

Senate Bill 781

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes requirements for transferring title to motor vehicle.

A BILL FOR AN ACT

Relating to motor vehicle titling; creating new provisions; and amending ORS 803.092.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 803.092 is amended to read:

803.092. (1) Except as otherwise provided in this section, upon the transfer of any interest in a vehicle covered by an Oregon title the transferee shall submit an application for title to the Department of Transportation[. *Such application shall be submitted to the department*] within 30 days of the date of transfer of interest. **Except as provided in subsection (2) of this section, the application must contain:**

(a) **The notarized signature of the transferor; and**

(b) **A statement signed by the transferor that the transferor has a valid interest in the vehicle and is authorized to transfer that interest to the transferee.**

(2) **In lieu of providing a notarized signature on the application as required under subsection (1) of this section:**

(a) **Both the transferor and the transferee shall appear together in person at a field office of the Department of Transportation where applications for vehicle registrations are accepted;**

(b) **Both the transferor and transferee shall each present government-issued photo identification to the department; and**

(c) **The transferor shall sign a statement that the transferor has a valid interest in the vehicle and is authorized to transfer that interest to the transferee.**

[(2)] (3) **Notwithstanding subsection (1) of this section, application is not required under this section when:**

(a) The change involves only a change in the security interest where the security interest holder or lessor is a financial institution, a financial holding company or a bank holding company, as those terms are defined in ORS 706.008, a licensee under ORS chapter 725, or any subsidiary or affiliate of any of the foregoing and the transfer of the interest of the security interest holder or lessor:

(A) Results from the merger, conversion, reorganization, consolidation or acquisition of the security interest holder or lessor;

(B) Is to an entity that is a member of the same affiliated group as the security holder or lessor;

or

(C) Is made in connection with a transfer in bulk.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (b) The vehicle is transferred to a vehicle dealer and the vehicle will become part of the dealer's
2 inventory for resale. Upon the transfer of a vehicle to a dealer, however, the dealer shall imme-
3 diately notify the department of such transfer. This exemption from the requirement to apply for
4 title does not apply if the department determines that application for title is necessary in order to
5 comply with odometer disclosure requirements. If the department determines that application for
6 title is not required, it may require filing of documents under ORS 803.126.

7 (c) The vehicle is to be titled in another jurisdiction.

8 (d) The vehicle has been totaled, wrecked, dismantled, disassembled, substantially altered or
9 destroyed, in which case the provisions of ORS 819.010, 819.012, 819.014 or 822.135 relating to notice
10 and surrender of title documents shall be complied with.

11 (e) The transfer involves the creation or termination of a leasehold interest in a vehicle that is
12 proportionally registered under ORS 826.009 or 826.011, if the department is furnished with satis-
13 factory proof of the lease.

14 [(3)] (4) Except as provided in subsection [(2)] (3) of this section, the transferee shall:

15 (a) Submit an application that meets requirements for title under ORS 803.045 and 803.050 and
16 any applicable rules of the department.

17 (b) Submit the title transfer fees as required under ORS 803.090.

18 (c) Comply with the provisions of ORS 803.065 and any applicable rules of the department under
19 that statute and submit the duplicate or replacement title fee as provided under ORS 803.090, if the
20 transfer includes an application for duplicate or replacement title and transfer of title.

21 (d) Submit an odometer disclosure containing information required by the department for the
22 kind of transaction involved.

23 (e) Submit any late presentation of certificate of title fee as provided under ORS 803.090 if such
24 fee is required under ORS 803.105.

25 [(4)] (5) For purposes of this section:

26 (a) "Affiliated group" has the meaning given to the term in section 1504(a) of the Internal Re-
27 venue Code of 1986, as amended (26 U.S.C. 1504(a)).

28 (b) A "transfer in bulk" is:

29 (A) The sale or assignment of, the grant of a security interest in, or any other transfer of either
30 a group of loans secured by vehicles, leases of vehicles or both or a participation or other interest
31 in the group of loans;

32 (B) The creation of asset-backed securities or other securing of assets involving the loans or
33 leases; or

34 (C) Any similar transaction involving the loans or leases.

35 **SECTION 2. The amendments to ORS 803.092 by section 1 of this 2017 Act apply to motor**
36 **vehicle titles transferred on or after the effective date of this 2017 Act.**