

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2173

6 By: Duncan

7 COMMITTEE SUBSTITUTE

8 An Act relating to motor vehicles; creating the
9 Uniform Certificate of Title Act; providing short
10 title; defining terms; providing for supplemental
11 principles of law and equity; providing for the law
12 governing a vehicle covered by certificate of title
13 or certificate of origin; requiring certain
14 information to be kept on file; providing for
15 certificate of origin; providing for cancellation and
16 replacement of certificate of origin; providing for
17 application for certificate of title; providing for
18 creation and cancellation of certificate of title;
19 providing required contents of certificate of title;
20 providing effect of possession of certificate of
21 title or certificate of origin; providing for certain
22 information that may be kept on file; providing for a
23 bond in certain circumstances; providing for
24 maintenance of and access to files; providing
procedure for delivery of certificate of title;
providing for certificate of title upon transfer of
ownership of vehicle; providing for notice of
transfer without application for certificate of
title; providing for rights of certain purchasers and
lessees; providing for ownership rights of other
transferees; providing effect of omission or
incorrect information in certificate of title;
providing effect of transfer by secured party's
transfer statement; providing for transfer by
operation of law; providing procedure for application
for transfer of ownership or termination of security
interest statement without certificate of title or
certificate of origin; providing procedure for
replacement of certificate of title; providing effect
of security interest statement; providing procedure

1 for perfection of security interest; providing
2 procedure for filing termination statement; providing
3 for duties and operation of filing office; providing
4 for uniformity of application and construction;
5 providing relation to certain federal act; providing
6 savings clause; amending 47 O.S. 2001, Sections 1105,
7 as last amended by Section 3, Chapter 295, O.S.L.
8 2006 and 1110, as last amended by Section 1, Chapter
9 85, O.S.L. 2004 (47 O.S. Supp. 2006, Sections 1105
10 and 1110), which relate to the Oklahoma Vehicle
11 License and Registration Act; modifying procedures to
12 conform with the Uniform Certificate of Title Act;
13 repealing 47 O.S. 2001, Sections 1106, as last
14 amended by Section 7, Chapter 238, O.S.L. 2006, 1107,
15 as amended by Section 5, Chapter 381, O.S.L. 2005 and
16 Section 6, Chapter 381, O.S.L. 2005 (47 O.S. Supp.
17 2006, Sections 1106, 1107 and 1107.4), which relate
18 to the Oklahoma Vehicle License and Registration Act;
19 providing for codification; and providing an
20 effective date.

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

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 1111.1 of Title 47, unless there
is created a duplication in numbering, reads as follows:

SHORT TITLE. Sections 1 through 31 of this act shall be known
and may be cited as the "Uniform Certificate of Title Act".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1111.2 of Title 47, unless there
is created a duplication in numbering, reads as follows:

DEFINITIONS.

(a) In the Uniform Certificate of Title Act:

1 (1) "Buyer" means a person that buys or contracts to buy goods.

2 (2) "Buyer in ordinary course of business" means a person that
3 buys goods in good faith, without knowledge that the sale violates
4 the rights of another person in the goods, and in ordinary course
5 from a person, other than a pawnbroker, in the business of selling
6 goods of that kind. A person buys goods in ordinary course if the
7 sale comports with the usual or customary practices in the kind of
8 business in which the seller is engaged or with the seller's own
9 usual or customary practices. A buyer in ordinary course of
10 business may buy for cash, by exchange of other property, or on
11 secured or unsecured credit, and may acquire goods under a
12 preexisting contract for sale. Only a buyer that takes possession
13 of the goods or has a right to recover the goods from the seller
14 under Article 2 of the Uniform Commercial Code may be a buyer in
15 ordinary course of business. The term does not include a person
16 that acquires goods in a transfer in bulk or as security for or in
17 total or partial satisfaction of a money debt. A buyer in ordinary
18 course of business does not lose that status solely because a
19 certificate of title was not executed to the buyer.

20 (3) "Cancel", with respect to a certificate of title or a
21 certificate of origin, means to make the certificate ineffective.

22 (4) "Certificate of origin" means a record created by a
23 manufacturer or importer as the manufacturer's or importer's proof
24 of identity of a vehicle.

1 (5) "Certificate of title", except in the phrases "certificate
2 of title created by a governmental agency of any state" and
3 "certificate of title created by a governmental agency of any
4 jurisdiction", means a record, created by the office and designated
5 as a certificate of title by it, that is evidence of ownership of a
6 vehicle.

7 (6) "Create" means to bring a record into existence by making or
8 authorizing the record.

9 (7) "Deliver" means voluntarily to give possession of a record
10 or to transmit it, by any reasonable means, properly addressed and
11 with the cost of delivery provided.

12 (8) "Electronic" means relating to technology having electrical,
13 digital, magnetic, wireless, optical, electromagnetic, or similar
14 capabilities.

15 (9) "Electronic certificate of origin" means a certificate of
16 origin consisting of information that is stored solely in an
17 electronic medium and is retrievable in perceivable form.

18 (10) "Electronic certificate of title" means a certificate of
19 title consisting of information that is stored solely in an
20 electronic medium and is retrievable in perceivable form.

21 (11) "Execute" means to sign and deliver a record on, attached
22 to, accompanying, or logically associated with a certificate of
23 title or certificate of origin to transfer ownership of the vehicle
24 covered by the certificate.

1 (12) "Good faith" means honesty in fact and the observance of
2 reasonable commercial standards of fair dealing.

3 (13) "Importer" means a person authorized by a manufacturer to
4 bring into and distribute in the United States new vehicles
5 manufactured outside the United States.

6 (14) "Lessee in ordinary course of business" means a person that
7 leases goods in good faith, without knowledge that the lease
8 violates the rights of another person, and in ordinary course of
9 business from a person, other than a pawnbroker, in the business of
10 selling or leasing goods of that kind. A person leases in ordinary
11 course if the lease to the person comports with the usual or
12 customary practices in the kind of business in which the lessor is
13 engaged or with the lessor's own usual and customary practices. A
14 lessee in ordinary course of business may lease for cash, by
15 exchange of other property, or on secured or unsecured credit, and
16 may acquire goods or a certificate of title covering goods under a
17 preexisting lease contract. Only a lessee that takes possession of
18 the goods or has a right to recover the goods from the lessor under
19 Article 2A of the Uniform Commercial Code may be a lessee in
20 ordinary course of business. A person that acquires goods in bulk
21 or as security for or in total or partial satisfaction of a money
22 debt is not a lessee in ordinary course of business.

23 (15) "Lien creditor" means:
24

1 (A) a creditor that has acquired a lien on the property involved
2 by attachment, levy, or the like;

3 (B) an assignee for the benefit of creditors from the time of
4 assignment;

5 (C) a trustee in bankruptcy from the date of the filing of the
6 petition; or

7 (D) a receiver in equity from the time of appointment.

8 (16) "Manufacturer" means a person that manufactures,
9 fabricates, assembles, or completes new vehicles.

10 (17) "Office" means the Oklahoma Tax Commission.

11 (18) "Owner" means a person that has legal title to a vehicle.

12 (19) "Owner of record" means the owner of a vehicle as indicated
13 in the files of the office.

14 (20) "Person" means an individual, corporation, business trust,
15 estate, trust, partnership, limited liability company, association,
16 joint venture, federally recognized Indian Tribe, public
17 corporation, government, or governmental subdivision, agency, or
18 instrumentality, or any other legal or commercial entity.

19 (21) "Purchase" means to take by sale, lease, mortgage, pledge,
20 consensual lien, security interest, gift, or any other voluntary
21 transaction that creates an interest in a vehicle.

22 (22) "Purchaser" means a person that takes by purchase.
23
24

1 (23) "Record" means information that is inscribed on a tangible
2 medium or that is stored in an electronic or other medium and is
3 retrievable in perceivable form.

4 (24) "Secured party" means:

5 (A) a person in whose favor a security interest is created or
6 provided for under a security agreement, whether or not any
7 obligation to be secured is outstanding;

8 (B) a person that is a consignor under Article 9 of the Uniform
9 Commercial Code;

10 (C) a person to which accounts, chattel paper, payment
11 intangibles, or promissory notes have been sold;

12 (D) a trustee, indenture trustee, agent, collateral agent, or
13 other representative in whose favor a security interest is created
14 or provided for; or

15 (E) a person that holds a security interest arising under
16 Sections 2-401 or 2-505 of Title 12A of the Oklahoma Statutes or
17 under subsection (3) of Section 2-711 or subsection (6) of Section
18 2A-508 of Title 12A of the Oklahoma Statutes.

19 (25) "Secured party of record" means the secured party whose
20 name is provided as the name of the secured party or a
21 representative of the secured party in a security-interest statement
22 that has been received by the office or, if more than one are
23 indicated, the first indicated in the files of the office.

1 (26) "Security interest" means an interest in a vehicle which
2 secures payment or performance of an obligation. The term includes
3 any interest of a consignor in a vehicle in a transaction that is
4 subject to Article 9 of the Uniform Commercial Code. The term does
5 not include the special property interest of a buyer of a vehicle on
6 identification of that vehicle to a contract for sale under Section
7 2-401 of Title 12A of the Oklahoma Statutes, but a buyer may also
8 acquire a security interest by complying with Article 9 of the
9 Uniform Commercial Code. Except as otherwise provided in Section 2-
10 505 of Title 12A of the Oklahoma Statutes, the right of a seller or
11 lessor of a vehicle under Article 2 or 2A of the Uniform Commercial
12 Code to retain or acquire possession of the vehicle is not a
13 security interest, but a seller or lessor may also acquire a
14 security interest by complying with Article 9 of the Uniform
15 Commercial Code. The retention or reservation of title by a seller
16 of a vehicle notwithstanding shipment or delivery to the buyer under
17 Section 2-401 of Title 12A of the Oklahoma Statutes is limited in
18 effect to a reservation of a security interest. Whether a
19 transaction in the form of a lease creates a security interest is
20 determined by law other than the Uniform Certificate of Title Act.

21 (27) "Security-interest statement" means:

22 (A) a record created by a secured party which indicates a
23 security interest; or
24

1 (B) an application for which the office is required to create a
2 certificate of title, if the application indicates a security
3 interest.

4 (28) "Sign" means, with present intent to authenticate or adopt
5 a record, to:

6 (A) make or adopt a tangible symbol; or

7 (B) attach to or logically associate with the record an
8 electronic sound, symbol, or process.

9 (29) "State" means a state of the United States, the District of
10 Columbia, Puerto Rico, the United States Virgin Islands, a federally
11 recognized Indian tribe, or any territory or insular possession
12 subject to the jurisdiction of the United States.

13 (30) "Termination statement" means a record created by a secured
14 party pursuant to Section 27 of this act which:

15 (A) identifies the security-interest statement to which it
16 relates; and

17 (B) indicates that it is a termination statement or that the
18 identified security-interest statement is not effective.

19 (31) "Title brand" means a designation of previous damage, use,
20 or condition that the Uniform Certificate of Title Act or law other
21 than the Uniform Certificate of Title Act requires to be indicated
22 on a certificate of title or a certificate of origin created by a
23 governmental agency of any jurisdiction.

24

1 (32) "Transfer" means to convey, voluntarily or involuntarily,
2 an interest in a vehicle.

3 (33) "Transferee" means a person that takes by transfer.

4 (34) "Vehicle" means goods that are any type of motorized,
5 wheeled device of a type in, upon, or by which an individual or
6 property is customarily transported on a road or highway, or a
7 commercial, recreational, travel, or other trailer customarily
8 transported on a road or highway. The term does not include:

9 (A) an item of specialized mobile equipment not designed
10 primarily for transportation of individuals or property on a road or
11 highway;

12 (B) an implement of husbandry;

13 (C) a wheelchair or similar device designed for use by an
14 individual having a physical impairment; or

15 (D) a manufactured home.

16 (35) "Written certificate of origin" means a certificate of
17 origin consisting of information inscribed on a tangible medium.

18 (36) "Written certificate of title" means a certificate of title
19 consisting of information inscribed on a tangible medium.

