

AN ACT

To amend sections 325.33, 1548.01, 1548.02, 1548.03, 1548.06, 1548.08, 1548.09, 1548.10, 1548.11, 1548.12, 1548.13, 1548.17, 1548.18, 1548.19, 1548.20, 4501.01, 4503.03, 4503.10, 4503.182, 4505.03, 4505.04, 4505.06, 4505.08, 4505.09, 4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.18, 4505.181, 4505.19, 4505.20, 4519.01, 4519.03, 4519.51, 4519.52, 4519.53, 4519.55, 4519.57, 4519.58, 4519.59, 4519.60, 4519.61, 4519.62, 4519.66, 4519.67, and 4519.68 and to enact sections 1548.021, 1548.061, 1548.141, 4503.035, 4505.021, 4505.032, 4505.062, 4505.141, 4505.25, 4519.511, 4519.512, 4519.521, 4519.551, and 4519.631 of the Revised Code to make changes in the titling processes for motor vehicles, watercraft, outboard motors, off-highway motorcycles, and all-purpose vehicles.

Be it enacted by the General Assembly of the State of Ohio:

SECTION 1. That sections 325.33, 1548.01, 1548.02, 1548.03, 1548.06, 1548.08, 1548.09, 1548.10, 1548.11, 1548.12, 1548.13, 1548.17, 1548.18, 1548.19, 1548.20, 4501.01, 4503.03, 4503.10, 4503.182, 4505.03, 4505.04, 4505.06, 4505.08, 4505.09, 4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.18, 4505.181, 4505.19, 4505.20, 4519.01, 4519.03, 4519.51, 4519.52, 4519.53, 4519.55, 4519.57, 4519.58, 4519.59, 4519.60, 4519.61, 4519.62, 4519.66, 4519.67, and 4519.68 be amended and sections 1548.021, 1548.061, 1548.141, 4503.035, 4505.021, 4505.032, 4505.062, 4505.141, 4505.25, 4519.511, 4519.512, 4519.521, 4519.551, and 4519.631 of the Revised Code be enacted to read as follows:

Sec. 325.33. Notwithstanding sections 325.27 and 325.31 of the Revised Code, all fees retained by the clerk of courts under Chapters 1548., 4505., and 4519. of the Revised Code and all fees the clerk of courts receives in the

capacity of deputy registrar under section 4503.03 of the Revised Code shall be paid into the county treasury to the credit of the certificate of title administration fund, which is hereby created. Except as otherwise provided in this section, fees credited to the fund shall be used only to pay the costs incurred by the clerk of courts in processing titles under ~~Chapters 1548., 4505., and 4519. of the Revised Code~~ those chapters and in performing the duties of a deputy registrar if the clerk of courts is appointed a deputy registrar. However, if the board of county commissioners and the clerk of courts agree that the money in the fund exceeds what is needed to pay ~~such~~ those costs, the excess may be transferred to the county general fund and used for other county purposes. If the board of county commissioners and the clerk of courts are unable to agree on the amount of any such excess, the county budget commission shall determine the amount that will be transferred to the county general fund.

Sec. 1548.01. (A) As used in this chapter, "electronic" and "watercraft" ~~has~~ have the same ~~meaning~~ meanings as in section 1547.01 of the Revised Code.

(B) This chapter does not apply to any of the following:

(1) A watercraft covered by a marine document in effect that has been assigned to it by the United States government pursuant to federal law;

(2) A watercraft from a country other than the United States temporarily using the waters in this state;

(3) A watercraft whose owner is the United States, a state, or a political subdivision ~~thereof~~ of a state;

(4) A ship's lifeboat. As used in division (B)(4) of this section, "lifeboat" means a watercraft that is held aboard another vessel and used exclusively for emergency purposes.

(5) A canoe;

(6) A watercraft less than fourteen feet in length without a permanently affixed mechanical means of propulsion;

(7) A watercraft less than fourteen feet in length with a permanently fixed mechanical means of propulsion of less than ten horsepower as determined by the manufacturer's rating;

(8) Outboard motors of less than ten horsepower as determined by the manufacturer's rating.

(C) The various certificates, applications, and assignments necessary to provide certificates of title for watercraft and outboard motors shall be made on appropriate forms approved by the chief of the division of watercraft.

Sec. 1548.02. The chief of the division of watercraft shall adopt such rules as ~~he~~ the chief considers necessary to ensure uniform and orderly

operation of this chapter, and the clerks of the courts of common pleas shall conform ~~thereto~~ to those rules. The chief shall receive and file in ~~his~~ the chief's office all information forwarded to ~~him~~ the chief by the clerks under this chapter and shall maintain indexes covering the state at large for that information. These indexes shall be for the state at large and not for individual counties.

The chief shall check with ~~his~~ the chief's record all duplicate certificates of title received in ~~his~~ the chief's office from the clerks. ~~If~~

If it appears that a certificate of title has been improperly issued, the chief shall cancel the certificate. Upon the cancellation of any certificate of title, the chief shall notify the clerk who issued it, and the clerk shall enter the cancellation in his the clerk's records. The chief also shall notify the person to whom the certificate of title was issued, as well as any lienholders appearing ~~thereon~~ on it, of the cancellation and, if it is a physical certificate of title, shall demand the surrender of the certificate of title, but the cancellation shall not affect the validity of any lien noted ~~thereon~~ on it. The holder of ~~the~~ a physical certificate of title shall return it to the chief immediately. ~~The~~

The clerks shall keep on hand a sufficient supply of blank forms that, except certificate of title and memorandum certificate forms, shall be furnished and distributed without charge to registered manufacturers or dealers or to other persons residing within the county. The clerks shall provide the certificates of title, the ribbons for data processing, and removable backup media from moneys provided to the clerks from the automated title processing fund in accordance with division (B)(3)(b) of section 4505.09 of the Revised Code. The clerks shall furnish all other supplies from other moneys available to the clerks.

Sec. 1548.021. The owner of a watercraft or outboard motor shall apply for a certificate of title for the watercraft or outboard motor when required by this chapter, but, except as otherwise specifically required in this chapter, the owner may elect whether or not to have the clerk of the court of common pleas to whom the certificate of title application is submitted issue a physical certificate of title for the watercraft or outboard motor, as provided in section 1548.09 of the Revised Code.

Except as otherwise specifically provided in this chapter, any provision of this chapter relating to the cancellation, issuance, or surrender of a certificate of title, including, but not limited to, provisions that contain a phrase such as "when a certificate of title is issued," "the clerk shall issue a certificate of title," or "the person shall obtain a certificate of title to the watercraft or outboard motor," or another phrase of similar import, shall

include those circumstances when a clerk enters certificate of title information into the automated title processing system, but does not take any further action relating to a physical certificate of title for the watercraft or outboard motor.

Sec. 1548.03. No person, except as provided in section 1548.05 of the Revised Code, shall sell or otherwise dispose of a watercraft or outboard motor without delivering to the purchaser or transferee ~~thereof~~ a physical certificate of title with such an assignment thereon on it as is necessary to show title in the purchaser or transferee; nor shall any person purchase or otherwise acquire a watercraft or outboard motor without obtaining a certificate of title for it in ~~his~~ the person's name in accordance with ~~Chapter 1548. of the Revised Code~~ this chapter; however, a purchaser may take possession of and operate a watercraft or outboard motor on the waters in this state without a certificate of title for a period not exceeding thirty days if ~~he~~ the purchaser has been issued and has in ~~his~~ the purchaser's possession a dealer's dated bill of sale; or, in the case of a casual sale, a notarized bill of sale.

Sec. 1548.06. Application for a certificate of title for a watercraft or outboard motor shall be made upon a form prescribed by the chief of the division of watercraft and shall be sworn to before a notary public or other officer empowered to administer oaths. The application shall be filed with the clerk of ~~the~~ any court of common pleas ~~of the county in which the applicant resides if the applicant is a resident of this state or, if not a resident, in the county in which the transaction is consummated.~~ An application for a certificate of title may be filed electronically by any electronic means approved by the chief in any county with the clerk of the court of common pleas of that county. The application shall be accompanied by the fee prescribed in section 1548.10 of the Revised Code, ~~and if.~~ The fee shall be retained by the clerk who issues the certificate of title and shall be distributed in accordance with that section. If a clerk of a court of common pleas, other than the clerk of the court of common pleas of an applicant's county of residence, issues a certificate of title to the applicant, the clerk shall transmit data related to the transaction to the automated title processing system.

If a certificate of title previously has been issued for the watercraft or outboard motor, ~~it~~ the application for a certificate of title also shall be accompanied by the certificate of title duly assigned unless otherwise provided in this chapter. If a certificate of title previously has not been issued for the watercraft or outboard motor in this state, the application, unless otherwise provided in this chapter, shall be accompanied by a

manufacturer's or importer's certificate; by a sworn statement of ownership if the watercraft or outboard motor was purchased by the applicant on or before October 9, 1963, or if the watercraft is less than fourteen feet long with a permanently affixed mechanical means of propulsion and was purchased by the applicant on or before January 1, 2000; or by a certificate of title, bill of sale, or other evidence of ownership required by the law of another state from which the watercraft or outboard motor was brought into this state. Evidence of ownership of a watercraft or outboard motor for which an Ohio certificate of title previously has not been issued and which watercraft or outboard motor does not have permanently affixed ~~thereto~~ to it a manufacturer's serial number shall be accompanied by the certificate of assignment of a hull identification number assigned by the chief as provided in section 1548.07 of the Revised Code.

The clerk shall retain the evidence of title presented by the applicant and on which the certificate of title is issued. ~~The, except that, if an application for a certificate of title is filed electronically, by a vendor on behalf of a purchaser of a watercraft or outboard motor, the clerk shall retain the completed electronic record to which the vendor converted the certificate of title application and other required documents. The vendor shall forward the actual application and all other documents relating to the sale of the watercraft or outboard motor to any clerk within thirty days after the certificate of title is issued. The chief, after consultation with the attorney general, shall adopt rules that govern the location at which, and the manner in which, are stored the actual application and all other documents relating to the sale of a watercraft or outboard motor when a vendor files the application for a certificate of title electronically on behalf of a purchaser.~~

The clerk shall use reasonable diligence in ascertaining whether the facts in the application are true by checking the application and documents accompanying it or the electronic record to which a vendor converted the application and accompanying documents with the records of watercraft and outboard motors in the clerk's office. If the clerk is satisfied that the applicant is the owner of the watercraft or outboard motor and that the application is in the proper form, the clerk shall issue a physical certificate of title over the clerk's signature and sealed with the clerk's seal unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. However, if the evidence indicates and an investigation shows that one or more Ohio titles already exist for the watercraft or outboard motor, the chief may cause the redundant title or titles to be canceled.

In the case of the sale of a watercraft or outboard motor by a vendor to a

general purchaser or user, the certificate of title shall be obtained in the name of the purchaser by the vendor upon application signed by the purchaser. In all other cases, the certificate shall be obtained by the purchaser. In all cases of transfer of watercraft or outboard motors, the application for certificate of title shall be filed within thirty days after the later of the date of purchase or assignment of ownership of the watercraft or outboard motor. If the application for certificate of title is not filed within thirty days after the later of the date of purchase or assignment of ownership of the watercraft or outboard motor, the clerk shall charge a late penalty fee of five dollars in addition to the fee prescribed by section 1548.10 of the Revised Code. The clerk shall retain the entire amount of each late penalty fee.

The clerk shall refuse to accept an application for certificate of title unless the applicant either tenders with the application payment of all taxes levied by or pursuant to Chapter 5739. or 5741. of the Revised Code based on the applicant's county of residence less, in the case of a sale by a vendor, any discount to which the vendor is entitled under section 5739.12 of the Revised Code, or submits any of the following:

(A) A receipt issued by the tax commissioner or a clerk of courts showing payment of the tax;

(B) A copy of the unit certificate of exemption completed by the purchaser at the time of sale as provided in section 5739.03 of the Revised Code;

(C) An exemption certificate, in a form prescribed by the tax commissioner, that specifies why the purchase is not subject to the tax imposed by Chapter 5739. or 5741. of the Revised Code.

Payment of the tax shall be in accordance with rules issued by the tax commissioner, and the clerk shall issue a receipt in the form prescribed by the tax commissioner to any applicant who tenders payment of the tax with the application for ~~registration~~ the certificate of title.

For receiving and disbursing the taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one one-hundredth per cent of the taxes collected, which shall be paid into the general fund of the county certificate of title administration fund created by section 325.33 of the Revised Code. ~~In~~ The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

lerk's county. The chief of the division of watercraft, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

In the case of casual sales of watercraft or outboard motors that are subject to the tax imposed by Chapter 5739. or 5741. of the Revised Code, the purchase price for the purpose of determining the tax shall be the purchase price on an affidavit executed and filed with the clerk by the vendor on a form to be prescribed by the chief, which shall be prima-facie evidence of the price for the determination of the tax. In addition to the information required by section 1548.08 of the Revised Code, each certificate of title shall contain in bold lettering the following notification and statements: "WARNING TO TRANSFEROR AND TRANSFEREE (SELLER AND BUYER). You are required by law to state the true selling price. A false statement is a violation of section 2921.13 of the Revised Code and is punishable by six months imprisonment or a fine of up to one thousand dollars, or both. All transfers are audited by the department of taxation. The seller and buyer must provide any information requested by the department of taxation. The buyer may be assessed any additional tax found to be due."

The clerk shall forward all payments of taxes, less poundage fees, to the treasurer of state in a manner to be prescribed by the tax commissioner and shall furnish ~~such~~ information to the commissioner as the commissioner may require. For purposes of a transfer of a certificate of title, if the clerk is satisfied that a secured party has discharged a lien, but has not canceled the lien notation with ~~the a clerk of the county of origin~~, the clerk may cancel the lien notation on the automated title processing system and notify the clerk of the county of origin.

Every clerk shall have the capability to transact by electronic means all procedures and transactions relating to the issuance of watercraft or outboard motor certificates of title that are described in the Revised Code as being accomplished by electronic means.

Sec. 1548.061. Notwithstanding any general requirement in this chapter to the effect that an application for a certificate of title to a watercraft or outboard motor shall be "sworn to" or shall be "sworn to before a notary public or other officer empowered to administer oaths," that requirement shall apply only in the case of a transfer of a watercraft or outboard motor

between parties in the course of a sale by a person other than a registered watercraft dealer, as defined in section 1547.01 of the Revised Code, to a person who purchases the watercraft or outboard motor for use as a consumer.

Sec. 1548.08. ~~The~~ When the clerk of ~~the~~ a court of common pleas issues a physical certificate of title for a watercraft or outboard motor, the clerk shall issue certificates of title for watercraft and outboard motors ~~it~~ over his the clerk's official seal. ~~The~~ All physical certificates of title to watercraft or outboard motors shall contain the information required in the application for ~~the certificate of title, them~~ as prescribed by section 1548.07 of the Revised Code, as well as spaces for the dates of notation and cancellation of each lien, mortgage, or encumbrance, over the signature of the clerk. If ~~the~~ any certificate of title is issued for a watercraft or outboard motor in which two persons are establishing joint ownership with right of survivorship under section 2106.17 of the Revised Code, the certificate, in addition to the information required by this section, shall show that the two persons have established joint ownership with right of survivorship in the watercraft or outboard motor. ~~An~~

An assignment of certificate of title before a notary public or other officer empowered to administer oaths shall appear on the reverse side of each physical certificate of title in the form to be prescribed by the chief of the division of watercraft. ~~Such~~ The assignment form shall include a warranty that the signer is the owner of the watercraft or outboard motor and that there are no mortgages, liens, or encumbrances on the watercraft or outboard motor except as are noted on the face of the certificate of title.

Sec. 1548.09. ~~The~~ When the clerk of ~~the~~ a court of common pleas issues a physical certificate of title, the clerk shall issue ~~certificates~~ the certificate of title in duplicate. One copy shall be retained and filed by the clerk in the clerk's office, and the information contained in it shall be transmitted on the day it is issued to the chief of the division of watercraft. The clerk shall sign and affix the clerk's seal to the original certificate of title and, if there are no liens on the watercraft or outboard motor, shall deliver the certificate to the applicant. If there are one or more liens on the watercraft or outboard motor, the clerk shall deliver the certificate of title to the holder of the first lien.

The chief shall approve a uniform method of numbering certificates of title. The numbering shall be in such manner that the county of issuance is indicated. Numbers shall be assigned to certificates of title in the manner approved by the chief. The clerk shall file all certificates of title according to policies prescribed by the chief, and the clerk shall maintain in the clerk's office indexes for the certificates of title.

The clerk need not retain on file any certificate of title, duplicate certificate of title, or memorandum certificate of title, or supporting evidence ~~thereof of them~~, covering any watercraft or outboard motor for a period longer than seven years after the date of its filing; thereafter, the certificate and supporting information may be destroyed. The clerk shall issue a duplicate title, when duly applied for, of any title that has been destroyed as provided in this section.

The clerk shall issue a physical certificate of title to an applicant unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. The fact that a physical certificate of title is not issued for a watercraft or outboard motor does not affect ownership of the watercraft or outboard motor. In that case, when the clerk completes the process of entering certificate of title application information into the automated title processing system, the effect of the completion of the process is the same as if the clerk actually issued a physical certificate of title for the watercraft or outboard motor.

Sec. 1548.10. The clerk of the court of common pleas shall charge a fee of five dollars for each memorandum certificate of title, each non-negotiable evidence of ownership, and ~~for~~ each duplicate copy of a certificate of title. The fees shall be retained by the clerk.

In addition to those fees, the clerk shall charge a fee of five dollars for each certificate of title and for each notation or indication of any lien or security interest on a certificate of title. The clerk shall retain two dollars of the fee charged for each certificate of title, and three dollars and fifty cents of the fee charged for each notation or indication of any lien or security interest. The remaining fees charged for a certificate of title and the notation or indication of any lien or security interest on a certificate of title shall be paid to the chief of the division of watercraft by monthly returns, which shall be forwarded to the chief not later than the fifth day of the month next succeeding that in which the certificate is forwarded, or that in which the chief is notified of a lien or security interest or cancellation ~~thereof~~ of a lien or security interest.

The chief shall deposit one dollar of the amount ~~he~~ the chief receives for each certificate of title in the automated title processing fund created in section 4505.09 of the Revised Code. Moneys deposited in that fund under this section shall be used for the purpose specified in division (B)(3)(b) of that section.

Sec. 1548.11. (A) In the event of the transfer of ownership of a watercraft or outboard motor by operation of law, as upon inheritance, devise, bequest, order in bankruptcy, insolvency, replevin, or execution of

sale, or whenever the engine of a watercraft is replaced by another engine, or whenever a watercraft or outboard motor is sold to satisfy storage or repair charges, or repossession is had upon default in performance of the terms of a security agreement as provided in ~~sections 1309.01 to 1309.50~~ Chapter 1309, of the Revised Code, ~~the a clerk of the a court of common pleas of the county in which the last certificate of title to the watercraft or outboard motor was issued,~~ upon the surrender of the prior certificate of title or the manufacturer's or importer's certificate, or, when that is not possible, upon presentation of satisfactory proof to the clerk of ownership and rights of possession to the watercraft or outboard motor, and upon payment of the fee prescribed in section 1548.10 of the Revised Code and presentation of an application for certificate of title, may issue to the applicant a certificate of title to the watercraft or outboard motor. Only an affidavit by the person or agent of the person to whom possession of the watercraft or outboard motor has passed, setting forth the facts entitling the person to possession and ownership, together with a copy of the journal entry, court order, or instrument upon which the claim of possession and ownership is founded, is satisfactory proof of ownership and right of possession. If the applicant cannot produce such proof of ownership, the applicant may apply directly to the chief of the division of watercraft and submit such evidence as the applicant has, and the chief, if the chief finds the evidence sufficient, may authorize the clerk to issue a certificate of title. If, from the records in the office of the clerk, there appears to be any lien on the watercraft or outboard motor, the certificate of title shall contain a statement of the lien unless the application is accompanied by proper evidence of its extinction.

(B) Upon the death of one of the persons who have established joint ownership with right of survivorship under section 2106.17 of the Revised Code in a watercraft or outboard motor and the presentation to the clerk of the title and the certificate of death of the deceased person, the clerk shall enter into the records the transfer of the watercraft or outboard motor to the surviving person, and the title to the watercraft or outboard motor immediately passes to the surviving person. The transfer does not affect any liens on the watercraft or outboard motor.

(C) The clerk shall transfer a decedent's interest in one watercraft, one outboard motor, or one of each to the decedent's surviving spouse as provided in section 2106.19 of the Revised Code.

Sec. 1548.12. Each owner of a watercraft or outboard motor and each person mentioned as owner in the last certificate of title, when ~~such~~ the watercraft or outboard motor is dismantled, destroyed, or changed in such manner that it loses its character as a watercraft or outboard motor, or

ged in such manner that it is not the watercraft or outboard motor described in the certificate of title, shall surrender ~~his~~ the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas ~~who issued it~~, and ~~thereupon~~ the clerk ~~shall~~, with the consent of any holders of any liens noted ~~thereon~~ on the certificate of title, then shall enter a cancellation upon ~~his~~ the clerk's records and shall notify the chief of the division of watercraft of ~~such~~ the cancellation.

Upon the cancellation of a certificate of title in the manner prescribed by this section, the clerk and the chief may cancel and destroy all certificates and all memorandum certificates in that chain of title.

Sec. 1548.13. In the event of a lost or destroyed certificate of title, application shall be made to ~~the~~ a clerk of ~~the~~ a court of common pleas ~~of the county where such certificate of title was issued~~, by the owner of ~~such~~ the watercraft or outboard motor, or the holder of a lien ~~thereon~~ on it, for a certified copy of ~~such~~ the certificate upon a form prescribed by the chief of the division of watercraft and accompanied by the fee prescribed by section 1548.10 of the Revised Code. ~~Such~~ The application shall be signed and sworn to by the person making the ~~same~~. ~~Thereupon~~ application, and the clerk shall issue a certified copy of ~~such~~ the certificate of title to the person entitled to receive it under ~~Chapter 1548. of the Revised Code~~ this chapter. ~~Such~~ The certified copy shall be plainly marked across its face with the word "duplicate," and any subsequent purchaser of ~~such~~ the watercraft or outboard motor in the chain of title originating through ~~such~~ the certified copy acquires only such rights in the watercraft or outboard motor as the original holder of the certified copy ~~himself~~ had. Any purchaser of ~~such~~ the watercraft or outboard motor ~~may~~, at the time of purchase, may require the seller ~~of the same~~ to indemnify ~~him~~ the purchaser and all subsequent purchasers of ~~such~~ the watercraft or outboard motor against any loss ~~which he that the purchaser or they~~ any subsequent purchaser may suffer by reason of any claim presented upon the original certificate. In the event of the recovery of the original certificate of title by ~~said~~ the owner, ~~he~~ the owner shall ~~forthwith~~ surrender ~~same~~ it immediately to the clerk for cancellation.

