1	SENATE FLOOR VERSION February 7, 2023
2	repluary /, 2025
3	SENATE BILL NO. 566 By: Newhouse of the Senate
4	and
5	Banning of the House
6	
7	
8	An Act relating to liens for service on personal property; amending 42 O.S. 2021, Section 91A, which
9	relates to procedures for lien on certain personal property; increasing allowable fee for processing of
10	certain notice; clarifying date of applicability; and providing an effective date.
11	providing an effective date.
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13	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
14	SECTION 1. AMENDATORY 42 O.S. 2021, Section 91A, is
15	amended to read as follows:
16	Section 91A. A. 1. a. This section applies to all types of
17	personal property other than:
18	(1) farm equipment as defined in Section 91.2 of this
19	title, and
20	(2) "Section 91 Personal Property" as defined in
21	Section 91 of this title.
22	b. This section applies to any vehicle, all-terrain
23	vehicle, utility vehicle, manufactured home,
24	motorcycle, boat, outboard motor, or trailer that is

1 excluded from coverage under subsection A of Section 2 91 of this title because the personal property: does not have a certificate of title, 3 (1)has a certificate of title but does not have an 4 (2) 5 active lien recorded on the certificate of title, (3) has a certificate of title that is not issued by 6 the Oklahoma Tax Commission or by a federally 7 recognized Indian tribe in the State of Oklahoma, 9 or is otherwise excluded by subparagraph b of 10 (4)paragraph 1 of subsection A of Section 91 of this 11 title or subsection D of Section 91 of this 12 title. 13 If personal property has a certificate of title, or C. 14 would be required to have a certificate of title under 15 Oklahoma law, and is apparently covered both by this 16 section and by Sections 191 through 200 of this title, 17 the procedures set out in this section shall apply 18 instead of Sections 191 through 200 of this title. If 19 personal property without a certificate of title and 20 not required to be titled under Oklahoma law is 21 covered both by this section and Sections 191 through 22 200 of this title, the procedures set out in Sections 23 24

191 through 200 of this title shall apply instead of this section.

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- 2. Any person who, while lawfully in possession of an a. article of personal property to which this section applies, renders any service to the owner thereof by furnishing storage, rental space, material, labor or skill for the protection, improvement, safekeeping, towing, right to occupy space, storage or carriage thereof, has a special lien thereon, dependent on possession, for the compensation, if any, which is due to such person from the owner for such service. Charges owed under a contract primarily for the purpose of storage or rental of space shall be accrued only at the regular periodic rate for storage or rental as provided in the contract, adjusted for partial periods of storage or rental.
 - b. Except for Class AA licensed wrecker towing charges, the special lien shall be subordinate to any perfected security interest unless the claimant complies with the requirements of this section. Failure to comply with any requirements of this section shall result in denial of any title application and cause the special lien to be subordinate to any perfected lien. Upon such denial, the applicant shall be entitled to one

1		resul	omission of the title application within thirty
2		(30)	business days of receipt of the denial, and
3		proce	eed to comply with the requirements of this
4		sect	ion. "Failure to comply" includes, but is not
5		limit	ted to:
6		(1)	failure to timely provide additional
7			documentation supporting or verifying any entry
8			on submitted forms as requested by the Tax
9			Commission,
10		(2)	failure to provide the documentation supporting
11			lawful possession as outlined in paragraph 3 of
12			subsection H of this section,
13		(3)	claimant being other than the individual who
14			provided the service giving rise to the special
15			lien, as in subparagraph a of this paragraph,
16		(4)	claimant not being in possession of the vehicle,
17			or
18		(5)	notification and proceedings not accomplished in
19			accordance with subparagraph c of this paragraph,
20			and paragraph 3 of this subsection.
21	С.	Any p	person claiming a lien under this section shall
22		reque	est, within five (5) business days of performing
23		any s	service or work on the property, the Tax
24		Comm	ission or other appropriate license agency to

and any lienholder upon the property. The Motor Vehicle Division of the Tax Commission or appropriate license agency shall respond in person or by mail to the lien claimant within ten (10) business days of the receipt of the request for information. The Tax Commission shall render assistance to ascertain ownership, if needed. The lien claimant shall send, within seven (7) business days of receipt of the requested information from the Oklahoma Tax Commission or other license agency, a notice of the location of the property by certified mail with return receipt requested, postage prepaid, to the owner and any lienholder of the vehicle at the addresses furnished. The lien claimant may charge Twenty Dollars (\$20.00) not more than Fifty Dollars (\$50.00) for processing plus the cost of postage if the notice is timely sent pursuant to the requirements of this subparagraph in addition to fees regulated by the Oklahoma Corporation Commission for licensed wreckers. If the lien claimant is unable to meet the time requirements due to a lack of or an altered vehicle identification number on the property, the lien claimant shall proceed diligently to obtain the proper vehicle