20 (b) The following definitions and terms also apply to the
21 Uniform Certificate of Title Act:

22 (1) "Agreement", paragraph (3) of subsection (b) of Section 1-
23 201 of Title 12A of the Oklahoma Statutes.

24

- 1 (2) "Collateral", paragraph (12) of subsection (a) of Section 1-
2 9-102 of Title 12A of the Oklahoma Statutes.
- 3 (3) "Debtor", paragraph (28) of subsection (a) of Section 1-9-
4 102 of Title 12A of the Oklahoma Statutes.
- 5 (4) "Lease", paragraph (j) of subsection (1) of Section 2A-103
6 of Title 12A of the Oklahoma Statutes.
- 7 (5) "Lessee", paragraph (n) of subsection (1) of Section 2A-103
8 of Title 12A of the Oklahoma Statutes.
- 9 (6) "Lessor", paragraph (p) of subsection (1) of Section 2A-103
10 of Title 12A of the Oklahoma Statutes.
- 11 (7) "Manufactured home", paragraph (53) of subsection (a) of
12 Section 1-9-102 of Title 12A of the Oklahoma Statutes.
- 13 (8) "Merchant", subsection (1) of Section 2-104 of Title 12A of
14 the Oklahoma Statutes.
- 15 (9) "Notice; Knowledge", Section 1-202 of Title 12A of the
16 Oklahoma Statutes.
- 17 (10) "Representative", paragraph (33) of subsection (b) of
18 Section 1-201 of Title 12A of the Oklahoma Statutes.
- 19 (11) "Sale", subsection (1) of Section 2-106 of Title 12A of the
20 Oklahoma Statutes.
- 21 (12) "Security agreement", paragraph (73) of subsection (a) of
22 Section 1-9-102 of Title 12A of the Oklahoma Statutes.
- 23 (13) "Seller", paragraph (c) of subsection (1) of Section 2-103
24 of Title 12A of the Oklahoma Statutes.

1 (14) "Send", paragraph (36) of subsection (b) of Section 1-201
2 of Title 12A of the Oklahoma Statutes.

3 (15) "Value", Section 1-204 of Title 12A of the Oklahoma
4 Statutes.

5 SECTION 3. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1111.3 of Title 47, unless there
7 is created a duplication in numbering, reads as follows:

8 SUPPLEMENTAL PRINCIPLES OF LAW AND EQUITY. Unless displaced by
9 the Uniform Certificate of Title Act, the principles of law and
10 equity supplement its provisions.

11 SECTION 4. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 1111.4 of Title 47, unless there
13 is created a duplication in numbering, reads as follows:

14 LAW GOVERNING VEHICLE COVERED BY CERTIFICATE OF TITLE OR
15 CERTIFICATE OF ORIGIN.

16 (a) In this section, "certificate of title" means a certificate
17 of title created by a governmental agency of any state.

18 (b) The local law of the state under whose certificate of title
19 a vehicle is covered governs all issues relating to the certificate
20 of title, from the time the vehicle becomes covered by the
21 certificate of title until the vehicle ceases to be covered by the
22 certificate of title, even if no other relationship exists between
23 the state and the vehicle or its owner.

24

1 (c) A vehicle becomes covered by a certificate of title created
2 in this state when an application for a certificate of title and the
3 fee are received by the office in accordance with the Uniform
4 Certificate of Title Act. A vehicle becomes covered by a
5 certificate of title in another state when an application for a
6 certificate of title and the fee are received in that state pursuant
7 to the law of that state.

8 (d) A vehicle ceases to be covered by a certificate of title at
9 the earlier of the time the certificate of title ceases to be
10 effective under the law of the state pursuant to which it was
11 created or the time the vehicle becomes covered subsequently by
12 another certificate of title.

13 (e) If a vehicle is not covered by a certificate of title but a
14 certificate of origin has been created for the vehicle:

15 (1) if the parties to the certificate of origin have chosen the
16 law of a jurisdiction, the law of that jurisdiction applies to the
17 certificate of origin, even if there is no other relationship
18 between that jurisdiction and the vehicle or its owner; and

19 (2) in the absence of an agreement effective under paragraph (1)
20 of this subsection, the rights and obligations of the parties are
21 determined by the law that would apply under this state's choice-of-
22 law principles.

23

24

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.5 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 EXCLUSIONS. Unless the vehicle is covered by a certificate of
5 title, the Uniform Certificate of Title Act does not apply to a
6 vehicle owned by the United States, a state, or a foreign
7 government, or a political subdivision of any of them.

8 SECTION 6. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1111.6 of Title 47, unless there
10 is created a duplication in numbering, reads as follows:

11 VEHICLE IDENTIFICATION NUMBER, MAKE, AND MODEL YEAR. For a
12 vehicle covered by a certificate of title, the office shall indicate
13 in its files the vehicle identification number, make, and model
14 year, if any, assigned by its chassis manufacturer or importer. If
15 a vehicle identification number, make, or model year has not been
16 assigned, the office shall assign a vehicle identification number,
17 make, or model year and indicate the assignment in its files.

18 SECTION 7. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.7 of Title 47, unless there
20 is created a duplication in numbering, reads as follows:

21 EXECUTION OF CERTIFICATE OF ORIGIN.

22 (a) If a manufacturer or importer creates or is authorized or
23 required to create a certificate of origin for a vehicle, upon
24 transfer of ownership of the vehicle, the manufacturer or importer

1 shall execute a certificate of origin to the transferee or deliver a
2 signed certificate of origin to the office. Each succeeding
3 transferor shall execute to the next transferee or sign and deliver
4 to the office all certificates of origin covering the vehicle which
5 are known to the transferor.

6 (b) If a certificate of title created by a governmental agency
7 of any jurisdiction is not delivered to the buyer and a written
8 certificate of origin or equivalent evidence of ownership is
9 required by the office to obtain a certificate of title, a buyer may
10 require that the buyer's transferor execute to the buyer a written
11 certificate of origin or provide equivalent evidence of ownership
12 sufficient to satisfy the requirements of the office.

13 SECTION 8. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1111.8 of Title 47, unless there
15 is created a duplication in numbering, reads as follows:

16 CANCELLATION AND REPLACEMENT OF CERTIFICATE OF ORIGIN.

17 (a) If a written certificate of origin is created to replace an
18 electronic certificate of origin, the electronic certificate of
19 origin is canceled and replaced by the written certificate of
20 origin.

21 (b) If an electronic certificate of origin is created to replace
22 a written certificate of origin, the written certificate of origin
23 must be canceled.

24

1 SECTION 9. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.9 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 APPLICATION FOR CERTIFICATE OF TITLE.

5 (a) Except as otherwise provided in Sections 21 and 22 of this
6 act, only the owner of a vehicle may apply for a certificate of
7 title covering the vehicle.

8 (b) An application for a certificate of title must be signed by
9 the applicant and contain:

10 (1) the applicant's name, street address, and, if different, the
11 address for receiving first-class mail delivered by the United
12 States Postal Service;

13 (2) the vehicle identification number;

14 (3) a description of the vehicle including, as required by the
15 office, the make, model, model year, and body type;

16 (4) an indication of all security interests in the vehicle known
17 to the applicant, including the name and mailing address of the
18 secured party or a representative of the secured party, and, if the
19 application includes a direction to terminate a security-interest
20 statement, the information required for sufficiency of a security-
21 interest statement under subsection (a) of Section 25 of this act
22 and the secured party's or its representative's name and address for
23 receiving communications;

24

1 (5) any title brand known to the applicant and, if known, the
2 jurisdiction whose governmental agency created the title brand;

3 (6) if law other than this act requires that an odometer reading
4 be provided by the transferor upon transfer of ownership of the
5 vehicle, a signed record disclosing the vehicle's odometer reading;
6 and

7 (7) if the application is made in connection with a transfer of
8 ownership, the transferor's name, physical address and, if
9 different, address for receiving first-class mail delivered by the
10 United States Postal Service, the sales price if any, and the date
11 of the transfer.

12 (c) A certificate of title created in another jurisdiction and
13 submitted in connection with an application is part of the
14 application.

15 (d) In addition to the information required in subsection (b) of
16 this section, an application for a certificate of title may contain
17 electronic communication addresses of the owner and the transferor.

18 (e) Except as otherwise provided in Section 21, 22, or 23 of
19 this act, if an application for a certificate of title includes an
20 indication of a transfer of ownership, the application must be
21 accompanied by all existing certificates of origin and any
22 certificate of title created by a governmental agency of any
23 jurisdiction covering the vehicle, which have been executed to the
24 applicant or are known to the applicant. Except as otherwise

1 provided in Section 23 of this act, if an application includes a
2 direction to terminate a security-interest statement, the
3 application must be accompanied by a termination statement.

4 (f) Except as otherwise provided in Section 24 of this act, if
5 an application for a certificate of title does not include an
6 indication of a transfer of ownership or a direction to terminate a
7 security-interest statement, the application must be accompanied by
8 all existing certificates of origin and any certificate of title
9 created by a governmental agency of any jurisdiction covering the
10 vehicle, which are known to the applicant and evidencing the
11 applicant as owner of the vehicle.

12 (g) If the applicant does not know of any existing certificate
13 of origin or certificate of title created by a governmental agency
14 of any jurisdiction covering the vehicle, the applicant shall
15 include in the application for a certificate of title all existing
16 records and other information of the vehicle's ownership known to
17 the applicant. Information submitted under this subsection is part
18 of the application for the certificate of title and must be
19 indicated in the files of the office.

20 (h) The office may require that an application for a certificate
21 of title or a security-interest statement be accompanied by payment
22 of all taxes and fees payable by the applicant under the law of this
23 state in connection with the acquisition or use of a vehicle or
24 evidence of payment of the tax or fee.

1 SECTION 10. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.10 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 CREATION AND CANCELLATION OF CERTIFICATE OF TITLE.

5 (a) Unless an application for a certificate of title is rejected
6 under subsection (c) of this section, the office shall create a
7 certificate of title upon receipt of an application that complies
8 with Section 9 of this act and payment of all taxes and fees.

9 (b) Upon request of the secured party of record, the office
10 shall create a written certificate of title or, if the office is
11 authorized to do so, an electronic certificate of title. If no
12 security interest is indicated in the files of the office, the owner
13 of record may have the office create a written certificate of title
14 or, if the office is authorized to do so, an electronic certificate
15 of title. If no request is made by an owner of record or secured
16 party, the office may create a written certificate of title or, if
17 authorized to do so, an electronic certificate of title.

18 (c) The office may reject an application for a certificate of
19 title only if:

20 (1) the application does not comply with Section 9 of this act;

21 (2) there is a reasonable basis for concluding that the
22 application is fraudulent or would facilitate a fraudulent or
23 illegal act; or

24

1 (3) the application does not comply with law of this state other
2 than the Uniform Certificate of Title Act.

3 (d) If the office has created a certificate of title, it may
4 cancel the certificate of title only if it could have rejected the
5 application under subsection (c) of this section or is required to
6 cancel the certificate of title under another provision of the
7 Uniform Certificate of Title Act. The office shall provide an
8 opportunity for a hearing at which the applicant and any other
9 interested party may present evidence in support of or opposition to
10 the cancellation. The office shall serve the notice of the
11 opportunity in person or send it by first class mail delivered by
12 the United States Postal Service to the applicant, the owner of
13 record, and all secured parties indicated in the files of the
14 office. If the applicant or any other interested party requests a
15 hearing not later than ten (10) days after receiving the notice, the
16 office shall hold the hearing not later than twenty (20) days after
17 receiving the request.

18 SECTION 11. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 1111.11 of Title 47, unless
20 there is created a duplication in numbering, reads as follows:

21 CONTENTS OF CERTIFICATE OF TITLE.

22 (a) A certificate of title must contain:

23 (1) the date the certificate of title was created;

1 (2) except as otherwise provided in subsection (b) of Section 26
2 of this act, the name and address of any secured party of record and
3 an indication of whether there are additional security interests
4 indicated in the files of the office or on a record created by a
5 governmental agency of any jurisdiction and submitted to the office;

6 (3) all title brands covering the vehicle, including brands
7 previously indicated on a certificate of origin or certificate of
8 title created by a governmental agency of any jurisdiction, which
9 are known to the office; and

10 (4) any other information required by subsection (b) of Section
11 9 of this act, except the applicant's address.