The holder of a certificate of title for a watercraft or outboard motor upon which is noted an existing lien, encumbrance, or mortgage; may apply at any time ~~make application to the~~ a clerk ~~who issued the certificate of title~~ for a memorandum certificate, ~~which form shall be made in the~~ on a form prescribed by the chief ~~and~~, that is signed and sworn to by the applicant. Upon receipt of ~~such~~ the application, ~~if it appears to be regular~~, together with the fee prescribed by section 1548.10 of the Revised Code, and if the application appears to be regular, the clerk shall issue to ~~such~~ the applicant a

memorandum certificate for the watercraft or outboard motor. ~~In the event such~~ If the memorandum certificate is lost or destroyed, the holder ~~thereof~~ of it may obtain a certified copy of ~~the same~~ it by applying for the copy on a form prescribed by the chief ~~and,~~ accompanied by the fee prescribed in section 1548.10 of the Revised Code. In the event of the recovery of the original memorandum certificate by the owner, ~~he~~ the owner shall ~~forthwith~~ surrender the same it immediately to ~~the~~ a clerk for cancellation. Such a memorandum certificate is not assignable and constitutes no evidence of title or of right to transfer or encumber the watercraft or outboard motor described ~~therein~~ in it.

If an electronic certificate of title previously has been issued for a watercraft or outboard motor, the owner of the watercraft or outboard motor may apply at any time to a clerk for a non-negotiable evidence of ownership for the watercraft or outboard motor.

Sec. 1548.141. The chief of the division of watercraft shall enable the public to access watercraft and outboard motor title information via electronic means. No fee shall be charged for this access. The title information that must be so accessible is only the title information that is in an electronic format at the time a person requests this access.

The chief, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing this access. In adopting these rules, the chief shall confer with the clerks of the courts of common pleas.

Access by the public to watercraft and outboard motor title information under this section shall comply with all restrictions contained in the Revised Code and federal law that govern the disclosure of that information.

Sec. 1548.17. Every peace officer, sheriff, watercraft officer, division of parks and recreation officer, division of wildlife officer, conservancy district officer, constable, or state highway patrol trooper, having knowledge of a stolen watercraft or outboard motor, shall immediately furnish the chief of the division of watercraft with full information concerning ~~such~~ the theft.

The chief, whenever ~~he receives~~ a report of the theft or conversion of a watercraft or outboard motor is received, shall make a distinctive record ~~thereof~~ of it, including the make of the stolen watercraft or outboard motor and its manufacturer's or assigned serial number, and shall file the ~~same~~ record in the numerical order of the manufacturer's or assigned serial number with the index records of the watercraft or outboard motors of such make. The chief shall prepare a report listing watercraft and outboard motors stolen and recovered as disclosed by the reports submitted to ~~him~~ the chief, to be distributed as ~~he~~ the chief deems advisable.

~~In the event of the receipt from any clerk of the court of common pleas~~

~~of a copy~~ If, under section 1548.02 of the Revised Code, the chief learns of the issuance of a certificate of title to such a watercraft or outboard motor, the chief shall immediately notify the rightful owner thereof of the watercraft or outboard motor and the clerk who issued such the certificate of title, and if, upon investigation, it appears that such the certificate of title was improperly issued, the chief shall immediately cancel the same it.

In the event of the recovery of a stolen or converted watercraft or outboard motor, the owner shall immediately notify the chief, who shall remove the record of the theft or conversion from ~~his~~ the chief's file.

Sec. 1548.18. No person shall do any of the following:

(A) Operate in this state a watercraft for which a certificate of title is required or a watercraft powered by an outboard motor for which a certificate of title is required without having such the certificate, or a valid temporary permit and number, in accordance with Chapter 1548. of the Revised Code this chapter or, if a physical certificate of title has not been issued for it, operate the watercraft or outboard motor in this state knowing that the ownership information relating to the watercraft or outboard motor has not been entered into the automated title processing system by a clerk of a court of common pleas;

(B) Operate in this state a watercraft for which a certificate of title is required or a watercraft powered by an outboard motor for which a certificate of title is required upon which the certificate of title has been canceled;

(C) Fail to surrender any certificate of title upon cancellation of ~~the same it~~ by the chief of the division of watercraft and notice thereof of the cancellation as prescribed in Chapter 1548. of the Revised Code this chapter;

(D) Fail to surrender the certificate of title to ~~the a clerk of the a court of common pleas as provided in Chapter 1548. of the Revised Code this chapter,~~ in case of the destruction or dismantling or change of a watercraft or outboard motor in such respect that it is not the watercraft or outboard motor described in the certificate of title;

(E) Violate ~~sections 1548.01 to 1548.21 of the Revised Code, any provision of this chapter for which no penalty is otherwise provided, or any lawful rules or regulations promulgated adopted pursuant to such sections this chapter;~~

(F) Operate in this state a watercraft or outboard motor knowing that the certificate of title to or ownership of the watercraft or outboard motor as otherwise reflected in the automated title processing system has been canceled.

Sec. 1548.19. No person shall do any of the following:

(A) Procure or attempt to procure a certificate of title to a watercraft or outboard motor, or pass or attempt to pass a certificate of title or any assignment ~~thereof~~ of a certificate of title to a watercraft or outboard motor, or in any other manner gain or attempt to gain ownership of a watercraft or outboard motor, knowing or having reason to believe that ~~such~~ the watercraft or outboard motor has been stolen;

(B) Sell or offer for sale in this state a watercraft or outboard motor on which the manufacturer's or assigned serial number has been destroyed, removed, covered, altered, or defaced with knowledge of ~~such~~ the destruction, removal, covering, alteration, or defacement of ~~such~~ the manufacturer's or assigned serial number;

(C) Sell or transfer a watercraft or outboard motor without delivering to the purchaser or transferee ~~thereof~~ of it a certificate of title, or a manufacturer's or importer's certificate ~~thereto~~ to it, assigned to ~~such~~ the purchaser as provided for in ~~such sections~~ this chapter, except as otherwise provided in this chapter.

Sec. 1548.20. (A) Chapter 1309. of the Revised Code does not permit or require the deposit, filing, or other ~~records~~ record of a security interest covering a watercraft or outboard motor for which a certificate of title is required. Any security agreement covering a security interest in a watercraft or outboard motor, if it is accompanied by delivery of a manufacturer's or importer's certificate and followed by actual and continued possession of that certificate by the holder of the instrument, or, in the case of a certificate of title, if a notation of the ~~instrument~~ security agreement has been made by ~~the~~ a clerk of ~~the~~ a court of common pleas on the face of the certificate of title or the clerk has entered a notation of the agreement into the automated title processing system and a physical certificate of title for the watercraft or outboard motor has not been issued, shall be valid as against the creditors of the debtor, whether armed with process or not, and against subsequent purchasers, secured parties, and other lienholders or claimants. All security interests, liens, mortgages, and encumbrances noted-upon entered into the automated title processing system in relation to a particular certificate of title, regardless of whether a physical certificate of title shall is issued, take priority according to the order of time in which they are ~~noted thereon~~ entered into the automated title processing system by the clerk. Exposure for sale of any watercraft or outboard motor by its owner, with the knowledge or with the knowledge and consent of the holder of any security interest, lien, mortgage, or encumbrance thereon on the watercraft or outboard motor, shall not render the security interest lien, mortgage, or encumbrance

ineffective as against the creditors of the owner or against holders of subsequent security interests, liens, mortgages, or encumbrances upon the watercraft or outboard motor.

~~(B) If the a secured party presents evidence of the security agreement interest to the a clerk of the a court of common pleas of the county in which the certificate of title was issued together with the certificate of title, if a physical certificate of title for the watercraft or outboard motor exists, and the fee prescribed by section 1548.10 of the Revised Code, the clerk, unless the secured party specifically requests the clerk not to issue a physical certificate of title, shall issue a new original certificate of title from the automated title processing records. The new certificate shall indicate the lien or security interest and the date of that encumbrance the security interest. The clerk also shall note the lien or security interest and the its date thereof in his the clerk's files and enter that information into the automated title processing system, and on that day shall notify the chief of the division of watercraft. The clerk shall indicate by appropriate notation on the security agreement itself the fact that the lien or security interest has been noted on the certificate of title.~~

~~When the lien or~~ (C) If a security interest is fully discharged as a result of its holder's receipt of good funds in the correct amount and if the holder holds a physical certificate of title, the holder ~~thereof~~ shall note the discharge of the security interest over his the holder's signature on the face of the certificate of title, or, if there is not sufficient space for the notation on the face of the certificate of title, he the holder shall note the discharge over the holder's signature on a form prescribed by the chief. Prior ~~Except as otherwise provided in this section, prior~~ to delivering the certificate of title to the owner, the holder or ~~his the holder's agent shall present it~~ convey the certificate of title or a separate sworn statement of the discharge of the security interest and any additional information the chief requires to the a clerk for the purpose of having. The conveyance shall occur not more than seven business days after the date good funds in the correct amount to fully discharge the security interest have been credited to an account of the holder, provided the holder has been provided accurate information concerning the watercraft or outboard motor. Conveyance of the certificate of title or separate sworn statement of the discharge within the required seven business days may be indicated by postmark or receipt by a clerk within that period. If the discharge of the security interest appears to be genuine, the clerk shall note the discharge of the lien or security interest on the face of the certificate of title, if it was so conveyed, and note it in the automated title processing system and upon the records of the clerk. If the

~~secharge appears to be genuine, the clerk shall note it on the certificate of title, and he also shall note the discharge on his records and notify the chief, who shall note the discharge.~~

(D)(1) In all cases, a secured party may choose to present a clerk with evidence of a security interest via electronic means, and the clerk shall enter the security interest into the automated title processing system. A secured party also may choose to notify a clerk of the discharge of its security interest via electronic means, and the clerk shall enter the cancellation into the automated title processing system.

(2) In the case of a security interest that is being satisfied by a watercraft dealer to whom a certificate of title is being transferred, the cancellation of the security interest shall occur during the course of the transfer. The dealer shall submit a discharge request to the secured party. A discharge request shall include good funds in the correct amount to fully discharge the security interest and accurate information concerning the watercraft or outboard motor.

(3)(a) Upon receiving a discharge request that complies with division (D)(2) of this section, except as otherwise provided in this division, a secured party shall convey the certificate of title, with the discharge of the security interest noted on its face, to the dealer within seven business days after the date good funds in the correct amount to fully discharge the security interest have been credited to an account of the secured party.

If a secured party is unable to convey to the dealer a certificate of title within the required seven business days, the secured party instead shall convey to the dealer an affidavit stating that the security interest has been discharged, together with payment for a duplicate certificate of title, within that period.

(b) Conveyance of a certificate of title, or affidavit and required payment, from a secured party to a dealer under the circumstances described in division (D)(3)(a) of this section within the required seven business days may be indicated by a postmark within that period.

(4) A secured party is liable to a dealer for a late fee of ten dollars per day for each certificate of title, or affidavit and required payment, conveyed to the dealer more than seven business days but less than twenty-one days after the date specified in division (D)(3)(a) of this section and, from then on, twenty-five dollars per day until the certificate of title, or affidavit and required payment, are conveyed to the dealer.

(E) If a physical certificate of title has not been issued for a watercraft or outboard motor and all the security interests relating to that watercraft or outboard motor have been discharged, the owner of the watercraft or

outboard motor may obtain a physical certificate of title from the clerk of any court of common pleas upon payment of the fee specified in section 1548.10 of the Revised Code.

(F) If a clerk of a court of common pleas, other than the clerk of the court of common pleas of the county in which the owner of a watercraft or outboard motor resides, enters a notation of the existence of, or the cancellation of, a security interest relating to the watercraft or outboard motor, the clerk shall transmit the data relating to the notation to the automated title processing system.

(G) The electronic transmission of security interest and other information under this section shall comply with rules adopted by the registrar of motor vehicles under section 4505.13 of the Revised Code.

(H) As used in this section:

(1) "Accurate information" means the serial number of the watercraft or outboard motor, if any; the make and model of the watercraft or outboard motor; and the name and address of the owner of the watercraft or outboard motor as they appear on the certificate of title that is to be conveyed.

(2) "Good funds" has the same meaning as in section 4505.13 of the Revised Code.

(3) "Watercraft dealer" has the same meaning as in section 1547.01 of the Revised Code.

Sec. 4501.01. As used in this chapter and Chapters 4503., 4505., 4507., 4509., 4511., 4513., 4515., and 4517. of the Revised Code, and in the penal laws, except as otherwise provided:

(A) "Vehicles" means everything on wheels or runners, including motorized bicycles, but does not mean vehicles that are operated exclusively on rails or tracks or from overhead electric trolley wires and vehicles that belong to any police department, municipal fire department, or volunteer fire department, or that are used by such a department in the discharge of its functions.

(B) "Motor vehicle" means any vehicle, including mobile homes and recreational vehicles, that is propelled or drawn by power other than muscular power or power collected from overhead electric trolley wires. "Motor vehicle" does not include motorized bicycles, road rollers, traction engines, power shovels, power cranes, and other equipment used in construction work and not designed for or employed in general highway transportation, well-drilling machinery, ditch-digging machinery, farm machinery, trailers that are used to transport agricultural produce or agricultural production materials between a local place of storage or supply and the farm when drawn or towed on a public road or highway at a speed

of twenty-five miles per hour or less, threshing machinery, hay-baling machinery, corn sheller, hammermill and agricultural tractors, machinery used in the production of horticultural, agricultural, and vegetable products, and trailers that are designed and used exclusively to transport a boat between a place of storage and a marina, or in and around a marina, when drawn or towed on a public road or highway for a distance of no more than ten miles and at a speed of twenty-five miles per hour or less.

(C) "Agricultural tractor" and "traction engine" mean any self-propelling vehicle that is designed or used for drawing other vehicles or wheeled machinery, but has no provisions for carrying loads independently of such other vehicles, and that is used principally for agricultural purposes.

(D) "Commercial tractor," except as defined in division (C) of this section, means any motor vehicle that has motive power and either is designed or used for drawing other motor vehicles, or is designed or used for drawing another motor vehicle while carrying a portion of the other motor vehicle or its load, or both.

(E) "Passenger car" means any motor vehicle that is designed and used for carrying not more than nine persons and includes any motor vehicle that is designed and used for carrying not more than fifteen persons in a ridesharing arrangement.

(F) "Collector's vehicle" means any motor vehicle or agricultural tractor or traction engine that is of special interest, that has a fair market value of one hundred dollars or more, whether operable or not, and that is owned, operated, collected, preserved, restored, maintained, or used essentially as a collector's item, leisure pursuit, or investment, but not as the owner's principal means of transportation. "Licensed collector's vehicle" means a collector's vehicle, other than an agricultural tractor or traction engine, that displays current, valid license tags issued under section 4503.45 of the Revised Code, or a similar type of motor vehicle that displays current, valid license tags issued under substantially equivalent provisions in the laws of other states.

(G) "Historical motor vehicle" means any motor vehicle that is over twenty-five years old and is owned solely as a collector's item and for participation in club activities, exhibitions, tours, parades, and similar uses, but that in no event is used for general transportation.

(H) "Noncommercial motor vehicle" means any motor vehicle, including a farm truck as defined in section 4503.04 of the Revised Code, that is designed by the manufacturer to carry a load of no more than one ton and is used exclusively for purposes other than engaging in business for profit.

(I) "Bus" means any motor vehicle that has motor power and is designed and used for carrying more than nine passengers, except any motor vehicle that is designed and used for carrying not more than fifteen passengers in a ridesharing arrangement.

(J) "Commercial car" or "truck" means any motor vehicle that has motor power and is designed and used for carrying merchandise or freight, or that is used as a commercial tractor.

(K) "Bicycle" means every device, other than a tricycle that is designed solely for use as a play vehicle by a child, that is propelled solely by human power upon which any person may ride, and that has either two tandem wheels, or one wheel in front and two wheels in the rear, any of which is more than fourteen inches in diameter.

(L) "Motorized bicycle" means any vehicle that either has two tandem wheels or one wheel in the front and two wheels in the rear, that is capable of being pedaled, and that is equipped with a helper motor of not more than fifty cubic centimeters piston displacement that produces no more than one brake horsepower and is capable of propelling the vehicle at a speed of no greater than twenty miles per hour on a level surface.

(M) "Trailer" means any vehicle without motive power that is designed or used for carrying property or persons wholly on its own structure and for being drawn by a motor vehicle, and includes any such vehicle that is formed by or operated as a combination of a semitrailer and a vehicle of the dolly type such as that commonly known as a trailer dolly, a vehicle used to transport agricultural produce or agricultural production materials between a local place of storage or supply and the farm when drawn or towed on a public road or highway at a speed greater than twenty-five miles per hour, and a vehicle that is designed and used exclusively to transport a boat between a place of storage and a marina, or in and around a marina, when drawn or towed on a public road or highway for a distance of more than ten miles or at a speed of more than twenty-five miles per hour. "Trailer" does not include a manufactured home or travel trailer.

(N) "Noncommercial trailer" means any trailer, except a travel trailer or trailer that is used to transport a boat as described in division (B) of this section, but, where applicable, includes a vehicle that is used to transport a boat as described in division (M) of this section, that has a gross weight of no more than three thousand pounds, and that is used exclusively for purposes other than engaging in business for a profit.

(O) "Mobile home" means a building unit or assembly of closed construction that is fabricated in an off-site facility, is more than thirty-five body feet in length or, when erected on site, is three hundred twenty or more

square feet, is built on a permanent chassis, is transportable in one or more sections, and does not qualify as a manufactured home as defined in division (C)(4) of section 3781.06 of the Revised Code or as an industrialized unit as defined in division (C)(3) of section 3781.06 of the Revised Code.

(P) "Semitrailer" means any vehicle of the trailer type that does not have motive power and is so designed or used with another and separate motor vehicle that in operation a part of its own weight or that of its load, or both, rests upon and is carried by the other vehicle furnishing the motive power for propelling itself and the vehicle referred to in this division, and includes, for the purpose only of registration and taxation under those chapters, any vehicle of the dolly type, such as a trailer dolly, that is designed or used for the conversion of a semitrailer into a trailer.

(Q) "Recreational vehicle" means a vehicular portable structure that meets all of the following conditions:

- (1) It is designed for the sole purpose of recreational travel.
- (2) It is not used for the purpose of engaging in business for profit.
- (3) It is not used for the purpose of engaging in intrastate commerce.
- (4) It is not used for the purpose of commerce as defined in 49 C.F.R. 383.5, as amended.

(5) It is not regulated by the public utilities commission pursuant to Chapter 4919., 4921., or 4923. of the Revised Code.

(6) It is classed as one of the following:

(a) "Travel trailer" means a nonself-propelled recreational vehicle that does not exceed an overall length of thirty-five feet, exclusive of bumper and tongue or coupling, and contains less than three hundred twenty square feet of space when erected on site. "Travel trailer" includes a tent-type fold-out camping trailer as defined in section 4517.01 of the Revised Code.

(b) "Motor home" means a self-propelled recreational vehicle that has no fifth wheel and is constructed with permanently installed facilities for cold storage, cooking and consuming of food, and for sleeping.

(c) "Truck camper" means a nonself-propelled recreational vehicle that does not have wheels for road use and is designed to be placed upon and attached to a motor vehicle. "Truck camper" does not include truck covers that consist of walls and a roof, but do not have floors and facilities enabling them to be used as a dwelling.

(d) "Fifth wheel trailer" means a vehicle that is of such size and weight as to be movable without a special highway permit, that has a gross trailer area of four hundred square feet or less, that is constructed with a raised forward section that allows a bi-level floor plan, and that is designed to be towed by a vehicle equipped with a fifth-wheel hitch ordinarily installed in

the bed of a truck.

(e) "Park trailer" means a vehicle that is commonly known as a park model recreational vehicle, meets the American national standard institute standard A119.5 (1988) for park trailers, is built on a single chassis, has a gross trailer area of four hundred square feet or less when set up, is designed for seasonal or temporary living quarters, and may be connected to utilities necessary for the operation of installed features and appliances.

(R) "Pneumatic tires" means tires of rubber and fabric or tires of similar material, that are inflated with air.

(S) "Solid tires" means tires of rubber or similar elastic material that are not dependent upon confined air for support of the load.

(T) "Solid tire vehicle" means any vehicle that is equipped with two or more solid tires.

(U) "Farm machinery" means all machines and tools that are used in the production, harvesting, and care of farm products, and includes trailers that are used to transport agricultural produce or agricultural production materials between a local place of storage or supply and the farm when drawn or towed on a public road or highway at a speed of twenty-five miles per hour or less.

(V) "Owner" includes any person; or firm, ~~or corporation~~ other than a manufacturer or dealer, that has title to a motor vehicle, except that, in sections 4505.01 to 4505.19 of the Revised Code, "owner" includes in addition manufacturers and dealers.

(W) "Manufacturer" and "dealer" include all persons; and firms, ~~and corporations~~ that are regularly engaged in the business of manufacturing, selling, displaying, offering for sale, or dealing in motor vehicles, at an established place of business that is used exclusively for the purpose of manufacturing, selling, displaying, offering for sale, or dealing in motor vehicles. A place of business that is used for manufacturing, selling, displaying, offering for sale, or dealing in motor vehicles shall be deemed to be used exclusively for those purposes even though snowmobiles or all-purpose vehicles are sold or displayed for sale thereat, even though farm machinery is sold or displayed for sale thereat, or even though repair, accessory, gasoline and oil, storage, parts, service, or paint departments are maintained thereat, or, in any county having a population of less than seventy-five thousand ~~persons~~ at the last federal census, even though a department in a place of business is used to dismantle, salvage, or rebuild motor vehicles by means of used parts, if such departments are operated for the purpose of furthering and assisting in the business of manufacturing, selling, displaying, offering for sale, or dealing in motor vehicles. Places of

business or departments in a place of business used to dismantle, salvage, or rebuild motor vehicles by means of using used parts are not considered as being maintained for the purpose of assisting or furthering the manufacturing, selling, displaying, and offering for sale or dealing in motor vehicles.

(X) "Operator" includes any person who drives or operates a motor vehicle upon the public highways.

(Y) "Chauffeur" means any operator who operates a motor vehicle, other than a taxicab, as an employee for hire; or any operator whether or not the owner of a motor vehicle, other than a taxicab, who operates such vehicle for transporting, for gain, compensation, or profit, either persons or property owned by another. Any operator of a motor vehicle who is voluntarily involved in a ridesharing arrangement is not considered an employee for hire or operating such vehicle for gain, compensation, or profit.

(Z) "State" includes the territories and federal districts of the United States, and the provinces of Canada.

(AA) "Public roads and highways" for vehicles includes all public thoroughfares, bridges, and culverts.

(BB) "Manufacturer's number" means the manufacturer's original serial number that is affixed to or imprinted upon the chassis or other part of the motor vehicle.

(CC) "Motor number" means the manufacturer's original number that is affixed to or imprinted upon the engine or motor of the vehicle.