1	identification number and shall meet the time
2	requirements on the notice once the vehicle
3	identification number is known. If the lien claiman
4	is required to send additional notices because of
5	change of ownership or lienholder after it has timel
6	complied with the requirements of this subparagraph,
7	the lien claimant shall remain in compliance if such
8	additional notices are sent within the required time
9	periods from the date of discovery of the new owners
10	or lienholders. The notice shall be in writing and
11	shall contain, but not be limited to, the following:
12	(1) a statement that the notice is a Notice of
13	Possessory Lien,
14	(2) the complete legal name, physical and mailing
15	address, and telephone number of the claimant,
16	(3) the complete legal name, physical and mailing
17	address of the person who requested that the
18	claimant render service to the owner by
19	furnishing material, labor or skill, storage, o
20	rental space, or the date the property was
21	abandoned if the claimant did not render any
22	other service,
23	(4) a description of the article of personal
24	property, and the complete physical and mailing

1		address of the location of the article of
2		personal property,
3	(5)	the nature of the work, labor or service
4		performed, material furnished, or the storage or
5		rental arrangement, and the date thereof, and
6		written proof of authority to perform the work,
7		labor or service provided that, in the case of a
8		law enforcement directed tow, the logbook entry
9		prescribed in OAC 595:25-5-5 or the tow ticket as
10		defined by the Corporation Commission shall serve
11		as written proof of authority,
12	(6)	the signature of the claimant which shall be
13		notarized and, if applicable, the signature of
14		the claimant's attorney. If the claimant is a
15		business, the name of the contact person
16		representing the business shall be shown. In
17		place of an original signature and notary seal, a
18		digital or electronic signature or seal shall be
19		accepted, and
20	(7)	an itemized statement describing the date or
21		dates the labor or services were performed and
22		material furnished and the charges claimed for
23		each item, the totals of which shall equal the
24		total compensation claimed.

The lien claimant shall not be required to send the notice required in this subparagraph if the property is released to an interested party before the notice is mailed and no additional charges or fees continue to accrue. If a law enforcement agency has the property towed to a law enforcement facility, the person claiming a lien under this section shall not be required to send notice until the property is released by law enforcement to the claimant or the date which claimant starts charging storage, whichever is earlier. A lien claimant shall have an extension of ten (10) business days to send the notice required in this subparagraph if a state of emergency has been declared in the county in which the property is located.

- d. Subparagraphs b and c of this paragraph shall not apply to salvage pools as defined in Section 591.2 of Title 47 of the Oklahoma Statutes.
- 3. The lien may be foreclosed by a sale of such personal property upon the notice and in the manner following: The notice shall be in writing and shall contain, but not be limited to:
 - a. the names of the owner and any other known party or parties who may claim any interest in the property,

1 b. a description of the property to be sold, including a visual inspection or a photograph if the property is a 2 motor vehicle, and the physical location of the 3 4 property, 5 the nature of the work, labor or service performed, material furnished, or the storage or rental 6 arrangement, and the date thereof, and written proof 7 of authority to perform the work, labor or service 8 9 provided. In the case of a law enforcement directed tow, the logbook entry prescribed in OAC 595:25-5-5 or 10 the tow ticket as defined by the Corporation 11 12 Commission, shall serve as written proof of authority, the time and place of sale, d. 13 the name, telephone number, physical address and е. 14 mailing address of the claimant, and agent or 15 attorney, if any, foreclosing such lien. If the 16 claimant is a business, then the name of the contact 17 person representing the business must be shown. 18 place of an original signature and notary seal, a 19 digital or electronic signature or seal shall be 20 accepted, and 21 f. itemized charges which shall equal the total 22

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compensation claimed.

1	4.	a.	Such Notice of Sale shall be posted in two public
2			places in the county where the property is to be sold
3			at least ten (10) days before the time therein
4			specified for such sale, and a copy of the notice
5			shall be mailed to the owner and any other party
6			claiming any interest in the property, if known, at
7			their last-known post office address, by certified
8			mail, return receipt requested, at least ten (10) days
9			before the time therein specified for such sale. If
10			the item of personal property is a manufactured home,
11			notice shall also be sent by certified mail to the
12			county treasurer and to the county assessor of the
13			county where the manufactured home is located.
14		b.	In the case of any item of personal property without a
15			certificate of title and not required to be titled
16			under Oklahoma law, a party who claims any interest in
17			the property shall include all owners of the property;
18			any secured party who has an active financing
19			statement on file with the county clerk of Oklahoma

County listing one or more owners of the property by

description that would include the property; and any

legal name as debtors and indicating a collateral

other person having any interest in the personal

property, of whom the claimant has actual notice.