12 (b) Nothing in the Uniform Certificate of Title Act precludes an
13 office from noting on a certificate the name and address of a
14 secured party that is not a secured party of record.

15 (c) An indication of a title brand on a certificate of title may
16 consist of an abbreviation, but not a symbol, and must identify the
17 jurisdiction that created the title brand or the jurisdiction that
18 created a certificate of title created by a governmental agency of
19 any jurisdiction that indicated the title brand. If the meaning of
20 a title brand is not easily ascertainable or cannot be accommodated
21 on the certificate of title, the certificate of title may state:
22 "Previously branded in [insert the particular jurisdiction that
23 created the title brand or whose certificate of title previously
24 indicated the title brand]."

1 (d) If a vehicle was previously registered in a jurisdiction
2 other than a state, the office shall indicate on the certificate of
3 title that the vehicle was registered in that jurisdiction.

4 (e) A certificate of title must contain a form that the owner
5 may sign in order to execute the certificate.

6 SECTION 12. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 1111.12 of Title 47, unless
8 there is created a duplication in numbering, reads as follows:

9 EFFECT OF POSSESSION OF CERTIFICATE OF TITLE OR CERTIFICATE OF
10 ORIGIN; JUDICIAL PROCESS. A certificate of title created by a
11 governmental agency of any jurisdiction or a certificate of origin
12 does not by itself provide a means to obtain possession of a
13 vehicle. Garnishment, attachment, levy, replevin, or other judicial
14 process against the certificate of title or a certificate of origin
15 is not effective to determine possessory rights with respect to the
16 vehicle. However, the Uniform Certificate of Title Act does not
17 prohibit enforcement of a security interest in, levy on, or
18 foreclosure of a statutory or common-law lien on a vehicle under law
19 of this state other than the Uniform Certificate of Title Act. The
20 absence of an indication of a statutory or common-law lien on a
21 certificate of title does not invalidate the lien.

22 SECTION 13. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1111.13 of Title 47, unless
24 there is created a duplication in numbering, reads as follows:

1 OTHER INFORMATION.

2 (a) The office may accept a submission of information relating
3 to a vehicle for indication in the files of the office, even if the
4 requirements for a certificate of title, an application for a
5 certificate of title, a security-interest statement, or a
6 termination statement have not been met.

7 (b) A submission of information under this section, to the
8 extent practicable, must include the information required by
9 subsection (b) of Section 9 of this act for an application for a
10 certificate of title.

11 (c) The office may require the submission of information
12 relating to a vehicle required for payment of taxes and fees for
13 issuance or renewal of registration.

14 (d) The office may require a person submitting information under
15 this section to provide a bond in a form and amount determined by
16 the office. A bond must provide for indemnification of any secured
17 party or other interested party against any expense, loss, or damage
18 resulting from indication of the information in the files of the
19 office.

20 (e) A submission of information under this section and its
21 indication in the files of the office is not a certificate of title,
22 an application for a certificate of title, a security-interest
23 statement, or a termination statement and does not provide a basis
24

1 for transferring or determining ownership of a vehicle or the
2 effectiveness of a security-interest statement.

3 SECTION 14. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1111.14 of Title 47, unless
5 there is created a duplication in numbering, reads as follows:

6 MAINTENANCE OF AND ACCESS TO FILES.

7 (a) For each record relating to a certificate of title submitted
8 to the office, the office shall:

9 (1) ascertain or assign the vehicle identification number, make,
10 and model year of the vehicle to which the record relates pursuant
11 to Section 6 of this act;

12 (2) indicate in the files of the office the vehicle
13 identification number, make, and model year of the vehicle to which
14 the record relates and the information in the record, including the
15 date (and time) the record was delivered to the office;

16 (3) maintain the file for public inspection subject to
17 subsection (d) of this section; and

18 (4) index the files of the office so as to be accessible as
19 required by subsection (b) of this section.

20 (b) The office shall indicate in the files of the office the
21 information contained in all certificates of title created under the
22 Uniform Certificate of Title Act. The files of the office must be
23 accessible by the vehicle identification number for the vehicle
24

1 covered by the certificate and any other indexing method used by the
2 office.

3 (c) To the extent known to the office, the files of the office
4 maintained under this section relating to a vehicle must indicate
5 all title brands and the name or names of any secured party and
6 claimant to ownership of the vehicle and include stolen-property
7 reports and security-interest statements.

8 (d) Except as otherwise provided by law of this state other than
9 the Uniform Certificate of Title Act, the information required under
10 Section 11 of this act is a public record. Whether other
11 information in the files of the office is made available to the
12 public is governed by law of this state other than the Uniform
13 Certificate of Title Act.

14 SECTION 15. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1111.15 of Title 47, unless
16 there is created a duplication in numbering, reads as follows:

17 DELIVERY OF CERTIFICATE OF TITLE.

18 (a) Upon creation of a certificate of title, the office shall
19 promptly deliver a written certificate of title, or a record
20 evidencing an electronic certificate of title, to any secured party
21 of record at the address shown on the security-interest statement
22 submitted by the secured party of record. Unless previously
23 provided to the owner of record, the office shall promptly deliver a
24 record evidencing the certificate of title to the owner of record at

1 the address indicated in the files of the office. If no secured
2 party is indicated in the files of the office, the written
3 certificate of title or record evidencing the electronic certificate
4 of title must be delivered to the owner of record. A record
5 evidencing an electronic certificate of title may be delivered to a
6 mailing address or, if indicated in the files of the office, an
7 electronic communication address.

8 (b) Within a reasonable time not to exceed fifteen (15) business
9 days after receipt of a request that a written certificate of title
10 be created and delivered pursuant to subsection (a) of this section,
11 the office shall create the certificate and deliver it to the person
12 making the request.

13 (c) If a written certificate of title is created, any electronic
14 certificate of title is canceled and replaced by the written
15 certificate of title. The cancellation must be indicated in the
16 files of the office with an indication of the date and time of
17 cancellation.

18 (d) Before an electronic certificate of title is created, any
19 certificate of title must be surrendered. If an electronic
20 certificate of title is created, any existing written certificate of
21 title that has been surrendered to the office must be destroyed or
22 otherwise canceled, with an indication in the files of the office of
23 the date (and time) of destruction or other cancellation. If the
24 written certificate of title being canceled is not destroyed, the

1 cancellation must be indicated on the face of the written
2 certificate of title.

3 SECTION 16. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1111.16 of Title 47, unless
5 there is created a duplication in numbering, reads as follows:

6 TRANSFER.

7 (a) Upon sale of a vehicle covered by a certificate of title, a
8 person authorized to execute the certificate of title, as promptly
9 as practicable and in compliance with this act and law of this state
10 other than this act, shall execute the certificate to the buyer or
11 deliver to the office a signed certificate of title or a record
12 evidencing execution of an electronic certificate of title to the
13 buyer. The buyer of a vehicle covered by a certificate of title has
14 a specifically enforceable right to require the seller to execute
15 the certificate of title to the buyer or deliver to the office a
16 signed certificate of title or other record evidencing the transfer.

17 (b) Execution of a certificate of title created by a
18 governmental agency of any jurisdiction satisfies subsection (a) of
19 this section.

20 (c) As between the parties to a transfer and their assignees and
21 successors, a transfer of ownership is not rendered ineffective by a
22 failure to execute a certificate of title or certificate of origin
23 as provided in this section. However, except as otherwise provided
24 in subsections (b) and (c) of Section 18 of this act, or Section 19,

1 21, or 22 of this act, a transfer of ownership without execution of
2 a certificate of title or certificate of origin is not effective as
3 to other persons claiming an interest in the vehicle.

4 (d) Before an agreement to transfer ownership by an electronic
5 certificate of title is made or any consideration for the transfer
6 is paid, and before a record evidencing the transfer is executed to
7 the transferee or delivered by the transferor to the office, the
8 transferor shall deliver to the transferee a signed record
9 containing the information required by subsection (b) of Section 9
10 of this act, and the transferee shall deliver to the transferor a
11 signed record acknowledging receipt of the information. The
12 transferee has a specifically enforceable right to receive this
13 information before any consideration is paid. The record delivered
14 to the office must indicate that these requirements have been met.

15 (e) After execution of the certificate of title and delivery of
16 possession of the vehicle to the transferee, the transferor is not
17 liable as owner for any damages resulting from operation of the
18 vehicle thereafter even if the transferee fails to apply for a new
19 certificate of title reflecting the transfer.

20 SECTION 17. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 1111.17 of Title 47, unless
22 there is created a duplication in numbering, reads as follows:

23 NOTICE OF TRANSFER WITHOUT APPLICATION. A transferee or
24 transferor, in accordance with standards and procedures established

1 by the office, may deliver a signed record to the office giving
2 notice of the transfer, to indicate its ownership or lack of
3 ownership, without filing an application for a certificate of title.
4 The record may indicate the transfer of ownership between the
5 transferor and transferee. The record is not a certificate of title
6 and is not effective as to other persons claiming an interest in the
7 vehicle. The delivery to the office of the record containing the
8 notice does not relieve any party of any obligation under Section 9
9 or 16 of this act.

10 SECTION 18. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1111.18 of Title 47, unless
12 there is created a duplication in numbering, reads as follows:

13 POWER TO TRANSFER.

14 (a) A purchaser of a vehicle has the protections afforded by
15 subsection (1) of Section 2-403 of Title 12A of the Oklahoma
16 Statutes, subsection (1) of Section 2A-304 of Title 12A of the
17 Oklahoma Statutes, and subsection (1) of Section 2A-305 of Title 12A
18 of the Oklahoma Statutes.

19 (b) A buyer in ordinary course of business or lessee in ordinary
20 course of business of a vehicle has the protections afforded by
21 subsection (2) of Section 2-403 of Title 12A of the Oklahoma
22 Statutes, subsection (2) of Section 2A-304 of Title 12A of the
23 Oklahoma Statutes, and subsection (2) of Section 2A-305 of Title 12A

24

1 of the Oklahoma Statutes, even if the certificate of title is not
2 executed to the buyer or lessee.

3 (c) A purchase of a leasehold interest is subject to Section 2A-
4 303 of Title 12A of the Oklahoma Statutes.

5 (d) Except as otherwise provided in Section 16 of this act, the
6 rights of other purchasers of vehicles and of lien creditors are
7 governed by Articles 2, 2A, 7, and 9 of the Uniform Commercial Code.

8 SECTION 19. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1111.19 of Title 47, unless
10 there is created a duplication in numbering, reads as follows:

11 OTHER TRANSFEREES OF VEHICLE COVERED BY CERTIFICATE OF TITLE.

12 (a) Except as otherwise provided in this section or subsection
13 (b) of Section 18 of this act, a transferee of ownership takes
14 subject to:

15 (1) a security interest in the vehicle indicated on a
16 certificate of title; and

17 (2) if the certificate of title contains a statement that the
18 vehicle is or may be subject to security interests not indicated on
19 the certificate of title, a security interest not so indicated.

20 (b) If, while a security interest in a vehicle is perfected by
21 any method under the law of any jurisdiction, the office creates a
22 certificate of title that does not indicate the vehicle is subject
23 to the security interest or contain a statement that it may be
24 subject to security interests not indicated on the certificate, a

1 buyer of the vehicle, other than a person in the business of selling
2 or leasing goods of that kind, takes free of the security interest
3 if the buyer:

4 (1) gives value in good faith, receives possession of the
5 vehicle, and obtains execution of the certificate of title; and

6 (2) does not have knowledge of the security interest in the
7 vehicle.

8 (c) A buyer in ordinary course of business takes free of a
9 security interest in the vehicle, including a security interest
10 indicated on a certificate of title, created by the buyer's seller,
11 even if the security interest is perfected, the buyer knows of its
12 existence, and the certificate of title was not executed to the
13 buyer. A lessee in ordinary course of business takes its leasehold
14 interest free of a security interest in the vehicle, including a
15 security interest indicated on a certificate of title, created by
16 the lessee's lessor, even if the security interest is perfected, the
17 lessee knows of its existence, and the certificate of title was not
18 executed to the lessee. This subsection does not affect a security
19 interest in a vehicle in the possession of the secured party under
20 Article 9 of the Uniform Commercial Code.