(DD) "Distributor" means any person who is authorized by a motor vehicle manufacturer to distribute new motor vehicles to licensed motor vehicle dealers at an established place of business that is used exclusively for the purpose of distributing new motor vehicles to licensed motor vehicle dealers, except when the distributor also is a new motor vehicle dealer, in which case the distributor may distribute at the location of the distributor's licensed dealership.

(EE) "Ridesharing arrangement" means the transportation of persons in a motor vehicle where the transportation is incidental to another purpose of a volunteer driver and includes ridesharing arrangements known as carpools, vanpools, and buspools.

(FF) "Apportionable vehicle" means any vehicle that is used or intended for use in two or more international registration plan member jurisdictions that allocate or proportionally register vehicles, that is used for the transportation of persons for hire or designed, used, or maintained primarily for the transportation of property, and that meets any of the following

qualifications:

(1) Is a power unit having a gross vehicle weight in excess of twenty-six thousand pounds;

(2) Is a power unit having three or more axles, regardless of the gross vehicle weight;

(3) Is a combination vehicle with a gross vehicle weight in excess of twenty-six thousand pounds.

"Apportionable vehicle" does not include recreational vehicles, vehicles displaying restricted plates, city pick-up and delivery vehicles, buses used for the transportation of chartered parties, or vehicles owned and operated by the United States, this state, or any political subdivisions thereof.

(GG) "Chartered party" means a group of persons who contract as a group to acquire the exclusive use of a passenger-carrying motor vehicle at a fixed charge for the vehicle in accordance with the carrier's tariff, lawfully on file with the United States department of transportation, for the purpose of group travel to a specified destination or for a particular itinerary, either agreed upon in advance or modified by the chartered group after having left the place of origin.

(HH) "International registration plan" means a reciprocal agreement of member jurisdictions that is endorsed by the American association of motor vehicle administrators, and that promotes and encourages the fullest possible use of the highway system by authorizing apportioned registration of fleets of vehicles and recognizing registration of vehicles apportioned in member jurisdictions.

(II) "Restricted plate" means a license plate that has a restriction of time, geographic area, mileage, or commodity, and includes license plates issued to farm trucks under division (K) of section 4503.04 of the Revised Code.

(JJ) "Gross vehicle weight," with regard to any commercial car, trailer, semitrailer, or bus that is taxed at the rates established under section 4503.042 of the Revised Code, means the unladen weight of the vehicle fully equipped plus the maximum weight of the load to be carried on the vehicle.

(KK) "Combined gross vehicle weight" with regard to any combination of a commercial car, trailer, and semitrailer, that is taxed at the rates established under section 4503.042 of the Revised Code, means the total unladen weight of the combination of vehicles fully equipped plus the maximum weight of the load to be carried on that combination of vehicles.

(LL) "Chauffeured limousine" means a motor vehicle that is designed to carry nine or fewer passengers and is operated for hire on an hourly basis pursuant to a prearranged contract for the transportation of passengers on

public roads and highways along a route under the control of the person hiring the vehicle and not over a defined and regular route. "Prearranged contract" means an agreement, made in advance of boarding, to provide transportation from a specific location in a chauffeured limousine at a fixed rate per hour or trip. "Chauffeured limousine" does not include any vehicle that is used exclusively in the business of funeral directing.

(MM) "Manufactured home" has the same meaning as in division (C)(4) of section 3781.06 of the Revised Code.

(NN) "Acquired situs," with respect to a manufactured home or a mobile home, means to become located in this state by the placement of the home on real property, but does not include the placement of a manufactured home or a mobile home in the inventory of a new motor vehicle dealer or the inventory of a manufacturer, remanufacturer, or distributor of manufactured or mobile homes.

(OO) "Electronic" includes electrical, digital, magnetic, optical, electromagnetic, or any other form of technology that entails capabilities similar to these technologies.

(PP) "Electronic record" means a record generated, communicated, received, or stored by electronic means for use in an information system or for transmission from one information system to another.

(QQ) "Electronic signature" means a signature in electronic form attached to or logically associated with an electronic record.

(RR) "Financial transaction device" has the same meaning as in division (A) of section 113.40 of the Revised Code.

(SS) "Electronic motor vehicle dealer" means a motor vehicle dealer licensed under Chapter 4517. of the Revised Code whom the registrar of motor vehicles determines meets the criteria designated in section 4503.035 of the Revised Code for electronic motor vehicle dealers and designates as an electronic motor vehicle dealer under that section.

Sec. 4503.03. (A)(1)(a) The registrar of motor vehicles may designate the county auditor in each county a deputy registrar. If the population of a county is forty thousand or less according to the last federal census and if the county auditor is designated by the registrar as a deputy registrar, no other person need be designated in the county to act as a deputy registrar. ~~It~~

(b) For three years after the effective date of this amendment, the registrar may designate a clerk of a court of common pleas as a deputy registrar if the population of the county is forty thousand or less according to the last federal census. All fees collected and retained by a clerk for conducting deputy registrar services shall be paid into the county treasury to the credit of the certificate of title administration fund created under section

325.33 of the Revised Code.

(c) In all other instances, the registrar shall contract with one or more other persons in each county to act as deputy registrars. ~~Deputy~~

(2) Deputy registrars shall accept applications for the annual license tax for any vehicle not taxed under section 4503.63 of the Revised Code and shall assign distinctive numbers in the same manner as the registrar. Such deputies shall be located in such locations in the county as the registrar sees fit. There shall be at least one deputy registrar in each county.

Deputy registrar contracts are subject to the provisions of division (B) of section 125.081 of the Revised Code.

(B) The registrar shall not contract with any person to act as a deputy registrar if the person or, where applicable, ~~his~~ the person's spouse or a member of ~~his~~ the person's immediate family has made, within the current calendar year or any one of the previous three calendar years, one or more contributions totaling in excess of one hundred dollars to any person or entity included in division (A)(2) of section ~~102.024~~ 4503.033 of the Revised Code. As used in this division, "immediate family" has the same meaning as in division (D) of section 102.01 of the Revised Code, and "entity" includes any political party and any "continuing association" as defined in division (B)(4) of section 3517.01 of the Revised Code or "political action committee" as defined in division (B)(8) of that section that is primarily associated with that political party. For purposes of this division, contributions to any continuing association or any political action committee that is primarily associated with a political party shall be aggregated with contributions to that political party.

The contribution limitations contained in this division do not apply to any county auditor or clerk of a court of common pleas.

The registrar shall not contract with either of the following to act as a deputy registrar:

(1) Any elected public official other than a county auditor or, as authorized by division (A)(1)(b) of this section, a clerk of a court of common pleas, acting in ~~his~~ an official capacity;

(2) Any person holding a current, valid contract to conduct motor vehicle inspections under section 3704.14 of the Revised Code.

(C) Deputy registrars are independent contractors and neither they nor their employees are employees of this state, except that nothing in this section shall affect the status of county auditors or clerks of courts of common pleas as public officials, nor the status of their employees as employees of any of the counties of this state, which are political subdivisions of this state. Each deputy registrar shall be responsible for the

payment of all unemployment compensation premiums, all workers' compensation premiums, social security contributions, and any and all taxes for which ~~he~~ the deputy registrar is legally responsible. Each deputy registrar shall comply with all applicable federal, state, and local laws requiring the withholding of income taxes or other taxes from the compensation of ~~his~~ the deputy registrar's employees. Each deputy registrar shall maintain during the entire term of ~~his~~ the deputy registrar's contract a policy of business liability insurance satisfactory to the registrar and shall hold the department of public safety, the director of public safety, the bureau of motor vehicles, and the registrar harmless upon any and all claims for damages arising out of the operation of the deputy registrar agency.

(D)(1) With the approval of the director, the registrar shall adopt rules governing the terms of the contract between the registrar and each deputy registrar and specifications for the services to be performed. The rules shall include specifications relating to the amount of bond to be given as provided in this section; the size and location of the deputy's office; and the leasing of equipment necessary to conduct the vision screenings required under section 4507.12 of the Revised Code; and training in the use of the equipment. The specifications shall permit and encourage every deputy registrar to inform the public of the location of ~~his~~ the deputy registrar's office and hours of operation by means of public service announcements and allow any deputy registrar to advertise in regard to the operation of the deputy registrar's office. The rules also shall include specifications for the hours the deputy's office is to be open to the public and shall require as a minimum that one deputy's office in each county be open to the public for at least four hours each weekend, provided that if only one deputy's office is located within the boundary of the county seat, that office is the office that shall be open for the four-hour period each weekend, and that every deputy's office in each county shall be open to the public until six-thirty p.m. on at least one weeknight each week. The rules also shall include specifications providing that every deputy in each county, upon request, provide any person with information about the location and office hours of all deputy registrars in the county and that every deputy registrar prominently display within ~~his~~ the deputy's office, the toll-free telephone number of the bureau. The rules shall not prohibit the award of a deputy registrar contract to a nonprofit corporation formed under the laws of this state. The rules shall prohibit any deputy registrar from operating more than one such office at any time, except that the rules may permit a nonprofit corporation formed for the purposes of providing automobile-related services to its members or the public and that provides such services from more than one location in this

state to operate a deputy registrar office at any such location, provided that the nonprofit corporation operates no more than one deputy registrar office in any one county. The rules may include such other specifications as the registrar and director consider necessary to provide a high level of service.

(2) With the prior approval of the registrar, each deputy registrar may conduct at the location of the deputy registrar's office any business that is consistent with the functions of a deputy registrar and that is not specifically mandated or authorized by this or another chapter of the Revised Code or by implementing rules of the registrar.

(3) As used in this section and in section 4507.01 of the Revised Code, "nonprofit corporation" has the same meaning as in section 1702.01 of the Revised Code.

(E) Unless otherwise terminated and except for interim contracts of less than one year, contracts with deputy registrars shall be for a term of at least two years, but no more than three years, and all contracts effective on or after July 1, 1996, shall be for a term of more than two years, but not more than three years. All contracts with deputy registrars shall expire on the thirtieth day of June in the year of their expiration. The auditor of state may examine the accounts, reports, systems, and other data of each deputy registrar at least every two years. The registrar, with the approval of the director, shall immediately remove a deputy who violates any provision of the Revised Code related to ~~his~~ the duties as a deputy, any rule adopted by the registrar, or a term of ~~his~~ the deputy's contract with the registrar. The registrar also may remove a deputy who, in the opinion of the registrar, has engaged in any conduct that is either unbecoming to one representing this state or is inconsistent with the efficient operation of the deputy's office. Upon removal of a deputy registrar for contract violation, the auditor of state shall examine the accounts, records, systems, and other data of the deputy registrar so removed.

If the registrar, with the approval of the director, determines that there is good cause to believe that a deputy registrar or a person proposing for a deputy registrar contract has engaged in any conduct that would require the denial or termination of the deputy registrar contract, the registrar may require the production of ~~such~~ books, records, and papers as ~~he~~ the registrar determines are necessary, and may take the depositions of witnesses residing within or outside the state in the same manner as is prescribed by law for the taking of depositions in civil actions in the court of common pleas, and for that purpose the registrar may issue a subpoena for any witness or a subpoena duces tecum to compel the production of any books, records, or papers, directed to the sheriff of the county where the witness resides or is

found. Such a subpoena shall be served and returned in the same manner as a subpoena in a criminal case is served and returned. The fees and mileage of the sheriff and witnesses shall be the same as that allowed in the court of common pleas in criminal cases and shall be paid from the fund in the state treasury for the use of the agency in the same manner as other expenses of the agency are paid.

In any case of disobedience or neglect of any subpoena served on any person or the refusal of any witness to testify to any matter regarding which ~~he~~ the witness lawfully may be interrogated, the court of common pleas of any county where the disobedience, neglect, or refusal occurs or any judge ~~thereof of that court~~, on application by the registrar, shall compel obedience by attachment proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued from ~~such~~ that court, or a refusal to testify ~~therein in that court~~.

Nothing in this division shall be construed to require a hearing of any nature prior to the termination of any deputy registrar contract by the registrar, with the approval of the director, for cause.

(F) Except as provided in section 2743.03 of the Revised Code, no court, other than the court of common pleas of Franklin county, has jurisdiction of any action against the department of public safety, the director, the bureau, or the registrar to restrain the exercise of any power or authority ~~nor, or~~ to entertain any action for declaratory judgment, in the selection and appointment of, or contracting with, deputy registrars. Neither the department, the director, the bureau, nor the registrar is liable in any action at law for damages sustained by any person because of any acts of the department, the director, the bureau, or the registrar, ~~nor or of~~ any employee of the department or bureau, in the performance of ~~his~~ official duties in the selection and appointment of, and contracting with, deputy registrars.

(G) The registrar shall assign to each deputy registrar a series of numbers sufficient to supply the demand at all times in the area the deputy registrar serves, and the registrar shall keep a record in ~~his~~ the registrar's office of the numbers within the series assigned. Each deputy shall be required to give bond in the amount of at least twenty-five thousand dollars, or in such higher amount as the registrar determines necessary, based on a uniform schedule of bond amounts established by the registrar and determined by the volume of registrations handled by the deputy. The form of the bond shall be prescribed by the registrar. The bonds required of deputy registrars, in the discretion of the registrar, may be individual or schedule bonds or may be included in any blanket bond coverage carried by the department.

(H) Each deputy registrar shall keep a file of each application received by ~~him~~ the deputy and shall register that motor vehicle with the name and address of ~~the~~ its owner ~~thereof~~.

(I) Upon request, a deputy registrar shall make the physical inspection of a motor vehicle and issue the physical inspection certificate required in section 4505.061 of the Revised Code.

(J) Each deputy registrar shall file a report semi-annually with the registrar of motor vehicles listing the number of applicants for licenses ~~he~~ the deputy has served, the number of voter registration applications ~~he~~ the deputy has completed and transmitted to the board of elections, and the number of voter registration applications declined.

Sec. 4503.035. The registrar of motor vehicles shall designate as an electronic motor vehicle dealer a motor vehicle dealer who meets all of the following criteria:

(A) The dealer holds a current, valid dealer license issued under Chapter 4517. of the Revised Code.

(B) The dealer participates in the title defect recision fund created by section 1345.52 of the Revised Code.

(C) The dealer has the capability, via electronic means, to send motor vehicle title and registration information, as specified by the registrar, to the registrar and clerks of the courts of common pleas.

(D) The dealer meets other criteria for electronic motor vehicle dealers that the registrar may establish by rule adopted under Chapter 119. of the Revised Code.

Sec. 4503.10. (A) The owner of every snowmobile, off-highway motorcycle, and all-purpose vehicle required to be registered under section 4519.02 of the Revised Code shall file an application for registration under section 4519.03 of the Revised Code. The owner of a motor vehicle, other than a snowmobile, off-highway motorcycle, or all-purpose vehicle, that is not designed and constructed by the manufacturer for operation on a street or highway may not register it under this chapter except upon certification of inspection pursuant to section 4513.02 of the Revised Code by the sheriff, or the chief of police of the municipal corporation or township police, with jurisdiction over the political subdivision in which the owner of the motor vehicle resides. Except as provided in section 4503.103 of the Revised Code, every owner of every other motor vehicle not previously described in this section and every person mentioned as owner in the last certificate of title of a motor vehicle that is operated or driven upon the public roads or highways shall cause to be filed each year, by mail or otherwise, in the office of the registrar of motor vehicles or a deputy registrar, a written or

electronic application or a preprinted registration renewal notice issued under section 4503.102 of the Revised Code, the form of which shall be prescribed by the registrar, for registration for the following registration year, which shall begin on the first day of January of every calendar year and end on the thirty-first day of December in the same year. Applications for registration and registration renewal notices shall be filed at the times established by the registrar pursuant to section 4503.101 of the Revised Code. A motor vehicle owner also may elect to apply for or renew a motor vehicle registration by electronic means using electronic signature in accordance with rules adopted by the registrar. Except as provided in division (J) of this section, applications for registration shall be made on blanks furnished by the registrar for that purpose, containing the following information:

(1) A brief description of the motor vehicle to be registered, including the name of the manufacturer, the factory number of the vehicle, the year's model, and, in the case of commercial cars, the gross weight of the vehicle fully equipped computed in the manner prescribed in section 4503.08 of the Revised Code;

(2) The name and residence address of the owner, and the township and municipal corporation in which the owner resides;

(3) The district of registration, which shall be determined as follows:

(a) In case the motor vehicle to be registered is used for hire or principally in connection with any established business or branch business, conducted at a particular place, the district of registration is the municipal corporation in which that place is located or, if not located in any municipal corporation, the county and township in which that place is located.

(b) In case the vehicle is not so used, the district of registration is the municipal corporation or county in which the owner resides at the time of making the application.

(4) Whether the motor vehicle is a new or used motor vehicle;

(5) The date of purchase of the motor vehicle;

(6) Whether the fees required to be paid for the registration or transfer of the motor vehicle, during the preceding registration year and during the preceding period of the current registration year, have been paid. Each application for registration shall be signed by the owner, either manually or by electronic signature, or pursuant to obtaining a limited power of attorney authorized by the registrar for registration, or other document authorizing such signature. If the owner elects to apply for or renew the motor vehicle registration with the registrar by electronic means, the owner's manual signature is not required.

(7) The owner's social security number, if assigned, or, where a motor vehicle to be registered is used for hire or principally in connection with any established business, the owner's federal taxpayer identification number.

(B) Each time ~~the~~ an applicant first registers a motor vehicle in the applicant's name, the applicant shall present for inspection a physical certificate of title or a memorandum certificate showing title to the motor vehicle to be registered in the applicant if a physical certificate of title or memorandum certificate has been issued by a clerk of a court of common pleas. If, under sections 4505.021, 4505.06, and 4505.08 of the Revised Code, a clerk instead has issued an electronic certificate of title for the applicant's motor vehicle, that certificate may be presented for inspection at the time of first registration in a manner prescribed by rules adopted by the registrar. When a motor vehicle inspection and maintenance program is in effect under section 3704.14 of the Revised Code and rules adopted under it, each application for registration for a vehicle required to be inspected under that section and those rules shall be accompanied by an inspection certificate for the motor vehicle issued in accordance with that section. The application shall be refused if any of the following applies:

(1) The application is not in proper form.

(2) The application is prohibited from being accepted by division (D) of section 2935.27, division (A) of section 2937.221, division (A) of section 4503.13, division (B) of section 4507.168, or division (B)(1) of section 4521.10 of the Revised Code.

(3) A certificate of title or memorandum certificate of title does not accompany the application or, in the case of an electronic certificate of title, is not presented in a manner prescribed by the registrar's rules.

(4) All registration and transfer fees for the motor vehicle, for the preceding year or the preceding period of the current registration year, have not been paid.

(5) The owner or lessee does not have an inspection certificate for the motor vehicle as provided in section 3704.14 of the Revised Code, and rules adopted under it, if that section is applicable.

This section does not require the payment of license or registration taxes on a motor vehicle for any preceding year, or for any preceding period of a year, if the motor vehicle was not taxable for that preceding year or period under sections 4503.02, 4503.04, 4503.11, 4503.12, and 4503.16 or Chapter 4504. of the Revised Code. When a certificate of registration is issued upon the first registration of a motor vehicle by or on behalf of the owner, the official issuing the certificate shall indicate the issuance with a stamp on the certificate of title or memorandum certificate or, in the case of an electronic

certificate of title, an electronic stamp or other notation as specified in rules adopted by the registrar, and with a stamp on the inspection certificate for the motor vehicle, if any. The official also shall indicate, by a stamp or by ~~such~~ other means ~~as~~ the registrar prescribes, on the registration certificate issued upon the first registration of a motor vehicle by or on behalf of the owner the odometer reading of the motor vehicle as shown in the odometer statement included in or attached to the certificate of title. Upon each subsequent registration of the motor vehicle by or on behalf of the same owner, the official also shall so indicate the odometer reading of the motor vehicle as shown on the immediately preceding certificate of registration.

The registrar shall include in the permanent registration record of any vehicle required to be inspected under section 3704.14 of the Revised Code the inspection certificate number from the inspection certificate that is presented at the time of registration of the vehicle as required under this division.

(C) In addition, a charge of twenty-five cents shall be made for each reflectorized safety license plate issued, and a single charge of twenty-five cents shall be made for each county identification sticker or each set of county identification stickers issued, as the case may be, to cover the cost of producing the license plates and stickers, including material, manufacturing, and administrative costs. Those fees shall be in addition to the license tax. If the total cost of producing the plates is less than twenty-five cents per plate, or if the total cost of producing the stickers is less than twenty-five cents per sticker or per set issued, any excess moneys accruing from the fees shall be distributed in the same manner as provided by section 4501.04 of the Revised Code for the distribution of license tax moneys. If the total cost of producing the plates exceeds twenty-five cents per plate, or if the total cost of producing the stickers exceeds twenty-five cents per sticker or per set issued, the difference shall be paid from the license tax moneys collected pursuant to section 4503.02 of the Revised Code.

(D) Each deputy registrar shall be allowed a fee of two dollars and seventy-five cents commencing on July 1, 2001, three dollars and twenty-five cents commencing on January 1, 2003, and three dollars and fifty cents commencing on January 1, 2004, for each application for registration and registration renewal notice the deputy registrar receives, which shall be for the purpose of compensating the deputy registrar for the deputy registrar's services, and such office and rental expenses, as may be necessary for the proper discharge of the deputy registrar's duties in the receiving of applications and renewal notices and the issuing of ~~licenses~~ registrations.

(E) Upon the certification of the registrar, the county sheriff or local police officials shall recover license plates erroneously or fraudulently issued.

(F) Each deputy registrar, upon receipt of any application for registration or registration renewal notice, together with the license fee and any local motor vehicle license tax levied pursuant to Chapter 4504. of the Revised Code, shall transmit that fee and tax, if any, in the manner provided in this section, together with the original and duplicate copy of the application, to the registrar. The registrar, subject to the approval of the director of public safety, may deposit the funds collected by those deputies in a local bank or depository to the credit of the "state of Ohio, bureau of motor vehicles." Where a local bank or depository has been designated by the registrar, each deputy registrar shall deposit all moneys collected by the deputy registrar into that bank or depository not more than one business day after their collection and shall make reports to the registrar of the amounts so deposited, together with any other information, some of which may be prescribed by the treasurer of state, as the registrar may require and as prescribed by the registrar by rule. The registrar, within three days after receipt of notification of the deposit of funds by a deputy registrar in a local bank or depository, shall draw on that account in favor of the treasurer of state. The registrar, subject to the approval of the director and the treasurer of state, may make reasonable rules necessary for the prompt transmittal of fees and for safeguarding the interests of the state and of counties, townships, municipal corporations, and transportation improvement districts levying local motor vehicle license taxes. The registrar may pay service charges usually collected by banks and depositories for such service. If deputy registrars are located in communities where banking facilities are not available, they shall transmit the fees forthwith, by money order or otherwise, as the registrar, by rule approved by the director and the treasurer of state, may prescribe. The registrar may pay the usual and customary fees for such service.