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1	С.	In the case of personal property subject to this
2		section for which a certificate of title has been
3		issued by any jurisdiction, a party who claims any
4		interest in the property shall include all owners of
5		the article of personal property as indicated by the
6		certificate of title; lien debtors, if any, other than
7		the owners; any lienholder whose lien is noted on the
8		face of the certificate of title; and any other person
9		having any interest in the article of personal
10		property, of whom the claimant has actual notice.
11	d.	When the jurisdiction of titling for a vehicle, all-
12		terrain vehicle, motorcycle, boat, outboard motor, or
13		trailer that is five (5) model years old or newer, or
14		a manufactured home that is fifteen (15) model years
15		old or newer, cannot be determined by ordinary means,

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Oklahoma Tax Commission Motor Vehicle Division is unable to provide the information, it shall provide notice that the record is not available.

When personal property is of a type that Oklahoma law е. requires to be titled, the owner of record of that property is unknown, and the jurisdiction of titling and owner of record cannot be determined by ordinary means and also, if applicable, cannot be determined in accordance with the preceding subparagraph, then the special lien may be foreclosed by publication of a legal notice in a legal newspaper in the county where the personal property is located, as defined in Section 106 of Title 25 of the Oklahoma Statutes. Such notice shall include the description of the property by year, make, vehicle identification number if available from the property, the name of the individual who may be contacted for information, and the telephone number of that person or the address where the vehicle is located. The legal notice shall be published once per week for three (3) consecutive weeks. As soon as circumstances exist as described in the first sentence of this subparagraph, the first date of publication may occur even if the special lien has not accrued for over thirty (30) days. The first

date available for public sale of the vehicle is the day following publication of the final notice, but no fewer than thirty (30) days after the lien has When the owner of record is unknown, the accrued. Notice of Sale nevertheless must be completed and mailed to any known interested party by certified mail. For purposes of this paragraph, interested parties shall include all persons described in subparagraph b or subparagraph c of this paragraph, whichever is applicable, with the exception of any owner who is unknown. Except in circumstances described in paragraph 7 of this subsection that provide for a shorter time period, the Notice of Sale shall be posted in two public places in the county where the property is to be sold at least ten (10) days before the time therein specified for such sale, and the Notice of Sale shall not be mailed until at least thirty (30) days after the lien has accrued.

- 5. The lienor or any other person may in good faith become a purchaser of the property sold.
- 6. Proceedings for foreclosure under this act shall not be commenced until thirty (30) days after the lien has accrued, except as provided elsewhere in Oklahoma law.

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- 1 7. Notwithstanding any other provision of law, proceedings for foreclosures for the storage of junk vehicles towed and stored 2 pursuant to Section 955 of Title 47 of the Oklahoma Statutes by 3 Class AA wreckers listed with the Motor Vehicle Division of the 5 Department of Public Safety, may be commenced five (5) days after the lien has accrued. For purposes of this paragraph, "junk vehicles" means any vehicle that is more than ten (10) years old if the cost of a comparable vehicle would be less than Three Hundred 9 Dollars (\$300.00) as quoted in the latest edition of the National Automobile Dealers Association Official Used Car Guide or latest 10 monthly edition of any other nationally recognized published 11 quidebook, adjusting to the condition of the vehicle. 12
 - B. 1. a. Any person who is induced by means of a check or other form of written order for immediate payment of money to deliver up possession of an article of personal property on which the person has a special lien created by subsection A of this section, which check or other written order is dishonored, or is not paid when presented, shall have a lien for the amount thereof upon the personal property.
 - b. The person claiming such lien shall, within thirty(30) days from the date of dishonor of the check orother written order for payment of money, file in the

(Bold face denotes Committee Amendments)

