

**PROPOSED AMENDMENTS TO
HOUSE BILL 4035**

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

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

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

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

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

13 “803.030. This section establishes exemptions from the requirements under
14 ORS 803.025 to obtain title issued by this state. The exemptions are subject
15 to ORS 803.040. The exemptions are in addition to any exemptions under ORS
16 801.026. Vehicles exempted by this section from the requirements to be titled
17 by this state are not prohibited from being titled by this state if titling is
18 permitted under ORS 803.035. The exemptions are partial or complete as
19 provided in the following:

20 “(1) Title from this state is not required for a vehicle unless the vehicle
21 is operated on a highway in this state.

22 “(2) Title from this state is not required unless a vehicle is operated under

1 a registration number of this state.

2 “(3) Snowmobiles and Class I, Class III and Class IV all-terrain vehicles
3 are not subject to the requirements under ORS 803.025. The requirements and
4 procedures for titling snowmobiles are as provided under ORS 821.060 and
5 821.070.

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

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

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

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

12 “(8) Implements of husbandry, well drilling machinery, emergency fire
13 apparatus providing public fire protection and wheelchairs are exempt from
14 the requirements for title.

15 “(9) Except as provided in subsection (23) of this section, fixed load ve-
16 hicles are exempt from the requirements for title while operated within the
17 immediate construction project, as described in the governmental agency
18 contract, in the construction or reconstruction of state or county roads,
19 highways or city streets.

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

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

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

28 “(11) Farm trailers are exempt from requirements for title when the op-
29 eration or movement of the vehicle upon the highways is incidental to its
30 use in an agricultural operation.

1 “(12) Golf carts operated under an ordinance adopted under ORS 810.070
2 are exempt from requirements for title.

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

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

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

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

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

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

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

19 “(b) The exemption under this subsection applies to vehicles granted ex-
20 emptions under ORS 802.500, 802.520 or 826.005, unless otherwise provided
21 under paragraph (c) of this subsection.

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

27 “(A) Vehicles operated under reciprocal registration exemptions estab-
28 lished under ORS 802.500 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 es-

1 tablished under ORS 826.007, and according to the procedures established
2 under ORS 826.009 or 826.011.

3 “(D) Any vehicle if duly registered and titled under the laws of the state
4 or country of which the owner is a bona fide resident to the extent that in
5 the foreign country, state, territory or federal district where the owner re-
6 sides like exemptions and privileges are granted vehicles duly registered and
7 titled under the laws of this state and owned by residents of this state.

8 “(d) If no exemptions from titling requirements are in effect under ORS
9 802.500, 802.520, 826.005 or 826.007 with respect to another jurisdiction, any
10 vehicle properly registered and titled in such other jurisdiction and for
11 which evidence of compliance is supplied shall receive, when operated in this
12 state, the same exemptions, benefits and privileges granted by such other
13 jurisdictions to vehicles properly registered and titled in this state.
14 Reciprocity extended under this paragraph shall apply to commercial vehi-
15 cles only when engaged exclusively in interstate commerce.

16 “(e) Any vehicle operated under dealer registration plates issued by an-
17 other state, country, province, territory or the District of Columbia is subject
18 to this subsection.

19 “(15) Vehicle dealers issued certificates under ORS 822.020 may use and
20 operate untitled vehicles as provided under ORS 822.040.

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

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

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

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

30 “(20)(a) Vehicles that are registered under the proportional registration

1 provisions of ORS chapter 826 and are titled in a jurisdiction other than
2 Oregon are exempt from the requirements for title.

3 “(b) A trailer that is registered under the proportional registration pro-
4 visions of ORS chapter 826 and titled in a jurisdiction other than Oregon
5 shall remain exempt from the requirements for title in Oregon if the trailer
6 is registered when the other jurisdiction removes its exception to propor-
7 tional registration requirements for the trailer.

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

10 “(22) Electric personal assistive mobility devices are exempt from the re-
11 quirements for title.

12 “(23) Road machinery that is operated at the direction of a road authority
13 is exempt from the requirements for title. The exemption under this sub-
14 section also applies when the operation of road machinery upon a highway
15 or an alley is incidental to its use in a highway maintenance operation.

