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

1		(1)	does not have a certificate of title,
2		(2)	has a certificate of title but does not have an
3			active lien recorded on the certificate of title,
4		(3)	has a certificate of title that is not issued by
5			the Oklahoma Tax Commission or by a federally
6			recognized Indian tribe in the State of Oklahoma,
7			or
8		(4)	is otherwise excluded by subparagraph b of
9			paragraph 1 of subsection A of Section 91 of this
10			title or subsection D of Section 91 of this
11			title.
12	c.	If p	ersonal property has a certificate of title, or
13		woul	d be required to have a certificate of title under
14		Okla	homa law, and is apparently covered both by this
15		sect	ion and by Sections 191 through 200 of this title,
16		the	procedures set out in this section shall apply
17		inst	ead of Sections 191 through 200 of this title. If
18		pers	onal property without a certificate of title and
19		not	required to be titled under Oklahoma law is
20		cove	red both by this section and Sections 191 through
21		200	of this title, the procedures set out in Sections
22		191	through 200 of this title shall apply instead of
23		this	section.

1 2. Any person who, while lawfully in possession of an a. article of personal property to which this section 2 applies, renders any service to the owner thereof by 3 furnishing storage, rental space, material, labor or 4 5 skill for the protection, improvement, safekeeping, towing, right to occupy space, storage or carriage 6 thereof, has a special lien thereon, dependent on 7 possession, for the compensation, if any, which is due 8 9 to such person from the owner for such service. Charges owed under a contract primarily for the 10 purpose of storage or rental of space shall be accrued 11 12 only at the regular periodic rate for storage or rental as provided in the contract, adjusted for 13 partial periods of storage or rental. 14

b. Except for Class AA licensed wrecker towing charges, 15 the special lien shall be subordinate to any perfected 16 security interest unless the claimant complies with 17 the requirements of this section. Failure to comply 18 with any requirements of this section shall result in 19 denial of any title application and cause the special 20 lien to be subordinate to any perfected lien. Upon 21 such denial, the applicant shall be entitled to one 22 resubmission of the title application within thirty 23 (30) business days of receipt of the denial, and 24

ENGR. S. B. NO. 566

proceed to comply with the requirements of this section. "Failure to comply" includes, but is not limited to:

- (1) failure to timely provide additional documentation supporting or verifying any entry on submitted forms as requested by the Tax Commission,
 - (2) failure to provide the documentation supporting lawful possession as outlined in paragraph 3 of subsection H of this section,
 - (3) claimant being other than the individual who provided the service giving rise to the special lien, as in subparagraph a of this paragraph,
- 14 (4) claimant not being in possession of the vehicle,15 or
- 16 (5) notification and proceedings not accomplished in
 17 accordance with subparagraph c of this paragraph,
 18 and paragraph 3 of this subsection.
- c. Any person claiming a lien under this section shall
 request, within five (5) business days of performing
 any service or work on the property, the Tax
 Commission or other appropriate license agency to
 furnish the name and address of the current owner of
 and any lienholder upon the property. The Motor

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1 Vehicle Division of the Tax Commission or appropriate 2 license agency shall respond in person or by mail to the lien claimant within ten (10) business days of the 3 receipt of the request for information. 4 The Tax 5 Commission shall render assistance to ascertain ownership, if needed. The lien claimant shall send, 6 within seven (7) business days of receipt of the 7 requested information from the Oklahoma Tax Commission 8 9 or other license agency, a notice of the location of 10 the property by certified mail with return receipt requested, postage prepaid, to the owner and any 11 lienholder of the vehicle at the addresses furnished. 12 13 The lien claimant may charge Twenty Dollars (\$20.00) not more than Fifty Dollars (\$50.00) for processing 14 plus the cost of postage if the notice is timely sent 15 pursuant to the requirements of this subparagraph in 16 addition to fees regulated by the Oklahoma Corporation 17 Commission for licensed wreckers. If the lien 18 claimant is unable to meet the time requirements due 19 to a lack of or an altered vehicle identification 20 number on the property, the lien claimant shall 21 proceed diligently to obtain the proper vehicle 22 identification number and shall meet the time 23 requirements on the notice once the vehicle 24

identification number is known. If the lien claimant is required to send additional notices because of change of ownership or lienholder after it has timely complied with the requirements of this subparagraph, the lien claimant shall remain in compliance if such additional notices are sent within the required time periods from the date of discovery of the new owners or lienholders. The notice shall be in writing and shall contain, but not be limited to, the following: a statement that the notice is a Notice of (1)Possessory Lien, (2) the complete legal name, physical and mailing address, and telephone number of the claimant, the complete legal name, physical and mailing (3) address of the person who requested that the claimant render service to the owner by furnishing material, labor or skill, storage, or rental space, or the date the property was abandoned if the claimant did not render any other service,

