

HOUSE AMENDMENTS TO HOUSE BILL 4035

By COMMITTEE ON BUSINESS AND LABOR

February 9

1 On page 1 of the printed bill, line 4, delete “and 79.0619” and insert “, 79.0619, 803.030 and
2 803.097”.

3 On page 26, delete lines 41 through 45 and delete pages 27 through 30 and insert:

4 **“SECTION 20. Section 21 of this 2012 Act is added to and made a part of the Oregon
5 Vehicle Code.**

6 **“SECTION 21. ‘Special mobile equipment’ means a vehicle that is not designed primarily
7 to transport persons or property, that is operated on a highway only incidentally and that
8 is used primarily on a farm, for timber production and harvest, for construction work or for
9 lawn and grounds care.**

10 **“SECTION 22.** ORS 803.030 is amended to read:

11 “803.030. This section establishes exemptions from the requirements under ORS 803.025 to obtain
12 title issued by this state. The exemptions are subject to ORS 803.040. The exemptions are in addition
13 to any exemptions under ORS 801.026. Vehicles exempted by this section from the requirements to
14 be titled by this state are not prohibited from being titled by this state if titling is permitted under
15 ORS 803.035. The exemptions are partial or complete as provided in the following:

16 “(1) Title from this state is not required for a vehicle unless the vehicle is operated on a high-
17 way in this state.

18 “(2) Title from this state is not required unless a vehicle is operated under a registration number
19 of this state.

20 “(3) Snowmobiles and Class I, Class III and Class IV all-terrain vehicles are not subject to the
21 requirements under ORS 803.025. The requirements and procedures for titling snowmobiles are as
22 provided under ORS 821.060 and 821.070.

23 “(4) Road rollers, farm tractors and traction engines are exempt from the requirements for title.

24 “(5) Trolleys are exempt from the requirements for title.

25 “(6) Bicycles are exempt from the requirements for title.

26 “(7) United States Government owned and operated motor vehicles and trailers are exempt from
27 the requirements for title.

28 “(8) Implements of husbandry, well drilling machinery, emergency fire apparatus providing pub-
29 lic fire protection and wheelchairs are exempt from the requirements for title.

30 “(9) Except as provided in subsection (23) of this section, fixed load vehicles are exempt from
31 the requirements for title while operated within the immediate construction project, as described in
32 the governmental agency contract, in the construction or reconstruction of state or county roads,
33 highways or city streets.

34 “(10) Motor vehicles designed to operate at a loaded weight over 8,000 pounds, trailers and
35 equipment are exempt from requirements for title while:

1 “(a) Owned, leased, contracted or requisitioned by the State Forester, State Board of Forestry,
2 their contractors under ORS chapter 477, or the federal government; and

3 “(b) Being used for the purposes of forest protection and fire suppression under ORS chapter
4 477 or a similar federal statute, including movement of the vehicles to and from the work area.

5 “(11) Farm trailers are exempt from requirements for title when the operation or movement of
6 the vehicle upon the highways is incidental to its use in an agricultural operation.

7 “(12) Golf carts operated under an ordinance adopted under ORS 810.070 are exempt from re-
8 quirements for title.

9 “(13) Golf carts or similar vehicles are exempt from requirements for title when:

10 “(a) They have not less than three wheels in contact with the ground;

11 “(b) They have an unloaded weight of less than 1,300 pounds;

12 “(c) They are designed to be and are operated at not more than 15 miles per hour; and

13 “(d) They are operated by persons with disabilities.

14 “(14) The nonresident owners of vehicles currently registered and titled in any other country,
15 state or territory may operate such vehicles over the highways of this state without complying with
16 the titling requirements under ORS 803.025. All of the following apply to this subsection:

17 “(a) This subsection only provides an exemption so long as the owner satisfactorily shows that
18 the owner is not a resident of this state or has been a resident of this state for less than 30 days.
19 For the purpose of this paragraph, a person is a resident of this state if the person meets the resi-
20 dency requirements described in ORS 803.200.

21 “(b) The exemption under this subsection applies to vehicles granted exemptions under ORS
22 802.500, 802.520 or 826.005, unless otherwise provided under paragraph (c) of this subsection.

23 “(c) Except as otherwise provided in this paragraph, a vehicle operated over the highways of
24 this state for compensation or profit must comply with the titling requirements under ORS 803.025
25 in the same manner as required of nontitled vehicles. The following vehicles are not subject to this
26 paragraph:

27 “(A) Vehicles operated under reciprocal registration exemptions established under ORS 802.500
28 or 826.005.

