

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

SENATE BILL 1276

By: Standridge

AS INTRODUCED

An Act relating to certificates of title; amending 47 O.S. 2021, Section 1105A, which relates to the program to permit electronic filing, storage, and delivery; requiring that certain electronic documents be presumed valid; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 1105A, is amended to read as follows:

Section 1105A. 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

1 Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma
2 Statutes, to provide necessary hardware, software and services
3 facilitating the interconnection between motor license agents and
4 electronic title service providers described in subsection B of this
5 section for a certificate of title and for filing or releasing a
6 lien pursuant to the procedures prescribed by the Oklahoma Tax
7 Commission. The provisions of this section shall apply to
8 applications for certificates of title and liens filed after June
9 30, 2022. The Tax Commission shall promulgate rules to implement
10 the provisions of this section.

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

13 1. For the delivery of a certificate of title, on a paper
14 document or in an electronic format, to the secured party having the
15 primary perfected security interest in a vehicle in lieu of delivery
16 to the record owner, notwithstanding the provisions of Section 1101
17 et seq. of Title 47 of the Oklahoma Statutes. Provided, when
18 electronic transmission of liens and lien satisfactions is used, a
19 certificate of title need not be issued or printed until the last
20 lien is satisfied and a clear certificate of title is issued to the
21 owner of the vehicle at their request;

22 2. Establishing qualifications for third-party electronic title
23 service providers offering electronic lien services. The vendor
24 selected in subsection A of this section shall not be considered an

1 electronic title service provider and shall not operate or own an
2 electronic title service provider;

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

6 4. Providing access to the electronic certificate of title
7 records including liens on record, for licensed motor vehicle
8 dealers and lienholders who participate in the program
9 notwithstanding the provisions of Section 1109 of Title 47 of the
10 Oklahoma Statutes;

11 5. Allowing motor license agents to participate in the
12 electronic lien title program. Participating motor license agents
13 shall receive all fees provided by the Oklahoma Vehicle License and
14 Registration Act unless otherwise provided in Section 1132A of Title
15 47 of the Oklahoma Statutes; and

16 6. For the acceptance and use of electronic or digital
17 signatures.

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

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

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

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

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

13 E. The Tax Commission is authorized to expend funds necessary
14 for the implementation of the program provided in subsection A of
15 this section from available monies in the Oklahoma Tax Commission
16 and Office of Management and Enterprise Services Joint Computer
17 Enhancement Fund created pursuant to Section 265 of Title 68 of the
18 Oklahoma Statutes.

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

1 SECTION 2. This act shall become effective July 1, 2022.

2 SECTION 3. It being immediately necessary for the preservation
3 of the public peace, health or safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.
6

7 58-2-3038 QD 1/13/2022 5:30:16 PM
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25