(G) This section does not prevent any person from making an application for a motor vehicle license directly to the registrar by mail, by electronic means, or in person at any of the registrar's offices, upon payment of a service fee of two dollars and seventy-five cents commencing on July 1, 2001, three dollars and twenty-five cents commencing on January 1, 2003, and three dollars and fifty cents commencing on January 1, 2004, for each application.

(H) No person shall make a false statement as to the district of registration in an application required by division (A) of this section.

ation of this division is falsification under section 2921.13 of the Revised Code and punishable as specified in that section.

(I)(1) Where applicable, the requirements of division (B) of this section relating to the presentation of an inspection certificate issued under section 3704.14 of the Revised Code and rules adopted under it for a motor vehicle, the refusal of a license for failure to present an inspection certificate, and the stamping of the inspection certificate by the official issuing the certificate of registration apply to the registration of and issuance of license plates for a motor vehicle under sections 4503.102, 4503.12, 4503.14, 4503.15, 4503.16, 4503.171, 4503.172, 4503.19, 4503.40, 4503.41, 4503.42, 4503.43, 4503.44, 4503.46, 4503.47, and 4503.51 of the Revised Code.

(2)(a) The registrar shall adopt rules ensuring that each owner registering a motor vehicle in a county where a motor vehicle inspection and maintenance program is in effect under section 3704.14 of the Revised Code and rules adopted under it receives information about the requirements established in that section and those rules and about the need in those counties to present an inspection certificate with an application for registration or preregistration.

(b) Upon request, the registrar shall provide the director of environmental protection, or any person that has been awarded a contract under division (D) of section 3704.14 of the Revised Code, an on-line computer data link to registration information for all passenger cars, noncommercial motor vehicles, and commercial cars that are subject to that section. The registrar also shall provide to the director of environmental protection a magnetic data tape containing registration information regarding passenger cars, noncommercial motor vehicles, and commercial cars for which a multi-year registration is in effect under section 4503.103 of the Revised Code or rules adopted under it, including, without limitation, the date of issuance of the multi-year registration, the registration deadline established under rules adopted under section 4503.101 of the Revised Code that was applicable in the year in which the multi-year registration was issued, and the registration deadline for renewal of the multi-year registration.

(J) Application for registration under the international registration plan, as set forth in sections 4503.60 to 4503.66 of the Revised Code, shall be made to the registrar on forms furnished by the registrar. In accordance with international registration plan guidelines and pursuant to rules adopted by the registrar, the forms shall include the following:

- (1) A uniform mileage schedule;
- (2) The gross vehicle weight of the vehicle or combined gross vehicle

weight of the combination vehicle as declared by the registrant;

(3) Any other information the registrar requires by rule.

Sec. 4503.182. (A) A purchaser of a motor vehicle, upon application and proof of purchase of the vehicle, may be issued a temporary license placard or windshield sticker for the motor vehicle.

The purchaser of a vehicle applying for a temporary license placard or windshield sticker under this section shall execute an affidavit stating that the purchaser has not been issued previously during the current registration year a license plate that could legally be transferred to ~~such~~ the vehicle.

Placards or windshield stickers shall be issued only for the applicant's use of the vehicle to enable the applicant to legally operate the motor vehicle while proper title, license plates, and a certificate of registration are being obtained, and shall be displayed on no other motor vehicle.

Placards or windshield stickers issued under this section are valid for a period of thirty days from date of issuance and are not transferable or renewable.

The fee for ~~such~~ the placards or windshield stickers is two dollars plus a deputy registrar service fee of two dollars and seventy-five cents commencing on July 1, 2001, three dollars and twenty-five cents commencing on January 1, 2003, and three dollars and fifty cents commencing on January 1, 2004, for each ~~such~~ placard issued by a deputy registrar.

(B) The registrar of motor vehicles may issue to a motorized bicycle dealer or a licensed motor vehicle dealer temporary license placards to be issued to purchasers for use on vehicles sold by the ~~licensed~~ dealer, in accordance with rules prescribed by the registrar. The dealer shall notify the registrar, within forty-eight hours ~~of proof~~, of the issuance ~~on of a form prescribed placard by the registrar~~ electronic means via computer equipment purchased and maintained by the dealer or in any other manner prescribed by the registrar.

The fee for each ~~such~~ placard issued by the registrar to a licensed motor vehicle dealer is two dollars plus a fee of two dollars and seventy-five cents commencing on July 1, 2001, three dollars and twenty-five cents commencing on January 1, 2003, and three dollars and fifty cents commencing on January 1, 2004.

(C) The registrar of motor vehicles, at the registrar's discretion, may issue a temporary license placard. Such a placard may be issued in the case of extreme hardship encountered by a citizen from this state or another state who has attempted to comply with all registration laws, but for extreme circumstances is unable to properly register the citizen's vehicle.

(D) The registrar shall adopt rules, in accordance with division (B) of section 111.15 of the Revised Code, to specify the procedures for reporting the information from applications for temporary license placards and windshield stickers and for providing the information from these applications to law enforcement agencies.

(E) Temporary license placards issued under this section shall bear a distinctive combination of seven letters, numerals, or letters and numerals, and shall incorporate a security feature that, to the greatest degree possible, prevents tampering with any of the information that is entered upon a placard when it is issued.

(F) As used in this section, "motorized bicycle dealer" means any person engaged in the business of selling at retail, displaying, offering for sale, or dealing in motorized bicycles who is not subject to section 4503.09 of the Revised Code.

Sec. 4505.021. The owner of a motor vehicle shall apply for a certificate of title for the vehicle when required by this chapter, but, except as otherwise specifically required in this chapter, the owner may elect whether or not to have the clerk of the court of common pleas to whom the certificate of title application is submitted issue a physical certificate of title for the motor vehicle, as provided in section 4505.08 of the Revised Code.

Except as otherwise specifically provided in this chapter, any provision of this chapter relating to the cancellation, issuance, or surrender of a certificate of title, including, but not limited to, provisions that contain a phrase such as "when a certificate of title is issued," "the clerk shall issue a certificate of title," or "the person shall obtain a certificate of title to the motor vehicle," or another phrase of similar import, shall include those circumstances when a clerk enters certificate of title information into the automated title processing system, but does not take any further action relating to a physical certificate of title for the motor vehicle.

Sec. 4505.03. No person, except as provided in ~~section~~ sections 4505.032 and 4505.05 of the Revised Code, shall sell or otherwise dispose of a motor vehicle without delivering to the buyer or transferee ~~thereof~~ of it a certificate of title with ~~such an~~ an assignment ~~thereon~~ on it as is necessary to show title in the buyer or transferee; nor shall any person, except as provided in section 4505.032 or 4505.11 of the Revised Code, buy or otherwise acquire a motor vehicle without obtaining a certificate of title for it in the person's name in accordance with this chapter.

Sec. 4505.032. (A)(1) If a person who is not an electronic motor vehicle dealer owns a motor vehicle for which a physical certificate of title has not been issued by a clerk of a court of common pleas and the person sells the

motor vehicle to an electronic motor vehicle dealer, the person is not required to obtain a physical certificate of title to the motor vehicle in order to transfer ownership to the dealer. The person shall present the dealer, in a manner approved by the registrar of motor vehicles, with sufficient proof of the person's identity and complete and sign a form prescribed by the registrar attesting to the person's identity and assigning the motor vehicle to the dealer. The electronic motor vehicle dealer then shall inform a clerk of a court of common pleas via electronic means of the sale of the motor vehicle and assignment of ownership of the vehicle to the dealer. The clerk shall enter the information relating to the assignment, including, but not limited to, the odometer disclosure statement required by section 4505.06 of the Revised Code, into the automated title processing system, and ownership of the vehicle passes to the dealer when the clerk enters this information into the system. The dealer is not required to obtain a certificate of title to the vehicle in the dealer's name.

(2) A clerk shall charge and collect from a dealer a fee of five dollars for each motor vehicle assigned to the dealer under division (A)(1) of this section. The fee shall be distributed in accordance with section 4505.09 of the Revised Code.

(B) If a person who is not an electronic motor vehicle dealer owns a motor vehicle for which a physical certificate of title has not been issued by a clerk of a court of common pleas and the person sells the motor vehicle to a person who is not an electronic motor vehicle dealer, the person shall obtain a physical certificate of title to the motor vehicle in order to transfer ownership of the vehicle to the person who is not an electronic motor vehicle dealer.

Sec. 4505.04. (A) No person acquiring a motor vehicle from its owner, whether the owner is a manufacturer, importer, dealer, or any other person, shall acquire any right, title, claim, or interest in or to the motor vehicle until there is issued to the person a certificate of title to the motor vehicle, or there is delivered to the person a manufacturer's or importer's certificate for it, or a certificate of title to it is assigned as authorized by section 4505.032 of the Revised Code; and no waiver or estoppel operates in favor of such person against a person having possession of the certificate of title to, or manufacturer's or importer's certificate for, the motor vehicle, for a valuable consideration.

(B) Subject to division (C) of this section, no court shall recognize the right, title, claim, or interest of any person in or to any motor vehicle sold or disposed of, or mortgaged or encumbered, unless evidenced:

(1) By a certificate of title, an assignment of a certificate of title made

under section 4505.032 of the Revised Code, a manufacturer's or importer's certificate, or a certified receipt of title cancellation to an exported motor vehicle issued in accordance with sections 4505.01 to 4505.21 of the Revised Code;

(2) By admission in the pleadings or stipulation of the parties;

(3) In an action by a secured party to enforce a security interest perfected under ~~sections 1309.01 to 1309.50~~ Chapter 1309, of the Revised Code in accordance with division (A) of section 4505.13 of the Revised Code, by an instrument showing a valid security interest.

(C)(1) As used in division (C) of this section:

(a) "Harm" means damage or other loss.

(b) "Lease agreement" includes a sublease agreement as defined in division (C)(1)(d) of this section.

(c) "Lessee" includes a sublessee under a sublease agreement, but only if the sublessee is a motor vehicle leasing dealer licensed under Chapter 4517. of the Revised Code.

(d) "Sublease agreement" means a lease of a motor vehicle between a motor vehicle leasing dealer licensed under Chapter 4517. of the Revised Code and a second such duly licensed motor vehicle leasing dealer.

(e) "Tort action" means a civil action for damages for harm to a motor vehicle, other than a civil action for damages for a breach of contract or another agreement between persons.

(2) Notwithstanding divisions (A) and (B) of this section, if a motor vehicle that is the subject of a lease agreement sustains harm during the term of that agreement and if all of the following conditions are satisfied, the lessee may commence a tort action in the lessee's own name to recover damages for the harm from the person allegedly responsible for it:

(a) The lessee shall file with and attach to the complaint in the tort action a copy of the lease agreement pursuant to which the lessee is responsible for damage to the motor vehicle, for purposes of establishing the ownership of the motor vehicle and the interest of the lessee in it;

(b) The harm to the motor vehicle shall be such that, under the lease agreement, the lessee bringing the action is legally responsible for the repair of the harm;

(c) The lessee shall cause a copy of the complaint in the tort action to be served upon the owner of the motor vehicle and upon any other lessee of the vehicle in accordance with the Rules of Civil Procedure.

Sec. 4505.06. (A)(1) Application for a certificate of title shall be made in a form prescribed by the registrar of motor vehicles; and shall be sworn to before a notary public or other officer empowered to administer oaths. The

Application shall be filed with the clerk of ~~the~~ any court of common pleas ~~of the county in which the applicant resides if the applicant is a resident of this state or, if not a resident, in the county in which the transaction is consummated.~~ An application for a certificate of title may be filed electronically by any electronic image transmission means approved by the registrar in any county in which ~~with~~ the clerk of the court of common pleas ~~permits an application to be filed electronically. The signature of an officer empowered to administer oaths that appears on an application for a certificate of title, or on any other document required to be filed by this chapter that has been filed electronically, is not a facsimile signature as defined in section 9.10 of the Revised Code of that county.~~ Any payments required by this chapter shall be considered as accompanying any electronically transmitted application when payment actually is received by the clerk. Payment of any fee or taxes may be made by electronic transfer of funds.

(2) The application for a certificate of title shall be accompanied by the fee prescribed in section 4505.09 of the Revised Code; and if. The fee shall be retained by the clerk who issues the certificate of title and shall be distributed in accordance with that section. If a clerk of a court of common pleas, other than the clerk of the court of common pleas of an applicant's county of residence, issues a certificate of title to the applicant, the clerk shall transmit data related to the transaction to the automated title processing system.

(3) If a certificate of title previously has been issued for the a motor vehicle in this state, it the application for a certificate of title also shall be accompanied by that certificate of title duly assigned, unless otherwise provided in this chapter. If a certificate of title previously has not been issued for the motor vehicle in this state, the application, unless otherwise provided in this chapter, shall be accompanied by a manufacturer's or importer's certificate or by a certificate of title of another state from which the motor vehicle was brought into this state. If the application refers to a motor vehicle last previously registered in another state, the application also shall be accompanied by the physical inspection certificate required by section 4505.061 of the Revised Code. If the application is made by two persons regarding a motor vehicle in which they wish to establish joint ownership with right of survivorship, they may do so as provided in section 2106.17 of the Revised Code. The clerk shall retain the evidence of title presented by the applicant and on which the certificate of title is issued, except that, if an application for a certificate of title is filed electronically by an electronic motor vehicle dealer on behalf of the purchaser of a motor

vehicle, the clerk shall retain the completed electronic record to which the dealer converted the certificate of title application and other required documents. The electronic motor vehicle dealer shall forward the actual application and all other documents relating to the sale of the motor vehicle to any clerk within thirty days after the certificate of title is issued. The registrar, after consultation with the attorney general, shall adopt rules that govern the location at which, and the manner in which, are stored the actual application and all other documents relating to the sale of a motor vehicle when an electronic motor vehicle dealer files the application for a certificate of title electronically on behalf of the purchaser. The

The clerk shall use reasonable diligence in ascertaining whether or not the facts in the application for a certificate of title are true by checking the application and documents accompanying it or the electronic record to which a dealer converted the application and accompanying documents with the records of motor vehicles in the clerk's office; if, If the clerk is satisfied that the applicant is the owner of the motor vehicle and that the application is in the proper form, the clerk, within five business days after the application is filed, shall issue a physical certificate of title over the clerk's signature and sealed with the clerk's seal unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. For purposes of the transfer of a certificate of title, if the clerk is satisfied that the secured party has duly discharged a lien notation; but has not canceled the lien notation with the a clerk of the county of origin, the clerk may cancel the lien notation on the automated title processing system and notify the clerk of the county of origin.

(4) In the case of the sale of a motor vehicle to a general buyer or user by a dealer, by a motor vehicle leasing dealer selling the motor vehicle to the lessee or, in a case in which the leasing dealer subleased the motor vehicle, the sublessee, at the end of the lease agreement or sublease agreement, or by a manufactured home broker, the certificate of title shall be obtained in the name of the buyer by the dealer, leasing dealer, or the manufactured home broker, as the case may be, upon application signed by the buyer. The certificate of title shall be issued, or the process of entering the certificate of title application information into the automated title processing system if a physical certificate of title is not to be issued shall be completed, within five business days after the application for title is filed with the clerk. If the buyer of the motor vehicle previously leased the motor vehicle and is buying the motor vehicle at the end of the lease pursuant to that lease, the certificate of title shall be obtained in the name of the buyer

by the motor vehicle leasing dealer who previously leased the motor vehicle to the buyer or by the motor vehicle leasing dealer who subleased the motor vehicle to the buyer under a sublease agreement.

In all other cases, except as provided in section 4505.032 and division (D)(2) of section 4505.11 of the Revised Code, such certificates shall be obtained by the buyer. ~~It~~

(5)(a)(i) If the certificate of title is being obtained in the name of the buyer by a motor vehicle dealer or motor vehicle leasing dealer and there is a security interest to be noted on the certificate of title, the dealer or leasing dealer shall submit the application for the certificate of title and payment of the applicable tax to a clerk within seven business days after the later of the delivery of the motor vehicle to the buyer or the date the dealer or leasing dealer obtains the manufacturer's or importer's certificate, or certificate of title issued in the name of the dealer or leasing dealer, for the motor vehicle. Submission of the application for the certificate of title and payment of the applicable tax within the required seven business days may be indicated by postmark or receipt by a clerk within that period.

(ii) Upon receipt of the certificate of title with the security interest noted on its face, the dealer or leasing dealer shall forward the certificate of title to the secured party at the location noted in the financing documents or otherwise specified by the secured party.

(iii) A motor vehicle dealer or motor vehicle leasing dealer is liable to a secured party for a late fee of ten dollars per day for each certificate of title application and payment of the applicable tax that is submitted to a clerk more than seven business days but less than twenty-one days after the later of the delivery of the motor vehicle to the buyer or the date the dealer or leasing dealer obtains the manufacturer's or importer's certificate, or certificate of title issued in the name of the dealer or leasing dealer, for the motor vehicle and, from then on, twenty-five dollars per day until the application and applicable tax are submitted to a clerk.

(b) In all cases of transfer of a motor vehicle, the application for certificate of title shall be filed within thirty days after the assignment or delivery of the motor vehicle. If an application for a certificate of title is not filed within ~~that~~ the period specified in division (A)(5)(b) of this section, the clerk shall collect a fee of five dollars for the issuance of the certificate, except that no such fee shall be required from a motor vehicle salvage dealer, as defined in division (A) of section 4738.01 of the Revised Code, who immediately surrenders the certificate of title for cancellation. The fee shall be in addition to all other fees established by this chapter, and shall be retained by the clerk. The registrar shall provide, on the certificate of title

form prescribed by section 4505.07 of the Revised Code, language necessary to give evidence of the date on which the assignment or delivery of the motor vehicle was made.

(6) As used in ~~this~~ division (A) of this section, "lease agreement," "lessee," and "sublease agreement" have the same meanings as in section 4505.04 of the Revised Code.

(B) The clerk, except as provided in this section, shall refuse to accept for filing any application for a certificate of title and shall refuse to issue a certificate of title unless the dealer or manufactured home broker or the applicant, in cases in which the certificate shall be obtained by the buyer, submits with the application payment of the tax levied by or pursuant to Chapters 5739. and 5741. of the Revised Code based on the purchaser's county of residence. Upon payment of the tax in accordance with division (E) of this section, the clerk shall issue a receipt prescribed by the registrar and agreed upon by the tax commissioner showing payment of the tax or a receipt issued by the commissioner showing the payment of the tax. When submitting payment of the tax to the clerk, a dealer shall retain any discount to which the dealer is entitled under section 5739.12 of the Revised Code.

For receiving and disbursing such taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one one-hundredth per cent, which shall be paid into the certificate of title administration fund created by section 325.33 of the Revised Code. The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

A clerk, however, may retain from the taxes paid to the clerk an amount equal to the poundage fees associated with certificates of title issued by other clerks of courts of common pleas to applicants who reside in the first clerk's county. The registrar, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

In the case of casual sales of motor vehicles, as defined in section 4517.01 of the Revised Code, the price for the purpose of determining the tax shall be the purchase price on the assigned certificate of title executed by the seller and filed with the clerk by the buyer on a form to be prescribed by the registrar, which shall be prima-facie evidence of the amount for the determination of the tax.

(C)(1) If the transferor indicates on the certificate of title that the

odometer reflects mileage in excess of the designed mechanical limit of the odometer, the clerk shall enter the phrase "exceeds mechanical limits" following the mileage designation. If the transferor indicates on the certificate of title that the odometer reading is not the actual mileage, the clerk shall enter the phrase "nonactual: warning - odometer discrepancy" following the mileage designation. The clerk shall use reasonable care in transferring the information supplied by the transferor, but is not liable for any errors or omissions of the clerk or those of the clerk's deputies in the performance of the clerk's duties created by this chapter.

The registrar shall prescribe an affidavit in which the transferor shall swear to the true selling price and, except as provided in this division, the true odometer reading of the motor vehicle. The registrar may prescribe an affidavit in which the seller and buyer provide information pertaining to the odometer reading of the motor vehicle in addition to that required by this section, as such information may be required by the United States secretary of transportation by rule prescribed under authority of subchapter IV of the "Motor Vehicle Information and Cost Savings Act," 86 Stat. 961 (1972), 15 U.S.C. 1981.

(2) Division (C)(1) of this section does not require the giving of information concerning the odometer and odometer reading of a motor vehicle when ownership of a motor vehicle is being transferred as a result of a bequest, under the laws of intestate succession, to a surviving spouse pursuant to section 2106.17, 2106.18, or 4505.10 of the Revised Code, or in connection with the creation of a security interest.

(D) When the transfer to the applicant was made in some other state or in interstate commerce, the clerk, except as provided in this section, shall refuse to issue any certificate of title unless the tax imposed by or pursuant to Chapter 5741. of the Revised Code based on the purchaser's county of residence has been paid as evidenced by a receipt issued by the tax commissioner, or unless the applicant submits with the application payment of the tax. Upon payment of the tax in accordance with division (E) of this section, the clerk shall issue a receipt prescribed by the registrar and agreed upon by the tax commissioner, showing payment of the tax. ~~For~~

For receiving and disbursing such taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one one-hundredth per cent. ~~When~~ The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

clerk's county. The registrar, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

When the vendor is not regularly engaged in the business of selling motor vehicles, the vendor shall not be required to purchase a vendor's license or make reports concerning ~~such~~ those sales.

(E) The clerk shall accept any payment of a tax in cash, or by cashier's check, certified check, draft, ~~or~~ money order, or teller check issued by any insured financial institution payable to the clerk and submitted with an application for a certificate of title under division (B) or (D) of this section. The clerk also may accept payment of the tax by corporate, business, or personal check, credit card, electronic transfer or wire transfer, debit card, or any other accepted form of payment made payable to the clerk. The clerk may require bonds, guarantees, or letters of credit to ensure the collection of corporate, business, or personal checks. Any service fee charged by a third party to a clerk for the use of any form of payment may be paid by the clerk from the certificate of title administration fund created in section 325.33 of the Revised Code, or may be assessed by the clerk upon the applicant as an additional fee. Upon collection, the additional fees shall be paid by the clerk into that certificate of title administration fund.

The clerk shall make a good faith effort to collect any payment of taxes due but not made because the payment was returned or dishonored, but the clerk is not personally liable for the payment of uncollected taxes or uncollected fees. The clerk shall notify the tax commissioner of any such payment of taxes that is due but not made and shall furnish such information to the commissioner as the commissioner requires. The clerk shall deduct the amount of taxes due but not paid from the clerk's periodic remittance of tax payments, in accordance with procedures agreed upon by the tax commissioner. The commissioner may collect taxes due by assessment in the manner provided in section 5739.13 of the Revised Code.

Any person who presents payment that is returned or dishonored for any reason is liable to the clerk for payment of a penalty over and above the amount of the taxes due. The clerk shall determine the amount of the penalty, which shall be no greater than that amount necessary to compensate the clerk for banking charges, legal fees, or other expenses incurred by the clerk in collecting the returned or dishonored payment. The remedies and procedures provided in this section are in addition to any other available

civil or criminal remedies. Subsequently collected penalties, poundage fees, and title fees, less any title fee due the state, from returned or dishonored payments collected by the clerk shall be paid into the certificate of title administration fund. Subsequently collected taxes, less poundage fees, shall be sent by the clerk to the treasurer of state at the next scheduled periodic remittance of tax payments, with ~~such~~ information as the commissioner may require. The clerk may abate all or any part of any penalty assessed under this division.