21 (d) If, while a security interest in a vehicle is perfected by
22 any method under the law of any jurisdiction, the office creates a
23 certificate of title that does not indicate that the vehicle is
24 subject to the security interest or contain a statement that it may

1 be subject to security interests not indicated on the certificate of
2 title, the security interest is subordinate to a conflicting
3 security interest in the vehicle which is perfected after creation
4 of the certificate of title and without the conflicting secured
5 party's knowledge of the security interest.

6 (e) A security interest is indicated on an electronic
7 certificate of title if it is indicated in the record of the
8 certificate of title maintained by the office.

9 SECTION 20. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 1111.20 of Title 47, unless
11 there is created a duplication in numbering, reads as follows:

12 EFFECT OF OMISSION OR INCORRECT INFORMATION.

13 (a) Except as otherwise provided in this section, a certificate
14 of title, certificate of origin, security-interest statement, or
15 other record required or authorized by this act is effective even if
16 it contains incorrect information or does not contain required
17 information.

18 (b) In addition to any rights provided under Section 18 or 19 of
19 this act, if a certificate of title, certificate of origin,
20 security-interest statement, or other record required or authorized
21 by this act is seriously misleading because it contains incorrect
22 information or omits required information, a purchaser of the
23 vehicle to which the record relates takes free of any interest that
24 would have been indicated in the record if the correct or omitted

1 information had been indicated, to the extent that the purchaser
2 gives value in reasonable reliance on the incorrect information or
3 the absence of the omitted information.

4 (c) Except as otherwise provided in subsection (d) of this
5 section or subsection (c) of Section 25 of this act, a description
6 of a vehicle, including the vehicle identification number, in a
7 certificate of title, certificate of origin, security-interest
8 statement, or other record required or authorized by the Uniform
9 Certificate of Title Act which otherwise satisfies the Uniform
10 Certificate of Title Act is not seriously misleading, even if not
11 specific and accurate, if the description reasonably identifies the
12 vehicle.

13 (d) With respect to a security interest or other interest
14 indicated in the files of the office and not indicated on a written
15 certificate of title, a failure to indicate the information
16 specifically or accurately is not seriously misleading if a search
17 of the files of the office using the correct vehicle identification
18 number or other required information, using the office's standard
19 search logic, if any, would disclose the security interest or other
20 interest.

21 SECTION 21. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1111.21 of Title 47, unless
23 there is created a duplication in numbering, reads as follows:

24 TRANSFER BY SECURED PARTY'S TRANSFER STATEMENT.

1 (a) In this section, "secured party's transfer statement" means
2 a record signed by the secured party of record stating:

3 (1) that the owner of record has defaulted on an obligation to
4 the secured party of record;

5 (2) that the secured party of record is exercising or has
6 exercised post-default remedies with respect to the vehicle;

7 (3) that, by reason of the exercise, the secured party of record
8 has the right to transfer the rights of the owner of record;

9 (4) the name and last known mailing address of:

10 (A) the owner of record;

11 (B) the secured party of record; and

12 (C) any other purchaser;

13 (5) any other information required by subsection (b) of Section
14 9 of this act; and

15 (6) that the certificate of title is an electronic certificate
16 of title, or that the secured party does not have possession of the
17 written certificate of title created in the name of the owner of
18 record, or that the secured party is delivering the written
19 certificate of title to the office with the secured party's transfer
20 statement.

21 (b) Completion and delivery to the office of a secured party's
22 transfer statement, and payment of all applicable taxes and fees,
23 entitles the secured party to the creation of a certificate of title
24 showing the secured party of record or other purchaser as the owner

1 of record. Unless the secured party's transfer statement is
2 rejected by the office for a reason set forth in subsection (c) of
3 Section 10 of this act, the office shall:

4 (1) accept the secured party's transfer statement;

5 (2) amend the files of the office to reflect the transfer;

6 (3) cancel the certificate of title created in the name of the
7 owner of record listed in the secured party's transfer statement,
8 whether or not the certificate of title has been delivered to the
9 office;

10 (4) create a new certificate of title indicating the secured
11 party of record or other purchaser as the vehicle's owner of record;
12 and

13 (5) deliver the new certificate of title pursuant to Section 15
14 of this act.

15 (c) The creation of a certificate of title under subsection (b)
16 of this section is not of itself a disposition of the vehicle and
17 does not of itself relieve the secured party of its duties under
18 Article 9 of the Uniform Commercial Code.

19 SECTION 22. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1111.22 of Title 47, unless
21 there is created a duplication in numbering, reads as follows:

22 TRANSFER BY OPERATION OF LAW.

23 (a) In this section:
24

1 (1) "By operation of law" means pursuant to a law or judicial
2 order affecting ownership of a vehicle:

3 (A) on account of death, divorce or other family law proceeding,
4 merger, consolidation, dissolution, or bankruptcy;

5 (B) through the exercise of the rights of a lien creditor or a
6 person having a statutory or common law lien or other nonconsensual
7 lien; or

8 (C) through other legal process.

9 (2) "Transfer-by-law statement" means a record signed by a
10 transferee stating that, by operation of law, the transferee has
11 acquired or has the right to acquire the ownership interest of the
12 owner of record and containing:

13 (A) the name and mailing address of the owner of record and the
14 transferee and the other information required by subsection (b) of
15 Section 9 of this act;

16 (B) documentation sufficient to establish the transferee's
17 interest or right to acquire the ownership interest of the owner of
18 record; and

19 (C) a statement that:

20 (i) the certificate of title is an electronic certificate of
21 title;

22 (ii) the transferee does not have possession of the written
23 certificate of title created in the name of the owner of record; or

24

1 (iii) the transferee is delivering the written certificate of
2 title to the office with the transfer-by-law statement.

3 (b) If a transfer-by-law statement is delivered to the office
4 with all taxes and fees and documentation satisfactory to the office
5 as to the transferee's ownership interest or right to acquire the
6 ownership interest of the owner of record, unless it is rejected by
7 the office for a reason set forth in subsection (c) of Section 10 of
8 this act, the office shall:

9 (1) accept delivery of the transfer-by-law statement;

10 (2) promptly send notice to the owner of record and to all
11 persons indicated in the files of the office as having an interest,
12 including a security interest, in the vehicle that a transfer-by-law
13 statement has been delivered to the office;

14 (3) amend the files of the office to reflect the transfer;

15 (4) cancel the certificate of title created in the name of the
16 owner of record indicated in the transfer-by-law statement, whether
17 or not the certificate has been delivered to the office;

18 (5) create a new certificate of title, indicating the transferee
19 as owner of record; and

20 (6) deliver the new certificate of title.

21 (c) This section does not apply to a transfer of an interest in
22 a vehicle by a secured party under Article 9 of the Uniform
23 Commercial Code or Section 21 of this act.

1 SECTION 23. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111.23 of Title 47, unless
3 there is created a duplication in numbering, reads as follows:

4 APPLICATION FOR TRANSFER OF OWNERSHIP OR TERMINATION OF
5 SECURITY-INTEREST STATEMENT WITHOUT CERTIFICATE OF TITLE OR
6 CERTIFICATE OF ORIGIN.

7 (a) Except as otherwise provided in Section 21 or 22 of this
8 act, upon receiving an application that includes an indication of a
9 transfer of ownership or a direction to terminate a security-
10 interest statement but is not accompanied by submission of a signed
11 certificate of title or certificate of origin or, as applicable, a
12 termination statement pursuant to Section 27 of this act, the office
13 may create a certificate of title or terminate the security-interest
14 statement under this section only if:

15 (1) all other requirements under Sections 9 and 10 of this act
16 are met;

17 (2) the applicant has provided an affidavit stating facts that
18 indicate the applicant is entitled to a transfer of ownership or
19 termination of the effectiveness of a security-interest statement;

20 (3) at least forty-five (45) days before the office creates the
21 certificate of title, the office has sent notice of the application
22 to all persons having an interest in the vehicle as indicated in the
23 files of the office and no objection from any of those persons has
24 been received by the office; and

1 (4) the applicant submits any other information required by the
2 office to evidence the applicant's ownership or right to termination
3 of the security-interest statement, and the office has no credible
4 information indicating theft, fraud, or any undisclosed or
5 unsatisfied security interest, lien, or other claim to an interest
6 in the vehicle.

7 (b) Unless the office determines, by any reasonable method, that
8 the value of the vehicle is less than Three Thousand Dollars
9 (\$3,000.00), before creating a certificate of title, the office may
10 require an applicant under subsection (a) of this section to post a
11 bond or provide an equivalent source of indemnity or security. The
12 bond, indemnity, or other security must be in a form prescribed by
13 the office and provide for indemnification of any owner, purchaser,
14 or other claimant for any expense, loss, delay, or damage, including
15 reasonable attorney fees and costs but not consequential damages,
16 resulting from creation of a certificate of title or termination of
17 a security-interest statement, but may not exceed twice the value of
18 the vehicle as determined by the office.

19 (c) If the office has not received a claim for indemnity within
20 one (1) year after creation of the certificate of title under
21 subsection (a) of this section, upon request in a form and manner
22 specified by the office, the office shall release any bond,
23 indemnity, or other security.

24

1 (d) The office may indicate in a certificate of title created
2 under subsection (a) of this section that the certificate of title
3 was created without submission of a signed certificate of title or
4 termination statement. If no credible information indicating theft,
5 fraud, or any undisclosed or unsatisfied security interest, lien, or
6 other claim to an interest in the vehicle has been delivered to the
7 office within one (1) year after creation of the certificate of
8 title, upon request in a form and manner specified by the office,
9 the office shall remove the indication from the certificate of
10 title.

11 SECTION 24. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 1111.24 of Title 47, unless
13 there is created a duplication in numbering, reads as follows:

14 REPLACEMENT CERTIFICATE OF TITLE.

15 (a) If a written certificate of title is lost, stolen,
16 mutilated, destroyed, or otherwise becomes unavailable or illegible,
17 the secured party of record or, if there is no secured party
18 indicated in the files of the office, the owner of record may apply
19 for and, by furnishing information satisfactory to the office,
20 obtain a replacement certificate of title in the name of the owner
21 of record.

22 (b) An application for a replacement certificate of title must
23 be submitted in a record signed by the applicant and, except as
24

1 otherwise permitted by the office, must comply with Section 9 of
2 this act.

3 (c) Unless it has been lost, stolen, or destroyed or is
4 otherwise unavailable, the existing written certificate of title
5 must be submitted to the office with an application for a
6 replacement certificate of title.

7 (d) A replacement certificate of title created by the office
8 must comply with Section 11 of this act and indicate on the face of
9 the certificate of title that it is a replacement certificate of
10 title.

11 (e) If a person receiving a replacement certificate of title
12 subsequently obtains possession of the original written certificate
13 of title, the person shall promptly destroy the original written
14 certificate of title.

15 SECTION 25. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1111.25 of Title 47, unless
17 there is created a duplication in numbering, reads as follows:

18 EFFECTIVENESS OF SECURITY-INTEREST STATEMENT.

19 (a) A security-interest statement is sufficient if it includes
20 the name of the debtor, the name of the secured party or a
21 representative of the secured party, a description that reasonably
22 identifies the vehicle and is not seriously misleading under Section
23 20 of this act, and is delivered as follows:

24

1 (1) if the security-interest statement is indicated on an
2 application for which the office is required to create a certificate
3 of title, by the owner; or

4 (2) if the security-interest statement is not indicated on an
5 application for which the office is required to create a certificate
6 of title, by a person authorized to file an initial financing
7 statement covering the vehicle pursuant to Section 1-9-509 of Title
8 12A of the Oklahoma Statutes.

9 (b) A security-interest statement that is sufficient under
10 subsection (a) of this section is effective upon receipt by the
11 office.

