as defined in paragraph 3 of subsection H			
11		of this section,			
12	С.	claimant or the agent being other than the individual			
13		who provided the service giving rise to the special			
14		lien, as in paragraph 2 of this subsection,			
15	d.	claimant not being in possession of the vehicle,			
16	е.	notice of lien not filed in accordance with paragraph			
17		4 of this subsection, or			
18	f.	foreclosure notification and proceedings not			
19		accomplished in accordance with paragraph 6 of this			
20		section.			
21	4. Any p	erson claiming the special lien provided in paragraph 2			
22	of this subsection shall mail a notice of such lien, no later than				
23	sixty (60) da	ys after the first services are rendered, by regular,			
24	first-class U	nited States mail, and by certified mail, return			

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1 receipt requested, to all interested parties who reside at separate 2 locations. If services provided are pursuant to a contract primarily for the purpose of storage or rental of space, the 3 4 beginning date of the sixty-day period provided in the previous 5 sentence shall be the first day of the first period or partial period for which rental or storage charges remain unpaid. 6 The 7 notice shall be in writing and shall contain, but not be limited to, the following: 8

- 9 10
- a. a statement that the notice is a Notice of Possessory Lien,
- b. the complete legal name, physical and mailing address,
 and telephone number of the claimant,
- c. the complete legal name, physical and mailing address
 of the person who requested that the claimant render
 service to the owner by furnishing material, labor or
 skill, storage, or rental space, or the date the
 property was abandoned if the claimant did not render
 any other service,
- 19d. a description of the article of personal property,20including a photograph if the property is Section 9121Personal Property, and the complete physical and22mailing address of the location of the article of23personal property,
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- e. an itemized statement describing the date or dates the
 labor or services were performed and material
 furnished, and the charges claimed for each item, the
 totals of which shall equal the total compensation
 claimed,
- f. a statement by the claimant that the materials, labor 6 7 or skill furnished, or arrangement for storage or rental of space, was authorized by the owner of the 8 9 personal property and was in fact provided or performed, and written proof of authority to perform 10 11 the work, labor or service, or that the property was 12 abandoned by the owner if the claimant did not render 13 any other service, and that storage or rental fees 14 will accrue as allowed by law, and
- 15 g. the signature of the claimant which shall be notarized 16 and, if applicable, the signature of the claimant's 17 attorney. If the claimant is a business, then the 18 name of the contact person representing the business 19 must be shown. In place of an original signature and 20 notary seal, a digital or electronic signature or seal 21 shall be accepted.

5. For services rendered or vehicles abandoned on or after November 1, 2005, storage charges or charges for rental of space, unless agreed to by contract as part of an overall transaction or

1 arrangement that was primarily for the purpose of storage of the 2 Section 91 Personal Property or rental of space, may only be assessed beginning with the day that the Notice of Possessory Lien 3 is mailed as evidenced by certified mail. Provided, however, in the 4 5 case of contractual charges incurred for storage or rental of space in an overall transaction primarily for the purpose of storage or 6 7 rental, charges subject to the special lien may only be assessed beginning with a date not more than sixty (60) days prior to the day 8 9 that the Notice of Possessory Lien is mailed, and shall accrue only 10 at the regular periodic rate for storage or rental as provided in 11 the contract, adjusted for partial periods of storage or rental. The maximum allowable compensation for storage shall not exceed the 12 13 fees established by the Corporation Commission for nonconsensual 14 tows.

15 6. The lien may be foreclosed by a sale of such personal 16 property upon the notice and in the manner following: The Notice of 17 Sale shall be in writing and shall contain, but not be limited to: 18 a statement that the notice is a Notice of Sale, a. 19 b. the names of all interested parties known to the 20 claimant, 21 с. a description of the property to be sold, including a 22 photograph if the property is Section 91 Personal 23 Property and if the condition of such property has 24 materially changed since the mailing of Notice of

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Possessory Lien required pursuant to paragraph 4 of this subsection,

- d. a notarized statement of the nature of the work, labor 3 4 or service performed, material furnished, or storage 5 or rental of space, and the date thereof, and the name of the person who authorized the work, labor or 6 7 service performed, or the storage or rental arrangement, and written proof of authority to perform 8 9 the work, labor or service, or that the property was 10 abandoned if the claimant did not render any other 11 service,
- 12 e. the date, time, and exact physical location of sale, 13 f. the name, complete physical address, mailing address, 14 and telephone number of the party foreclosing such 15 lien. If the claimant is a business, then the name of 16 the contact person representing the business must be 17 shown. In place of an original signature and notary 18 seal, a digital or electronic signature or seal shall 19 be accepted, and
- 20g.itemized charges which shall equal the total21compensation claimed.