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1 office of the county clerk of the county in which the 2 property is situated a sworn statement that: (1) the check or other written order for immediate 3 payment of money, copy thereof being attached, 4 5 was received for labor, material or supplies for producing or repairing an article of personal 6 property, or for other specific property-related 7 services covered by this section, 9 (2) the check or other written order was not paid, 10 and the uttering of the check or other written order 11 (3) 12 constituted the means for inducing the person, one possessed of a special lien created by 13 subsection A of this section upon the described 14 article of personal property, to deliver up the 15 article of personal property. 16 2. Any person who renders service to the owner of an 17 a. article of personal property by furnishing storage, 18 rental space, material, labor, or skill for the 19 protection, improvement, safekeeping, towing, right to 20 occupy space, storage, or carriage thereof shall have 21

a special lien on such property pursuant to this

section if such property is removed from the person's

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1 possession, without such person's written consent or 2 without payment for such service. The person claiming such lien shall, within five (5) 3 b. days of such nonauthorized removal, file in the office 4 5 of the county clerk of the county in which the property is located, a sworn statement including: 6 that services were rendered on or in relation to 7 (1)the article of personal property by the person 9 claiming such lien, 10 (2) that the property was in the possession of the person claiming the lien but such property was 11 removed without his or her written consent, 12 13 (3) an identifying description of the article of personal property on or in relation to which the 14 service was rendered, and 15 (4) that the debt for the services rendered on or in 16 relation to the article of personal property was 17 not paid. Provided, if the unpaid total amount 18 of the debt for services rendered on or in 19 relation to the article of personal property is 20 unknown, an approximated amount of the debt due 21 and owing shall be included in the sworn 22 statement but such approximated debt may be 23 amended within thirty (30) days of such filing to

reflect the actual amount of the debt due and owing.

- 3. The enforcement of the lien shall be within sixty (60) days after filing the lien in the manner provided by law for enforcing the lien of a security agreement and provided that the lien shall not affect the rights of innocent, intervening purchasers without notice.
- C. If the person who renders service to the owner of an article of personal property to which this section applies relinquishes or loses possession of the article due to circumstances described in subparagraph a of paragraph 1 or subparagraph a of paragraph 2 of subsection B of this section, the person claiming the lien shall be entitled to possession of the article until the amount due is paid, unless the article is possessed by a person who became a bona fide purchaser. Entitlement to possession shall be in accordance with the following:
- 1. The claimant may take possession of an article pursuant to this subsection only if the person obligated under the contract for services has signed an acknowledgment of receipt of a notice that the article may be subject to repossession. The notice and acknowledgment pursuant to this subsection shall be:
 - in writing and separate from the written contract for services, or

- b. printed on the written contract for services, credit agreement or other document which displays the notice in bold-faced, capitalized and underlined type, or is separated from surrounding written material so as to be conspicuous with a separate signature line;
- 2. The claimant may require the person obligated under the contract for services to pay the costs of repossession as a condition for reclaiming the article only to the extent of the reasonable fair market value of the services required to take possession of the article;
- 3. The claimant shall not transfer to a third party or to a person who performs repossession services, a check, money order, or credit card transaction that is received as payment for services with respect to an article and that is returned to the claimant because of insufficient funds or no funds, because the person writing the check, issuing the money order, or credit cardholder has no account or because the check, money order, or credit card account has been closed. A person violating this paragraph shall be guilty of a misdemeanor; and
- 4. An article that is repossessed pursuant to this subsection shall be promptly delivered to the location where the services were performed. The article shall remain at the services location at all times until the article is lawfully returned to the record owner or a lienholder or is disposed of pursuant to this section.

- D. 1. This section applies if a vehicle, all-terrain vehicle, manufactured home, motorcycle, boat, outboard motor, or trailer has a certificate of title issued by the Tax Commission or by a federally recognized Indian tribe in Oklahoma, but there is no active lien recorded on the certificate of title.
- 2. This section applies if a vehicle, all-terrain vehicle, utility vehicle, motorcycle, boat, outboard motor or trailer has a certificate of title issued by the Tax Commission or by a federally recognized Indian tribe in Oklahoma, and there is an active lien recorded on the certificate of title, but the lien is over fifteen (15) years old.
- 3. This section applies if personal property to which Section 91 of this title otherwise would apply has been registered by the Tax Commission or by a federally recognized Indian tribe in the State of Oklahoma, and there is a lien of record but no certificate of title has been issued.
- 4. This section applies if personal property to which Section 91 of this title otherwise would apply has not been registered by either the Tax Commission or a federally recognized Indian tribe in the State of Oklahoma, and no certificate of title has been issued, but there is a lien of record.
- 5. This section applies to personal property that otherwise would be covered by Section 91 of this title, except that the