(4) a description of the article of personal
property, and the complete physical and mailing
address of the location of the article of
personal property,

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1 (5) the nature of the work, labor or service performed, material furnished, or the storage or 2 3 rental arrangement, and the date thereof, and written proof of authority to perform the work, 4 5 labor or service provided that, in the case of a law enforcement directed tow, the logbook entry 6 prescribed in OAC 595:25-5-5 or the tow ticket as 7 defined by the Corporation Commission shall serve 8 9 as written proof of authority,

- (6) the signature of the claimant which shall be 10 notarized and, if applicable, the signature of 11 12 the claimant's attorney. If the claimant is a 13 business, the name of the contact person representing the business shall be shown. In 14 place of an original signature and notary seal, a 15 digital or electronic signature or seal shall be 16 17 accepted, and
- 18 (7) an itemized statement describing the date or 19 dates the labor or services were performed and 20 material furnished and the charges claimed for 21 each item, the totals of which shall equal the 22 total compensation claimed.

The lien claimant shall not be required to send the notice required in this subparagraph if the property

1 is released to an interested party before the notice 2 is mailed and no additional charges or fees continue to accrue. If a law enforcement agency has the 3 property towed to a law enforcement facility, the 4 5 person claiming a lien under this section shall not be required to send notice until the property is released 6 by law enforcement to the claimant or the date which 7 claimant starts charging storage, whichever is 8 earlier. A lien claimant shall have an extension of 9 10 ten (10) business days to send the notice required in this subparagraph if a state of emergency has been 11 12 declared in the county in which the property is located. 13

14 d. Subparagraphs b and c of this paragraph shall not
15 apply to salvage pools as defined in Section 591.2 of
16 Title 47 of the Oklahoma Statutes.

3. The lien may be foreclosed by a sale of such personal 17 property upon the notice and in the manner following: 18 The notice shall be in writing and shall contain, but not be limited to: 19 the names of the owner and any other known party or 20 a. parties who may claim any interest in the property, 21 b. a description of the property to be sold, including a 22 visual inspection or a photograph if the property is a 23

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motor vehicle, and the physical location of the property,

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

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1 specified for such sale, and a copy of the notice shall be mailed to the owner and any other party 2 claiming any interest in the property, if known, at 3 their last-known post office address, by certified 4 5 mail, return receipt requested, at least ten (10) days before the time therein specified for such sale. 6 If the item of personal property is a manufactured home, 7 notice shall also be sent by certified mail to the 8 9 county treasurer and to the county assessor of the county where the manufactured home is located. 10 In the case of any item of personal property without a 11 b. certificate of title and not required to be titled 12 under Oklahoma law, a party who claims any interest in 13 the property shall include all owners of the property; 14 any secured party who has an active financing 15 statement on file with the county clerk of Oklahoma 16 County listing one or more owners of the property by 17 legal name as debtors and indicating a collateral 18 description that would include the property; and any 19 other person having any interest in the personal 20 property, of whom the claimant has actual notice. 21 In the case of personal property subject to this 22 с. section for which a certificate of title has been 23 issued by any jurisdiction, a party who claims any 24

1 interest in the property shall include all owners of 2 the article of personal property as indicated by the certificate of title; lien debtors, if any, other than 3 the owners; any lienholder whose lien is noted on the 4 5 face of the certificate of title; and any other person having any interest in the article of personal 6 property, of whom the claimant has actual notice. 7 d. When the jurisdiction of titling for a vehicle, all-8 9 terrain vehicle, motorcycle, boat, outboard motor, or trailer that is five (5) model years old or newer, or 10 a manufactured home that is fifteen (15) model years 11 12 old or newer, cannot be determined by ordinary means, the claimant, the agent of the claimant, or the 13 attorney of the claimant, shall request, in writing, 14 that the Oklahoma Tax Commission Motor Vehicle 15 Division ascertain the jurisdiction where the vehicle 16 or manufactured home is titled. The Oklahoma Tax 17 Commission Motor Vehicle Division shall, within 18 fourteen (14) days from the date the request is 19 received, provide information as to the jurisdiction 20 where the personal property is titled. If the 21 Oklahoma Tax Commission Motor Vehicle Division is 22 unable to provide the information, it shall provide 23 notice that the record is not available. 24