22 7. Such Notice of Sale shall be posted in two public places in
23 the county where the property is to be sold at least ten (10) days
24 before the time therein specified for such sale, and a copy of the

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notice shall be mailed to all interested parties at their last-known post office address by regular, first-class United States mail and by certified mail, return receipt requested, at least ten (10) days before the date of the sale. If the item of personal property is a manufactured home, notice shall also be sent by certified mail to the county treasurer and to the county assessor of the county where the manufactured home is located.

8 8. Interested parties shall include all owners of the article 9 of personal property as indicated by the certificate of title issued 10 by the Tax Commission or by a federally recognized Indian tribe in 11 the State of Oklahoma; lien debtors, if any, other than the owners; 12 any lienholder whose lien is noted on the face of the certificate of 13 title; and any other person having any interest in the article of 14 personal property, of whom the claimant has actual notice.

15 9. Any interested party shall be permitted to inspect and 16 verify the services rendered by the claimant prior to the sale of 17 the article of personal property during normal business hours. The 18 lienholder shall be allowed to retrieve the Section 91 Personal 19 Property without being required to bring the title into the 20 lienholder's name, if the lienholder provides proof it is a 21 lienholder and any payment due the claimant for lawful charges where 22 the claimant has complied with the requirements of this section. 23 Upon the release of personal property to an insurer or 24 representative of the insurer, wrecker operators shall be exempt

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1 from all liability and shall be held harmless for any losses or 2 claims of loss.

3 10. The claimant or any other person may in good faith become a 4 purchaser of the property sold.

5 11. Proceedings for foreclosure under this act shall be 6 commenced no sooner than ten (10) days and no later than thirty (30) 7 days after the Notice of Possessory Lien has been mailed as 8 evidenced by certified mail. The date actually sold shall be within 9 sixty (60) days from the date of the Notice of Sale as evidenced by 10 certified mail.

11 1. a. Any person who is induced by means of a check or other в. 12 form of written order for immediate payment of money 13 to deliver up possession of an article of personal 14 property on which the person has a special lien 15 created by subsection A of this section, which check 16 or other written order is dishonored, or is not paid 17 when presented, shall have a lien for the amount 18 thereof upon the personal property.

b. The person claiming such lien shall, within thirty
(30) days from the date of dishonor of the check or
other written order for payment of money, file in the
office of the county clerk of the county in which the
property is situated a sworn statement that:

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- (1) the check or other written order for immediate
 payment of money, copy thereof being attached,
 was received for labor, material or supplies for
 producing or repairing an article of personal
 property, or for other specific property-related
 services covered by this section,
 - (2) the check or other written order was not paid, and
- 9 (3) the uttering of the check or other written order 10 constituted the means for inducing the person, 11 one possessed of a special lien created by 12 subsection A of this section upon the described 13 article of personal property, to deliver up the 14 article of personal property.
- 15 2. a. Any person who renders service to the owner of an 16 article of personal property by furnishing storage, 17 rental space, material, labor, or skill for the 18 protection, improvement, safekeeping, towing, right to 19 occupy space, storage, or carriage thereof shall have 20 a special lien on such property pursuant to this 21 section if such property is removed from the person's 22 possession, without such person's written consent or 23 without payment for such service.
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- b. The person claiming such lien shall, within five (5)
 days of such nonauthorized removal, file in the office
 of the county clerk of the county in which the
 property is located, a sworn statement including:
 - (1) that services were rendered on or in relation to the article of personal property by the person claiming such lien,
 - (2) that the property was in the possession of the person claiming the lien but such property was removed without his or her written consent,
 - (3) an identifying description of the article of personal property on which the service was rendered, and
- 14 that the debt for the services rendered on or in (4) 15 relation to the article of personal property was 16 not paid. Provided, if the unpaid total amount 17 of the debt for services rendered on or in 18 relation to the article of personal property is 19 unknown, an approximated amount of the debt due 20 and owing shall be included in the sworn 21 statement but such approximated debt may be 22 amended within thirty (30) days of such filing to 23 reflect the actual amount of the debt due and 24 owing.

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The enforcement of the lien shall be within sixty (60) days
 after filing the lien in the manner provided by law for enforcing
 the lien of a security agreement and provided that the lien shall
 not affect the rights of innocent, intervening purchasers without
 notice.