12 (c) Subject to subsections (e) and (f) of this section, a
13 security-interest statement is not received if the office rejects
14 the statement pursuant to subsection (e) of this section. The
15 office may reject a security-interest statement only in the manner
16 specified in subsection (e) of this section and only if:

17 (1) the record is not delivered by a means authorized by the
18 office;

19 (2) an amount equal to or greater than the required filing fee
20 is not tendered with the statement or, if the office elects to
21 notify the secured party of the filing fee deficiency, within seven
22 (7) days after the notification has been given;

23 (3) the record does not include the name and mailing address of
24 a debtor and a secured party or a representative of a secured party;

1 (4) the record does not contain the vehicle identification
2 number; or

3 (5) the office cannot identify a file of the office, certificate
4 of title, or application for a certificate of title to which the
5 security-interest statement relates.

6 (d) The office shall maintain files of the office showing the
7 date of receipt of each security-interest statement that is not
8 rejected and shall make this information available on request.

9 (e) To reject a security-interest statement, the office must
10 send notice of rejection to the person that delivered the statement,
11 indicating the reasons for the rejection and the date the statement
12 would have been received had the office not rejected it.

13 (f) If the office does not send notice of rejection under
14 subsection (e) of this section, the security-interest statement is
15 received as of the time it was delivered to the office.

16 Confirmation by the office that the security-interest statement has
17 been entered in the files of the office is conclusive proof that
18 receipt has occurred.

19 (g) If a security-interest statement sufficient under subsection
20 (a) of this section is tendered with the filing fee and the office
21 sends a notice of rejection without indicating a reason set forth in
22 subsection (c) of this section, the security-interest statement is
23 effective as of the business day on which the statement was tendered
24 to the office except as against a purchaser of the vehicle which

1 gives value in reasonable reliance upon the absence of the security-
2 interest statement from the files of the office.

3 (h) Failure of the office to index a security-interest statement
4 correctly or to indicate the security interest on the certificate of
5 title does not affect the receipt of the security-interest
6 statement.

7 SECTION 26. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 1111.26 of Title 47, unless
9 there is created a duplication in numbering, reads as follows:

10 PERFECTION OF SECURITY INTEREST.

11 (a) Except as otherwise provided in subsection (b), (d), or (e)
12 of this section, a security interest in a vehicle may be perfected
13 only by a security-interest statement that is effective under
14 Section 25 of this act. The security interest is perfected upon the
15 later of receipt of the security-interest statement under Section 25
16 of this act or attachment of the security interest under Section 1-
17 9-203 of Title 12A of the Oklahoma Statutes.

18 (b) If the office creates a certificate of title naming a
19 lessor, consignor, bailor, or secured party as owner and the
20 interest of the person named as owner is a security interest, the
21 certificate of title serves as a security-interest statement that
22 provides the name of the person as secured party. If the interest
23 of the person named as owner in an application for a certificate of
24 title delivered to the office in accordance with Section 9 of this

1 act is a security interest, the application is a security-interest
2 statement that provides the name of the person as secured party.
3 The naming of the person as owner on the application or certificate
4 of title is not of itself a factor in determining whether the
5 interest is a security interest.

6 (c) If a secured party assigns a perfected security interest in
7 a vehicle, the receipt by the office of a security-interest
8 statement providing the name of the transferee or its representative
9 as secured party is not required in order to continue the perfected
10 status of the security interest against creditors of and transferees
11 from the original debtor. However, a purchaser of a vehicle subject
12 to a security interest which obtains a release from the secured
13 party indicated in the files of the office or on the certificate of
14 title takes free of the security interest and of the rights of a
15 transferee if the transfer is not indicated in the files of the
16 office and on the certificate of title.

17 (d) This section does not apply to a security interest in a
18 vehicle created by a person during any period in which the vehicle
19 is inventory held for sale or lease by the person or is leased by
20 the person as lessor if the person is in the business of selling
21 goods of that kind.

22 (e) A security interest is perfected to the extent provided in
23 subsection (d) of Section 1-9-316 of Title 12A of the Oklahoma
24 Statutes. A secured party may also perfect a security interest by

1 taking possession of a vehicle only pursuant to subsection (b) of
2 Section 1-9-313 of Title 12A of the Oklahoma Statutes and subsection
3 (d) of Section 1-9-316 of Title 12A of the Oklahoma Statutes.

4 SECTION 27. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 1111.27 of Title 47, unless
6 there is created a duplication in numbering, reads as follows:

7 TERMINATION STATEMENT.

8 (a) A secured party indicated in the files of the office as
9 having a security interest in a vehicle shall deliver to the office
10 and, upon the debtor's request, to the debtor, a signed termination
11 statement if:

12 (1) there is no obligation secured by the vehicle subject to the
13 security interest and no commitment to make an advance, incur an
14 obligation, or otherwise give value secured by the vehicle; or

15 (2) the debtor did not authorize the filing of the security-
16 interest statement.

17 (b) A secured party indicated in the files of the office as
18 having a security interest in a vehicle shall deliver a signed
19 termination statement to the debtor or the office upon the earlier
20 of:

21 (1) thirty (30) days after there is no obligation secured by the
22 vehicle subject to the security-interest statement and no commitment
23 to make an advance, incur an obligation, or otherwise give value
24 secured by the vehicle; or

1 (2) fourteen (14) days after the secured party receives a signed
2 demand from an owner and there is no obligation secured by the
3 vehicle subject to the security interest and no commitment to make
4 an advance, incur an obligation, or otherwise give value secured by
5 the vehicle.

6 (c) If a written certificate of title has been created and
7 delivered to a secured party and a termination statement is required
8 under subsection (a) of this section, the secured party, within the
9 time provided in subsection (b) of this section, shall deliver the
10 written certificate of title to the debtor or the office with the
11 termination statement. If the written certificate is lost, stolen,
12 mutilated, or destroyed or is otherwise unavailable or illegible,
13 the secured party shall deliver with the termination statement,
14 within the time provided in subsection (b) of this section, an
15 application for a replacement certificate of title meeting the
16 requirements of Section 24 of this act.

17 (d) Upon the delivery of a termination statement to the office
18 pursuant to this section, the security-interest statement and any
19 indication of the security interest on the certificate of title to
20 which the termination statement relates ceases to be effective. The
21 files of the office must indicate the date and time of delivery of
22 the termination statement to the office.

23 (e) A secured party is liable for damages in the amount of any
24 loss caused by its failure to comply with this section and for the

1 reasonable cost of an application for a certificate of title under
2 Section 9 or 24 of this act.

3 SECTION 28. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1111.28 of Title 47, unless
5 there is created a duplication in numbering, reads as follows:

6 DUTIES AND OPERATION OF FILING OFFICE.

7 (a) The files of the office must indicate the information
8 provided in security-interest statements and termination statements
9 received by the office under Section 25 or 27 of this act for at
10 least ten (10) years after termination of the security-interest
11 statement under Section 27 of this act. The information must be
12 accessible by the vehicle identification number for the vehicle and
13 any other indexing methods provided by the office.

14 (b) The office shall send to a person that submits a record to
15 the office, or submits information that is accepted by the office,
16 and requests an acknowledgment of the filing or submission, an
17 acknowledgment showing the vehicle identification number of the
18 vehicle to which the record or submission relates, the information
19 in the filed record or submission, and the date and time the record
20 was received or the submission accepted. A request under this
21 section must contain the vehicle identification number and be
22 delivered by means authorized by the office.

23 (c) The office shall send or otherwise make available in a
24 record the following information to any person that requests it:

1 (1) whether the files of the office indicate, as of a date and
2 time specified by the office, but not a date earlier than three (3)
3 business days before the office received the request, any
4 certificate of title, security-interest statement, or termination
5 statement that relates to a vehicle identified by a vehicle
6 identification number designated in the request; and

7 (2) the name of the owner of record and the effective date of
8 all security-interest statements and termination statements
9 indicated in the files of the office.

10 (d) In responding to a request under this section, the office
11 may communicate the requested information in any medium. However,
12 if requested, the office shall send the requested information in a
13 record that is self-authenticating under Section 2902 of Title 12 of
14 the Oklahoma Statutes.

15 (e) The office shall comply with this section at the time and in
16 the manner prescribed by the rules of the office but shall respond
17 to requests under this section not later than two (2) business days
18 after the office receives the request.

19 SECTION 29. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1111.29 of Title 47, unless
21 there is created a duplication in numbering, reads as follows:

22 UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and
23 construing the Uniform Certificate of Title Act, consideration must
24

1 be given to the need to promote uniformity of the law with respect
2 to its subject matter among states that enact it.

3 SECTION 30. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1111.30 of Title 47, unless
5 there is created a duplication in numbering, reads as follows:

6 ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. The
7 Uniform Certificate of Title Act modifies, limits, and supersedes
8 the federal Electronic Signatures in Global and National Commerce
9 Act, 15 U.S.C., Section 7001 et seq., but does not modify, limit, or
10 supersede Section 101(c) of that act, 15 U.S.C., Section 7001(c), or
11 authorize electronic delivery of any of the notices described in
12 Section 103(b) of that act, 15 U.S.C., Section 7003(b).

13 SECTION 31. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1111.31 of Title 47, unless
15 there is created a duplication in numbering, reads as follows:

16 SAVINGS CLAUSE.

17 (a) Except as otherwise provided in this section, the Uniform
18 Certificate of Title Act applies to any transaction, certificate of
19 title, or record involving a vehicle, even if the transaction,
20 certificate of title, or record was entered into or created before
21 January 1, 2008.

22 (b) A transaction, certificate of title, or record that was
23 validly entered into or created before January 1, 2008, and would be
24 subject to the Uniform Certificate of Title Act if it had been

1 entered into or created on or after January 1, 2008, and the rights,
2 duties, and interests flowing from the transaction, certificate of
3 title, or record remains valid after January 1, 2008.

4 (c) This act does not affect an action or proceeding commenced
5 before January 1, 2008.

6 (d) A security interest that is enforceable immediately before
7 January 1, 2008, and would have priority over the rights of a person
8 that becomes a lien creditor at that time is a perfected security
9 interest under the Uniform Certificate of Title Act.

10 (e) The Uniform Certificate of Title Act does not affect the
11 priority of a security interest in a vehicle if immediately before
12 January 1, 2008, the security interest is enforceable and perfected,
13 and that priority is established.

14 SECTION 32. AMENDATORY 47 O.S. 2001, Section 1105, as
15 last amended by Section 3, Chapter 295, O.S.L. 2006 (47 O.S. Supp.
16 2006, Section 1105), is amended to read as follows:

17 Section 1105. A. As used in the Oklahoma Vehicle License and
18 Registration Act:

19 1. "Salvage vehicle" means any vehicle which is within the last
20 ten (10) model years and which has been damaged by collision or
21 other occurrence to the extent that the cost of repairing the
22 vehicle for safe operation on the highway exceeds sixty percent
23 (60%) of its fair market value, as defined by Section 1111 of this
24 title, immediately prior to the damage. For purposes of this

1 section, actual repair costs shall only include labor and parts for
2 actual damage to the suspension, motor, transmission, frame or
3 unibody and designated structural components;

4 2. "Rebuilt vehicle" means any salvage vehicle which has been
5 rebuilt and inspected for the purpose of registration and title;

6 3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle
7 which was damaged by flooding or a vehicle which was submerged at a
8 level to or above the dashboard of the vehicle and on which an
9 amount of loss was paid by the insurer;

10 4. "Recovered-theft vehicle" means a salvage or rebuilt vehicle
11 which was recovered from a theft; and

12 5. "Junked vehicle" means any vehicle which is incapable of
13 operation or use on the highway, has no resale value except as a
14 source of parts or scrap and has an eighty percent (80%) loss in
15 fair market value.

16 B. The owner of every vehicle in this state shall possess a
17 certificate of title as proof of ownership of such vehicle, except
18 those vehicles registered pursuant to Section 1120 of this title and
19 trailers registered pursuant to Section 1133 of this title,
20 previously titled by anyone in another state and engaged in
21 interstate commerce, and except as provided in subsection M of this
22 section. Except for owners that possess an agricultural exemption
23 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma
24 Statutes, the owner of an all-terrain vehicle or a motorcycle used

1 exclusively off roads or highways in this state which is purchased
2 or the ownership of which is transferred on or after July 1, 2005,
3 shall possess a certificate of title as proof of ownership. Upon
4 receipt of proper application information by such owner, the Tax
5 Commission shall issue an original or transfer certificate of title.