1 When personal property is of a type that Oklahoma law e. requires to be titled, the owner of record of that 2 property is unknown, and the jurisdiction of titling 3 and owner of record cannot be determined by ordinary 4 5 means and also, if applicable, cannot be determined in accordance with the preceding subparagraph, then the 6 special lien may be foreclosed by publication of a 7 legal notice in a legal newspaper in the county where 8 9 the personal property is located, as defined in Section 106 of Title 25 of the Oklahoma Statutes. 10 Such notice shall include the description of the 11 12 property by year, make, vehicle identification number if available from the property, the name of the 13 individual who may be contacted for information, and 14 the telephone number of that person or the address 15 where the vehicle is located. The legal notice shall 16 be published once per week for three (3) consecutive 17 weeks. As soon as circumstances exist as described in 18 the first sentence of this subparagraph, the first 19 date of publication may occur even if the special lien 20 has not accrued for over thirty (30) days. The first 21 date available for public sale of the vehicle is the 22 day following publication of the final notice, but no 23 fewer than thirty (30) days after the lien has 24

1 accrued. When the owner of record is unknown, the 2 Notice of Sale nevertheless must be completed and mailed to any known interested party by certified 3 mail. For purposes of this paragraph, interested 4 5 parties shall include all persons described in subparagraph b or subparagraph c of this paragraph, 6 whichever is applicable, with the exception of any 7 owner who is unknown. Except in circumstances 8 9 described in paragraph 7 of this subsection that provide for a shorter time period, the Notice of Sale 10 shall be posted in two public places in the county 11 12 where the property is to be sold at least ten (10) days before the time therein specified for such sale, 13 and the Notice of Sale shall not be mailed until at 14 least thirty (30) days after the lien has accrued. 15

16 5. The lienor or any other person may in good faith become a17 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.

7. Notwithstanding any other provision of law, proceedings for
foreclosures for the storage of junk vehicles towed and stored
pursuant to Section 955 of Title 47 of the Oklahoma Statutes by
Class AA wreckers listed with the Motor Vehicle Division of the

ENGR. S. B. NO. 566

1 Department of Public Safety, may be commenced five (5) days after the lien has accrued. For purposes of this paragraph, "junk 2 vehicles" means any vehicle that is more than ten (10) years old if 3 the cost of a comparable vehicle would be less than Three Hundred 4 5 Dollars (\$300.00) as quoted in the latest edition of the National Automobile Dealers Association Official Used Car Guide or latest 6 monthly edition of any other nationally recognized published 7 guidebook, adjusting to the condition of the vehicle. 8

9 B. 1. a. Any person who is induced by means of a check or other form of written order for immediate payment of money 10 to deliver up possession of an article of personal 11 12 property on which the person has a special lien created by subsection A of this section, which check 13 or other written order is dishonored, or is not paid 14 when presented, shall have a lien for the amount 15 thereof upon the personal property. 16

b. The person claiming such lien shall, within thirty
(30) days from the date of dishonor of the check or
other written order for payment of money, file in the
office of the county clerk of the county in which the
property is situated a sworn statement that:
(1) the check or other written order for immediate

(1) the check or other written order for immediate
 payment of money, copy thereof being attached,
 was received for labor, material or supplies for

1producing or repairing an article of personal2property, or for other specific property-related3services covered by this section,

- (2) the check or other written order was not paid, and
- 6 (3) the uttering of the check or other written order
 7 constituted the means for inducing the person,
 8 one possessed of a special lien created by
 9 subsection A of this section upon the described
 10 article of personal property, to deliver up the
 11 article of personal property.
- Any person who renders service to the owner of an 12 2. a. article of personal property by furnishing storage, 13 rental space, material, labor, or skill for the 14 protection, improvement, safekeeping, towing, right to 15 occupy space, storage, or carriage thereof shall have 16 a special lien on such property pursuant to this 17 section if such property is removed from the person's 18 possession, without such person's written consent or 19 without payment for such service. 20
- b. The person claiming such lien shall, within five (5)
 days of such nonauthorized removal, file in the office
 of the county clerk of the county in which the
 property is located, a sworn statement including:

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- (1) that services were rendered on or in relation to
 the article of personal property by the person
 claiming such lien,
 - (2) that the property was in the possession of the person claiming the lien but such property was removed without his or her written consent,
 - (3) an identifying description of the article of personal property on or in relation to which the service was rendered, and
- that the debt for the services rendered on or in 10 (4) relation to the article of personal property was 11 not paid. Provided, if the unpaid total amount 12 13 of the debt for services rendered on or in relation to the article of personal property is 14 unknown, an approximated amount of the debt due 15 and owing shall be included in the sworn 16 17 statement but such approximated debt may be amended within thirty (30) days of such filing to 18 reflect the actual amount of the debt due and 19 owing. 20

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

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1 not affect the rights of innocent, intervening purchasers without
2 notice.