6 С. If the person who renders service to the owner of an article 7 of personal property to which this section applies relinquishes or loses possession of the article due to circumstances described in 8 9 subparagraph a of paragraph 1 or subparagraph a of paragraph 2 of 10 subsection B of this section, the person claiming the lien shall be 11 entitled to possession of the article until the amount due is paid, 12 unless the article is possessed by a person who became a bona fide 13 purchaser. Entitlement to possession shall be in accordance with 14 the following:

15 1. The claimant may take possession of an article pursuant to 16 this subsection only if the person obligated under the contract for 17 services has signed an acknowledgement of receipt of a notice that 18 the article may be subject to repossession. The notice and 19 acknowledgement pursuant to this subsection shall be:

a. in writing and separate from the written contract for
 services, or

b. printed on the written contract for services, credit
agreement or other document which displays the notice
in bold-faced, capitalized and underlined type, or is

separated from surrounding written material so as to

be conspicuous with a separate signature line;
2. The claimant may require the person obligated under the
4 contract for services to pay the costs of repossession as a
5 condition for reclaiming the article only to the extent of the
6 reasonable fair market value of the services required to take
7 possession of the article;

The claimant shall not transfer to a third party or to a 8 3. 9 person who performs repossession services, a check, money order, or 10 credit card transaction that is received as payment for services 11 with respect to an article and that is returned to the claimant 12 because of insufficient funds or no funds, because the person 13 writing the check, issuing the money order, or credit cardholder has 14 no account or because the check, money order, or credit card account 15 has been closed. A person violating this paragraph shall be guilty 16 of a misdemeanor; and

4. An article that is repossessed pursuant to this subsection shall be promptly delivered to the location where the services were performed. The article shall remain at the services location at all times until the article is lawfully returned to the record owner or a lienholder or is disposed of pursuant to this section.

D. 1. If a vehicle, all-terrain vehicle, utility vehicle,
manufactured home, motorcycle, boat, outboard motor, or trailer has
a certificate of title issued by the Tax Commission or by a

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federally recognized Indian tribe in the State of Oklahoma, but there is no active lien recorded on the certificate of title, Section 91A of this title will apply instead of this section. Likewise, if there is an active lien recorded on the certificate of title but the lien is over fifteen (15) years old and the property is not a manufactured home, Section 91A of this title will apply instead of this section.

8 2. If personal property that otherwise would be covered by this 9 section has been registered by the Tax Commission or by a federally 10 recognized Indian tribe in the State of Oklahoma, and there is a 11 lien of record but no certificate of title has been issued, Section 12 91A of this title will apply instead of this section.

3. If personal property otherwise would be covered by this
 section, but the services were rendered or the property was
 abandoned prior to November 1, 2005, Section 91A of this title will
 apply instead of this section.

17 A person who knowingly makes a false statement of a material Ε. 18 fact regarding the furnishing of storage, rental space, material, 19 labor or skill for the protection, improvement, safekeeping, towing, 20 right to occupy space, storage or carriage thereof in a proceeding 21 under this section, or attempts to use or uses the provisions of 22 this section to foreclose an owner or lienholder's interest in a 23 vehicle knowing that any of the statements made in the proceeding 24 are false, upon conviction, shall be guilty of a felony.

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F. Upon receipt of notice of legal proceedings, the Tax Commission shall cause the sale process to be put on hold until notice of resolution of court proceedings is received from the court. If such notice of commencement of court proceedings is not filed with the Tax Commission, the possessory lien sale process may continue.

7 G. No possessory lien sale shall be held on a Sunday.

8 H. For purposes of this section:

9 1. "Possession" includes actual possession and constructive10 possession;

11 2. "Constructive possession" means possession by a person who, 12 although not in actual possession, does not have an intention to 13 abandon property, knowingly has both power and the intention at a 14 given time to exercise dominion or control over the property, and 15 who holds claim to such thing by virtue of some legal right;

16 3. "Lawfully in possession" means a person has documentation 17 from the owner or the owner's authorized agent, or an insurance 18 company or its authorized agent, authorizing the furnishing of 19 material, labor or storage, or that the property was authorized to 20 be towed to a repair facility. If the person lacks such 21 documentation, he or she shall not be lawfully in possession of the 22 Section 91 Personal Property and shall not be entitled to a special 23 lien as set forth in this section; and

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4. "Itemized charges" means total parts, total labor, total
 towing fees, total storage fees, total processing fees and totals of
 any other fee groups, the sum total of which shall equal the
 compensation claimed.

5 I. For purposes of this section, the United States Postal 6 Service approved electronic equivalent of proof of return receipt 7 requested Form 3811 shall satisfy return receipt requested 8 documentation requirements.

9 J. If a person claiming a special lien pursuant to this section fails to comply with any of the requirements of this section, any 10 11 interested party may proceed against the person claiming such lien 12 for all damages arising therefrom, including conversion, if the 13 article of personal property has been sold. If the notice or 14 notices required by this section shall be shown to be knowingly 15 false or fraudulent, the interested party shall be entitled to 16 treble damages. The prevailing party shall be entitled to all 17 costs, including reasonable attorney fees.

