

An Act

ENROLLED SENATE
BILL NO. 998

By: Standridge of the Senate

and

Osburn of the House

An Act relating to the Oklahoma Vehicle License and Registration Act; requiring the Oklahoma Tax Commission to implement a program for electronic certificates of title and associated liens; requiring certain competitive contracts; providing date to establish program; requiring the Commission to promulgate rules; requiring certain program procedures; adding definitions; requiring certain electronic documents and signatures be considered valid; requiring certain certified copies of Oklahoma Tax Commission records to be considered admissible evidence; requiring certain consultation; providing for codification; and providing an effective date.

SUBJECT: Oklahoma Vehicle License and Registration Act

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:

A. 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.

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 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.

F. In the development of the program provided in subsection A of this section, the Oklahoma Tax Commission shall consult interested parties including, but not limited to, representatives of the Oklahoma Automobile Dealers Association, the Oklahoma Bankers Association, the Oklahoma Credit Union Association and the Oklahoma Tag Agent Coalition.

SECTION 2. This act shall become effective November 1, 2021.

Passed the Senate the 3rd day of May, 2021.

Presiding Officer of the Senate

Passed the House of Representatives the 22nd day of April, 2021.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____