С. If the person who renders service to the owner of an article 3 of personal property to which this section applies relinquishes or 4 5 loses possession of the article due to circumstances described in subparagraph a of paragraph 1 or subparagraph a of paragraph 2 of 6 subsection B of this section, the person claiming the lien shall be 7 entitled to possession of the article until the amount due is paid, 8 9 unless the article is possessed by a person who became a bona fide purchaser. Entitlement to possession shall be in accordance with 10 the following: 11

12 1. The claimant may take possession of an article pursuant to 13 this subsection only if the person obligated under the contract for 14 services has signed an acknowledgment of receipt of a notice that 15 the article may be subject to repossession. The notice and 16 acknowledgment pursuant to this subsection shall be:

17 a. 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;

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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;

The claimant shall not transfer to a third party or to a 6 3. person who performs repossession services, a check, money order, or 7 credit card transaction that is received as payment for services 8 9 with respect to an article and that is returned to the claimant because of insufficient funds or no funds, because the person 10 writing the check, issuing the money order, or credit cardholder has 11 12 no account or because the check, money order, or credit card account has been closed. A person violating this paragraph shall be guilty 13 of a misdemeanor; and 14

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.

ENGR. S. B. NO. 566

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.

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.

Chis 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.

3 7. This section applies to items of personal property that are 4 not required by Oklahoma law to be titled, and that do not have a 5 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.

15 10. For a vehicle abandoned at a salvage pool, if the cost of 16 repairing the vehicle for safe operation on the highway does not 17 exceed sixty percent (60%) of the fair market value of the vehicle 18 as defined in Section 1111 of Title 47 of the Oklahoma Statutes, a 19 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

ENGR. S. B. NO. 566

1 this section to foreclose an owner or lienholder's interest in a
2 vehicle knowing that any of the statements made in the proceeding
3 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.

10 G. No possessory lien sale shall be held on a Sunday.

11 H. For purposes of this section:

12 1. "Possession" includes actual possession and constructive 13 possession;

14 2. "Constructive possession" means possession by a person who, 15 although not in actual possession, does not have an intention to 16 abandon property, knowingly has both power and the intention at a 17 given time to exercise dominion or control over the property, and 18 who holds claim to such thing by virtue of some legal right;

19 3. "Lawfully in possession" means a person has documentation 20 from the owner or the owner's authorized agent, or an insurance 21 company or its authorized agent, authorizing the furnishing of 22 material, labor or storage, or that the property was authorized to 23 be towed to a repair facility.

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ENGR. S. B. NO. 566

1 Class AA wrecker services taking possession of a vehicle 2 pursuant to an agreement with, or at the direction of, or dispatched by, a state or local law enforcement or government agency, or 3 pursuant to the abandoned vehicle removal provisions of Section 954A 4 5 of Title 47 of the Oklahoma Statutes, shall be considered lawfully in possession of the vehicle. If the person lacks such 6 documentation, the procedures established by this section shall not 7 apply; and 8

9 4. "Itemized charges" means total parts, total labor, total 10 towing fees, total storage fees, total processing fees and totals of 11 any other fee groups, the sum total of which shall equal the 12 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

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ENGR. S. B. NO. 566

treble damages. The prevailing party shall be entitled to all
 costs, including reasonable attorney fees.

Any interested party shall be permitted to visually inspect 3 Κ. and verify the services rendered by the claimant prior to the sale 4 5 of the article of property during normal business hours. If the claimant fails to allow any interested party to inspect the 6 property, the interested party shall mail a request for inspection 7 by certified mail, return receipt requested, to the claimant. 8 9 Within three (3) business days of receipt of the request for 10 inspection, the claimant shall mail a photograph of the property, by certified mail, return receipt requested, and a date of inspection 11 12 within five (5) business days from the date of the notice to inspect. The lienholder shall be allowed to retrieve the property 13 without being required to bring the title into the lienholder's 14 name, if the lienholder provides proof it is a lienholder and any 15 payment due the claimant for lawful charges where the claimant has 16 complied with this section. Upon the release of personal property 17 to an insurer or representative of the insurer, wrecker operators 18 shall be exempt from all liability and shall be held harmless for 19 any losses or claims of loss. In the event any law enforcement 20 agency places a hold on the property, the party wanting to inspect 21 or photograph the property shall obtain permission from the law 22 enforcement agency that placed the hold on the property before 23 inspecting or photographing. 24

1	L. This section shall apply to all actions or proceedings that
2	commence on or after the effective date of this act August 22, 2014.
3	SECTION 2. This act shall become effective November 1, 2023.
4	Passed the Senate the 14th day of February, 2023.
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6	Presiding Officer of the Senate
7	riesiding officer of the senate
8	Passed the House of Representatives the day of,
9	2023.
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11	Presiding Officer of the House
12	of Representatives
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