18 K. This section shall apply to all actions or proceedings that19 commence on or after the effective date of this act.

20 SECTION 2. AMENDATORY 42 O.S. 2021, Section 91a, is 21 amended to read as follows:

Section 91a. A. 1. a. This section applies to all types of personal property other than:

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1	(1) farm equipment as defined in Section 91.2 of this
2		title, and
3	(2) "Section 91 Personal Property" as defined in
4		Section 91 of this title.
5	b. T	his section applies to any vehicle, all-terrain
6	v	ehicle, utility vehicle, manufactured home,
7	m	otorcycle, boat, outboard motor, or trailer that is
8	e	xcluded from coverage under subsection A of Section
9	9	1 of this title because the personal property:
10	(1) does not have a certificate of title,
11	(2) has a certificate of title but does not have an
12		active lien recorded on the certificate of title,
13	(3) has a certificate of title that is not issued by
14		the Oklahoma Tax Commission or by a federally
15		recognized Indian tribe in the State of Oklahoma,
16		or
17	(4) is otherwise excluded by subparagraph b of
18		paragraph 1 of subsection A of Section 91 of this
19		title or subsection D of Section 91 of this
20		title.
21	c. I	f personal property has a certificate of title, or
22	W	ould be required to have a certificate of title under
23	0	klahoma law, and is apparently covered both by this
24	S	ection and by Sections 191 through 200 of this title,

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the procedures set out in this section shall apply instead of Sections 191 through 200 of this title. If personal property without a certificate of title and not required to be titled under Oklahoma law is covered both by this section and Sections 191 through 200 of this title, the procedures set out in Sections 191 through 200 of this title shall apply instead of this section.

9 2. a. Any person who, while lawfully in possession of an article of personal property to which this section 10 11 applies, renders any service to the owner thereof by 12 furnishing storage, rental space, material, labor or 13 skill for the protection, improvement, safekeeping, 14 towing, right to occupy space, storage or carriage 15 thereof, has a special lien thereon, dependent on 16 possession, for the compensation, if any, which is due 17 to such person from the owner for such service. 18 Charges owed under a contract primarily for the 19 purpose of storage or rental of space shall be accrued 20 only at the regular periodic rate for storage or 21 rental as provided in the contract, adjusted for 22 partial periods of storage or rental. 23

b. Except for Class AA licensed wrecker towing charges,
 the special lien shall be subordinate to any perfected

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1 security interest unless the claimant complies with 2 the requirements of this section. Failure to comply with any requirements of this section shall result in 3 4 denial of any title application and cause the special 5 lien to be subordinate to any perfected lien. Upon such denial, the applicant shall be entitled to one 6 7 resubmission of the title application within thirty (30) business days of receipt of the denial, and 8 9 proceed to comply with the requirements of this 10 section. In the event of a denial, the Notice of 11 Possessory Lien and the Notice of Sale may be mailed 12 on the same day in separate envelopes and storage 13 charges shall only be charged from the date of 14 resubmission; however, before a Notice of Sale is to 15 be mailed, the personal property must have been 16 possessed by the possessory lien claimant for at least 17 twenty-one (21) days. Furthermore, if the denial was 18 due to error by the party submitting the title 19 application, then no additional fee for the 20 resubmission shall be charged to the property owner. 21 "Failure to comply" includes, but is not limited to: 22 failure to timely provide additional (1)23 documentation supporting or verifying any entry

1			on submitted forms as requested by the Tax
2			Commission,
3		(2)	failure to provide the documentation supporting
4			lawful possession as outlined in paragraph 3 of
5			subsection H of this section,
6		(3)	claimant being other than the individual who
7			provided the service giving rise to the special
8			lien, as in subparagraph a of this paragraph,
9		(4)	claimant not being in possession of the vehicle,
10			or
11		(5)	notification and proceedings not accomplished in
12			accordance with subparagraph c of this paragraph,
13			and paragraph 3 of this subsection.
14	с.	Any	person claiming a lien under this section shall
15		requ	est, within five (5) business days of performing
16		any	service or work on the property, the Tax
17		Comm	ission or other appropriate license agency to
18		furn	ish the name and address of the current owner of
19		and	any lienholder upon the property. The Motor
20		Vehi	cle Division of the Tax Commission or appropriate
21		lice	nse agency shall respond in person or by mail to
22		the	lien claimant within ten (10) business days of the
23		rece	ipt of the request for information. The Tax

1 ownership, if needed. The lien claimant shall send, 2 within seven (7) business days of receipt of the requested information from the Oklahoma Tax Commission 3 4 or other license agency, a notice of the location of 5 the property by certified mail with return receipt requested, postage prepaid, to the owner and any 6 7 lienholder of the vehicle at the addresses furnished. The lien claimant may charge Twenty Dollars (\$20.00) 8 9 for processing plus the cost of postage if the notice 10 is timely sent pursuant to the requirements of this 11 subparagraph in addition to fees regulated by the 12 Oklahoma Corporation Commission for licensed wreckers. 13 If the lien claimant is unable to meet the time 14 requirements due to a lack of or an altered vehicle 15 identification number on the property, the lien 16 claimant shall proceed diligently to obtain the proper 17 vehicle identification number and shall meet the time 18 requirements on the notice once the vehicle 19 identification number is known. If the lien claimant 20 is required to send additional notices because of 21 change of ownership or lienholder after it has timely 22 complied with the requirements of this subparagraph, 23 the lien claimant shall remain in compliance if such 24 additional notices are sent within the required time

periods from the date of discovery of the new owners or lienholders. The notice shall be in writing and shall contain, but not be limited to, the following:

- a statement that the notice is a Notice of Possessory Lien,
- (2) the complete legal name, physical and mailing address, and telephone number of the claimant,
- 8 (3) the complete legal name, physical and mailing 9 address of the person who requested that the 10 claimant render service to the owner by 11 furnishing material, labor or skill, storage, or 12 rental space, or the date the property was 13 abandoned if the claimant did not render any 14 other service,
 - (4) a description of the article of personal property, and the complete physical and mailing address of the location of the article of personal property,
- 19 (5) the nature of the work, labor or service
 20 performed, material furnished, or the storage or
 21 rental arrangement, and the date thereof, and
 22 written proof of authority to perform the work,
 23 labor or service provided that, in the case of a
 24 law enforcement directed tow, the logbook entry

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1prescribed in OAC 595:25-5-5 or the tow ticket as2defined by the Corporation Commission shall serve3as written proof of authority,

- (6) the signature of the claimant which shall be notarized and, if applicable, the signature of the claimant's attorney. If the claimant is a business, the name of the contact person representing the business shall be shown. In place of an original signature and notary seal, a digital or electronic signature or seal shall be accepted, and
 - (7) an itemized statement describing the date or dates the labor or services were performed and material furnished and the charges claimed for each item, the totals of which shall equal the total compensation claimed.

17 The lien claimant shall not be required to send the 18 notice required in this subparagraph if the property 19 is released to an interested party before the notice 20 is mailed and no additional charges or fees continue 21 to accrue. If a law enforcement agency has the 22 property towed to a law enforcement facility, the 23 person claiming a lien under this section shall not be 24 required to send notice until the property is released

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by law enforcement to the claimant or the date which claimant starts charging storage, whichever is earlier. A lien claimant shall have an extension of ten (10) business days to send the notice required in this subparagraph if a state of emergency has been declared in the county in which the property is located.

8 d. Subparagraphs b and c of this paragraph shall not
9 apply to salvage pools as defined in Section 591.2 of
10 Title 47 of the Oklahoma Statutes.

The lien may be foreclosed by a sale of such personal 11 3. property upon the notice and in the manner following: The notice 12 13 shall be in writing and shall contain, but not be limited to: 14 the names of the owner and any other known party or a. 15 parties who may claim any interest in the property, 16 b. a description of the property to be sold, including a 17 visual inspection or a photograph if the property is a 18 motor vehicle, and the physical location of the 19 property,

c. the nature of the work, labor or service performed,
material furnished, or the storage or rental
arrangement, and the date thereof, and written proof
of authority to perform the work, labor or service
provided. In the case of a law enforcement directed

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1			tow, the logbook entry prescribed in OAC 595:25-5-5 or
Ŧ			tow, the togbook entry prescribed in OAC 595.25 5 5 01
2			the tow ticket as defined by the Corporation
3			Commission, shall serve as written proof of authority,
4		d.	the time and place of sale,
5		e.	the name, telephone number, physical address and
6			mailing address of the claimant, and agent or
7			attorney, if any, foreclosing such lien. If the
8			claimant is a business, then the name of the contact
9			person representing the business must be shown. In
10			place of an original signature and notary seal, a
11			digital or electronic signature or seal shall be
12			accepted, and
13		f.	itemized charges which shall equal the total
14			compensation claimed.
15	4.	a.	Such Notice of Sale shall be posted in two public
16			places in the county where the property is to be sold

where the prop 16 17 at least ten (10) days before the time therein 18 specified for such sale, and a copy of the notice 19 shall be mailed to the owner and any other party 20 claiming any interest in the property, if known, at 21 their last-known post office address, by certified 22 mail, return receipt requested, at least ten (10) days 23 before the time therein specified for such sale. If 24 the item of personal property is a manufactured home,

1 notice shall also be sent by certified mail to the 2 county treasurer and to the county assessor of the county where the manufactured home is located. 3 4 b. In the case of any item of personal property without a 5 certificate of title and not required to be titled under Oklahoma law, a party who claims any interest in 6 7 the property shall include all owners of the property; any secured party who has an active financing 8 9 statement on file with the county clerk of Oklahoma 10 County listing one or more owners of the property by 11 legal name as debtors and indicating a collateral 12 description that would include the property; and any 13 other person having any interest in the personal 14 property, of whom the claimant has actual notice. 15 In the case of personal property subject to this с. 16 section for which a certificate of title has been 17 issued by any jurisdiction, a party who claims any 18 interest in the property shall include all owners of 19 the article of personal property as indicated by the 20 certificate of title; lien debtors, if any, other than 21 the owners; any lienholder whose lien is noted on the 22 face of the certificate of title; and any other person 23 having any interest in the article of personal 24 property, of whom the claimant has actual notice.