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

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

19 “803.097. (1) Except as provided in subsection (5) of this section, the ex-
20 clusive means for perfecting a security interest in a vehicle is by application
21 for notation of the security interest on the title in accordance with this
22 section. The application may accompany the application for a title or may
23 be made separately at any time prior to issuance of title and must be ac-
24 companied by evidence of ownership as defined by the Department of Trans-
25 portation by rule unless the department is in possession of evidence of
26 ownership when it receives the application. If title to the vehicle has been
27 issued in a form other than a certificate, and the title reflects a security
28 interest, the application for perfection shall include authorization from the
29 previous security interest holder for the new security interest to be recorded
30 on the title. Authorization under this subsection is not required if:

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

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

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

8 “(2) When the department processes an application for a security interest
9 the department shall mark on the application or otherwise indicate on the
10 record the date the application was first received by the department. The
11 department shall determine by rule what constitutes receipt of an application
12 for purposes of this subsection.

13 “(3) If the department has the evidence required by subsection (1) of this
14 section and if the application contains the name of each owner of the vehi-
15 cle, the name and address of the secured party and the vehicle identification
16 number of the collateral, the security interest is perfected as of the date
17 marked on the application or indicated in the record by the department. If
18 the application does not contain the information required by this subsection,
19 or if the department does not have the required evidence, the department
20 shall indicate on the application or on the record that the date placed on the
21 application or the record pursuant to subsection (2) of this section is not the
22 date of perfection of the security interest.

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

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

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

1 **“(b) The vehicle is exempt from titling requirements under ORS**
2 **803.030.**

3 **“SECTION 24. (1) Except as otherwise provided in sections 21 and**
4 **24 to 31 of this 2012 Act, the amendments to statutes by sections 1 to**
5 **19, 22 and 23 of this 2012 Act apply to a transaction or lien within the**
6 **scope of ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317,**
7 **79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518,**
8 **79.0521, 79.0607, 79.0619, 803.030 and 803.097, as amended by sections 1**
9 **to 19, 22 and 23 of this 2012 Act, even if the transaction or lien was**
10 **entered into or created before the operative date specified in section**
11 **32 of this 2012 Act.**

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

15 **“SECTION 25. (1) A security interest that is a perfected security**
16 **interest immediately before the operative date specified in section 32**
17 **of this 2012 Act is a perfected security interest under section 21 of this**
18 **2012 Act and under ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316,**
19 **79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516,**
20 **79.0518, 79.0521, 79.0607, 79.0619, 803.030 and 803.097, as amended by**
21 **sections 1 to 19, 22 and 23 of this 2012 Act, if after the operative date**
22 **specified in section 32 of this 2012 Act the applicable requirements for**
23 **attachment and perfection under the amendments to statutes by**
24 **sections 1 to 19, 22 and 23 of this 2012 Act are satisfied without further**
25 **action.**

26 **“(2) Except as otherwise provided in section 27 of this 2012 Act, if**
27 **immediately before the operative date specified in section 32 of this**
28 **2012 Act a security interest is a perfected security interest but the**
29 **applicable requirements for perfection under the amendments to stat-**
30 **utes by sections 1 to 19, 22 and 23 of this 2012 Act are not satisfied on**

1 or before the operative date specified in section 32 of this 2012 Act, the
2 security interest remains perfected thereafter only if the applicable
3 requirements for perfection under the amendments to statutes by
4 sections 1 to 19, 22 and 23 of this 2012 Act are satisfied within one year
5 after the operative date specified in section 32 of this 2012 Act.

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

9 **“(1)** Without further action on or after the operative date specified
10 in section 32 of this 2012 Act if the applicable requirements for per-
11 fection under the amendments to statutes by sections 1 to 19, 22 and
12 23 of this 2012 Act are satisfied before or at that time; or

13 **“(2)** When the applicable requirements for perfection are satisfied
14 if the requirements are satisfied after that time.