6 There shall be six types of certificates of title:

7 1. Original title for any motor vehicle which is not a
8 remanufactured, salvage, rebuilt or junked vehicle;

9 2. Salvage title for any motor vehicle which is a salvage
10 vehicle or is specified as a salvage vehicle or the equivalent
11 thereof on a certificate of title from another state;

12 3. Rebuilt title for any motor vehicle which is a rebuilt
13 vehicle;

14 4. Junked title for any motor vehicle which is a junked vehicle
15 or is specified as a junked vehicle or the equivalent thereof on a
16 certificate of title from another state;

17 5. Classic title for any motor vehicle, except a junked
18 vehicle, which is twenty-five (25) model years or older; and

19 6. Remanufactured title for any vehicle which is a
20 remanufactured vehicle.

21 Application for a certificate of title, whether the initial
22 certificate of title or a duplicate, may be made to the Tax
23 Commission or any motor license agent. When application is made
24 with a motor license agent, the application information shall be

1 transmitted either electronically or by mail to the Tax Commission
2 by the motor license agent. If the application information is
3 transmitted electronically, the motor license agent shall forward
4 the required application along with evidence of ownership, where
5 required, by mail. Where the transmission of application
6 information cannot be performed electronically, the Tax Commission
7 is authorized to provide postage paid envelopes to motor license
8 agents for the purpose of mailing the application along with
9 evidence of ownership, where required. The Tax Commission shall
10 upon receipt of proper application information issue an Oklahoma
11 certificate of title. The certificates may be mailed to the
12 applicant. Upon issuance of a certificate of title, the Tax
13 Commission shall provide the appropriate motor license agent with
14 confirmation of such issuance.

15 C. 1. The application for certificate of title shall be ~~upon a~~
16 ~~blank form furnished by the Tax Commission, containing:~~

- 17 a. ~~a full description of the vehicle,~~
- 18 b. ~~the manufacturer's serial or other identification~~
19 ~~number,~~
- 20 c. ~~the motor number and the date on which first sold by~~
21 ~~the manufacturer or dealer to the owner,~~
- 22 d. ~~any distinguishing marks,~~
- 23 e. ~~a statement of the applicant's source of title,~~
- 24 f. ~~any security interest upon the vehicle, and~~

1 ~~g. such other information as the Tax Commission may~~
2 ~~require.~~

3 ~~2. The application for a certificate of title for a vehicle~~
4 ~~which is within the last seven (7) model years shall require a~~
5 ~~declaration as to whether the vehicle has been damaged by collision~~
6 ~~or other occurrence and whether the vehicle has been recovered from~~
7 ~~theft and the extent of the damage to the vehicle. The declaration~~
8 ~~shall be made by the owner of a vehicle if:~~

9 ~~a. the vehicle has been damaged or stolen,~~

10 ~~b. the owner did or did not receive any payment for the~~
11 ~~loss from an insurer, or~~

12 ~~c. the vehicle is titled or registered in a state that~~
13 ~~does not classify the vehicle or brand the title~~
14 ~~because of damage to or loss of the vehicle similar to~~
15 ~~the classifications or brands utilized by this state.~~

16 ~~The declaration shall be based upon the best information and~~
17 ~~knowledge of the owner and shall be in addition to the requirements~~
18 ~~specified in paragraph 1 of this subsection. The Tax Commission~~
19 ~~shall not issue a certificate of title for a vehicle which is~~
20 ~~subject to the provisions of this paragraph without the required~~
21 ~~declaration, completed and signed by the owner of the vehicle. Upon~~
22 ~~receipt of an application without the properly completed~~
23 ~~declaration, the Tax Commission shall return the application to the~~
24 ~~applicant with notice that the title may not be issued without the~~

1 ~~required declaration. Nothing in this paragraph shall prohibit the~~
2 ~~Tax Commission from recognizing the type of or brand on a title or~~
3 ~~other ownership document issued by another state or the inspection~~
4 ~~conducted in another state and issuing the appropriate certificate~~
5 ~~of title for the vehicle made pursuant to the Uniform Certificate of~~
6 ~~Title Act.~~

7 ~~3.~~ 2. The certificate of title shall have the following
8 security features:

- 9 a. intaglio printing or security thread, with or without
- 10 watermark,
- 11 b. latent images,
- 12 c. fluorescent inks,
- 13 d. micro print,
- 14 e. void background, and
- 15 f. color coding.

16 ~~4.~~ 3. Each title issued pursuant to the provisions of the
17 Oklahoma Vehicle License and Registration Act shall be color coded
18 as determined by the Tax Commission.

19 ~~5.~~ 4. The certificate of title shall be of such size and design
20 and color as the Tax Commission may direct pursuant to the
21 provisions of this section. The title shall be on colored paper or
22 other material as designated by the Tax Commission and be of such
23 intensity or hue as will allow easy identification as to whether the
24 title is an original title, a salvage title, a rebuilt title,

1 remanufactured title, or a junked title. The type of title shall be
2 identified on the front of the certificate of title. The original
3 title, rebuilt title, remanufactured title, or classic title shall
4 be identified by the word "Original", "Rebuilt", "Remanufactured" or
5 "Classic" printed in the upper right quadrant of the certificate of
6 title, in the space which is currently captioned "type of title".

7 D. ~~1. To obtain an original certificate of title for a vehicle~~
8 ~~that is being registered for the first time in this state which has~~
9 ~~not been previously registered in any other state, the applicant~~
10 ~~shall be required to deliver, as evidence of ownership, a~~
11 ~~manufacturer's certificate of origin properly assigned by the~~
12 ~~manufacturer, distributor, or dealer licensed in this or any other~~
13 ~~state shown thereon to be the last transferee to the applicant upon~~
14 ~~a form to be prescribed and approved by the Tax Commission. A~~
15 ~~manufacturer's certificate of origin shall contain:~~

- 16 a. ~~the manufacturer's serial or other identification~~
17 ~~number,~~
- 18 b. ~~date on which first sold by the manufacturer to the~~
19 ~~dealer,~~
- 20 c. ~~any distinguishing marks including model and the year~~
21 ~~same was made,~~
- 22 d. ~~a statement of any security interests upon the~~
23 ~~vehicle, and~~

24

1 ~~e. such other information as the Tax Commission may~~
2 ~~require.~~

3 ~~2. The manufacturer's certificate of origin shall have the~~
4 ~~following security features:~~

5 ~~a. intaglio printing or security thread, with or without~~
6 ~~watermark,~~

7 ~~b. latent images,~~

8 ~~c. fluorescent inks,~~

9 ~~d. micro print, and~~

10 ~~e. void background.~~

11 ~~E. In the absence of a dealer's or manufacturer's number, the~~
12 ~~Tax Commission may assign such identifying number to the vehicle,~~
13 ~~which shall be permanently stamped, burned or pressed or attached~~
14 ~~into the vehicle, and a certificate of title shall be delivered to~~
15 ~~the applicant upon payment of all fees and taxes, and the remaining~~
16 ~~copies shall be permanently filed and indexed by the Tax Commission.~~
17 ~~The Tax Commission shall assign an identifying number to any rebuilt~~
18 ~~vehicle if the vehicle identification number displayed on the~~
19 ~~rebuilt vehicle does not accurately describe the vehicle as rebuilt.~~
20 ~~The motor license agent, at the time of inspection of the rebuilt~~
21 ~~vehicle pursuant to Section 1111 of this title, shall identify the~~
22 ~~make, model, and year for the body to accurately describe the~~
23 ~~rebuilt vehicle. At the time of the inspection, an appropriate~~
24 ~~identifying number shall be permanently stamped, burned, pressed, or~~

1 ~~attached on the rebuilt vehicle. The assigned identifying number~~
2 ~~shall be recorded on the certificate of title for the rebuilt~~
3 ~~vehicle. The dealer's or manufacturer's vehicle identification~~
4 ~~number on the rebuilt vehicle shall be preserved in the computer~~
5 ~~files of the Tax Commission for at least five (5) years.~~

6 ~~F. When registering for the first time in this state a vehicle~~
7 ~~which was not originally manufactured for sale in the United States,~~
8 ~~to obtain a certificate of title, the Tax Commission shall require~~
9 ~~the applicant to deliver:~~

10 ~~1. As evidence of ownership, if the vehicle has not previously~~
11 ~~been titled in the United States, the documents constituting valid~~
12 ~~proof of ownership in the country in which the vehicle was~~
13 ~~originally purchased, together with a notarized translation of any~~
14 ~~such documents; and~~

15 ~~2. As evidence of compliance with federal law, copies of the~~
16 ~~bond release letters for the vehicle issued by the United States~~
17 ~~Environmental Protection Agency and the United States Department of~~
18 ~~Transportation, together with a receipt issued by the Internal~~
19 ~~Revenue Service indicating that the applicable federal gas guzzler~~
20 ~~tax has been paid.~~

21 ~~The Tax Commission shall not issue a certificate of title for a~~
22 ~~vehicle which is subject to the provisions of this paragraph without~~
23 ~~the required documentation from agencies of the United States and~~
24 ~~evidence of ownership. Upon receipt of an application without the~~

1 ~~required documentation, the Tax Commission shall return the~~
2 ~~application to the applicant with notice that the certificate of~~
3 ~~title may not be issued without the required documentation. Nothing~~
4 ~~in this paragraph shall prohibit the Tax Commission from issuing~~
5 ~~certificates of title for antique or classic vehicles not driven~~
6 ~~upon the public streets, roads, or highways.~~

7 G. When registering in this state a vehicle which was titled in
8 another state and which title contains the name of a secured party
9 on the face of the other state certificate of title, or such state
10 certificate is being held by the secured party in that state or any
11 other state, the Tax Commission or the motor license agent shall
12 complete a lien entry form as prescribed by the Tax Commission. The
13 owner of such vehicle shall file an affidavit with the Tax
14 Commission or the motor license agent stating that title to the
15 vehicle is being held by a secured party has not been issued
16 pursuant to the laws of the state where titled, and that there is an
17 existing lien or encumbrance on the vehicle. The current name and
18 address of the secured party or lienholder shall also be stated in
19 the affidavit. The form of the affidavit shall be prescribed by the
20 Tax Commission and contain any other information deemed necessary by
21 the Tax Commission. A statement of the lien or encumbrance shall be
22 included on the Oklahoma certificate of title and the lien or
23 encumbrance shall be deemed continuously perfected as though it had
24 been perfected pursuant to Section 1110 of this title. For

1 completing the lien entry form and recording the security interest
2 on the certificate of title, the Tax Commission or the motor license
3 agent shall collect a fee of Three Dollars (\$3.00) which shall be in
4 addition to other fees provided by the Oklahoma Vehicle License and
5 Registration Act. The fee, if collected by the motor license agent
6 pursuant to this subsection, shall be retained by the motor license
7 agent.

8 ~~H.~~ E. The charge for each certificate of title issued, except
9 for junked titles as defined in paragraph 4 of subsection B of this
10 section, shall be Eleven Dollars (\$11.00), which charge shall be in
11 addition to any other fees or taxes imposed by law for such vehicle.
12 One Dollar (\$1.00) of each such charge shall be deposited in the
13 Oklahoma Tax Commission Reimbursement Fund. However, the charge
14 shall not apply to any vehicle which is to be registered in this
15 state pursuant to the provisions of Section 1120 or 1133 of this
16 title and which was registered in another state at least sixty (60)
17 days prior to the time it is required to be registered in this
18 state.

19 ~~H.~~ F. The vehicle identification number of a junked vehicle
20 shall be preserved in the computer files of the Tax Commission for a
21 period of not less than five (5) years. The charge of junked titles
22 as defined in paragraph 4 of subsection B of this section shall be
23 Four Dollars (\$4.00). The fee remitted to the Tax Commission shall
24 be deposited in the Oklahoma Tax Commission Reimbursement Fund.

1 ~~J.~~ G. If a vehicle is sold to a resident of another state
2 destroyed, dismantled, or ceases to be used as a vehicle, the owner
3 shall immediately notify the Tax Commission. Absent evidence to the
4 contrary, failure to notify the Tax Commission shall be prima facie
5 evidence that the vehicle has been in continuous operation in this
6 state.