1 d. When the jurisdiction of titling for a vehicle, all-2 terrain vehicle, motorcycle, boat, outboard motor, or trailer that is five (5) model years old or newer, or 3 4 a manufactured home that is fifteen (15) model years 5 old or newer, cannot be determined by ordinary means, the claimant, the agent of the claimant, or the 6 7 attorney of the claimant, shall request, in writing, that the Oklahoma Tax Commission Motor Vehicle 8 9 Division ascertain the jurisdiction where the vehicle 10 or manufactured home is titled. The Oklahoma Tax 11 Commission Motor Vehicle Division shall, within 12 fourteen (14) days from the date the request is 13 received, provide information as to the jurisdiction 14 where the personal property is titled. If the 15 Oklahoma Tax Commission Motor Vehicle Division is 16 unable to provide the information, it shall provide 17 notice that the record is not available. 18 When personal property is of a type that Oklahoma law e. 19 requires to be titled, the owner of record of that 20 property is unknown, and the jurisdiction of titling 21 and owner of record cannot be determined by ordinary 22 means and also, if applicable, cannot be determined in 23 accordance with the preceding subparagraph, then the 24 special lien may be foreclosed by publication of a

1 legal notice in a legal newspaper in the county where 2 the personal property is located, as defined in Section 106 of Title 25 of the Oklahoma Statutes. 3 4 Such notice shall include the description of the 5 property by year, make, vehicle identification number if available from the property, the name of the 6 7 individual who may be contacted for information, and the telephone number of that person or the address 8 9 where the vehicle is located. The legal notice shall 10 be published once per week for three (3) consecutive 11 weeks. As soon as circumstances exist as described in 12 the first sentence of this subparagraph, the first 13 date of publication may occur even if the special lien 14 has not accrued for over thirty (30) days. The first 15 date available for public sale of the vehicle is the 16 day following publication of the final notice, but no 17 fewer than thirty (30) days after the lien has 18 accrued. When the owner of record is unknown, the 19 Notice of Sale nevertheless must be completed and 20 mailed to any known interested party by certified 21 mail. For purposes of this paragraph, interested 22 parties shall include all persons described in 23 subparagraph b or subparagraph c of this paragraph, 24 whichever is applicable, with the exception of any

1 owner who is unknown. Except in circumstances 2 described in paragraph 7 of this subsection that provide for a shorter time period, the Notice of Sale 3 4 shall be posted in two public places in the county 5 where the property is to be sold at least ten (10) days before the time therein specified for such sale, 6 7 and the Notice of Sale shall not be mailed until at least thirty (30) days after the lien has accrued. 8 9 5. The lienor or any other person may in good faith become a

10 purchaser of the property sold.

6. Proceedings for foreclosure under this act shall not be
 commenced until thirty (30) days after the lien has accrued, except
 as provided elsewhere in Oklahoma law.

14 Notwithstanding any other provision of law, proceedings for 7. 15 foreclosures for the storage of junk vehicles towed and stored 16 pursuant to Section 955 of Title 47 of the Oklahoma Statutes by 17 Class AA wreckers listed with the Motor Vehicle Division of the 18 Department of Public Safety, may be commenced five (5) days after 19 the lien has accrued. For purposes of this paragraph, "junk 20 vehicles" means any vehicle that is more than ten (10) years old if 21 the cost of a comparable vehicle would be less than Three Hundred 22 Dollars (\$300.00) as guoted in the latest edition of the National 23 Automobile Dealers Association Official Used Car Guide or latest

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1 monthly edition of any other nationally recognized published 2 guidebook, adjusting to the condition of the vehicle.

B. 1. a. Any person who is induced by means of a check or other 3 4 form of written order for immediate payment of money 5 to deliver up possession of an article of personal property on which the person has a special lien 6 7 created by subsection A of this section, which check or other written order is dishonored, or is not paid 8 9 when presented, shall have a lien for the amount 10 thereof upon the personal property.

b. The person claiming such lien shall, within thirty
(30) days from the date of dishonor of the check or
other written order for payment of money, file in the
office of the county clerk of the county in which the
property is situated a sworn statement that:

16 (1) the check or other written order for immediate
17 payment of money, copy thereof being attached,
18 was received for labor, material or supplies for
19 producing or repairing an article of personal
20 property, or for other specific property-related
21 services covered by this section,