29 “(B) Vehicles operated under an exemption established under ORS 802.520.

30 “(C) Vehicles that are proportionally registered under an agreement established under ORS
31 826.007, and according to the procedures established under ORS 826.009 or 826.011.

32 “(D) Any vehicle if duly registered and titled under the laws of the state or country of which
33 the owner is a bona fide resident to the extent that in the foreign country, state, territory or federal
34 district where the owner resides like exemptions and privileges are granted vehicles duly registered
35 and titled under the laws of this state and owned by residents of this state.

36 “(d) If no exemptions from titling requirements are in effect under ORS 802.500, 802.520, 826.005
37 or 826.007 with respect to another jurisdiction, any vehicle properly registered and titled in such
38 other jurisdiction and for which evidence of compliance is supplied shall receive, when operated in
39 this state, the same exemptions, benefits and privileges granted by such other jurisdictions to vehi-
40 cles properly registered and titled in this state. Reciprocity extended under this paragraph shall
41 apply to commercial vehicles only when engaged exclusively in interstate commerce.

42 “(e) Any vehicle operated under dealer registration plates issued by another state, country,
43 province, territory or the District of Columbia is subject to this subsection.

44 “(15) Vehicle dealers issued certificates under ORS 822.020 may use and operate untitled vehi-
45 cles as provided under ORS 822.040.

1 “(16) Towing businesses issued certificates under ORS 822.205 may tow untitled vehicles as
2 provided under ORS 822.210.

3 “(17) Vehicle transporters issued certificates under ORS 822.310 may transport untitled vehicles
4 as provided in ORS 822.310.

5 “(18) Untitled vehicles may be operated under trip permits described under ORS 803.600 or un-
6 der permits described under ORS 803.610 to 803.625.

7 “(19) Vehicles that are registered by the United States Department of State and that are owned
8 or operated by foreign nationals with diplomatic immunity are exempt from the requirements for
9 title.

10 “(20)(a) Vehicles that are registered under the proportional registration provisions of ORS
11 chapter 826 and are titled in a jurisdiction other than Oregon are exempt from the requirements for
12 title.

13 “(b) A trailer that is registered under the proportional registration provisions of ORS chapter
14 826 and titled in a jurisdiction other than Oregon shall remain exempt from the requirements for
15 title in Oregon if the trailer is registered when the other jurisdiction removes its exception to pro-
16 portional registration requirements for the trailer.

17 “(21) Converter dollies and tow dollies are exempt from the requirements for title.

18 “(22) Electric personal assistive mobility devices are exempt from the requirements for title.

19 “(23) Road machinery that is operated at the direction of a road authority is exempt from the
20 requirements for title. The exemption under this subsection also applies when the operation of road
21 machinery upon a highway or an alley is incidental to its use in a highway maintenance operation.

22 “(24) **Special mobile equipment is exempt from the requirements for title.**

23 “**SECTION 23.** ORS 803.097 is amended to read:

24 “803.097. (1) Except as provided in subsection (5) of this section, the exclusive means for per-
25 fecting a security interest in a vehicle is by application for notation of the security interest on the
26 title in accordance with this section. The application may accompany the application for a title or
27 may be made separately at any time prior to issuance of title and must be accompanied by evidence
28 of ownership as defined by the Department of Transportation by rule unless the department is in
29 possession of evidence of ownership when it receives the application. If title to the vehicle has been
30 issued in a form other than a certificate, and the title reflects a security interest, the application
31 for perfection shall include authorization from the previous security interest holder for the new se-
32 curity interest to be recorded on the title. Authorization under this subsection is not required if:

33 “(a) A release of interest is submitted by the prior security interest holder or the department
34 is otherwise satisfied that the prior holder no longer holds an interest or is otherwise not entitled
35 to title to the vehicle;

36 “(b) The security interest is being added to the title in conjunction with the cancellation of
37 previous title or other action the department takes to correct ownership information reflected on a
38 title; or

39 “(c) Title is being transferred by operation of law.

40 “(2) When the department processes an application for a security interest the department shall
41 mark on the application or otherwise indicate on the record the date the application was first re-
42 ceived by the department. The department shall determine by rule what constitutes receipt of an
43 application for purposes of this subsection.