- services were rendered or the property was abandoned prior to November 1, 2005.
- 6. This section applies to a vehicle, all-terrain vehicle, utility vehicle, manufactured home, motorcycle, boat, outboard motor, or trailer for which ownership cannot be determined by ordinary means or by the Oklahoma Tax Commission Motor Vehicle Division, as provided in subparagraphs d and e of paragraph 4 of subsection A of this section, as applicable.
- 7. This section applies to items of personal property that are not required by Oklahoma law to be titled, and that do not have a certificate of title.
- 8. This section applies to salvage pools as defined in Section 591.2 of Title 47 of the Oklahoma Statutes.
- 9. This section applies to class AA licensed wrecker services taking possession of a vehicle pursuant to an agreement with, or at the direction of, or dispatched by a state or local law enforcement or government agency, or pursuant to the abandoned vehicle removal provisions of Section 954A of Title 47 of the Oklahoma Statutes with respect to all types of personal property, regardless of whether that personal property has a certificate of title.
- 10. For a vehicle abandoned at a salvage pool, if the cost of repairing the vehicle for safe operation on the highway does not exceed sixty percent (60%) of the fair market value of the vehicle

- 1 as defined in Section 1111 of Title 47 of the Oklahoma Statutes, a 2 salvage title shall not be required.
 - E. A person who knowingly makes a false statement of a material fact regarding the furnishing of storage, rental space, material, labor or skill for the protection, improvement, safekeeping, towing, right to occupy space, storage or carriage thereof in a proceeding under this section, or attempts to use or uses the provisions of this section to foreclose an owner or lienholder's interest in a vehicle knowing that any of the statements made in the proceeding are false, upon conviction, shall be guilty of a felony.
 - F. Upon receipt of notice of legal proceedings, the Tax

 Commission shall cause the sale process to be put on hold until

 notice of resolution of court proceedings is received from the

 court. If such notice of commencement of court proceedings is not

 filed with the Tax Commission, the possessory lien sale process may

 continue.
 - G. No possessory lien sale shall be held on a Sunday.
 - H. For purposes of this section:
 - 1. "Possession" includes actual possession and constructive possession;
- 2. "Constructive possession" means possession by a person who,
 although not in actual possession, does not have an intention to
 abandon property, knowingly has both power and the intention at a

- given time to exercise dominion or control over the property, and who holds claim to such thing by virtue of some legal right;
- 3. "Lawfully in possession" means a person has documentation from the owner or the owner's authorized agent, or an insurance company or its authorized agent, authorizing the furnishing of material, labor or storage, or that the property was authorized to be towed to a repair facility.

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

- 4. "Itemized charges" means total parts, total labor, total towing fees, total storage fees, total processing fees and totals of any other fee groups, the sum total of which shall equal the compensation claimed.
- I. For purposes of this section, the United States Postal
 Service approved electronic equivalent of proof of return receipt
 requested Form 3811 shall satisfy return receipt requested
 documentation requirements.

- J. If a person claiming a special lien pursuant to this section fails to comply with any of the requirements of this section, any interested party may proceed against the person claiming such lien for all damages arising therefrom, including conversion, if the article of personal property has been sold. If the notice or notices required by this section shall be shown to be knowingly false or fraudulent, the interested party shall be entitled to treble damages. The prevailing party shall be entitled to all costs, including reasonable attorney fees.
- K. Any interested party shall be permitted to visually inspect and verify the services rendered by the claimant prior to the sale of the article of property during normal business hours. If the claimant fails to allow any interested party to inspect the property, the interested party shall mail a request for inspection by certified mail, return receipt requested, to the claimant. Within three (3) business days of receipt of the request for inspection, the claimant shall mail a photograph of the property, by certified mail, return receipt requested, and a date of inspection within five (5) business days from the date of the notice to inspect. The lienholder shall be allowed to retrieve the property without being required to bring the title into the lienholder's name, if the lienholder provides proof it is a lienholder and any payment due the claimant for lawful charges where the claimant has complied with this section. Upon the release of personal property

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1	to an insurer or representative of the insurer, wrecker operators
2	shall be exempt from all liability and shall be held harmless for
3	any losses or claims of loss. In the event any law enforcement
4	agency places a hold on the property, the party wanting to inspect
5	or photograph the property shall obtain permission from the law
6	enforcement agency that placed the hold on the property before
7	inspecting or photographing.
8	L. This section shall apply to all actions or proceedings that
9	commence on or after the effective date of this act August 22, 2014.
10	SECTION 2. This act shall become effective November 1, 2023.
11	COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY February 7, 2023 - DO PASS
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