(2) the check or other written order was not paid, and

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- (3) the uttering of the check or other written order
 constituted the means for inducing the person,
 one possessed of a special lien created by
 subsection A of this section upon the described
 article of personal property, to deliver up the
 article of personal property.
- 7 2. Any person who renders service to the owner of an a. article of personal property by furnishing storage, 8 9 rental space, material, labor, or skill for the 10 protection, improvement, safekeeping, towing, right to 11 occupy space, storage, or carriage thereof shall have a special lien on such property pursuant to this 12 13 section if such property is removed from the person's 14 possession, without such person's written consent or 15 without payment for such service.
- b. The person claiming such lien shall, within five (5)
 days of such nonauthorized removal, file in the office
 of the county clerk of the county in which the
 property is located, a sworn statement including:
 (1) that services were rendered on or in relation to
- (1) that services were rendered on or in relation to
 the article of personal property by the person
 claiming such lien,
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1	(2)	that the property was in the possession of the
2		person claiming the lien but such property was
3		removed without his or her written consent,
4	(3)	an identifying description of the article of
5		personal property on or in relation to which the
6		service was rendered, and
7	(4)	that the debt for the services rendered on or in
8		relation to the article of personal property was
9		not paid. Provided, if the unpaid total amount
10		of the debt for services rendered on or in
11		relation to the article of personal property is
12		unknown, an approximated amount of the debt due
13		and owing shall be included in the sworn
14		statement but such approximated debt may be
15		amended within thirty (30) days of such filing to
16		reflect the actual amount of the debt due and
17		owing.

18 3. The enforcement of the lien shall be within sixty (60) days 19 after filing the lien in the manner provided by law for enforcing 20 the lien of a security agreement and provided that the lien shall 21 not affect the rights of innocent, intervening purchasers without 22 notice.

C. If the person who renders service to the owner of an article
of personal property to which this section applies relinquishes or

1 loses possession of the article due to circumstances described in 2 subparagraph a of paragraph 1 or subparagraph a of paragraph 2 of 3 subsection B of this section, the person claiming the lien shall be 4 entitled to possession of the article until the amount due is paid, 5 unless the article is possessed by a person who became a bona fide 6 purchaser. Entitlement to possession shall be in accordance with 7 the following:

8 1. The claimant may take possession of an article pursuant to 9 this subsection only if the person obligated under the contract for 10 services has signed an acknowledgment of receipt of a notice that 11 the article may be subject to repossession. The notice and 12 acknowledgment pursuant to this subsection shall be:

a. in writing and separate from the written contract forservices, or

b. printed on the written contract for services, credit
agreement or other document which displays the notice
in bold-faced, capitalized and underlined type, or is
separated from surrounding written material so as to
be conspicuous with a separate signature line;

20 2. The claimant may require the person obligated under the 21 contract for services to pay the costs of repossession as a 22 condition for reclaiming the article only to the extent of the 23 reasonable fair market value of the services required to take 24 possession of the article;

1 3. The claimant shall not transfer to a third party or to a 2 person who performs repossession services, a check, money order, or credit card transaction that is received as payment for services 3 4 with respect to an article and that is returned to the claimant 5 because of insufficient funds or no funds, because the person writing the check, issuing the money order, or credit cardholder has 6 7 no account or because the check, money order, or credit card account has been closed. A person violating this paragraph shall be guilty 8 9 of a misdemeanor; and

4. An article that is repossessed pursuant to this subsection shall be promptly delivered to the location where the services were performed. The article shall remain at the services location at all times until the article is lawfully returned to the record owner or a lienholder or is disposed of pursuant to this section.

D. 1. This section applies if a vehicle, all-terrain vehicle, manufactured home, motorcycle, boat, outboard motor, or trailer has a certificate of title issued by the Tax Commission or by a federally recognized Indian tribe in Oklahoma, but there is no active lien recorded on the certificate of title.

20 2. This section applies if a vehicle, all-terrain vehicle, 21 utility vehicle, motorcycle, boat, outboard motor or trailer has a 22 certificate of title issued by the Tax Commission or by a federally 23 recognized Indian tribe in Oklahoma, and there is an active lien

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recorded on the certificate of title, but the lien is over fifteen
 (15) years old.

3 3. This section applies if personal property to which Section
4 91 of this title otherwise would apply has been registered by the
5 Tax Commission or by a federally recognized Indian tribe in the
6 State of Oklahoma, and there is a lien of record but no certificate
7 of title has been issued.

8 4. This section applies if personal property to which Section
9 91 of this title otherwise would apply has not been registered by
10 either the Tax Commission or a federally recognized Indian tribe in
11 the State of Oklahoma, and no certificate of title has been issued,
12 but there is a lien of record.

5. This section applies to personal property that otherwise
would be covered by Section 91 of this title, except that the
services were rendered or the property was abandoned prior to
November 1, 2005.

17 6. This section applies to a vehicle, all-terrain vehicle,
18 utility vehicle, manufactured home, motorcycle, boat, outboard
19 motor, or trailer for which ownership cannot be determined by
20 ordinary means or by the Oklahoma Tax Commission Motor Vehicle
21 Division, as provided in subparagraphs d and e of paragraph 4 of
22 subsection A of this section, as applicable.