44 “(3) If the department has the evidence required by subsection (1) of this section and if the ap-
45 plication contains the name of each owner of the vehicle, the name and address of the secured party

1 and the vehicle identification number of the collateral, the security interest is perfected as of the
2 date marked on the application or indicated in the record by the department. If the application does
3 not contain the information required by this subsection, or if the department does not have the re-
4 quired evidence, the department shall indicate on the application or on the record that the date
5 placed on the application or the record pursuant to subsection (2) of this section is not the date of
6 perfection of the security interest.

7 “(4) The security interest remains effective until released or terminated by the secured party.

8 “(5) A security interest in a vehicle may not be perfected as described under this section but is
9 subject to the perfection provisions under ORS chapter 79 if:

10 “(a) The debtor who granted the security interest is in the business of selling vehicles and the
11 vehicle constitutes inventory held for sale or lease[.]; or

12 “(b) **The vehicle is exempt from titling requirements under ORS 803.030.**

13 “**SECTION 24. (1) Except as otherwise provided in sections 21 and 24 to 31 of this 2012**
14 **Act, the amendments to statutes by sections 1 to 19, 22 and 23 of this 2012 Act apply to a**
15 **transaction or lien within the scope of ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316,**
16 **79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521,**
17 **79.0607, 79.0619, 803.030 and 803.097, as amended by sections 1 to 19, 22 and 23 of this 2012**
18 **Act, even if the transaction or lien was entered into or created before the operative date**
19 **specified in section 32 of this 2012 Act.**

20 “(2) **The amendments to statutes by sections 1 to 19, 22 and 23 of this 2012 Act do not**
21 **affect an action, case or proceeding commenced before the operative date specified in section**
22 **32 of this 2012 Act.**

23 “**SECTION 25. (1) A security interest that is a perfected security interest immediately**
24 **before the operative date specified in section 32 of this 2012 Act is a perfected security in-**
25 **terest under section 21 of this 2012 Act and under ORS 79.0102, 79.0105, 79.0208, 79.0307,**
26 **79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516,**
27 **79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097, as amended by sections 1 to 19, 22 and**
28 **23 of this 2012 Act, if after the operative date specified in section 32 of this 2012 Act the ap-**
29 **licable requirements for attachment and perfection under the amendments to statutes by**
30 **sections 1 to 19, 22 and 23 of this 2012 Act are satisfied without further action.**

31 “(2) **Except as otherwise provided in section 27 of this 2012 Act, if immediately before the**
32 **operative date specified in section 32 of this 2012 Act a security interest is a perfected se-**
33 **curity interest but the applicable requirements for perfection under the amendments to**
34 **statutes by sections 1 to 19, 22 and 23 of this 2012 Act are not satisfied on or before the op-**
35 **erative date specified in section 32 of this 2012 Act, the security interest remains perfected**
36 **thereafter only if the applicable requirements for perfection under the amendments to stat-**
37 **utes by sections 1 to 19, 22 and 23 of this 2012 Act are satisfied within one year after the**
38 **operative date specified in section 32 of this 2012 Act.**

39 “**SECTION 26. A security interest that is an unperfected security interest immediately**
40 **before the operative date specified in section 32 of this 2012 Act becomes a perfected security**
41 **interest:**

42 “(1) **Without further action on or after the operative date specified in section 32 of this**
43 **2012 Act if the applicable requirements for perfection under the amendments to statutes by**
44 **sections 1 to 19, 22 and 23 of this 2012 Act are satisfied before or at that time; or**

45 “(2) **When the applicable requirements for perfection are satisfied if the requirements**

1 are satisfied after that time.

2 **“SECTION 27. (1) The filing of a financing statement before the operative date specified**
3 **in section 32 of this 2012 Act is effective to perfect a security interest to the extent that the**
4 **filing would satisfy the applicable requirements for perfection under the amendments to**
5 **statutes by sections 1 to 19, 22 and 23 of this 2012 Act.**

6 **“(2) The amendments to statutes by sections 1 to 19, 22 and 23 of this 2012 Act do not**
7 **render ineffective an effective financing statement that, before the operative date specified**
8 **in section 32 of this 2012 Act, is filed and satisfies the applicable requirements for perfection**
9 **under the law of jurisdiction governing perfection as provided in ORS 79.0102, 79.0105, 79.0208,**
10 **79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515,**
11 **79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097 as those statutes existed before**
12 **the operative date specified in section 32 of this 2012 Act. However, except as otherwise**
13 **provided in subsections (3) and (4) of this section and in section 28 of this 2012 Act, the fi-**
14 **naning statement ceases to be effective:**

