

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSITUTE  
5 FOR ENGROSSED  
6 SENATE BILL NO. 998

By: Standridge of the Senate

and

Osburn of the House

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10                                   COMMITTEE SUBSTITUTE

11                   An Act relating to the Oklahoma Vehicle License and  
12                   Registration Act; requiring the Oklahoma Tax  
13                   Commission to implement a program for electronic  
14                   certificates of title and associated liens; requiring  
15                   certain competitive contracts; providing date to  
16                   establish program; requiring the Commission to  
17                   promulgate rules; requiring certain program  
18                   procedures; adding definitions; requiring certain  
19                   electronic documents and signatures be considered  
20                   valid; requiring certain certified copies of Oklahoma  
21                   Tax Commission records to be considered admissible  
22                   evidence; requiring certain consultation; providing  
23                   for codification; and providing an effective date.

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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:

1           A. On or before July 1, 2022, the Oklahoma Tax Commission shall  
2 implement a program which will permit the electronic filing, storage  
3 and delivery of motor vehicle certificates of title and allow a  
4 lienholder to perfect, assign and release a lien on a motor vehicle  
5 in lieu of submission and maintenance of paper documents as  
6 otherwise provided in the provisions of Section 1101 et seq. of  
7 Title 47 of the Oklahoma Statutes. The Tax Commission shall enter  
8 into competitive contracts with qualified third-party service  
9 providers offering electronic lien and title processing services,  
10 subject to the provisions of the Oklahoma Central Purchasing Act,  
11 Section 85.1 et seq. of Title 74 of the Oklahoma Statutes, to  
12 provide necessary hardware, software and services to motor license  
13 agents who shall provide an electronic filing, storage and delivery  
14 system to be used by applicants for a certificate of title and for  
15 filing or releasing a lien pursuant to the procedures prescribed by  
16 the Oklahoma Tax Commission. The provisions of this section shall  
17 apply to applications for certificates of title and liens filed  
18 after June 30, 2022. The Tax Commission shall promulgate rules to  
19 implement the provisions of this section.

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

22           1. For the delivery of a certificate of title, on a paper  
23 document or in an electronic format, to the secured party having the  
24 primary perfected security interest in a vehicle in lieu of delivery

1 to the record owner, notwithstanding the provisions of Section 1101  
2 et seq. of Title 47 of the Oklahoma Statutes. Provided, when  
3 electronic transmission of liens and lien satisfactions is used, a  
4 certificate of title need not be issued or printed until the last  
5 lien is satisfied and a clear certificate of title is issued to the  
6 owner of the vehicle at their request;

7 2. Establishing qualifications for third-party service  
8 providers offering electronic lien services;

9 3. Establishing reasonable fees, if necessary, to be charged by  
10 service providers or contractors for the establishment, maintenance  
11 and operation of the electronic lien title program;

12 4. Providing access to the electronic certificate of title  
13 records including liens on record, for licensed motor vehicle  
14 dealers and lienholders who participate in the program  
15 notwithstanding the provisions of Section 1109 of Title 47 of the  
16 Oklahoma Statutes;

17 5. Allowing motor license agents to participate in the  
18 electronic lien title program. Participating motor license agents  
19 shall receive all fees provided by the Oklahoma Vehicle License and  
20 Registration Act unless otherwise provided in Section 1132A of Title  
21 47 of the Oklahoma Statutes; and

22 6. For the acceptance and use of electronic or digital  
23 signatures.

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1 C. As used in this section and Section 1101 et seq. of Title 47  
2 of the Oklahoma Statutes:

3 1. "Deliver" or "delivery" means, with respect to a certificate  
4 of title or lien, either the physical delivery of a paper document  
5 or the electronic delivery of a document in an electronic format;

6 2. "Electronic format" means an electronic or digital format or  
7 medium of any document, record or other information; and

8 3. "Possess" or "possession" means, with respect to a  
9 certificate of title or lien, to hold or otherwise exercise control  
10 over a document which is in either a physical or electronic format.

11 D. Any documents created, stored or delivered under the  
12 electronic lien title program as provided in this section shall be  
13 considered valid including any signatures which are generated  
14 electronically or contained on a scanned copy. A certified copy of  
15 the Oklahoma Tax Commission's electronic record of a motor vehicle  
16 certificate of title or lien is admissible in any civil, criminal or  
17 administrative proceeding in this state as evidence of the existence  
18 and contents of the certificate of title or lien.

19 E. The Tax Commission is authorized to expend funds necessary  
20 for the implementation of the program provided in subsection A of  
21 this section from available monies in the Oklahoma Tax Commission  
22 and Office of Management and Enterprise Services Joint Computer  
23 Enhancement Fund created pursuant to Section 265 of Title 68 of the  
24 Oklahoma Statutes.

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

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

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9 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
10 04/15/2021 - DO PASS, As Amended.

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