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7. This section applies to items of personal property that are
 not required by Oklahoma law to be titled, and that do not have a
 certificate of title.

4 8. This section applies to salvage pools as defined in Section
5 591.2 of Title 47 of the Oklahoma Statutes.

9. This section applies to class AA licensed wrecker services taking possession of a vehicle pursuant to an agreement with, or at the direction of, or dispatched by a state or local law enforcement or government agency, or pursuant to the abandoned vehicle removal provisions of Section 954A of Title 47 of the Oklahoma Statutes with respect to all types of personal property, regardless of whether that personal property has a certificate of title.

13 10. For a vehicle abandoned at a salvage pool, if the cost of 14 repairing the vehicle for safe operation on the highway does not 15 exceed sixty percent (60%) of the fair market value of the vehicle 16 as defined in Section 1111 of Title 47 of the Oklahoma Statutes, a 17 salvage title shall not be required.

E. A person who knowingly makes a false statement of a material fact regarding the furnishing of storage, rental space, material, labor or skill for the protection, improvement, safekeeping, towing, right to occupy space, storage or carriage thereof in a proceeding under this section, or attempts to use or uses the provisions of this section to foreclose an owner or lienholder's interest in a

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vehicle knowing that any of the statements made in the proceeding
 are false, upon conviction, shall be guilty of a felony.

F. Upon receipt of notice of legal proceedings, the Tax Commission shall cause the sale process to be put on hold until notice of resolution of court proceedings is received from the court. If such notice of commencement of court proceedings is not filed with the Tax Commission, the possessory lien sale process may continue.

9 G. No possessory lien sale shall be held on a Sunday.

10 H. For purposes of this section:

11 1. "Possession" includes actual possession and constructive 12 possession;

13 2. "Constructive possession" means possession by a person who, 14 although not in actual possession, does not have an intention to 15 abandon property, knowingly has both power and the intention at a 16 given time to exercise dominion or control over the property, and 17 who holds claim to such thing by virtue of some legal right;

18 3. "Lawfully in possession" means a person has documentation 19 from the owner or the owner's authorized agent, or an insurance 20 company or its authorized agent, authorizing the furnishing of 21 material, labor or storage, or that the property was authorized to 22 be towed to a repair facility.

23 Class AA wrecker services taking possession of a vehicle
24 pursuant to an agreement with, or at the direction of, or dispatched

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by, a state or local law enforcement or government agency, or pursuant to the abandoned vehicle removal provisions of Section 954A of Title 47 of the Oklahoma Statutes, shall be considered lawfully in possession of the vehicle. If the person lacks such documentation, the procedures established by this section shall not apply; and

7 4. "Itemized charges" means total parts, total labor, total
8 towing fees, total storage fees, total processing fees and totals of
9 any other fee groups, the sum total of which shall equal the
10 compensation claimed.

I. For purposes of this section, the United States Postal Service approved electronic equivalent of proof of return receipt requested Form 3811 shall satisfy return receipt requested documentation requirements.

15 J. If a person claiming a special lien pursuant to this section 16 fails to comply with any of the requirements of this section, any 17 interested party may proceed against the person claiming such lien 18 for all damages arising therefrom, including conversion, if the 19 article of personal property has been sold. If the notice or 20 notices required by this section shall be shown to be knowingly 21 false or fraudulent, the interested party shall be entitled to 22 treble damages. The prevailing party shall be entitled to all 23 costs, including reasonable attorney fees.

1 K. Any interested party shall be permitted to visually inspect 2 and verify the services rendered by the claimant prior to the sale of the article of property during normal business hours. If the 3 claimant fails to allow any interested party to inspect the 4 5 property, the interested party shall mail a request for inspection by certified mail, return receipt requested, to the claimant. 6 7 Within three (3) business days of receipt of the request for inspection, the claimant shall mail a photograph of the property, by 8 9 certified mail, return receipt requested, and a date of inspection 10 within five (5) business days from the date of the notice to 11 inspect. The lienholder shall be allowed to retrieve the property 12 without being required to bring the title into the lienholder's 13 name, if the lienholder provides proof it is a lienholder and any 14 payment due the claimant for lawful charges where the claimant has 15 complied with this section. Upon the release of personal property 16 to an insurer or representative of the insurer, wrecker operators 17 shall be exempt from all liability and shall be held harmless for 18 any losses or claims of loss. In the event any law enforcement 19 agency places a hold on the property, the party wanting to inspect 20 or photograph the property shall obtain permission from the law 21 enforcement agency that placed the hold on the property before 22 inspecting or photographing.

L. This section shall apply to all actions or proceedings that
 commence on or after the effective date of this act.

1	SECTION 3.	This act	shall	become	effective	November	1,	2022.
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3	58-2-10340	JL	02/0	9/22				
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