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

20 **“(2)** The amendments to statutes by sections 1 to 19, 22 and 23 of
21 this 2012 Act do not render ineffective an effective financing statement
22 that, before the operative date specified in section 32 of this 2012 Act,
23 is filed and satisfies the applicable requirements for perfection under
24 the law of jurisdiction governing perfection as provided in ORS 79.0102,
25 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406,
26 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619,
27 803.030 and 803.097 as those statutes existed before the operative date
28 specified in section 32 of this 2012 Act. However, except as otherwise
29 provided in subsections (3) and (4) of this section and in section 28 of
30 this 2012 Act, the financing statement ceases to be effective:

1 “(a) If the financing statement is filed in this state, at the time the
2 financing statement would have ceased to be effective had section 21
3 of this 2012 Act and the amendments to ORS 79.0102, 79.0105, 79.0208,
4 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503,
5 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and
6 803.097 by sections 1 to 19, 22 and 23 of this 2012 Act not become oper-
7 ative; or

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

10 “(A) The time the financing statement would have ceased to be ef-
11 fective under the law of the other jurisdiction; or

12 “(B) June 30, 2018.

13 “(3) The filing of a continuation statement after the operative date
14 specified in section 32 of this 2012 Act does not continue the effec-
15 tiveness of a financing statement filed before the operative date spec-
16 ified in section 32 of this 2012 Act. However, upon the timely filing
17 of a continuation statement after the operative date specified in sec-
18 tion 32 of this 2012 Act and in accordance with the law of the juris-
19 diction governing perfection as provided in the amendments to
20 statutes by sections 1 to 19, 22 and 23 of this 2012 Act, the effectiveness
21 of a financing statement filed in the same office in the jurisdiction
22 before the operative date specified in section 32 of this 2012 Act con-
23 tinues for the period provided by the law of the jurisdiction.

24 “(4) Subsection (2)(b)(B) of this section applies to a financing
25 statement that, before the operative date specified in section 32 of this
26 2012 Act, is filed against a transmitting utility and satisfies the appli-
27 cable requirements for perfection under the law of the jurisdiction
28 governing perfection as provided in ORS 79.0102, 79.0105, 79.0208,
29 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406, 79.0408, 79.0503,
30 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619, 803.030 and

1 803.097, as those statutes existed before the operative date specified in
2 section 32 of this 2012 Act, only to the extent that the amendments to
3 statutes by sections 1 to 19, 22 and 23 of this 2012 Act provide that the
4 law of a jurisdiction other than the jurisdiction in which the financing
5 statement is filed governs perfection of a security interest in collateral
6 covered by the financing statement.

7 “(5) A financing statement that includes a financing statement filed
8 before the operative date specified in section 32 of this 2012 Act and a
9 continuation statement filed before the operative date specified in
10 section 32 of this 2012 Act is effective only to the extent that the fi-
11 nancing statement satisfies the requirements of ORS 79.0503, 79.0515,
12 79.0516, 79.0518 and 79.0521, as amended by sections 12, 14, 15, 16 and
13 17 of this 2012 Act, for an initial filing statement. A financing state-
14 ment that indicates that the debtor is a decedent’s estate indicates
15 that the collateral is being administered by a personal representative
16 within the meaning of ORS 79.0503 (1)(b), as amended by section 12 of
17 this 2012 Act. A financing statement that indicates that the debtor is
18 a trust or is a trustee acting with respect to property held in trust
19 indicates that the collateral is held in a trust within the meaning of
20 ORS 79.0503 (1)(c), as amended by section 12 of this 2012 Act.

21 **“SECTION 28. (1) The filing of an initial filing statement in the of-**
22 **fice specified in ORS 79.0501 continues the effectiveness of a financing**
23 **statement filed before the operative date specified in section 32 of this**
24 **2012 Act if:**

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

28 “(b) The financing statement filed before the operative date speci-
29 fied in section 32 of this 2012 Act was filed in an office in another state;
30 and

1 “(c) The initial financing statement satisfies the provisions of sub-
2 section (3) of this section.