15 **“(a) If the financing statement is filed in this state, at the time the financing statement**
16 **would have ceased to be effective had section 21 of this 2012 Act and the amendments to ORS**
17 **79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408,**
18 **79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097 by**
19 **sections 1 to 19, 22 and 23 of this 2012 Act not become operative; or**

20 **“(b) If the financing statement is filed in another jurisdiction, at the earlier of:**

21 **“(A) The time the financing statement would have ceased to be effective under the law**
22 **of the other jurisdiction; or**

23 **“(B) June 30, 2018.**

24 **“(3) The filing of a continuation statement after the operative date specified in section**
25 **32 of this 2012 Act does not continue the effectiveness of a financing statement filed before**
26 **the operative date specified in section 32 of this 2012 Act. However, upon the timely filing**
27 **of a continuation statement after the operative date specified in section 32 of this 2012 Act**
28 **and in accordance with the law of the jurisdiction governing perfection as provided in the**
29 **amendments to statutes by sections 1 to 19, 22 and 23 of this 2012 Act, the effectiveness of**
30 **a financing statement filed in the same office in the jurisdiction before the operative date**
31 **specified in section 32 of this 2012 Act continues for the period provided by the law of the**
32 **jurisdiction.**

33 **“(4) Subsection (2)(b)(B) of this section applies to a financing statement that, before the**
34 **operative date specified in section 32 of this 2012 Act, is filed against a transmitting utility**
35 **and satisfies the applicable requirements for perfection under the law of the jurisdiction**
36 **governing perfection as provided in ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316,**
37 **79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521,**
38 **79.0607, 79.0619, 803.030 and 803.097, as those statutes existed before the operative date spec-**
39 **ified in section 32 of this 2012 Act, only to the extent that the amendments to statutes by**
40 **sections 1 to 19, 22 and 23 of this 2012 Act provide that the law of a jurisdiction other than**
41 **the jurisdiction in which the financing statement is filed governs perfection of a security**
42 **interest in collateral covered by the financing statement.**

43 **“(5) A financing statement that includes a financing statement filed before the operative**
44 **date specified in section 32 of this 2012 Act and a continuation statement filed before the**
45 **operative date specified in section 32 of this 2012 Act is effective only to the extent that the**

1 financing statement satisfies the requirements of ORS 79.0503, 79.0515, 79.0516, 79.0518 and
2 79.0521, as amended by sections 12, 14, 15, 16 and 17 of this 2012 Act, for an initial filing
3 statement. A financing statement that indicates that the debtor is a decedent's estate indi-
4 cates that the collateral is being administered by a personal representative within the
5 meaning of ORS 79.0503 (1)(b), as amended by section 12 of this 2012 Act. A financing state-
6 ment that indicates that the debtor is a trust or is a trustee acting with respect to property
7 held in trust indicates that the collateral is held in a trust within the meaning of ORS 79.0503
8 (1)(c), as amended by section 12 of this 2012 Act.

9 **SECTION 28.** (1) The filing of an initial filing statement in the office specified in ORS
10 79.0501 continues the effectiveness of a financing statement filed before the operative date
11 specified in section 32 of this 2012 Act if:

12 **“(a) The filing of an initial financing statement in the office would be effective to perfect**
13 **a security interest under the amendments to statutes by sections 1 to 19, 22 and 23 of this**
14 **2012 Act;**

15 **“(b) The financing statement filed before the operative date specified in section 32 of this**
16 **2012 Act was filed in an office in another state; and**

17 **“(c) The initial financing statement satisfies the provisions of subsection (3) of this sec-**
18 **tion.**

19 **“(2) The filing of an initial financing statement under subsection (1) of this section con-**
20 **tinues the effectiveness of the financing statement filed before the operative date specified**
21 **in section 32 of this 2012 Act:**

22 **“(a) If the initial financing statement is filed before the operative date specified in section**
23 **32 of this 2012 Act, for the period provided in ORS 79.0515, as that statute existed before the**
24 **operative date specified in section 32 of this 2012 Act, with respect to an initial financing**
25 **statement; and**

26 **“(b) If the initial financing statement is filed after the operative date specified in section**
27 **32 of this 2012 Act, for the period provided in ORS 79.0515, as amended by section 14 of this**
28 **2012 Act, with respect to an initial financing statement.**

29 **“(3) To be effective for purposes of subsection (1) of this section, an initial financing**
30 **statement must:**