(F) In the following cases, the clerk shall accept for filing ~~such~~ an application and shall issue a certificate of title without requiring payment or evidence of payment of the tax:

(1) When the purchaser is this state or any of its political subdivisions, a church, or an organization whose purchases are exempted by section 5739.02 of the Revised Code;

(2) When the transaction in this state is not a retail sale as defined by section 5739.01 of the Revised Code;

(3) When the purchase is outside this state or in interstate commerce and the purpose of the purchaser is not to use, store, or consume within the meaning of section 5741.01 of the Revised Code;

(4) When the purchaser is the federal government;

(5) When the motor vehicle was purchased outside this state for use outside this state;

(6) When the motor vehicle is purchased by a nonresident of this state for immediate removal from this state, and will be permanently titled and registered in another state, as provided by division (B)(23) of section 5739.02 of the Revised Code, and upon presentation of a copy of the affidavit provided by that section, and a copy of the exemption certificate provided by section 5739.03 of the Revised Code.

The clerk shall forward all payments of taxes, less poundage ~~fee~~ fees, to the treasurer of state in a manner to be prescribed by the tax commissioner and shall furnish ~~such~~ information to the commissioner as the commissioner requires.

(G) An application, as prescribed by the registrar and agreed to by the tax commissioner, shall be filled out and sworn to by the buyer of a motor vehicle in a casual sale. The application shall contain the following notice in bold lettering: "WARNING TO TRANSFEROR AND TRANSFEREE (SELLER AND BUYER): You are required by law to state the true selling price. A false statement is in violation of section 2921.13 of the Revised Code and is punishable by six months' imprisonment or a fine of up to one thousand dollars, or both. All transfers are audited by the department of

taxation. The seller and buyer must provide any information requested by the department of taxation. The buyer may be assessed any additional tax found to be due."

(H) For sales of manufactured homes or mobile homes occurring on or after January 1, 2000, the clerk shall accept for filing, pursuant to Chapter 5739. of the Revised Code, an application for a certificate of title for a manufactured home or mobile home without requiring payment of any tax pursuant to section 5739.02, 5741.021, 5741.022, or 5741.023 of the Revised Code, or a receipt issued by the tax commissioner showing payment of the tax. For sales of manufactured homes or mobile homes occurring on or after January 1, 2000, the applicant shall pay to the clerk an additional fee of five dollars for each certificate of title issued by the clerk for a manufactured or mobile home pursuant to division (H) of section 4505.11 of the Revised Code and for each certificate of title issued upon transfer of ownership of the home. The clerk shall credit the fee to the county certificate of title administration fund, and the fee shall be used to pay the expenses of archiving such certificates pursuant to division (A) of section 4505.08 and division (H)(3) of section 4505.11 of the Revised Code. The tax commissioner shall administer any tax on a manufactured or mobile home pursuant to Chapters 5739. and 5741. of the Revised Code.

(I) Every clerk shall have the capability to transact by electronic means all procedures and transactions relating to the issuance of motor vehicle certificates of title that are described in the Revised Code as being accomplished by electronic means.

Sec. 4505.062. Notwithstanding any general requirement in this chapter to the effect that an application for a certificate of title to a motor vehicle shall be "sworn to" or shall be "sworn to before a notary public or other officer empowered to administer oaths," that requirement shall apply only in the case of a transfer of a motor vehicle between parties in the course of a casual sale, as defined in section 4517.01 of the Revised Code.

Sec. 4505.08. (A) ~~The~~ When the clerk of ~~the~~ a court of common pleas issues a physical certificate of title, the clerk shall issue ~~certificates~~ the certificate of title in duplicate. One copy shall be retained and filed by the clerk in the clerk's office. The clerk shall sign and affix the clerk's seal to the original certificate of title and, if there are no liens on the motor vehicle, shall deliver the certificate to the applicant or the selling dealer. If there are one or more liens on the motor vehicle, the certificate of title shall be delivered to the holder of the first lien or the selling dealer, who shall deliver the certificate of title to the holder of the first lien.

The registrar of motor vehicles shall prescribe a uniform method of

numbering certificates of title, and such numbering shall be in such manner that the county of issuance is indicated. The clerk shall assign numbers to certificates of title in the manner prescribed by the registrar. The clerk shall file all certificates of title according to ~~regulations~~ rules to be prescribed by the registrar, and the clerk shall maintain in the clerk's office indexes for the certificates of title.

The clerk need not retain on file any current certificates of title, current duplicate certificates of title, current memorandum certificates of title, or current salvage certificates of title, or supporting evidence ~~thereof of them,~~ including the electronic record described in division (A) of section 4505.06 of the Revised Code, covering any motor vehicle or manufactured or mobile home for a period longer than seven years after the date of its filing; thereafter, ~~the same documents and supporting evidence~~ may be destroyed. The clerk need not retain on file any inactive records, including certificates of title, duplicate certificates of title, or memorandum certificates of title, or supporting evidence thereof of them, including the electronic record described in division (A) of section 4505.06 of the Revised Code, covering any motor vehicle or manufactured or mobile home for a period longer than five years after the date of its filing; thereafter, ~~the same documents and supporting evidence~~ may be destroyed. ~~The clerk shall retain the active index and all active records in the data base of the computer in the clerk's office, and shall retain in the data base a record and index of all inactive titles for ten years, and a record and index of all inactive titles for manufactured and mobile homes for thirty years. If the clerk provides a written copy of any information contained in the data base, the copy shall be considered the original for purposes of the clerk certifying the record of such information for use in any legal proceeding.~~

(B)(1) If the clerk issues a certificate of title for a motor vehicle that was last previously registered in another state, the clerk shall record verbatim, where practicable, in the space on the title described in division (B)(19) of section 4505.07 of the Revised Code, the words that appear as a notation to the vehicle on the title issued by the previous state. These notations may include, but are not limited to, words to the effect that the vehicle was considered or was categorized by the state in which it was last previously registered to be a law enforcement vehicle; or a taxicab; or was once in a flood.

(2) If the clerk, while issuing a certificate of title for a motor vehicle that was last previously registered in another state, receives information from the automated title processing system indicating that a title to the vehicle previously was issued by this state and that the previous title contained

notations that appeared in the space described in division (B)(19) or (20) of section 4505.07 of the Revised Code, the clerk shall enter the notations that appeared on the previous certificate of title issued by this state on the new certificate of title in the space described in division (B)(19) or (20) of section 4505.07 of the Revised Code, irrespective of whether the notations appear on the certificate of title issued by the state in which the vehicle was last previously registered.

(3) If the clerk, while issuing a certificate of title for a motor vehicle that was last previously registered in another state, receives information from the automated title processing system indicating that the vehicle was previously issued a title by this state and that the previous title bore the notation "REBUILT SALVAGE" as required by division (E) of section 4505.11 of the Revised Code, or the previous title to the vehicle issued by this state was a salvage certificate of title, the clerk shall cause the certificate of title the clerk issues to bear the notation "REBUILT SALVAGE" in the location prescribed by the registrar pursuant to that division.

(C) When the clerk issues a certificate of title for a motor vehicle that was last previously registered in this state and was a law enforcement vehicle; or a taxicab; or was once in a flood, the clerk shall record that information in the space on the title described in division (B)(20) of section 4505.07 of the Revised Code. The registrar, by rule, may prescribe any additional uses of or happenings to a motor vehicle that the registrar has reason to believe should be noted on the certificate of title as provided in this division.

(D) The clerk shall use reasonable care in recording or entering onto titles the clerk issues any notation and information the clerk is required by divisions (B) and (C) of this section to record or enter and in causing the titles the clerk issues to bear any notation required by those divisions, but the clerk is not liable for any of the clerk's errors or omissions or those of the clerk's deputies, or the automated title processing system, in the performance of the duties imposed on the clerk by this section.

(E) The clerk may issue a duplicate title, when duly applied for, of any title that has been destroyed as herein provided.

(F) The clerk shall issue a physical certificate of title to an applicant unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. The fact that a physical certificate of title is not issued for a motor vehicle does not affect ownership of the vehicle. In that case, when the clerk completes the process of entering certificate of title application information into the automated title processing system, the effect of the completion of the

process is the same as if the clerk actually issued a physical certificate of title for the motor vehicle.

(G) An electronic motor vehicle dealer who applies for a certificate of title on behalf of a customer who purchases a motor vehicle from the dealer may print a non-negotiable evidence of ownership for the customer if the customer so requests. The authorization to print the non-negotiable evidence of ownership shall come from the clerk with whom the dealer makes application for the certificate of title for the customer, but the printing by the dealer does not create an agency relationship of any kind between the dealer and the clerk.

(H) If an electronic certificate of title previously has been issued for a motor vehicle, the owner of the motor vehicle may apply at any time to a clerk of a court of common pleas for a non-negotiable evidence of ownership for the motor vehicle.

Sec. 4505.09. (A) The clerk of ~~the~~ a court of common pleas shall charge a fee of five dollars for each certificate of title that is not applied for within thirty days after the assignment or delivery of the motor vehicle described ~~therein~~ in it. The fees shall be retained by the clerk.

In addition to those fees, the clerk shall charge a fee of five dollars for each certificate of title, duplicate certificate of title, memorandum certificate of title, authorization to print a non-negotiable evidence of ownership described in division (G) of section 4505.08 of the Revised Code, non-negotiable evidence of ownership printed by the clerk under division (H) of that section, and notation of any lien on a certificate of title. The clerk shall retain two dollars and twenty-five cents of the fee charged for each certificate of title, four dollars and seventy-five cents of the fee charged for each duplicate certificate of title, all of the fees charged for each memorandum certificate, authorization to print a non-negotiable evidence of ownership, or non-negotiable evidence of ownership printed by the clerk, and four dollars and twenty-five cents of the fee charged for each notation of a lien.

The remaining two dollars and seventy-five cents charged for the certificate of title, the remaining twenty-five cents charged for the duplicate certificate of title, and the remaining seventy-five cents charged for the notation of any lien on a certificate of title shall be paid to the registrar of motor vehicles by monthly returns, which shall be forwarded to the registrar not later than the fifth day of the month next succeeding that in which the certificate is issued or that in which the registrar is notified of a lien or cancellation ~~thereof~~ of a lien.

(B)(1) The registrar shall pay twenty-five cents of the amount received

for each certificate of title and all of the amounts received for each notation of any lien and each duplicate certificate of title into the state bureau of motor vehicles fund established in section 4501.25 of the Revised Code.

(2) Fifty cents of the amount received for each certificate of title shall be paid by the registrar as follows:

(a) Four cents shall be paid into the state treasury to the credit of the motor vehicle dealers board fund, which is hereby created. All investment earnings of the fund shall be credited to the fund. The moneys in the motor vehicle dealers board fund shall be used by the motor vehicle dealers board created under section 4517.30 of the Revised Code, together with other moneys appropriated to it, in the exercise of its powers and the performance of its duties under Chapter 4517. of the Revised Code, except that the director of budget and management may transfer excess money from the motor vehicle dealers board fund to the bureau of motor vehicles fund if the registrar determines that the amount of money in the motor vehicle dealers board fund, together with other moneys appropriated to the board, exceeds the amount required for the exercise of its powers and the performance of its duties under Chapter 4517. of the Revised Code and requests the director to make the transfer.

(b) Twenty-one cents shall be paid into the general revenue fund.

(c) Twenty-five cents shall be paid into the state treasury to the credit of the motor vehicle sales audit fund, which is hereby created. The moneys in the fund shall be used by the tax commissioner together with other funds available to the commissioner to conduct a continuing investigation of sales and use tax returns filed for motor vehicles in order to determine if sales and use tax liability has been satisfied. The commissioner shall refer cases of apparent violations of section 2921.13 of the Revised Code made in connection with the titling or sale of a motor vehicle and cases of any other apparent violations of the sales or use tax law to the appropriate county prosecutor whenever the commissioner considers it advisable.

(3) Two dollars of the amount received by the registrar for each certificate of title shall be paid into the state treasury to the credit of the automated title processing fund, which is hereby created and which shall consist of moneys collected under division (B)(3) of this section and under sections 1548.10 and 4519.59 of the Revised Code. All investment earnings of the fund shall be credited to the fund. The moneys in the fund shall be used as follows:

(a) Except for moneys collected under section 1548.10 of the Revised Code and as provided in division (B)(3)(c) of this section, moneys collected under division (B)(3) of this section shall be used to implement and

maintain an automated title processing system for the issuance of motor vehicle, off-highway motorcycle, and all-purpose vehicle certificates of title in the offices of the clerks of the courts of common pleas;

(b) Moneys collected under section 1548.10 of the Revised Code shall be used to issue marine certificates of title in the offices of the clerks of the courts of common pleas as provided in Chapter 1548. of the Revised Code.

(c) Moneys collected under division (B)(3) of this section shall be used in accordance with section 4505.25 of the Revised Code to implement Sub. S.B. 59 of the 124th general assembly.

(C)(1) The automated title processing board is hereby created consisting of the registrar or the registrar's representative, a person selected by the registrar, the president of the Ohio clerks of court association or the president's representative, and two clerks of courts of common pleas appointed by the governor. The director of budget and management or the director's designee, the chief of the division of watercraft in the department of natural resources or the chief's designee, and the tax commissioner or the commissioner's designee shall be nonvoting members of the board.

(2) The automated title processing board shall determine each of the following:

(a) The automated title processing equipment and certificates of title requirements for each county;

(b) The payment of expenses that may be incurred by the counties in implementing an automated title processing system;

(c) The repayment to the counties for existing title processing equipment.

(3) The registrar shall purchase, lease, or otherwise acquire any automated title processing equipment and certificates of title that the board determines are necessary from moneys in the automated title processing fund established by division (B)(3) of this section. Each county issuing more than one hundred thousand certificates of title annually, with the approval of the registrar and in accordance with the registrar's requirements, may purchase and maintain an automated title processing system for the issuance of motor vehicle titles, certificates of title for off-highway motorcycles and all-purpose vehicles, and certificates of title for watercraft and outboard motors with the cost of the system paid for from the automated processing title fund.

(D) All counties shall conform to the requirements of the registrar regarding the operation of their automated title processing system for motor vehicle titles, certificates of title for off-highway motorcycles and all-purpose vehicles, and certificates of title for watercraft and outboard

motors.

Sec. 4505.10. (A) In the event of the transfer of ownership of a motor vehicle by operation of law, as upon inheritance, devise or bequest, order in bankruptcy, insolvency, replevin, or execution sale, a motor vehicle is sold to satisfy storage or repair charges, or repossession is had upon default in performance of the terms of a security agreement as provided in Chapter 1309. of the Revised Code and the secured party has complied with the repossession requirements of section 1309.46 of the Revised Code and all of the requirements of section 1309.47 of the Revised Code, including the notice requirements, ~~the a~~ clerk of ~~the a~~ court of common pleas ~~of the county in which the last certificate of title to the motor vehicle was issued,~~ upon the surrender of the prior certificate of title or the manufacturer's or importer's certificate, or, when that is not possible, upon presentation of satisfactory proof to the clerk of ownership and rights of possession to the motor vehicle, and upon payment of the fee prescribed in section 4505.09 of the Revised Code and presentation of an application for certificate of title, may issue to the applicant a certificate of title to the motor vehicle. Only an affidavit by the person or agent of the person to whom possession of the motor vehicle has passed, setting forth the facts entitling the person to the possession and ownership, together with a copy of the journal entry, court order, or instrument upon which the claim of possession and ownership is founded, is satisfactory proof of ownership and right of possession. If the applicant cannot produce that proof of ownership, the applicant may apply directly to the registrar of motor vehicles and submit the evidence the applicant has, and the registrar, if the registrar finds the evidence sufficient, then may authorize ~~the a~~ clerk to issue a certificate of title. If, from the records in the office of the clerk involved, there appears to be any lien on the motor vehicle, the certificate of title shall contain a statement of the lien unless the application is accompanied by proper evidence of its extinction.

(B) ~~The~~ A clerk shall transfer a decedent's interest in one or two automobiles to the surviving spouse of the decedent, as provided in section 2106.18 of the Revised Code, upon receipt of the title or titles. An affidavit executed by the surviving spouse shall be submitted to the clerk with the title or titles. The affidavit shall give the date of death of the decedent, shall state that each automobile for which the decedent's interest is to be so transferred is not disposed of by testamentary disposition, and shall provide an approximate value for each automobile selected to be transferred by the surviving spouse. The affidavit shall also contain a description for each automobile for which the decedent's interest is to be so transferred. The transfer does not affect any liens upon any automobile for which the

decedent's interest is so transferred.

(C) Upon the death of one of the persons who have established joint ownership with right of survivorship under section 2106.17 of the Revised Code in a motor vehicle, and upon presentation to ~~the~~ a clerk of the title and the certificate of death of the decedent, the clerk shall transfer title to the motor vehicle to the survivor. The transfer does not affect any liens upon any motor vehicle so transferred.

Sec. 4505.102. (A) If a pawnbroker licensed under Chapter 4727. of the Revised Code makes a loan that is secured by a motor vehicle, watercraft, or outboard motor and has taken possession of the motor vehicle, watercraft, or outboard motor and the certificate of title to the motor vehicle, watercraft, or outboard motor, and the owner of the motor vehicle, watercraft, or outboard motor fails to redeem or pay interest on the loan for which the motor vehicle, watercraft, or outboard motor was pledged within two months from the date of the loan or the date on which the last interest payment is due, and the pawnbroker notifies the owner by mail, with proof of mailing, as required by division (A) of section 4727.11 of the Revised Code, of the possible forfeiture of the motor vehicle, watercraft, or outboard motor, and the owner fails to redeem the motor vehicle, watercraft, or outboard motor within the thirty-day period required by that division to be specified in the notice, the pawnbroker shall proceed to obtain a certificate of title to the motor vehicle, watercraft, or outboard motor in the pawnbroker's name in the manner provided in this section.

(B) The pawnbroker shall execute an affidavit stating all of the following:

(1) That the pawnbroker is a pawnbroker licensed under Chapter 4727. of the Revised Code;

(2) That the pawnbroker has made a loan to the owner of a motor vehicle, watercraft, or outboard motor, and the security for the loan is the motor vehicle, watercraft, or outboard motor;

(3) That both the motor vehicle, watercraft, or outboard motor and the certificate of title to the motor vehicle, watercraft, or outboard motor are in the possession of the pawnbroker;

(4) That the owner of the motor vehicle, watercraft, or outboard motor has failed to redeem the pledged motor vehicle, watercraft, or outboard motor or pay interest on the loan for which the motor vehicle, watercraft, or outboard motor was pledged within two months from the date of the loan or the date on which the last interest payment was due;

(5) That the pawnbroker has notified the owner of the motor vehicle, watercraft, or outboard motor by mail, with proof of mailing, as required by

division (A) of section 4727.11 of the Revised Code, and the owner has failed to redeem the motor vehicle, watercraft, or outboard motor within the thirty-day period required by that division to be specified in the notice.

Upon presentation by the pawnbroker of a copy of the affidavit, a copy of the pawn form, a copy of the proof of mailing, and the certificate of title to the motor vehicle, watercraft, or outboard motor, ~~the a clerk of the a court of common pleas of the county in which the last certificate of title to the motor vehicle, watercraft, or outboard motor was issued~~ shall issue, if the record shows no lien or encumbrances exist, a certificate of title, free and clear of all liens and encumbrances, to the pawnbroker.

(C) No person shall execute or present the affidavit required by this section, knowing any entry on the affidavit to be false.

Sec. 4505.11. (A) Each owner of a motor vehicle and each person mentioned as owner in the last certificate of title, when the motor vehicle is dismantled, destroyed, or changed in such manner that it loses its character as a motor vehicle, or changed in such manner that it is not the motor vehicle described in the certificate of title, shall surrender the certificate of title to that motor vehicle to ~~the a clerk of the a court of common pleas who issued it, and thereupon~~ the clerk, with the consent of any holders of any liens noted ~~thereon on the certificate of title, then~~ shall enter a cancellation upon the clerk's records and shall notify the registrar of motor vehicles of the cancellation.

Upon the cancellation of a certificate of title in the manner prescribed by this section, ~~the any~~ clerk and the registrar of motor vehicles may cancel and destroy all certificates and all memorandum certificates in that chain of title.

(B) ~~Where~~ If an Ohio certificate of title or salvage certificate of title to a motor vehicle is assigned to a salvage dealer, the dealer is not required to obtain an Ohio certificate of title or a salvage certificate of title to the motor vehicle in the dealer's own name if the dealer dismantles or destroys the motor vehicle, indicates the number of the dealer's motor vehicle salvage dealer's license ~~thereon on it~~, marks "FOR DESTRUCTION" across the face of the certificate of title or salvage certificate of title, and surrenders the certificate of title or salvage certificate of title to ~~the a clerk of the a court of common pleas as provided in division (A) of this section.~~ If the salvage dealer retains the motor vehicle for resale, the dealer shall make application for a salvage certificate of title to the motor vehicle in the dealer's own name as provided in division (C)(1) of this section.

(C)(1) When an insurance company declares it economically impractical to repair such a motor vehicle and has paid an agreed price for the purchase

of the motor vehicle to any insured or claimant owner, the insurance company shall receive the certificate of title and the motor vehicle and proceed as follows. Within thirty days, the insurance company shall deliver the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas and shall make application for a salvage certificate of title. The clerk shall issue the salvage certificate of title on a form, prescribed by the registrar, that shall be easily distinguishable from the original certificate of title and shall bear the same number and information as the original certificate of title. Except as provided in division (C)(2) of this section, the salvage certificate of title shall be assigned by the insurance company to a salvage dealer or any other person for use as evidence of ownership upon the sale or other disposition of the motor vehicle, and the salvage certificate of title shall be transferrable to any other person. The clerk shall charge a fee of four dollars for the cost of processing each salvage certificate of title.

(2) If an insurance company considers a motor vehicle as described in division (C)(1) of this section to be impossible to restore for highway operation, the insurance company may assign the certificate of title to the motor vehicle to a salvage dealer or scrap metal processing facility and send the assigned certificate of title to the clerk of the court of common pleas of the county in which the salvage dealer or scrap metal processing facility is located. The insurance company shall mark the face of the certificate of title "FOR DESTRUCTION" and shall deliver a photocopy of the certificate of title to the salvage dealer or scrap metal processing facility for its records.

(3) If an insurance company declares it economically impractical to repair a motor vehicle, agrees to pay to the insured or claimant owner an amount in settlement of a claim against a policy of motor vehicle insurance covering the motor vehicle, and agrees to permit the insured or claimant owner to retain possession of the motor vehicle, the insurance company shall not pay the insured or claimant owner any amount in settlement of the insurance claim until the owner obtains a salvage certificate of title to the vehicle and furnishes a copy of the salvage certificate of title to the insurance company.