7 ~~K.~~ H. If a vehicle is stolen, the owner shall immediately
8 notify the appropriate law enforcement agency. Immediately after
9 receiving such notification, the law enforcement agency shall notify
10 the Tax Commission.

11 ~~L.~~ I. Except for all-terrain vehicles and motorcycles used
12 exclusively for off-road use, no title for an out-of-state vehicle,
13 except any commercial truck or truck-tractor registered pursuant to
14 Section 1120 of this title which is engaged in interstate commerce
15 or any trailer or semitrailer registered pursuant to Section 1133 of
16 this title which is engaged in interstate commerce, shall be issued
17 without an inspection of such vehicle and payment of a fee of Four
18 Dollars (\$4.00) for such inspection; provided, the Tax Commission
19 may enter into reciprocal agreements with other states for such
20 inspections to be performed at locations outside the boundaries of
21 this state for vehicles which:

22 1. Are offered for sale at auction;

23

24

1 2. Have been solely used as vehicles for rent under the
2 ownership of a licensed motor vehicle dealer or a person engaged in
3 the business of renting motor vehicles; or

4 3. Have not been registered in this or any other state for more
5 than one (1) year.

6 The inspection shall include a comparison of the vehicle
7 identification number on the vehicle with the number recorded on the
8 ownership records and the recording of the actual odometer reading
9 on the vehicle. The four-dollar fee shall be collected by the motor
10 license agent or Tax Commission when the title is issued. The motor
11 license agent shall retain Two Dollars (\$2.00). The remaining Two
12 Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission
13 Reimbursement Fund.

14 The Tax Commission may allow the inspection to be performed at a
15 location out-of-state by another state's department of motor
16 vehicles or state police.

17 ~~M.~~ J. No title for any out-of-state vehicle offered for sale at
18 salvage pools, salvage disposal sales, or an auction, or by a dealer
19 or a licensed automotive dismantler and parts recycler, shall be
20 issued without an inspection to compare the vehicle identification
21 number on the vehicle with the number recorded on the ownership
22 record and to record the actual odometer reading on the vehicle.
23 Upon request of the seller, person or entity conducting an auction,
24 dealer or licensed dismantler, the inspection shall be conducted at

1 the location or place of business of the sale, auction, dealer, or
2 the dismantler. The inspection shall be conducted by any motor
3 license agent or a duly authorized employee thereof; provided, if
4 the vehicle identification number on the vehicle offered for sale at
5 salvage pools, salvage disposal sales or a classic or antique
6 auction does not match the number recorded on the ownership record,
7 the inspection may be conducted at the location of or place of
8 business of such sale or auction by any state, county or city law
9 enforcement officer. The Tax Commission may enter into reciprocal
10 agreements with other states for such inspections to be performed at
11 locations outside the boundaries of this state for vehicles which:

- 12 1. Are offered for sale at auction;
- 13 2. Have been solely used as vehicles for rent under the
14 ownership of a licensed motor vehicle dealer or a person engaged in
15 the business of renting motor vehicles; or
- 16 3. Have not been registered in this or any other state for more
17 than one (1) year.

18 The inspection shall be certified upon forms prescribed by the Tax
19 Commission. The name and other identification of the authorized
20 person conducting the inspection shall be legibly printed or typed
21 on the form. Prior to any inspection by any employee of a motor
22 license agent, the motor license agent shall notify the Tax
23 Commission of the name and any other identification information
24 requested by the Tax Commission of the authorized person. A

1 signature specimen of the authorized person shall be submitted to
2 the Tax Commission by the employing motor license agent. If the
3 authorization to inspect vehicles is withdrawn or the employer-
4 employee relationship is terminated, the motor license agent,
5 immediately, shall notify the Tax Commission and return any
6 remaining inspection forms to the Tax Commission. The fee for the
7 inspection shall be Four Dollars (\$4.00). The motor license agent
8 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
9 motor license agent or an authorized employee thereof shall be
10 handled and accounted for in the manner as prescribed by law for any
11 other fees paid to or received by a motor license agent. Out-of-
12 state vehicles brought into this state by a person licensed in
13 another state to sell new or used vehicles to be sold within this
14 state at a motor vehicle auction which is limited to dealer to
15 dealer transactions shall not be required to be inspected, unless
16 the vehicle is purchased by an Oklahoma dealer. Any person licensed
17 in another state to sell new or used motor vehicles, who offers a
18 motor vehicle for sale within this state at a motor vehicle auction
19 which is limited to dealer-to-dealer transactions, shall not be
20 within the definition of "owner" in Section 1102 of this title, for
21 purposes of Section 1101 et seq. of this title.

22 ~~N.~~ K. A licensed motor vehicle dealer, upon payment of a fee of
23 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
24 of title to a used motor vehicle provided such dealer obtains the

1 appropriate inspection form required by either subsection L or M of
2 this section and attaches the form to the out-of-state certificate
3 of title. Motor license agents shall be allowed to retain Two
4 Dollars and twenty-five cents (\$2.25) of the fee plus an additional
5 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in
6 subsections ~~H~~ I and ~~M~~ J of this section for performance of the
7 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
8 the Tax Commission Reimbursement Fund. An out-of-state vehicle
9 which has been rebuilt shall be inspected pursuant to the provisions
10 of Section 1111 of this title. The Tax Commission shall train motor
11 license agents in interpreting vehicle identification numbers to
12 assure that it accurately describes the vehicle and to detect
13 rollback or alteration of the odometer. Failure of a motor license
14 agent to inspect the vehicle and make the required notations shall
15 be a misdemeanor punishable by a fine of not more than One Thousand
16 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
17 (\$5,000.00) for the second offense or subsequent offense, or by
18 imprisonment in the county jail for not more than six (6) months, or
19 by both such fine and imprisonment.

20 ~~Θ~~ L. The ownership of any vehicle which has been declared a
21 total loss by an insurer because of theft shall be transferred to
22 the insurer by a salvage title; provided, the ownership of any such
23 vehicle which has been declared a total loss by an insurer licensed
24 by the Oklahoma Insurance Department and maintaining a multi-state

1 motor vehicle salvage processing center in this state shall be
2 transferred to the insurer by a salvage title without the
3 requirement of a visual inspection of the vehicle identification
4 number by the insurer. Upon recovery of the vehicle, the ownership
5 shall be transferred by an original title, salvage title, or junked
6 title, as may be appropriate based upon an estimate of the amount of
7 loss submitted by the insurer.

8 P. M. The owner of any vehicle which is incapable of operation
9 or use on the public roads and has no resale value, except as parts,
10 scrap or junk, may deliver the certificate of title to the vehicle
11 to the Tax Commission for cancellation. Upon verification that any
12 perfected lien against the vehicle has been released, the
13 certificate of title shall be canceled without any fee, charge, or
14 cost required from the owner. The vehicle identification numbers on
15 the certificates of title shall be preserved in the computer files
16 of the Tax Commission for at least five (5) years from the date of
17 cancellation of the certificate of title. The Tax Commission shall
18 prescribe and provide an affidavit form to be completed by the owner
19 of any vehicle for which the certificate of title is canceled. No
20 title or registration shall subsequently be issued for a vehicle for
21 which the certificate of title has been surrendered pursuant to this
22 subsection. The Tax Commission shall prescribe a form for the
23 transfer of ownership of a vehicle for which the certificate of
24 title has been canceled.

1 ~~Q-~~ N. The owner of a vehicle which is not within the last ten
2 (10) model years, not roadworthy and not capable of repair for
3 operation or use on the roads and highways shall transfer the
4 vehicle only upon a certificate of ownership prescribed by the Tax
5 Commission, if the certificate of title to the vehicle is lost, has
6 been canceled, or otherwise not available. The prescribed ownership
7 form shall include the names and addresses of the buyer and seller,
8 the driver license number or social security number of the seller,
9 the make and model of the vehicle, and the public vehicle
10 identification number. If there is no public vehicle identification
11 number, the vehicle shall be inspected by a law enforcement officer
12 to verify the absence of the number on the vehicle and the
13 prescribed ownership form shall include a signed statement, by such
14 officer, verifying the absence of the number.

15 The certificate of ownership shall be completed in triplicate.
16 The buyer and seller shall each retain a copy. Within thirty (30)
17 days of the transaction, the seller shall submit one copy to the Tax
18 Commission or a motor license agent accompanied with a fee of Four
19 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
20 license agent and Three Dollars (\$3.00) shall be deposited in the
21 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

22 Upon receipt of the certificate, the Tax Commission shall verify
23 that any perfected lien upon the vehicle has been released. If the
24 lien is not released, the Tax Commission shall mail notice of the

1 transfer to the lienholder at the lienholder's last-known address.
2 If a certificate of title has been issued, it shall be canceled and
3 the vehicle identification number shall be preserved in the computer
4 of the Tax Commission for at least five (5) years. The buyer of the
5 vehicle may not be sued and shall not be liable for monetary damages
6 to the lienholder, however, the vehicle shall be subject to a valid
7 repossession by a lienholder.

8 ~~R.~~ O. The Tax Commission shall notify the chief administrative
9 officer of the agency or department responsible for issuing motor
10 vehicle certificates of title in each state in the United States of
11 the types of motor vehicle certificate of title effective in
12 Oklahoma on and after January 1, 1989.

13 ~~S.~~ P. When registering for the first time in this state a
14 remanufactured vehicle which has not been registered in any other
15 state since its remanufacture, before issuing a certificate of
16 title, the Tax Commission shall require the applicant to deliver a
17 statement of origin from the remanufacturer.

18 ~~F.~~ Q. If a vehicle is sold to a foreign buyer pursuant to the
19 provisions of the Automotive Dismantlers and Parts Recycler Act, the
20 licensed seller shall stamp the title with: "EXPORT ONLY.
21 NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall
22 supply the Tax Commission the title number, the vehicle
23 identification number and the foreign buyer's bid identification
24 number on a form prescribed by the Tax Commission. The Tax

1 Commission shall cancel the title, and the vehicle identification
2 number shall be preserved in the computer files of the Tax
3 Commission for a period of not less than five (5) years.

4 ~~U.~~ R. The Tax Commission shall not be considered a necessary
5 party to any lawsuit which is instigated for the purpose of
6 determining ownership of a vehicle, wherein the Tax Commission's
7 only involvement would be to issue title, and the court shall issue
8 an order dismissing the Tax Commission from the pending action. In
9 the event no other party or lien holder can be identified as to
10 ownership or claim, the Tax Commission shall accept an affidavit of
11 ownership from the party claiming ownership and issue proper title
12 thereon.