31 **“(a) Satisfy the requirements of ORS 79.0501 to 79.0528 for an initial financing statement;**

32 **“(b) Identify the financing statement that was filed before the operative date specified in**
33 **section 32 of this 2012 Act by indicating the office in which the financing statement was filed**
34 **and providing the dates of filing and file numbers, if any, of the financing statement and of**
35 **the most recent continuation statement filed with respect to the financing statement; and**

36 **“(c) Indicate that the financing statement filed before the operative date specified in**
37 **section 32 of this 2012 Act remains effective.**

38 **SECTION 29.** (1) After the operative date specified in section 32 of this 2012 Act, a per-
39 son may add or delete collateral covered by, continue or terminate the effectiveness of, or
40 otherwise amend the information provided in a financing statement filed before the operative
41 date specified in section 32 of this 2012 Act only in accordance with the law of the jurisdiction
42 governing perfection as provided in the amendments to statutes by sections 1 to 19, 22 and
43 23 of this 2012 Act. However, the effectiveness of a financing statement filed before the op-
44 erative date specified in section 32 of this 2012 Act may also be terminated in accordance
45 with the law of the jurisdiction in which the financing statement is filed.

1 “(2) Except as otherwise provided in subsection (3) of this section, if the law of this state
2 governs perfection of a security interest, the information in a financing statement filed be-
3 fore the operative date specified in section 32 of this 2012 Act may be amended after the
4 operative date specified in section 32 of this 2012 Act only if:

5 “(a) The financing statement filed before the operative date specified in section 32 of this
6 2012 Act and an amendment are filed in the office specified in ORS 79.0501;

7 “(b) An amendment is filed in the office specified in ORS 79.0501 concurrently with or
8 after the filing in the office of an initial financing statement that satisfies section 28 (3) of
9 this 2012 Act; or

10 “(c) An initial financing statement that provides the information as amended and satis-
11 fies section 28 (3) of this 2012 Act is filed in the office specified in ORS 79.0501.

12 “(3) If the law of this state governs perfection of a security interest, the effectiveness
13 of a financing statement filed before the operative date specified in section 32 of this 2012
14 Act may be continued only under section 27 (3) and (5) or 28 of this 2012 Act.

15 “(4) Whether or not the law of this state governs perfection of a security interest, the
16 effectiveness of a financing statement filed in this state before the operative date specified
17 in section 32 of this 2012 Act may be terminated after the operative date specified in section
18 32 of this 2012 Act by filing a termination statement in an office in which the financing
19 statement filed before the operative date specified in section 32 of this 2012 Act is filed unless
20 an initial financing statement that satisfies section 28 (3) of this 2012 Act has been filed in
21 the office specified as the office in which to file a financing statement by the law of the ju-
22 risdiction governing perfection as provided in the amendments to statutes by sections 1 to
23 19, 22 and 23 of this 2012 Act.

24 “SECTION 30. A person may file an initial financing statement or a continuation state-
25 ment under sections 24 to 31 of this 2012 Act if:

26 “(1) The secured party of record authorizes the filing; and

27 “(2) The filing is necessary under sections 24 to 31 of this 2012 Act:

28 “(a) To continue the effectiveness of a financing statement filed before the operative date
29 specified in section 32 of this 2012 Act; or

30 “(b) To perfect or continue the perfection of a security interest.

31 “SECTION 31. Section 21 of this 2012 Act and the amendments to ORS 79.0102, 79.0105,
32 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507,
33 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097 by sections 1 to 19, 22 and
34 23 of this 2012 Act determine the priority of conflicting claims to collateral. However, if the
35 relative priorities of the claims were established before the operative date specified in section
36 32 of this 2012 Act, ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326,
37 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619,
38 803.030 and 803.097, as those statutes existed before the operative date specified in section
39 32 of this 2012 Act, determine priority.

40 “SECTION 32. Section 21 of this 2012 Act and the amendments to ORS 79.0102, 79.0105,
41 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507,
42 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097 by sections 1 to 19, 22 and
43 23 of this 2012 Act become operative July 1, 2013.

44 “SECTION 33. The section captions used in this 2012 Act are provided only for the con-
45 venience of the reader and do not become part of the statutory law of this state or express

1 any legislative intent in the enactment of this 2012 Act.

2 SECTION 34. This 2012 Act being necessary for the immediate preservation of the public
3 peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect
4 on its passage.”

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