(D) When a self-insured organization, rental or leasing company, or secured creditor becomes the owner of a motor vehicle that is burned, damaged, or dismantled and is determined to be economically impractical to repair, the self-insured organization, rental or leasing company, or secured creditor shall do one of the following:

(1) Mark the face of the certificate of title to the motor vehicle "FOR DESTRUCTION" and surrender the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas for cancellation as described in division (A) of this

section. The self-insured organization, rental or leasing company, or secured creditor ~~thereupon~~ then shall deliver the motor vehicle, together with a photocopy of the certificate of title, to a salvage dealer or scrap metal processing facility and shall cause the motor vehicle to be dismantled, flattened, crushed, or destroyed.

(2) Obtain a salvage certificate of title to the motor vehicle in the name of the self-insured organization, rental or leasing company, or secured creditor, as provided in division (C)(1) of this section, and then sell or otherwise dispose of the motor vehicle. If the motor vehicle is sold, the self-insured organization, rental or leasing company, or secured creditor shall obtain a salvage certificate of title to the motor vehicle in the name of the purchaser from ~~the~~ a clerk of ~~the~~ a court of common pleas ~~of the county in which the purchaser resides.~~

(E) If a motor vehicle titled with a salvage certificate of title is restored for operation upon the highways, application shall be made to ~~the~~ a clerk of ~~the~~ a court of common pleas for a certificate of title. Upon inspection by the state highway patrol, which shall include establishing proof of ownership and an inspection of the motor number and vehicle identification number of the motor vehicle and of documentation or receipts for the materials used in restoration by the owner of the motor vehicle being inspected, which documentation or receipts shall be presented at the time of inspection, the clerk, upon surrender of the salvage certificate of title, shall issue a certificate of title for a fee prescribed by the registrar. The certificate of title shall be in the same form as the original certificate of title, shall bear the same number as the salvage certificate of title and the original certificate of title, and shall bear the words "REBUILT SALVAGE" in black boldface letters on its face. Every subsequent certificate of title, memorandum certificate of title, or duplicate certificate of title issued for the motor vehicle also shall bear the words "REBUILT SALVAGE" in black boldface letters on its face. The exact location on the face of the certificate of title of the words "REBUILT SALVAGE" shall be determined by the registrar, who shall develop an automated procedure within the automated title processing system to comply with this division. The clerk shall use reasonable care in performing the duties imposed on the clerk by this division in issuing a certificate of title pursuant to this division, but the clerk is not liable for any of the clerk's errors or omissions or those of the clerk's deputies, or the automated title processing system in the performance of those duties. A fee of ~~forty dollars in fiscal year 1998 and fifty dollars in fiscal year 1999 and thereafter~~ shall be assessed by the state highway patrol for each inspection made pursuant to this division and shall be deposited into the state highway

safety fund established by section 4501.06 of the Revised Code.

(F) No person shall operate upon the highways in this state a motor vehicle, title to which is evidenced by a salvage certificate of title, except to deliver the motor vehicle pursuant to an appointment for an inspection under this section.

(G) No motor vehicle the certificate of title to which has been marked "FOR DESTRUCTION" and surrendered to ~~the~~ a clerk of ~~the~~ a court of common pleas shall be used for anything except parts and scrap metal.

(H)(1) Except as otherwise provided in this division, an owner of a manufactured or mobile home that will be taxed as real property pursuant to division (B) of section 4503.06 of the Revised Code shall surrender the certificate of title to the auditor of the county containing the taxing district in which the home is located. An owner whose home qualifies for real property taxation under divisions (B)(1)(a) and (b) of section 4503.06 of the Revised Code shall surrender the certificate within fifteen days after the home meets the conditions specified in those divisions. The auditor shall deliver the certificate of title to the clerk of the court of common pleas who issued it.

(2) If the certificate of title for a manufactured or mobile home that is to be taxed as real property is held by a lienholder, the lienholder shall surrender the certificate of title to the auditor of the county containing the taxing district in which the home is located, and the auditor shall deliver the certificate of title to the clerk of the court of common pleas who issued it. The lienholder shall surrender the certificate within thirty days after both of the following have occurred:

(a) The homeowner has provided written notice to the lienholder requesting that the certificate of title be surrendered to the auditor of the county containing the taxing district in which the home is located;

(b) The homeowner has either paid the lienholder the remaining balance owed to the lienholder, or, with the lienholder's consent, executed and delivered to the lienholder a mortgage on the home and land on which the home is sited in the amount of the remaining balance owed to the lienholder.

(3) Upon the delivery of a certificate of title by the county auditor to the clerk ~~of the court~~, the clerk ~~of the court~~ shall inactivate it and retain it for a period of thirty years.

(4) Upon application by the owner of a manufactured or mobile home that is taxed as real property pursuant to division (B) of section 4503.06 of the Revised Code and that no longer satisfies divisions (B)(1)(a) and (b) or divisions (B)(2)(a) and (b) of that section, the clerk ~~of court~~ shall reactivate the record of the certificate of title that was inactivated under division (H)(3) of this section and shall issue a new certificate of title, but only if the

application contains or has attached to it all of the following:

(a) An endorsement of the county treasurer that all real property taxes charged against the home under Title LVII of the Revised Code and division (B) of section 4503.06 of the Revised Code for all preceding tax years have been paid;

(b) An endorsement of the county auditor that the home will be removed from the real property tax list;

(c) Proof that there are no outstanding mortgages or other liens on the home or, if there are such mortgages or other liens, that the mortgagee or lienholder has consented to the reactivation of the certificate of title.

Sec. 4505.12. In the event of a lost or destroyed certificate of title, application shall be made to ~~the a~~ clerk of ~~the a~~ court of common pleas ~~of the county where the certificate of title was issued~~, by the owner of the motor vehicle; or the holder of a lien ~~thereon~~, on it for a duplicate certificate of title upon a form and accompanied by the fee prescribed by section 4505.09 of the Revised Code. The application shall be signed and sworn to by the person making the application. ~~Thereupon the~~ The clerk then shall issue a duplicate certificate of title to the person entitled to receive it under this chapter. The duplicate copy shall be plainly marked across its face with the word "duplicate," and any subsequent purchaser of the motor vehicle in the chain of title originating through the duplicate certificate of title acquires only such rights in the motor vehicle as the original holder of the duplicate certificate of title had. Any purchaser of the motor vehicle, at the time of purchase, may require the seller to indemnify the purchaser and all subsequent purchasers of the motor vehicle against any loss ~~which~~ that the purchaser or they may suffer by reason of any claim presented upon the original certificate. In the event of the recovery of the original certificate of title by the owner, the owner immediately shall surrender ~~the original certificate of title~~ it to the clerk for cancellation.

The holder of a certificate of title for a motor vehicle upon which is noted an existing lien, encumbrance, or mortgage at any time may make application to ~~the a~~ clerk ~~who issued the certificate of title~~ for a memorandum certificate, which application shall be made in the form prescribed by the registrar of motor vehicles and signed and sworn to by the applicant. Upon receipt of the application, if it appears to be complete and in order, together with the fee prescribed by section 4505.09 of the Revised Code, the clerk shall issue to the applicant a memorandum certificate for the motor vehicle. ~~In the event~~ If the memorandum certificate is lost or destroyed, the holder ~~thereof~~ of it may obtain another memorandum certificate upon the filing of an application with ~~the a~~ clerk on a form ~~and~~

rescribed by the registrar, accompanied by the fee prescribed in section 4505.09 of the Revised Code. The memorandum certificate shall be effective only for the purpose of obtaining a certificate of registration, is not assignable, and constitutes no evidence of title or of right to transfer or encumber the motor vehicle described ~~therein in it~~.

Sec. 4505.13. (A)(1) ~~Sections 1309.01 to 1309.50 Chapter 1309.~~ and section 1701.66 of the Revised Code do not permit or require the deposit, filing, or other record of a security interest covering a motor vehicle, except as provided in division (A)(2) of this section.

(2) ~~Sections 1309.01 to 1309.50 Chapter 1309.~~ of the Revised Code ~~apply~~ applies to a security interest in a motor vehicle held as inventory, ~~as defined in division (D) of section 1309.07 of the Revised Code,~~ for sale by a dealer, ~~as defined in division (J) of section 4517.01 of the Revised Code.~~ The security interest has priority over creditors of the dealer as provided in ~~sections 1309.01 to 1309.50 Chapter 1309.~~ of the Revised Code without notation of the security interest on a certificate of title, without entry of a notation of the security interest into the automated title processing system if a physical certificate of title for the motor vehicle has not been issued, or without the retention of a manufacturer's or importer's certificate.

(B) Subject to division (A) of this section, any security agreement covering a security interest in a motor vehicle, if a notation of the agreement has been made by ~~the a~~ a clerk of ~~the a~~ a court of common pleas on the face of the certificate of title or the clerk has entered a notation of the agreement into the automated title processing system and a physical certificate of title for the motor vehicle has not been issued, is valid as against the creditors of the debtor, whether armed with process or not, and against subsequent purchasers, secured parties, and other lienholders or claimants. All security interests, liens, mortgages, and encumbrances ~~noted upon~~ entered into the automated title processing system in relation to a particular certificate of title, regardless of whether a physical certificate of title is issued, take priority according to the order of time in which they are ~~noted on~~ entered into the certificate automated title processing system by the clerk. Exposure for sale of any motor vehicle by its owner, with the knowledge or with the knowledge and consent of the holder of any security interest, lien, mortgage, or encumbrance on it, does not render that security interest, lien, mortgage, or encumbrance ineffective as against the creditors of that owner, or against holders of subsequent security interests, liens, mortgages, or encumbrances upon that motor vehicle.

The secured party, upon presentation of ~~the~~ evidence of a security agreement interest to ~~the a~~ a clerk of ~~the county in which the certificate of title~~

~~was issued a court of common pleas, together with the certificate of title if a physical certificate of title for the motor vehicle exists, and the fee prescribed by section 4505.09 of the Revised Code, may have a notation of the security interest made. The~~ Unless the secured party specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title, the clerk shall issue, over the clerk's signature and seal of office, a new original certificate of title from the automated title processing records that indicates the security interest and the date of the security interest.

~~When the~~ If a security interest is fully discharged as a result of its holder's receipt of good funds in the correct amount and if the holder holds a physical certificate of title, the holder of it shall note its the discharge of the security interest on the face of the certificate of title over the holder's signature, or over the holder's signature on a form prescribed by the registrar of motor vehicles when there is no space for the discharge on the face of the certificate of title. Prior Except as otherwise provided in this section, prior to delivering the certificate of title to the owner, the holder or the holder's agent shall present it convey the certificate of title or a separate sworn statement of the discharge of the security interest to the a clerk for the purpose of having the clerk. The conveyance shall occur not more than seven business days after the date good funds in the correct amount to fully discharge the security interest have been credited to an account of the holder, provided the holder has been provided accurate information concerning the motor vehicle. Conveyance of the certificate of title or separate sworn statement of the discharge within the required seven business days may be indicated by postmark or receipt by a clerk within that period. If the discharge of the security interest appears to be genuine, the clerk shall note the cancellation of the security interest on the face of the certificate of title, if it was so conveyed, and note it in the automated title processing system and upon the records of the clerk. The clerk, if that cancellation appears to be genuine, shall note the cancellation on the certificate of title and also on the clerk's records.

(C)(1) In all cases, a secured party may choose to present a clerk with evidence of a security interest via electronic means, and the clerk shall enter the security interest into the automated title processing system. A secured party also may choose to notify a clerk of the discharge of its security interest via electronic means, and the clerk shall enter the cancellation into the automated title processing system.

(2) In the case of a security interest that is being satisfied by a dealer to whom a certificate of title is being transferred, the cancellation of the

security interest shall occur during the course of the transfer. The dealer shall submit a discharge request to the secured party. A discharge request shall include good funds in the correct amount to fully discharge the security interest and accurate information concerning the motor vehicle.

(3)(a) Upon receiving a discharge request that complies with division (C)(2) of this section, except as otherwise provided in this division, a secured party shall convey the certificate of title, with the discharge of the security interest noted on its face, to the dealer within seven business days after the date good funds in the correct amount to fully discharge the security interest have been credit to an account of the secured party.

If a secured party is unable to convey to the dealer a certificate of title within the required seven business days, the secured party instead shall convey to the dealer an affidavit stating that the security interest has been discharged, together with payment for a duplicate certificate of title, within that period.

(b) Conveyance of a certificate of title, or affidavit and required payment, from a secured party to a dealer under the circumstances described in division (C)(3)(a) of this section within the required seven business days may be indicated by a postmark within that period.

(4) A secured party is liable to a dealer for a late fee of ten dollars per day for each certificate of title, or affidavit and required payment, conveyed to the dealer more than seven business days but less than twenty-one days after the date specified in division (C)(3)(a) of this section and, from then on, twenty-five dollars per day until the certificate of title, or affidavit and required payment, are conveyed to the dealer.

(D) Notwithstanding any provision of ~~sections 1310.01 to 1310.78~~ Chapter 1310, of the Revised Code or of any other law, the lease of a motor vehicle or trailer does not constitute a conditional sale or create a security interest merely because the lease agreement permits or requires the lessor, at the end of the lease term, to adjust the rental price to either a higher or a lower amount by reference to the amount the lessor realizes upon the sale or other disposition of the motor vehicle or trailer.

(E) If a physical certificate of title has not been issued for a motor vehicle and all the security interests relating to that motor vehicle have been discharged, the owner of the motor vehicle may obtain a physical certificate of title from the clerk of any court of common pleas upon payment of the fee specified in section 4509.09 of the Revised Code.

(F) If a clerk of a court of common pleas, other than the clerk of the court of common pleas of the county in which the owner of a motor vehicle resides, enters a notation of the existence of, or the cancellation of, a

security interest relating to the motor vehicle, the clerk shall transmit the data relating to the notation to the automated title processing system.

(G) The registrar of motor vehicles, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing the electronic transmission of security interest and other information under this section. In adopting the rules, the registrar shall confer with the clerks of the courts of common pleas.

(H) As used in this section:

(1) "Accurate information" means the make and model of the motor vehicle, its vehicle identification number, and the name and address of its owner as they appear on the certificate of title that is to be conveyed.

(2) "Dealer" has the same meaning as in section 4517.01 of the Revised Code.

(3) "Good funds" includes cash, or a wire transfer, cashier's check, certified check, draft, money order, or teller's check issued by an insured financial institution, or a dealer's check for which the secured party has received funds that are available for withdrawal pursuant to "Availability of Funds and Collection of Checks (Regulation CC)," 12 C.F.R. 229.

(4) "Inventory" has the same meaning as in section 1309.07 of the Revised Code.

Sec. 4505.141. The registrar of motor vehicles shall enable the public to access motor vehicle title information via electronic means. No fee shall be charged for this access. The title information that must be so accessible is only the title information that is in an electronic format at the time a person requests this access.

The registrar, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing this access. In adopting the rules, the registrar shall confer with the clerks of the courts of common pleas.

Access by the public to motor vehicle title information under this section shall comply with all restrictions contained in the Revised Code and federal law that govern the disclosure of that information.

Sec. 4505.18. (A) No person shall do any of the following:

~~(A)~~(1) Operate in this state a motor vehicle for which a certificate of title is required without having ~~such that~~ certificate in accordance with sections 4505.01 to 4505.21 of the Revised Code, ~~this chapter or upon which the,~~ if a physical certificate of title has ~~not~~ been ~~cancelled~~ issued for a motor vehicle, operate the motor vehicle in this state knowing that the ownership information relating to the vehicle has not been entered into the automated title processing system by a clerk of a court of common pleas;

~~(B)~~(2) Display or display for sale or sell as a dealer or acting on behalf

of a dealer, a motor vehicle without having obtained a manufacturer's or importer's certificate or, a certificate of title ~~therefor, or an assignment of a certificate of title for it~~ as provided in ~~sections 4505.01 to 4505.21 of the Revised Code~~ this chapter;

~~(C)~~(3) Fail to surrender any certificate of title or any certificate of registration or license plates upon cancellation of the same by the registrar of motor vehicles and notice ~~thereof of the cancellation~~ as prescribed in ~~sections 4505.01 to 4505.21 of the Revised Code~~ this chapter;

~~(D)~~(4) Fail to surrender the certificate of title to ~~the a~~ clerk of ~~the a~~ court of common pleas as provided in ~~sections 4505.01 to 4505.21 of the Revised Code, this chapter~~ in case of the destruction or dismantling or change of a motor vehicle in such respect that it is not the motor vehicle described in the certificate of title;

~~(E)~~(5) Violate any rules ~~promulgated~~ adopted pursuant to ~~sections 4505.01 to 4505.21 of the Revised Code, this chapter~~;

~~(F)~~(6) Except as otherwise provided in this chapter and Chapter 4517 of the Revised Code, sell at wholesale a motor vehicle the ownership of which is not evidenced by an Ohio certificate of title, or the current certificate of title issued for the motor vehicle, or the manufacturer's certificate of origin, and all title assignments that evidence the seller's ownership of the motor vehicle, and an odometer disclosure statement that complies with section 4505.06 of the Revised Code and subchapter IV of the "Motor Vehicle Information and Cost Savings Act," 86 Stat. 961 (1972), 15 U.S.C. 1981;

(7) Operate in this state a motor vehicle knowing that the certificate of title to the vehicle or ownership of the vehicle as otherwise reflected in the automated title processing system has been canceled.

(B) This section does not apply to persons engaged in the business of warehousing or transporting motor vehicles for the purpose of salvage disposition.

Sec. 4505.181. (A) Notwithstanding divisions ~~(B), (E)(A)(2), (5), and (F)(6)~~ of section 4505.18 of the Revised Code, a motor vehicle dealer or person acting on behalf of a motor vehicle dealer may display, offer for sale, or sell a used motor vehicle without having first obtained a certificate of title for the vehicle in the name of the dealer as required by this chapter if the dealer or person acting on behalf of the dealer complies with divisions (A)(1)(a) and ~~(A)(2)~~ of this section, or divisions (A)(1)(b) and ~~(A)(2)~~ of this section, as follows:

(1)(a) If the dealer has been licensed as a motor vehicle dealer for less than the three-year period prior to the date on which the dealer or person acting on behalf of the dealer displays, offers for sale, or sells the used

motor vehicle for which the dealer has not obtained a certificate of title in the name of the dealer, or if the attorney general has paid a retail purchaser of the dealer under division (C) of this section within three years prior to such date, the dealer posts with the attorney general's office in favor of this state a bond of a surety company authorized to do business in this state, in an amount of not less than twenty-five thousand dollars, to be used solely for the purpose of compensating retail purchasers of motor vehicles who suffer damages due to failure of the dealer or person acting on behalf of the dealer to comply with this section. The dealer's surety shall notify the registrar and attorney general when a bond is canceled. Such notification of cancellation shall include the effective date of and reason for cancellation.

(b) If the dealer has been licensed as a motor vehicle dealer for longer than the three-year period prior to the date on which the dealer or person acting on behalf of the dealer displays, offers for sale, or sells the used motor vehicle for which the dealer has not obtained a certificate of title in the name of the dealer and the attorney general has not paid a retail purchaser of the dealer under division (C) of this section within three years prior to such date, the dealer pays one hundred fifty dollars to the attorney general for deposit into the title defect recision fund created by section 1345.52 of the Revised Code.

(2) ~~Possesses~~ The dealer or person acting on behalf of the dealer possesses a bill of sale for each motor vehicle proposed to be displayed, offered for sale, or sold under this section and a properly executed power of attorney or other related documents from the prior owner of the motor vehicle giving the dealer or person acting on behalf of the dealer authority to have a certificate of title to the motor vehicle issued in the name of the dealer, and retains copies of all such documents in the dealer's or person's files until such time as a certificate of title in the dealer's name is issued for each such motor vehicle by the clerk of the court of common pleas. Such documents shall be available for inspection by the bureau of motor vehicles during normal business hours.

(B) If a retail purchaser purchases a motor vehicle for which the dealer, pursuant to and in accordance with division (A) of this section, does not have a certificate of title issued in the name of the dealer at the time of the sale, the retail purchaser has an unconditional right to rescind the transaction and the dealer has an obligation to refund to the retail purchaser the full purchase price of the vehicle, if one of the following applies:

- (1) The dealer fails, on or before the fortieth day following the date of the sale, to obtain a title in the name of the retail purchaser;
- (2) The title for the vehicle indicates that it is a rebuilt salvage vehicle,

and the fact that it is a rebuilt salvage vehicle was not disclosed to the retail purchaser in writing prior to the execution of the purchase agreement.

(3) The title for the vehicle indicates that the dealer has made an inaccurate odometer disclosure to the retail purchaser.

If any of the circumstances described in divisions (B)(1) to (3) of this section applies, a retail purchaser or the retail purchaser's representative shall notify the dealer and afford the dealer the opportunity to comply with the dealer's obligation to refund the full purchase price of the motor vehicle. Nothing in this division shall be construed as prohibiting the dealer and the retail purchaser or their representatives from negotiating a compromise resolution that is satisfactory to both parties.

(C) If a retail purchaser notifies a dealer of one or more of the circumstances listed in division (B) of this section and the dealer fails to refund to the retail purchaser the full purchase price of the vehicle or reach a satisfactory compromise with the retail purchaser within three business days of presentation of the retail purchaser's rescission claim, the retail purchaser may apply to the attorney general for payment from the fund of the full purchase price to the retail purchaser.

(D) Upon application by a retail purchaser for payment from the fund, if the attorney general is satisfied that one or more of the circumstances contained in divisions (B)(1) to (3) of this section exist, the attorney general shall cause the full purchase price of the vehicle to be paid to the retail purchaser from the fund after delivery of the vehicle to the attorney general. The attorney general may sell or otherwise dispose of any vehicle that is delivered to the attorney general under this section, and may collect the proceeds of any bond posted under division (A) of this section by a dealer who has failed to comply with division (C) of this section. The proceeds from all such sales and collections shall be deposited into the title defect rescission fund for use as specified in section 1345.52 of the Revised Code.

(E) Failure by a dealer to comply with division (A) or (B) of this section constitutes a deceptive act or practice in connection with a consumer transaction, and is a violation of section 1345.02 of the Revised Code.

(F) The remedy provided in this section to retail purchasers is in addition to any remedies otherwise available to the retail purchaser for the same conduct of the dealer or person acting on behalf of the dealer under federal law or the laws of this state or a political subdivision of this state.

(G) All motor vehicle dealers licensed under Chapter 4517. of the Revised Code shall pay to the attorney general for deposit into the title defect rescission fund the amount described in division (A)(1)(b) of this section beginning with the calendar year during which this section becomes

effective and each year subsequent to that year until the balance in the fund is not less than three hundred thousand dollars. All such dealers also shall pay to the attorney general for deposit into the fund that amount during any year and subsequent years during which the balance in the fund is less than three hundred thousand dollars until the balance in the fund reaches three hundred thousand dollars.