3 “(2) The filing of an initial financing statement under subsection
4 (1) of this section continues the effectiveness of the financing state-
5 ment filed before the operative date specified in section 32 of this 2012
6 Act:

7 “(a) If the initial financing statement is filed before the operative
8 date specified in section 32 of this 2012 Act, for the period provided in
9 ORS 79.0515, as that statute existed before the operative date specified
10 in section 32 of this 2012 Act, with respect to an initial financing
11 statement; and

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

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

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

20 “(b) Identify the financing statement that was filed before the op-
21 erative date specified in section 32 of this 2012 Act by indicating the
22 office in which the financing statement was filed and providing the
23 dates of filing and file numbers, if any, of the financing statement and
24 of the most recent continuation statement filed with respect to the
25 financing statement; and

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

28 “SECTION 29. (1) After the operative date specified in section 32 of
29 this 2012 Act, a person may add or delete collateral covered by, con-
30 tinue or terminate the effectiveness of, or otherwise amend the infor-

1 **mation provided in a financing statement filed before the operative**
2 **date specified in section 32 of this 2012 Act only in accordance with the**
3 **law of the jurisdiction governing perfection as provided in the**
4 **amendments to statutes by sections 1 to 19, 22 and 23 of this 2012 Act.**
5 **However, the effectiveness of a financing statement filed before the**
6 **operative date specified in section 32 of this 2012 Act may also be ter-**
7 **minated in accordance with the law of the jurisdiction in which the**
8 **financing statement is filed.**

9 **“(2) Except as otherwise provided in subsection (3) of this section,**
10 **if the law of this state governs perfection of a security interest, the**
11 **information in a financing statement filed before the operative date**
12 **specified in section 32 of this 2012 Act may be amended after the op-**
13 **erative date specified in section 32 of this 2012 Act only if:**

14 **“(a) The financing statement filed before the operative date speci-**
15 **fied in section 32 of this 2012 Act and an amendment are filed in the**
16 **office specified in ORS 79.0501;**

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

20 **“(c) An initial financing statement that provides the information**
21 **as amended and satisfies section 28 (3) of this 2012 Act is filed in the**
22 **office specified in ORS 79.0501.**

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

27 **“(4) Whether or not the law of this state governs perfection of a**
28 **security interest, the effectiveness of a financing statement filed in**
29 **this state before the operative date specified in section 32 of this 2012**
30 **Act may be terminated after the operative date specified in section 32**

1 of this 2012 Act by filing a termination statement in an office in which
2 the financing statement filed before the operative date specified in
3 section 32 of this 2012 Act is filed unless an initial financing statement
4 that satisfies section 28 (3) of this 2012 Act has been filed in the office
5 specified as the office in which to file a financing statement by the law
6 of the jurisdiction governing perfection as provided in the amendments
7 to statutes by sections 1 to 19, 22 and 23 of this 2012 Act.

8 **“SECTION 30.** A person may file an initial financing statement or
9 a continuation statement under sections 24 to 31 of this 2012 Act if:

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

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

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

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

15 **“SECTION 31.** Section 21 of this 2012 Act and the amendments to
16 ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326,
17 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521,
18 79.0607, 79.0619, 803.030 and 803.097 by sections 1 to 19, 22 and 23 of this
19 2012 Act determine the priority of conflicting claims to collateral.
20 However, if the relative priorities of the claims were established before
21 the operative date specified in section 32 of this 2012 Act, ORS 79.0102,
22 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326, 79.0335, 79.0406,
23 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521, 79.0607, 79.0619,
24 803.030 and 803.097, as those statutes existed before the operative date
25 specified in section 32 of this 2012 Act, determine priority.

26 **“SECTION 32.** Section 21 of this 2012 Act and the amendments to
27 ORS 79.0102, 79.0105, 79.0208, 79.0307, 79.0311, 79.0316, 79.0317, 79.0326,
28 79.0335, 79.0406, 79.0408, 79.0503, 79.0507, 79.0515, 79.0516, 79.0518, 79.0521,
29 79.0607, 79.0619, 803.030 and 803.097 by sections 1 to 19, 22 and 23 of this
30 2012 Act become operative July 1, 2013.

1 **“SECTION 33. The section captions used in this 2012 Act are pro-**
2 **vided only for the convenience of the reader and do not become part**
3 **of the statutory law of this state or express any legislative intent in**
4 **the enactment of this 2012 Act.**

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

8