13 SECTION 33. AMENDATORY 47 O.S. 2001, Section 1110, as
14 last amended by Section 1, Chapter 85, O.S.L. 2004 (47 O.S. Supp.
15 2006, Section 1110), is amended to read as follows:

16 Section 1110. A. 1. ~~Except for a security interest in~~
17 ~~vehicles held by a dealer for sale or lease, a vehicle registered by~~
18 ~~a federally recognized Indian tribe as provided in subsection C of~~
19 ~~this section, and a vehicle being registered in this state which was~~
20 ~~previously registered in another state and which title contains the~~
21 ~~name of a secured party on the face of the other state certificate~~
22 ~~or title, a security interest in a vehicle as to which a certificate~~
23 ~~of title may be properly issued by the Oklahoma Tax Commission shall~~
24 ~~be perfected only when a lien entry form, and the existing~~

1 ~~certificate of title, if any, or application for a certificate of~~
2 ~~title and manufacturer's certificate of origin containing the name~~
3 ~~and address of the secured party and the date of the security~~
4 ~~agreement and the required fee are delivered to the Tax Commission~~
5 ~~or to a motor license agent. As used in this section, the term~~
6 ~~"dealer" shall be defined as provided in Section 1-112 of this title~~
7 ~~and the term "security interest" shall be defined as provided in~~
8 ~~paragraph (37) of Section 1-201 of Title 12A of the Oklahoma~~
9 ~~Statutes. When a vehicle title is presented to a motor license~~
10 ~~agent for transferring or registering and the documents reflect a~~
11 ~~lien holder, the motor license agent shall perfect the lien pursuant~~
12 ~~to subsection G of Section 1105 of this title. For the purposes of~~
13 ~~this section, the term "vehicle" shall not include special mobilized~~
14 ~~machinery, machinery used in highway construction or road material~~
15 ~~construction and rubber-tired road construction vehicles including~~
16 ~~rubber-tired cranes. The filing and duration of perfection of a~~
17 ~~security interest, pursuant to the provisions of Title 12A of the~~
18 ~~Oklahoma Statutes, including, but not limited to, Section 1-9-311 of~~
19 ~~Title 12A of the Oklahoma Statutes, shall not be applicable to~~
20 ~~perfection of security interests in vehicles as to which a~~
21 ~~certificate of title may be properly issued by the Tax Commission,~~
22 ~~except as to vehicles held by a dealer for sale or lease and except~~
23 ~~as provided in subsection D of this section. In all other respects~~
24 ~~Title 12A of the Oklahoma Statutes shall be applicable to such~~

1 ~~security interests in vehicles as to which a certificate of title~~
2 ~~may be properly issued by the Tax Commission.~~

3 ~~2. Whenever a person creates a security interest in a vehicle,~~
4 ~~the person shall surrender to the secured party the certificate of~~
5 ~~title or the signed application for a new certificate of title, on~~
6 ~~the form prescribed by the Tax Commission, and the manufacturer's~~
7 ~~certificate of origin. The secured party shall deliver the lien~~
8 ~~entry form and the required lien filing fee within twenty five (25)~~
9 ~~days as provided hereafter with certificate of title or the~~
10 ~~application for certificate of title and the manufacturer's~~
11 ~~certificate of origin to the Tax Commission or to a motor license~~
12 ~~agent. If the lien entry form, the lien filing fee and the~~
13 ~~certificate of title or application for certificate of title and the~~
14 ~~manufacturer's certificate of origin are delivered to the Tax~~
15 ~~Commission or to a motor license agent within twenty five (25) days~~
16 ~~after the date of the lien entry form, perfection of the security~~
17 ~~interest shall begin from the date of the execution of the lien~~
18 ~~entry form, but otherwise, perfection of the security interest shall~~
19 ~~begin from the date of the delivery to the Tax Commission or to a~~
20 ~~motor license agent.~~

21 ~~3. a.~~ For each security interest recorded on a certificate
22 of title, or manufacturer's certificate of origin,
23 such person shall pay a fee of Ten Dollars (\$10.00),
24 which shall be in addition to other fees provided for

1 in the Oklahoma Vehicle License and Registration Act.
2 Upon the receipt of the lien entry form and the
3 required fees with either the certificate of title or
4 an application for certificate of title and
5 manufacturer's certificate of origin, a motor license
6 agent shall, by placement of a clearly distinguishing
7 mark, record the date and number shown in a
8 conspicuous place, on each of these instruments. Of
9 the ten-dollar fee, the motor license agent shall
10 retain Two Dollars (\$2.00) for recording the security
11 interest lien.

12 ~~b.~~

13 2. It shall be unlawful for any person to solicit, accept or
14 receive any gratuity or compensation for acting as a messenger and
15 for acting as the agent or representative of another person in
16 applying for the recording of a security interest or for the
17 registration of a motor vehicle and obtaining the license plates or
18 for the issuance of a certificate of title therefor unless the Tax
19 Commission has appointed and approved the person to perform such
20 acts; and before acting as a messenger, any such person shall
21 furnish to the Tax Commission a surety bond in such amount as the
22 Tax Commission shall determine appropriate.

23 ~~4. The certificate of title or the application for certificate~~
24 ~~of title and manufacturer's certificate of origin with the record of~~

1 ~~the date of receipt clearly marked thereon shall be returned to the~~
2 ~~debtor together with a notice that the debtor is required to~~
3 ~~register and pay all additional fees and taxes due within thirty~~
4 ~~(30) days from the date of purchase of the vehicle.~~

5 ~~5. Any person creating a security interest in a vehicle that~~
6 ~~has been previously registered in the debtor's name and on which all~~
7 ~~taxes due the state have been paid shall surrender the certificate~~
8 ~~of ownership to the secured party. The secured party shall have the~~
9 ~~duty to record the security interest as provided in this section and~~
10 ~~shall, at the same time, obtain a new certificate of title which~~
11 ~~shall show the secured interest on the face of the certificate of~~
12 ~~title.~~

13 ~~6. The lien entry form with the date and assigned number~~
14 ~~thereof clearly marked thereon shall be returned to the secured~~
15 ~~party. If the lien entry form is received and authenticated, as~~
16 ~~herein provided, by a motor license agent, the agent shall make a~~
17 ~~report thereof to the Tax Commission upon the forms and in the~~
18 ~~manner as may be prescribed by the Tax Commission.~~

19 ~~7. The Tax Commission shall have the duty to record the lien~~
20 ~~upon the face of the certificate of title issued at the time of~~
21 ~~registering and paying all fees and taxes due on the vehicle.~~

22 ~~B. 1. A secured party shall, within seven (7) business days~~
23 ~~after the satisfaction of the security interest, furnish directly or~~
24 ~~by mail a release of a security interest to the Tax Commission and~~

1 ~~mail a copy thereof to the last known address of the debtor. If the~~
2 ~~security interest has been satisfied by payment from a licensed used~~
3 ~~motor vehicle dealer to whom the motor vehicle has been transferred,~~
4 ~~the secured party shall also, within seven (7) business days after~~
5 ~~such satisfaction, mail an additional copy of the release to the~~
6 ~~dealer. If the secured party fails to furnish the release as~~
7 ~~required, the secured party shall be liable to the debtor for a~~
8 ~~penalty of One Hundred Dollars (\$100.00) and, in addition, any loss~~
9 ~~caused to the debtor by such failure.~~

10 ~~2. Upon release of a security interest the owner may obtain a~~
11 ~~new certificate of title omitting reference to the security~~
12 ~~interest, by submitting to the Tax Commission or to a motor license~~
13 ~~agent:~~

- 14 ~~a. a release signed by the secured party, an application~~
15 ~~for new certificate of title and the proper fees, or~~
- 16 ~~b. by submitting to the Tax Commission or the motor~~
17 ~~license agent an affidavit, supported by such~~
18 ~~documentation as the Tax Commission may require, by~~
19 ~~the owner on a form prescribed by the Tax Commission~~
20 ~~stating that the security interest has been satisfied~~
21 ~~and stating the reasons why a release cannot be~~
22 ~~obtained, an application for a new certificate of~~
23 ~~title and the proper fees.~~

24

1 ~~Upon receiving such affidavit that the security interest has been~~
2 ~~satisfied, the Tax Commission shall issue a new certificate of title~~
3 ~~eliminating the satisfied security interest and the name and address~~
4 ~~of the secured parties who have been paid and satisfied. The Tax~~
5 ~~Commission shall accept a release of a security interest in any form~~
6 ~~that identifies the debtor, the secured party, and the vehicle, and~~
7 ~~contains the signature of the secured party. The Tax Commission~~
8 ~~shall not require any particular form for the release of a security~~
9 ~~interest.~~

10 ~~The words "security interest" when used in the Oklahoma Vehicle~~
11 ~~License and Registration Act do not include liens dependent upon~~
12 ~~possession.~~

13 ~~C. The Tax Commission shall file and index certificates of~~
14 ~~title so that at all times it will be possible to trace a~~
15 ~~certificate of title to the vehicle designated therein, identify the~~
16 ~~lien entry form, and the names and addresses of secured parties, or~~
17 ~~their assignees, so that all or any part of such information may be~~
18 ~~made readily available to those who make legitimate inquiry of the~~
19 ~~Tax Commission as to the existence or nonexistence of security~~
20 ~~interest in the vehicle.~~

21 ~~D. 1. Any security interest in a vehicle properly perfected~~
22 ~~prior to July 1, 1979, may be continued as to its effectiveness or~~
23 ~~duration as provided by Sections 1-9-501 and 1-9-515 of Title 12A of~~
24 ~~the Oklahoma Statutes, or may be terminated, assigned or released as~~

1 provided by Sections 1-9-512, 1-9-513 and 1-9-514 of Title 12A of
2 the Oklahoma Statutes, as fully as if this section had not been
3 enacted, or, at the option of the secured party, may also be
4 perfected under this section, and, if so perfected, the time of
5 perfection under this section shall be the date the security
6 interest was originally perfected under the prior law.

7 2. Upon request of the secured party, the debtor or any other
8 holder of the certificate of title shall surrender the certificate
9 of title to the secured party and shall do such other acts as may be
10 required to perfect the security interest under this section.

11 ~~E.~~ C. If a manufactured home is permanently affixed to real
12 estate, the original document of title may be surrendered to the Tax
13 Commission or a motor license agent for cancellation. When the
14 document of title is surrendered, the owner shall provide the legal
15 description or the appropriate tract or parcel number of the real
16 estate and other information as may be required on a form provided
17 by the Tax Commission. The Tax Commission may not cancel a document
18 of title if a lien has been registered or recorded. The Tax
19 Commission or motor license agent shall notify the owner and any
20 lienholder that the title has been surrendered to the Tax Commission
21 and that the Tax Commission may not cancel the title until the lien
22 is released. Such notification shall include a description of the
23 lien and such notification to the owner shall be accompanied by the
24 return of title surrendered. Permanent attachment to real estate

1 does not affect the validity of a lien recorded or registered with
2 the Tax Commission before the document of title is cancelled
3 pursuant to this section. The rights of a prior lienholder pursuant
4 to a security agreement or the provisions of a credit transaction
5 and the rights of the state pursuant to a tax lien are preserved.
6 The Tax Commission or motor license agent shall forward the
7 information to the county assessor of the county where the real
8 estate is located and indicate whether the original document of
9 title has been canceled. A fee of Five Dollars (\$5.00) shall
10 accompany the application for cancellation of title. When the fee
11 is paid by a person making an application directly with the Tax
12 Commission, the fee shall be deposited in the Oklahoma Tax
13 Commission Revolving Fund. A fee paid to a motor license agent
14 shall be retained by the agent. A security interest in a
15 manufactured home perfected pursuant to this section shall have
16 priority over a conflicting interest of a mortgagee or other lien
17 encumbrancer, or the owner of the real property upon which the
18 manufactured home became affixed or otherwise permanently attached.
19 The holder of the security interest in the manufactured home, upon
20 default, may remove the manufactured home from such real property.
21 The holder of the security interest in the manufactured home shall
22 reimburse the owner of the real property who is not the debtor and
23 who has not otherwise agreed to access the real property for the
24 cost of repair of any physical injury to the real property, but

1 shall not be liable for any diminution in value to the real property
2 caused by the removal of the manufactured home, trespass, or any
3 other damages caused by the removal. The debtor shall notify the
4 holder of the security interest in the manufactured home of the
5 street address, if any, and the legal description of the real
6 property upon which the manufactured home is affixed or otherwise
7 permanently attached and shall sign such other documents, including
8 any appropriate mortgage, as may reasonably be requested by the
9 holder of such security interest.

10 ~~F.~~ D. In the case of motor vehicles or trailers,
11 notwithstanding any other provision of law, a transaction does not
12 create a sale or security interest merely because it provides that
13 the rental price is permitted or required to be adjusted under the
14 agreement either upward or downward by reference to the amount
15 realized upon sale or other disposition of the motor vehicle or
16 trailer.

17 ~~G. A security interest in vehicles registered by a federally~~
18 ~~recognized Indian tribe shall be deemed valid under Oklahoma law if~~
19 ~~validly perfected under the applicable tribal law and the lien is~~
20 ~~noted on the face of the tribal certificate of title.~~

21 SECTION 34. REPEALER 47 O.S. 2001, Sections 1106, as
22 last amended by Section 7, Chapter 238, O.S.L. 2006, 1107, as
23 amended by Section 5, Chapter 381, O.S.L. 2005 and Section 6,

24

1 Chapter 381, O.S.L. 2005 (47 O.S. Supp. 2006, Sections 1106, 1107
2 and 1107.4), are hereby repealed.

3 SECTION 35. This act shall become effective January 1, 2008.
4

5 51-1-7398 SD 02/27/07
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24