If a motor vehicle dealer fails to comply with this division, the attorney general may bring a civil action in a court of competent jurisdiction to collect the amount the dealer failed to pay to the attorney general for deposit into the fund.

Sec. 4505.19. No person shall do any of the following:

(A) Procure or attempt to procure a certificate of title or a salvage certificate of title to a motor vehicle, or pass or attempt to pass a certificate of title, a salvage certificate of title, or any assignment ~~thereof~~ of a certificate of title or salvage certificate of title to a motor vehicle, or in any other manner gain or attempt to gain ownership to a motor vehicle, knowing or having reason to believe that ~~such~~ the motor vehicle or any part of the motor vehicle has been acquired through commission of a theft offense as defined in section 2913.01 of the Revised Code;

(B) Purport to sell or transfer a motor vehicle without delivering to the purchaser or transferee ~~thereof~~ of it a certificate of title, a salvage certificate of title, or a manufacturer's or importer's certificate ~~thereto~~ to it, assigned to ~~such~~ the purchaser as provided for in this chapter, except as otherwise provided in this chapter;

(C) With intent to defraud, possess, sell, offer to sell, counterfeit, or supply a blank, forged, fictitious, counterfeit, stolen, or fraudulently or unlawfully obtained certificate of title, registration, bill of sale, or other instruments of ownership of a motor vehicle, or conspire to do any of the foregoing;

(D) Knowingly obtain goods, services, credit, or money by means of an invalid, fictitious, forged, counterfeit, stolen, or unlawfully obtained original or duplicate certificate of title, registration, bill of sale, or other instrument of ownership of a motor vehicle;

(E) Knowingly obtain goods, services, credit, or money by means of a certificate of title to a motor vehicle, which is required to be surrendered to the registrar of motor vehicles or the clerk of the court of common pleas as provided in this chapter.

Sec. 4505.20. (A) Notwithstanding division ~~(B)~~(A)(2) of section 4505.18 of the Revised Code or any other provision of ~~Chapter 4505~~ this chapter or Chapter 4517. of the Revised Code, a secured party may

designate any dealer to display, display for sale, or sell a manufactured or mobile home if the home has come into the possession of that secured party by a default in the terms of a security instrument and the certificate of title remains in the name and possession of the secured party.

(B) Notwithstanding division ~~(B)(A)(2)~~ of section 4505.18 of the Revised Code or any other provision of ~~Chapter 4505. this chapter or Chapter~~ 4517. of the Revised Code, the owner of a recreational vehicle or a secured party of a recreational vehicle who has come into possession of the vehicle by a default in the terms of a security instrument, may designate any dealer to display, display for sale, or sell the vehicle while the certificate of title remains in the possession of the owner or secured party. No dealer may display or offer for sale more than five recreational vehicles at any time under this division. No dealer may display or offer for sale a recreational vehicle under this division unless the dealer maintains insurance or the bond of a surety company authorized to transact business within this state in an amount sufficient to satisfy the fair market value of the vehicle.

(C) The registrar of motor vehicles may adopt rules in accordance with Chapter 119. of the Revised Code prescribing the maximum number of manufactured or mobile homes that have come into the possession of a secured party by a default in the terms of a security instrument that any dealer may display or offer for sale at any time. The registrar may adopt other reasonable rules regarding the resale of such manufactured homes, mobile homes, and recreational vehicles that the registrar considers necessary.

(D) The secured party or owner shall provide the dealer with written authorization to display, display for sale, or sell the manufactured home, mobile home, or recreational vehicle. The dealer shall show and explain the written authorization to any prospective purchaser. The written authorization shall contain the vehicle identification number, make, model, year of manufacture, and physical description of the manufactured home, mobile home, or recreational vehicle that is provided to the dealer.

(E) As used in this section, "dealer" means a new motor vehicle dealer that is licensed under Chapter 4517. of the Revised Code.

Sec. 4505.25. The registrar of motor vehicles may use money from the automated title processing fund created in section 4505.09 of the Revised Code, in accordance with appropriations made by the general assembly, to pay expenses related to implementing Sub. S.B. 59 of the 124th general assembly.

Sec. 4519.01. As used in this chapter:

(A) "Snowmobile" means any self-propelled vehicle designed primarily

for use on snow or ice, and steered by skis, runners, or caterpillar treads.

(B) "All-purpose vehicle" means any self-propelled vehicle designed primarily for cross-country travel on land and water, or on more than one type of terrain, and steered by wheels or caterpillar treads, or any combination thereof, including vehicles that operate on a cushion of air, vehicles commonly known as all-terrain vehicles, all-season vehicles, mini-bikes, and trail bikes, but excluding any self-propelled vehicle not principally used for purposes of personal transportation, any vehicle principally used in playing golf, any motor vehicle or aircraft required to be registered under Chapter 4503. or 4561. of the Revised Code, and any vehicle excepted from definition as a motor vehicle by division (B) of section 4501.01 of the Revised Code.

(C) "Owner" means any person; or firm, or corporation, other than a lienholder or dealer, having title to a snowmobile, off-highway motorcycle, or all-purpose vehicle, or other right to the possession thereof.

(D) "Operator" means any person who operates or is in actual physical control of a snowmobile, off-highway motorcycle, or all-purpose vehicle.

(E) "Dealer" means any person; or firm, or corporation engaged in the business of manufacturing or selling snowmobiles, off-highway motorcycles, or all-purpose vehicles at wholesale or retail, or who rents, leases, or otherwise furnishes snowmobiles, off-highway motorcycles, or all-purpose vehicles for hire.

(F) "Street or highway" has the same meaning as ~~given that term~~ in section 4511.01 of the Revised Code.

(G) "Limited access highway" and "freeway" have the same ~~meaning~~ meanings as ~~given those terms~~ in section 5511.02 of the Revised Code.

(H) "Interstate highway" means any part of the interstate system of highways as defined in subsection (e), 90 Stat. 431 (1976), 23 U.S.C.A. 103, ~~and amendments thereof as amended.~~

(I) "Off-highway motorcycle" means every motorcycle, as defined in section 4511.01 of the Revised Code, that is designed to be operated primarily on lands other than a street or highway.

(J) "Electronic" and "electronic record" have the same meanings as in section 4501.01 of the Revised Code.

(K) "Electronic dealer" means a dealer whom the registrar of motor vehicles designates under section 4519.511 of the Revised Code.

Sec. 4519.03. (A) The owner of every snowmobile, off-highway motorcycle, and all-purpose vehicle required to be registered under section 4519.02 of the Revised Code shall file an application for registration with the registrar of motor vehicles or a deputy registrar, on blanks furnished by

the registrar for that purpose and containing all of the following information:

(1) A brief description of the snowmobile, off-highway motorcycle, or all-purpose vehicle, including the name of the manufacturer, the factory or model number, and the vehicle identification number;

(2) The name, residence, and business address of the owner;

(3) A statement that the snowmobile, off-highway motorcycle, or all-purpose vehicle is equipped as required by section 4519.20 of the Revised Code; and any rule adopted ~~thereunder~~ under that section. The statement shall include a check list of the required equipment items in ~~such~~ the form as the registrar shall prescribe.

The application shall be signed by the owner of the snowmobile, off-highway motorcycle, or all-purpose vehicle and shall be accompanied by a fee as provided in division (C) of section 4519.04 of the Revised Code.

If the application is not in proper form, or if the vehicle for which registration is sought does not appear to be equipped as required by section 4519.20 of the Revised Code or any rule adopted ~~thereunder~~ under that section, the registration shall be refused, and no registration sticker shall be issued.

(B) On and after July 1, 1999, no certificate of registration or renewal of ~~such~~ a certificate of registration shall be issued for an off-highway motorcycle or all-purpose vehicle required to be registered under section 4519.02 of the Revised Code, and no certificate of registration issued under this chapter for an off-highway motorcycle or all-purpose vehicle that is sold or otherwise transferred shall be transferred to the new owner of the off-highway motorcycle or all-purpose vehicle as permitted by division (B) of section 4519.05 of the Revised Code, unless a certificate of title has been issued under this chapter for the motorcycle or vehicle, and the owner or new owner, as the case may be, presents ~~the~~ a physical certificate of title or a memorandum certificate of title for inspection at the time the owner or new owner first submits a registration application, registration renewal application, or registration transfer application for the motorcycle or vehicle on or after July 1, 1999, if a physical certificate of title or memorandum certificate has been issued by a clerk of a court of common pleas. If, under sections 4519.512 and 4519.58 of the Revised Code, a clerk instead has issued an electronic certificate of title for the applicant's off-highway motorcycle or all-purpose vehicle, that certificate may be presented for inspection at the time of first registration in a manner prescribed by rules adopted by the registrar.

(C) When the owner of an off-highway motorcycle or all-purpose vehicle first registers it in the owner's name, and a certificate of title has

been issued for the motorcycle or vehicle, the owner shall present for inspection a physical certificate of title or memorandum certificate of title showing title to the off-highway motorcycle or all-purpose vehicle in the name of the owner if a physical certificate of title or memorandum certificate has been issued by a clerk of a court of common pleas. If, under sections 4519.512 and 4519.58 of the Revised Code, a clerk instead has issued an electronic certificate of title for the applicant's off-highway motorcycle or all-purpose vehicle, that certificate may be presented for inspection at the time of first registration in a manner prescribed by rules adopted by the registrar. If, when the owner of such a an off-highway motorcycle or all-purpose vehicle first makes application to register it in the owner's name, the application is not in proper form or ~~if~~ the certificate of title or memorandum certificate of title does not accompany the registration or, in the case of an electronic certificate of title, is not presented in a manner prescribed by the registrar, the registration shall be refused, and neither a certificate of registration nor a registration sticker shall be issued. When a certificate of registration and registration sticker are issued upon the first registration of an off-highway motorcycle or all-purpose vehicle by or on behalf of the owner, the official issuing them shall indicate the issuance with a stamp on the certificate of title or memorandum certificate of title or, in the case of an electronic certificate of title, an electronic stamp or other notation as specified in rules adopted by the registrar.

(D) Each deputy registrar shall be allowed a fee of two dollars and seventy-five cents commencing on July 1, 2001, three dollars and twenty-five cents commencing on January 1, 2003, and three dollars and fifty cents commencing on January 1, 2004, for each application or renewal application received by the deputy registrar, which shall be for the purpose of compensating the deputy registrar for services, and office and rental expense, as may be necessary for the proper discharge of the deputy registrar's duties in the receiving of applications and the issuing of certificates of registration.

Each deputy registrar, upon receipt of any application for registration, together with the registration fee, shall transmit the fee, together with the original and duplicate copy of the application, to the registrar in ~~such~~ the manner and at ~~such~~ the times as the registrar, subject to the approval of the director of public safety and the treasurer of state, shall prescribe by rule.

Sec. 4519.51. The registrar of motor vehicles shall adopt ~~such~~ rules as the registrar considers necessary to ensure uniform and orderly operation of sections 4519.51 to 4519.70 of the Revised Code, and the clerks of the courts of common pleas shall conform ~~thereto~~ to those rules. The registrar

shall receive and file in the registrar's office all information forwarded to the registrar by the clerks under those sections, and the clerks shall maintain in their offices indexes for the certificates of title.

The registrar shall check with the registrar's records all certificates of title received in the registrar's office from the clerks. ~~¶~~

If it appears that a ~~any~~ certificate of title has been issued improperly, the registrar shall cancel the certificate. Upon the cancellation of any certificate of title, the registrar shall notify the clerk who issued it, and the clerk shall enter the cancellation in the clerk's records. The registrar also shall notify the person to whom the certificate of title was issued, as well as any lienholders appearing ~~thereon~~ on it, of the cancellation and, if it is a physical certificate of title, shall demand surrender of the certificate of title, but the cancellation shall not affect the validity of any lien noted ~~thereon~~ on it. The holder of ~~the~~ a physical certificate of title shall return it immediately to the registrar. ~~The~~

The clerks shall keep on hand a sufficient supply of blank forms, which, except for the certificate of title and memorandum certificate forms, shall be furnished and distributed without charge to registered manufacturers or dealers, or other persons residing within the county.

Sec. 4519.511. The registrar of motor vehicles shall designate as an electronic dealer a dealer who meets both of the following criteria:

(A) The dealer has the capability, via electronic means, to send title and registration information relating to off-highway motorcycles and all-purpose vehicles, as specified by the registrar, to the registrar and the clerks of the courts of common pleas.

(B) The dealer meets other criteria for electronic dealers that the registrar may establish by rule adopted under Chapter 119. of the Revised Code.

Sec. 4519.512. The owner of an off-highway motorcycle or all-purpose vehicle shall apply for a certificate of title for the motorcycle or vehicle when required by this chapter, but, except as otherwise specifically required in this chapter, the owner may elect whether or not to have the clerk of the court of common pleas to whom the certificate of title application is submitted issue a physical certificate of title for the motorcycle or vehicle, as provided in section 4519.58 of the Revised Code.

Except as otherwise specifically provided in this chapter, any provision of this chapter relating to the cancellation, issuance, or surrender of a certificate of title, including, but not limited to, provisions that contain a phrase such as "when a certificate of title is issued," "the clerk shall issue a certificate of title," or "the person shall obtain a certificate of title to the

off-highway motorcycle or all-purpose vehicle." or another phrase of similar import, shall include those circumstances when a clerk enters certificate of title information into the automated title processing system, but does not take any further action relating to a physical certificate of title for the motorcycle or vehicle.

Sec. 4519.52. (A) Except as provided in ~~section~~ sections 4519.521 and 4519.54 of the Revised Code, ~~on and after the effective date of this section,~~ no dealer engaged in the business of selling new or used off-highway motorcycles or all-purpose vehicles shall sell or otherwise transfer a new or used off-highway motorcycle or all-purpose vehicle without obtaining a certificate of title to the new or used motorcycle or vehicle, in accordance with this chapter, and delivering the certificate of title or memorandum certificate of title to the purchaser or transferee.

(B)(1) A person who is not a dealer engaged in the business of selling new or used off-highway motorcycles or all-purpose vehicles and who, ~~on and after the effective date of this section,~~ owns an off-highway motorcycle or all-purpose vehicle, may choose to obtain a certificate of title to the motorcycle or vehicle. The person shall comply with this chapter in order to obtain the certificate of title.

(2) If a person who is not a dealer engaged in the business of selling new or used off-highway motorcycles or all-purpose vehicles and who owns an off-highway motorcycle or all-purpose vehicle obtains a certificate of title to the motorcycle or vehicle, that person, except as otherwise provided in section 4519.521 of the Revised Code, shall not sell or otherwise transfer the motorcycle or vehicle without delivering to the purchaser or transferee a certificate of title with ~~such an~~ assignment ~~thereon~~ on it as is necessary to show title in the purchaser or transferee, and no person shall subsequently purchase or otherwise acquire the motorcycle or vehicle without obtaining a certificate of title to the motorcycle or vehicle in the person's own name.

Sec. 4519.521. (A)(1) If a person who is not an electronic dealer owns an off-highway motorcycle or all-purpose vehicle for which a physical certificate of title has not been issued by a clerk of a court of common pleas and the person sells the motorcycle or vehicle to an electronic dealer, the person is not required to obtain a physical certificate of title to the motorcycle or vehicle in order to transfer ownership to the dealer. The person shall present the dealer, in a manner approved by the registrar of motor vehicles, with sufficient proof of the person's identity and complete and sign a form prescribed by the registrar attesting to the person's identity and assigning the motorcycle or vehicle to the dealer. The electronic dealer then shall inform a clerk of a court of common pleas via electronic means of

the sale of the motorcycle or vehicle and assignment of ownership of the motorcycle or vehicle to the dealer. The clerk shall enter the information relating to the assignment into the automated title processing system, and ownership of the motorcycle or vehicle passes to the dealer when the clerk enters this information into the system. The dealer is not required to obtain a certificate of title to the motorcycle or vehicle in the dealer's name.

(2) A clerk shall charge and collect from a dealer a fee of five dollars for each motorcycle or vehicle assigned to the dealer under division (A)(1) of this section. The fee shall be distributed in accordance with section 4519.59 of the Revised Code.

(B) If a person who is not an electronic dealer owns an off-highway motorcycle or all-purpose vehicle for which a physical certificate of title has not been issued by a clerk of a court of common pleas and the person sells the motorcycle or vehicle to a person who is not an electronic dealer, the person shall obtain a physical certificate of title to the motorcycle or vehicle in order to transfer ownership of the vehicle to the person who is not an electronic dealer.

Sec. 4519.53. No person who acquires an off-highway motorcycle or all-purpose vehicle from the owner ~~thereof~~ of it, if whether the owner is a manufacturer, importer, ~~or~~ dealer, or any other person, acquires any right, title, claim, or interest in or to the off-highway motorcycle or all-purpose vehicle until the person has been issued a certificate of title to the off-highway motorcycle or all-purpose vehicle, or there is delivered to the person a manufacturer's or importer's certificate for it, or a certificate of title to it is assigned as authorized by section 4519.521 of the Revised Code. No waiver or estoppel operates in favor of ~~such~~ that person against a person having possession of ~~such~~ the certificate of title to, or manufacturer's or importer's certificate for, the off-highway motorcycle or all-purpose vehicle, for a valuable consideration.

No court in any case at law or in equity shall recognize the right, title, claim, or interest of any person in or to any off-highway motorcycle or all-purpose vehicle sold or disposed of, or mortgaged or encumbered, unless evidenced by one of the following:

(A) A certificate of title or a manufacturer's or importer's certificate issued in accordance with this chapter, or an assignment of a certificate of title made under section 4519.521 of the Revised Code;

(B) Admission in the pleadings or stipulation of the parties.

Sec. 4519.55. Application for a certificate of title for an off-highway motorcycle or all-purpose vehicle shall be made upon a form prescribed by the registrar of motor vehicles and shall be sworn to before a notary public

or other officer empowered to administer oaths. The application shall be filed with the clerk of ~~the any~~ court of common pleas ~~of the county in which the applicant resides if the applicant is a resident of this state or, if not a resident, in the county in which the transaction is consummated.~~ The. An application for a certificate of title may be filed electronically by any electronic means approved by the registrar in any county with the clerk of the court of common pleas of that county.

If an application for a certificate of title is filed electronically by an electronic dealer on behalf of the purchaser of an off-highway motorcycle or all-purpose vehicle, the clerk shall retain the completed electronic record to which the dealer converted the certificate of title application and other required documents. The electronic dealer shall forward the actual application and all other documents relating to the sale of the off-highway motorcycle or all-purpose vehicle to any clerk within thirty days after the certificate of title is issued. The registrar, after consultation with the attorney general, shall adopt rules that govern the location at which, and the manner in which, are stored the actual application and all other documents relating to the sale of an off-highway motorcycle or all-purpose vehicle when an electronic dealer files the application for a certificate of title electronically on behalf of the purchaser.

The application shall be accompanied by the fee prescribed in section 4519.59 of the Revised Code and, if, The fee shall be retained by the clerk who issues the certificate of title and shall be distributed in accordance with that section. If a clerk of a court of common pleas, other than the clerk of the court of common pleas of an applicant's county of residence, issues a certificate of title to the applicant, the clerk shall transmit data related to the transaction to the automated title processing system.

If a certificate of title previously has been issued for ~~the an~~ off-highway motorcycle or all-purpose vehicle, the application also shall be accompanied by the certificate of title duly assigned, unless otherwise provided in this chapter. If a certificate of title previously has not been issued for the off-highway motorcycle or all-purpose vehicle, the application, unless otherwise provided in this chapter, shall be accompanied by a manufacturer's or importer's certificate; by a sworn statement of ownership; or by a certificate of title, bill of sale, or other evidence of ownership required by law of another state from which the off-highway motorcycle or all-purpose vehicle was brought into this state. The registrar, in accordance with Chapter 119. of the Revised Code, shall prescribe the types of additional documentation sufficient to establish proof of ownership, including, but not limited to, receipts from the purchase of parts or

components, photographs, and affidavits of other persons. ~~For~~

For purposes of the transfer of a certificate of title, if the clerk is satisfied that a secured party has duly discharged a lien notation, but has not canceled the lien notation with ~~the a clerk of the county of origin~~, the clerk may cancel the lien notation ~~of~~ on the automated title processing system and notify the clerk of the county of origin.

In the case of the sale of an off-highway motorcycle or all-purpose vehicle by a dealer to a general purchaser or user, the certificate of title shall be obtained in the name of the purchaser by the dealer upon application signed by the purchaser. In all other cases, the certificate shall be obtained by the purchaser. In all cases of transfer of an off-highway motorcycle or all-purpose vehicle, the application for certificate of title shall be filed within thirty days after the later of the date of purchase or assignment of ownership of the off-highway motorcycle or all-purpose vehicle. If the application for certificate of title is not filed within thirty days after the later of the date of purchase or assignment of ownership of the off-highway motorcycle or all-purpose vehicle, the clerk shall charge a late filing fee of five dollars in addition to the fee prescribed by section 4519.59 of the Revised Code. The clerk shall retain the entire amount of each late filing fee.

Except in the case of an off-highway motorcycle or all-purpose vehicle purchased prior to ~~the effective date of this section July 1, 1999~~, the clerk shall refuse to accept an application for certificate of title unless the applicant either tenders with the application payment of all taxes levied by or pursuant to Chapter 5739. or 5741. of the Revised Code based on the purchaser's county of residence, or submits either of the following:

(A) A receipt issued by the tax commissioner or a clerk of courts showing payment of the tax;

(B) An exemption certificate, in any form prescribed by the tax commissioner, that specifies why the purchase is not subject to the tax imposed by Chapter 5739. or 5741. of the Revised Code.

Payment of the tax shall be made in accordance with division (E) of section 4505.06 of the Revised Code and any rules issued by the tax commissioner. When a dealer submits payment of the tax to the clerk, the dealer shall retain any discount to which the dealer is entitled under section 5739.12 of the Revised Code. The clerk shall issue a receipt in the form prescribed by the tax commissioner to any applicant who tenders payment of the tax with the application for a certificate of title. If the application for a certificate of title is for an off-highway motorcycle or all-purpose vehicle purchased prior to ~~the effective date of this section July 1, 1999~~, the clerk

shall accept the application without payment of the taxes levied by or pursuant to Chapter 5739. or 5741. of the Revised Code or presentation of either of the items listed in division (A) or (B) of this section.

For receiving and disbursing such taxes paid to the clerk by a resident of the clerk's county, the clerk may retain a poundage fee of one and one-hundredth per cent of the taxes collected, which shall be paid into the certificate of title administration fund created by section 325.33 of the Revised Code. ~~It~~ The clerk shall not retain a poundage fee from payments of taxes by persons who do not reside in the clerk's county.

A clerk, however, may retain from the taxes paid to the clerk an amount equal to the poundage fees associated with certificates of title issued by other clerks of courts of common pleas to applicants who reside in the first clerk's county. The registrar, in consultation with the tax commissioner and the clerks of the courts of common pleas, shall develop a report from the automated title processing system that informs each clerk of the amount of the poundage fees that the clerk is permitted to retain from those taxes because of certificates of title issued by the clerks of other counties to applicants who reside in the first clerk's county.

In the case of casual sales of off-highway motorcycles or all-purpose vehicles that are subject to the tax imposed by Chapter 5739. or 5741. of the Revised Code, the purchase price for the purpose of determining the tax shall be the purchase price on an affidavit executed and filed with the clerk by the seller on a form to be prescribed by the registrar, which shall be prima-facie evidence of the price for the determination of the tax. ~~It~~

In addition to the information required by section 4519.57 of the Revised Code, each certificate of title shall contain in bold lettering the following notification and statements: "WARNING TO TRANSFEROR AND TRANSFEREE (SELLER AND BUYER): You are required by law to state the true selling price. A false statement is in violation of section 2921.13 of the Revised Code and is punishable by six months imprisonment or a fine of up to one thousand dollars, or both. All transfers are audited by the department of taxation. The seller and buyer must provide any information requested by the department of taxation. The buyer may be assessed any additional tax found to be due."

The clerk shall forward all payments of taxes, less poundage fees, to the treasurer of state in a manner to be prescribed by the tax commissioner and shall furnish ~~such~~ information to the commissioner as the commissioner may require.

Every clerk shall have the capability to transact by electronic means all procedures and transactions relating to the issuance of certificates of title for

off-highway motorcycles and all-purpose vehicles that are described in the Revised Code as being accomplished by electronic means.

Sec. 4519.551. Notwithstanding any general requirement in this chapter to the effect that an application for a certificate of title to an off-highway motorcycle or all-purpose vehicle shall be "sworn to" or shall be "sworn to before a notary public or other officer empowered to administer oaths," that requirement shall apply only in the case of a transfer of an off-highway motorcycle or all-purpose vehicle between parties in the course of a sale by a person other than a registered dealer to a person who purchases the off-highway motorcycle or all-purpose vehicle for use as a consumer.

Sec. 4519.57. ~~The~~ When the clerk of ~~the~~ a court of common pleas issues a physical certificate of title for an off-highway motorcycle or all-purpose vehicle, the clerk shall issue certificates of title for off-highway motorcycles and all-purpose vehicles ~~it~~ over the clerk's official seal. The front side of each physical certificate of title shall contain the information required in the application ~~therefor~~ for it as prescribed by section 4519.56 of the Revised Code, spaces for the dates of notation and cancellation of two liens, mortgages, or encumbrances, and any other pertinent information as may be required by the registrar of motor vehicles, but shall contain neither the social security number nor taxpayer identification number of the applicant. The reverse side of each physical certificate of title shall contain all of the information specified in division (F) of section 4505.07 of the Revised Code. An assignment of certificate of title before a notary public or other officer empowered to administer oaths shall appear on the reverse side of each physical certificate of title in the form to be prescribed by the registrar ~~of motor vehicles~~. The assignment form shall include a warranty that the signer is the owner of the off-highway motorcycle or all-purpose vehicle and that there are no mortgages, liens, or encumbrances on the off-highway motorcycle or all-purpose vehicle except as are noted on the face of the certificate of title.

~~Certificates~~ Physical certificates of title also shall bear a statement that liens applicable to the off-highway motorcycle or all-purpose vehicle other than the two for which there are spaces on the ~~titles~~ certificates may exist and, if so, are entered into the automated title processing system ~~for motor vehicle titles~~.

Sec. 4519.58. ~~The~~ (A) When the clerk of ~~the~~ a court of common pleas issues a physical certificate of title, the clerk shall issue certificates the certificate of title in duplicate. One copy shall be retained and filed by the clerk in the clerk's office, and the information contained in it shall be transmitted to the registrar of motor vehicles on the day it is issued. The

clerk shall sign and affix the clerk's seal to the original certificate of title and, if there are no liens on the off-highway motorcycle or all-purpose vehicle, shall deliver the certificate to the applicant or the selling dealer. Except as otherwise provided in this section, if there are one or more liens on the off-highway motorcycle or all-purpose vehicle, the certificate of title shall be delivered to the holder of the first lien. If the certificate of title is obtained by a dealer on behalf of the applicant and there are one or more liens on the off-highway motorcycle or all-purpose vehicle, the clerk shall issue a certificate of title and may issue a memorandum certificate of title. The certificate of title and memorandum certificate of title, if issued, shall be delivered to the holder of the first lien or the selling dealer, who shall deliver the certificate of title to the holder of the first lien and the memorandum certificate of title to the applicant. The selling dealer also may make arrangements with the clerk to have the clerk deliver the memorandum certificate of title to the applicant.

(B) The registrar shall prescribe a uniform method of numbering certificates of title. The numbering shall be in such manner that the county of issuance is indicated. Numbers shall be assigned to certificates of title in the manner prescribed by the registrar. The clerk shall file all certificates of title according to the rules to be prescribed by the registrar, and the clerk shall maintain in the clerk's office indexes for the certificates of title.

The clerk need not retain on file any current certificates of title, current duplicate certificates of title, current memorandum certificates of title, or current salvage certificates of title, or supporting evidence ~~thereof of them~~, including the electronic record described in section 4519.55 of the Revised Code, covering any off-highway motorcycle or all-purpose vehicle for a period longer than seven years after the date of their filing; thereafter, ~~the same documents and supporting evidence~~ may be destroyed. The clerk need not retain on file any inactive records, including certificates of title, duplicate certificates of title, or memorandum certificates of title, or supporting evidence thereof of them, including the electronic record described in section 4519.55 of the Revised Code, covering any off-highway motorcycle or all-purpose vehicle for a period longer than five years after the date of their filing; thereafter, ~~the same documents and supporting evidence~~ may be destroyed. ~~The clerk shall retain the active index and all active records in the data base of the computer in the clerk's office, and shall retain in the data base a record and index of all inactive titles for ten years. If the clerk provides a written copy of any information contained in the data base, the copy shall be considered the original for purposes of the clerk certifying the record of the information for use in any legal proceeding.~~

(C) The clerk shall issue a physical certificate of title to an applicant unless the applicant specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title. The fact that a physical certificate of title is not issued for an off-highway motorcycle or all-purpose vehicle does not affect ownership of the motorcycle or vehicle. In that case, when the clerk completes the process of entering certificate of title application information into the automated title processing system, the effect of the completion of the process is the same as if the clerk actually issued a physical certificate of title for the motorcycle or vehicle.

(D) An electronic dealer who applies for a certificate of title on behalf of a customer who purchases an off-highway motorcycle or all-purpose vehicle from the dealer may print a non-negotiable evidence of ownership for the customer if the customer so requests. The authorization to print the non-negotiable evidence of ownership shall come from the clerk with whom the dealer makes application for the certificate of title for the customer, but the printing by the dealer does not create an agency relationship of any kind between the dealer and the clerk.

(E) If an electronic certificate of title previously has been issued for an off-highway motorcycle or all-purpose vehicle, the owner of the off-highway motorcycle or all-purpose vehicle may apply at any time to a clerk of a court of common pleas for a non-negotiable evidence of ownership for the off-highway motorcycle or all-purpose vehicle.

Sec. 4519.59. (A) The clerk of ~~the~~ a court of common pleas shall charge a fee of five dollars for each certificate of title, duplicate certificate of title, memorandum certificate of title, authorization to print a non-negotiable evidence of ownership described in division (D) of section 4519.58 of the Revised Code, non-negotiable evidence of ownership printed by the clerk under division (E) of that section, and notation of any lien on a certificate of title. The clerk shall retain two dollars and twenty-five cents of the fee charged for each certificate of title, four dollars and seventy-five cents of the fee charged for each duplicate certificate of title, all of the fees charged for each memorandum certificate, authorization to print a non-negotiable evidence of ownership, or non-negotiable evidence of ownership printed by the clerk, and four dollars and twenty-five cents of the fee charged for each notation of a lien.

The remaining two dollars and seventy-five cents charged for the certificate of title, the remaining twenty-five cents charged for the duplicate certificate of title, and the remaining seventy-five cents charged for the notation of any lien on a certificate of title shall be paid to the registrar of

motor vehicles by monthly returns, which shall be forwarded to the registrar not later than the fifth day of the month next succeeding that in which the certificate is forwarded or that in which the registrar is notified of a lien or cancellation ~~thereof of a lien.~~

(B)(1) The registrar shall pay twenty-five cents of the amount received for each certificate of title and all of the amounts received for each notation of any lien and each duplicate certificate of title into the state bureau of motor vehicles fund established in section 4501.25 of the Revised Code.

(2) Fifty cents of the amount received for each certificate of title shall be paid by the registrar as follows:

(a) Four cents shall be paid into the state treasury to the credit of the motor vehicle dealers board fund created in section 4505.09 of the Revised Code, for use as described in division (B)(2)(a) of that section.

(b) Twenty-one cents shall be paid into the general revenue fund.

(c) Twenty-five cents shall be paid into the state treasury to the credit of the motor vehicle sales audit fund created in section 4505.09 of the Revised Code, for use as described in division (B)(2)(c) of that section.

(3) Two dollars of the amount received by the registrar for each certificate of title shall be paid into the state treasury to the credit of the automated title processing fund created in section 4505.09 of the Revised Code, for use as described in ~~division~~ divisions (B)(3)(a) and (c) of that section.

Sec. 4519.60. In the event of the transfer of ownership of an off-highway motorcycle or all-purpose vehicle by operation of law, as upon inheritance, devise ~~or~~ bequest, order in bankruptcy, insolvency, replevin, or execution of sale, or when repossession is had upon default in performance of the terms of a security agreement as provided in Chapter 1309. of the Revised Code, ~~the a clerk of the a court of common pleas of the county in which the last certificate of title to the off-highway motorcycle or all-purpose vehicle was issued,~~ upon the surrender of the prior certificate of title or the manufacturer's or importer's certificate, or, when that is not possible, upon presentation to the clerk of satisfactory proof of ownership and rights of possession to ~~such~~ the off-highway motorcycle or all-purpose vehicle, and upon payment of the fee prescribed in section 4519.59 of the Revised Code; and presentation of an application for certificate of title, may issue to the applicant a certificate of title to the off-highway motorcycle or all-purpose vehicle. Only an affidavit by the person or agent of the person to whom possession of the off-highway motorcycle or all-purpose vehicle has passed, setting forth the facts entitling the person to ~~such~~ the possession and ownership, together with a copy of the journal entry, court order, or

ument upon which the claim of possession and ownership is founded, is satisfactory proof of ownership and right of possession. If the applicant cannot produce ~~such~~ that proof of ownership, the applicant may apply directly to the registrar of motor vehicles and submit the evidence the applicant has, and the registrar, upon finding the evidence sufficient, may authorize the clerk to issue a certificate of title. If, from the records in the office of the clerk, there appears to be any lien on the off-highway motorcycle or all-purpose vehicle, the certificate of title shall contain a statement of the lien unless the application is accompanied by proper evidence of its extinction.

Sec. 4519.61. (A) Each owner of an off-highway motorcycle or all-purpose vehicle and each person mentioned as owner in the last certificate of title, when the off-highway motorcycle or all-purpose vehicle is dismantled, destroyed, or changed in such manner that it loses its character as an off-highway motorcycle or all-purpose vehicle, or changed in such manner that it is not the off-highway motorcycle or all-purpose vehicle described in the certificate of title, shall surrender the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas ~~who issued it~~, and ~~thereupon~~ the clerk, with the consent of the holders of any liens noted ~~thereon~~, on the certificate of title, then shall enter a cancellation upon the clerk's records and shall notify the registrar of motor vehicles of the cancellation.

Upon the cancellation of a certificate of title in the manner prescribed by this section, ~~the~~ any clerk and the registrar may cancel and destroy all certificates and all memorandum certificates in that chain of title.

(B) ~~Where~~ If an Ohio certificate of title or salvage certificate of title to an off-highway motorcycle or all-purpose vehicle is assigned to a salvage dealer, the dealer shall not be required to obtain an Ohio certificate of title or a salvage certificate of title to the off-highway motorcycle or all-purpose vehicle in the dealer's own name if the dealer dismantles or destroys the off-highway motorcycle or all-purpose vehicle, completes the assignment on the certificate of title or salvage certificate of title, indicates the number of the dealer's motor vehicle salvage dealer's license ~~thereon~~ on it, marks "FOR DESTRUCTION" across the face of the certificate of title or salvage certificate of title, and surrenders the certificate of title or salvage certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas as provided in division (A) of this section. If the salvage dealer retains the off-highway motorcycle or all-purpose vehicle for resale, the salvage dealer shall make application for a salvage certificate of title to the off-highway motorcycle or all-purpose vehicle in the salvage dealer's own name as provided in division (C)(1) of

this section.

(C)(1) When an insurance company declares it economically impractical to repair the off-highway motorcycle or all-purpose vehicle and has paid an agreed price for the purchase of the off-highway motorcycle or all-purpose vehicle to any insured or claimant owner, the insurance company shall receive the certificate of title and off-highway motorcycle or all-purpose vehicle and proceed as follows. Within thirty days, the insurance company shall deliver the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas and shall make application for a salvage certificate of title. The clerk shall issue the salvage certificate of title on a form, prescribed by the registrar, that shall be easily distinguishable from the original certificate of title and shall bear the same number and information as the original certificate of title. Except as provided in division (C)(2) of this section, the salvage certificate of title shall be assigned by the insurance company to a salvage dealer or any other person for use as evidence of ownership upon the sale or other disposition of the off-highway motorcycle or all-purpose vehicle, and the salvage certificate of title shall be transferable to any other person. The clerk of the court of common pleas shall charge a fee of four dollars for the cost of processing each salvage certificate of title.

(2) If an insurance company considers an off-highway motorcycle or all-purpose vehicle as described in division (C)(1) of this section to be impossible to restore to normal operation, the insurance company may assign the certificate of title to the off-highway motorcycle or all-purpose vehicle to a salvage dealer or scrap metal processing facility and send the assigned certificate of title to the clerk of the court of common pleas of the county in which the salvage dealer or scrap metal processing facility is located. The insurance company shall mark the face of the certificate of title "FOR DESTRUCTION" and shall deliver a photocopy of the certificate of title to the salvage dealer or scrap metal processing facility for its records.

(3) If an insurance company declares it economically impractical to repair an off-highway motorcycle ~~of~~ or all-purpose vehicle, agrees to pay to the insured or claimant owner an amount in settlement of a claim against a policy of motor vehicle insurance covering the off-highway motorcycle or all-purpose vehicle, and agrees to permit the insured or claimant owner to retain possession of the off-highway motorcycle or all-purpose vehicle, the insurance company shall not pay the insured or claimant owner any amount in settlement of the insurance claim until the owner obtains a salvage certificate of title to the vehicle and furnishes a copy of the salvage certificate of title to the insurance company.

(D) When a self-insured organization, rental or leasing company, or

secured creditor becomes the owner of an off-highway motorcycle or all-purpose vehicle that is burned, damaged, or dismantled and is determined to be economically impractical to repair, the self-insured organization, rental or leasing company, or secured creditor shall do one of the following:

(1) Mark the face of the certificate of title to the off-highway motorcycle or all-purpose vehicle "FOR DESTRUCTION" and surrender the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas for cancellation as described in division (A) of this section. The self-insured organization, rental or leasing company, or secured creditor ~~thereupon~~ then shall deliver the off-highway motorcycle or all-purpose vehicle, together with a photocopy of the certificate of title, to a salvage dealer or scrap metal processing facility and shall cause the off-highway motorcycle or all-purpose vehicle to be dismantled, flattened, crushed, or destroyed.

(2) Obtain a salvage certificate of title to the off-highway motorcycle or all-purpose vehicle in the name of the self-insured organization, rental or leasing company, or secured creditor, as provided in division (C)(1) of this section, and then sell or otherwise dispose of the off-highway motorcycle or all-purpose vehicle. If the off-highway motorcycle or all-purpose vehicle is sold, the self-insured organization, rental or leasing company, or secured creditor shall obtain a salvage certificate of title to the off-highway motorcycle or all-purpose vehicle in the name of the purchaser from ~~the~~ a clerk of ~~the~~ a court of common pleas ~~of the county in which the purchaser resides.~~

(E) If an off-highway motorcycle or all-purpose vehicle titled with a salvage certificate of title is restored for operation, application shall be made to ~~the~~ a clerk of ~~the~~ a court of common pleas for a certificate of title after inspection by the state highway patrol. The inspection shall include establishing proof of ownership and an inspection of the motor number and vehicle identification number of the off-highway motorcycle or all-purpose vehicle and of documentation or receipts for the materials used in restoration by the owner of the off-highway motorcycle or all-purpose vehicle being inspected, which documentation or receipts shall be presented at the time of inspection. Upon successful completion of the inspection, the state highway patrol shall issue to the owner a completed inspection form. The clerk, upon submission of the completed inspection form and surrender of the salvage certificate of title, shall issue a certificate of title for a fee prescribed by the registrar. The certificate of title shall be in the same form as the original certificate of title, shall bear the same number as the salvage certificate of title and the original certificate of title, and shall bear the words "REBUILT

SALVAGE" in black boldface letters on its face. Every subsequent certificate of title, memorandum certificate of title, or certified copy of a certificate of title or memorandum certificate of title issued for the off-highway motorcycle or all-purpose vehicle also shall bear the words "REBUILT SALVAGE" in black boldface letters on its face. The exact location on the face of the certificate of title of the words "REBUILT SALVAGE" shall be determined by the registrar, who shall develop an automated procedure within the automated title processing system to comply with this division. The clerk shall use reasonable care in performing the duties imposed on the clerk by this division in issuing a certificate of title pursuant to this division, but the clerk is not liable for errors or omissions of the clerk of courts, the clerk's deputies, or the automated title processing system in the performance of such duties. A fee of fifty dollars shall be assessed by the state highway patrol for each inspection made pursuant to this division.

(F) No off-highway motorcycle or all-purpose vehicle the certificate of title to which has been marked "FOR DESTRUCTION" and surrendered to ~~the a~~ clerk of ~~the a~~ court of common pleas shall be used for anything except parts and scrap metal.

Sec. 4519.62. In the event of a lost or destroyed certificate of title, application shall be made to ~~the a~~ clerk of ~~the a~~ court of common pleas ~~of the county where the certificate of title was issued~~, by the owner of the off-highway motorcycle or all-purpose vehicle, or the holder of a lien ~~thereon~~ on it, for a certified copy of the certificate, upon a form prescribed by the registrar of motor vehicles and accompanied by the fee prescribed by section 4519.59 of the Revised Code. The application shall be signed and sworn to by the person making the application, and the clerk shall issue a certified copy of the certificate of title to the person entitled to receive it under this chapter. The certified copy shall be plainly marked across its face with the word "duplicate," and any subsequent purchaser of the off-highway motorcycle or all-purpose vehicle in the chain of title originating through the certified copy acquires only such rights in the off-highway motorcycle or all-purpose vehicle as the original holder of the certified copy had. Any purchaser of the off-highway motorcycle or all-purpose vehicle, at the time of purchase, may require the seller of the same to indemnify the purchaser and all subsequent purchasers of the off-highway motorcycle or all-purpose vehicle against any loss that the purchaser or subsequent purchasers may suffer by reason of any claim presented upon the original certificate. In the event of the recovery of the original certificate of title by ~~said~~ the owner, the owner shall surrender ~~forthwith the original certificate of title~~ it immediately

to the clerk for cancellation.

The holder of a certificate of title for an off-highway motorcycle or all-purpose vehicle upon which is noted an existing lien, encumbrance, or mortgage, may make application at any time to ~~the a clerk who issued the certificate of title~~ for a memorandum certificate, which application shall be made in the form prescribed by the registrar and signed and sworn to by the applicant. Upon receipt of the application, if it appears to be correct, together with the fee prescribed by section 4519.59 of the Revised Code, the clerk shall issue to the applicant a memorandum certificate for the off-highway motorcycle or all-purpose vehicle. ~~In the event~~ If the memorandum certificate is lost or destroyed, the holder ~~thereof~~ of it may obtain a certified copy of ~~the same~~ it upon the filing of an application with the clerk on a form prescribed by the registrar ~~and~~, accompanied by the fee prescribed in section 4519.59 of the Revised Code. The memorandum certificate is not assignable and constitutes no evidence of title or of right to transfer or encumber the off-highway motorcycle or all-purpose vehicle described ~~therein~~ in it.

Sec. 4519.631. The registrar of motor vehicles shall enable the public to access off-highway motorcycle and all-purpose vehicle title information via electronic means. No fee shall be charged for this access. The title information that must be so accessible is only the title information that is in an electronic format at the time a person requests this access.

The registrar, in accordance with Chapter 119. of the Revised Code, shall adopt rules governing this access. In adopting the rules, the registrar shall confer with the clerks of the courts of common pleas.

Access by the public to off-highway motorcycle and all-purpose vehicle title information under this section shall comply with all restrictions contained in the Revised Code and federal law that govern the disclosure of that information.

Sec. 4519.66. No person shall do any of the following:

(A) Operate in this state an off-highway motorcycle or all-purpose vehicle without having a certificate of title for the off-highway motorcycle or all-purpose vehicle, if such a certificate is required by this chapter to be issued for the off-highway motorcycle or all-purpose vehicle, or, if a physical certificate of title has not been issued for it, operate an off-highway motorcycle or all-purpose vehicle knowing that the ownership information relating to the motorcycle or vehicle has not been entered into the automated title processing system by a clerk of a court of common pleas;

(B) Operate in this state an off-highway motorcycle or all-purpose vehicle if a certificate of title to the off-highway motorcycle or all-purpose

vehicle has been issued and then has been canceled;

(C) Fail to surrender any certificate of title upon cancellation of ~~the same~~ it by the registrar of motor vehicles and notice ~~thereof~~ of the cancellation as prescribed in this chapter;

(D) Fail to surrender the certificate of title to ~~the~~ a clerk of ~~the~~ a court of common pleas as provided in this chapter, in case of the destruction or dismantling of, or change in, the off-highway motorcycle or all-purpose vehicle described in the certificate of title;

(E) Violate any provision of sections 4519.51 to 4519.70 of the Revised Code for which no penalty is otherwise provided or any lawful rules promulgated adopted pursuant to those sections;

(F) Operate in this state an off-highway motorcycle or all-purpose vehicle knowing that the certificate of title to or ownership of the motorcycle or vehicle as otherwise reflected in the automated title processing system has been canceled.

Sec. 4519.67. No person shall do any of the following:

(A) Procure or attempt to procure a certificate of title to an off-highway motorcycle or all-purpose vehicle, or pass or attempt to pass a certificate of title or any assignment ~~thereof~~ of a certificate of title to an off-highway motorcycle or all-purpose vehicle, or in any other manner gain or attempt to gain ownership to an off-highway motorcycle or all-purpose vehicle, knowing or having reason to believe that the off-highway motorcycle or all-purpose vehicle has been stolen;

(B) Sell or offer for sale in this state an off-highway motorcycle or all-purpose vehicle on which the manufacturer's or assigned vehicle identification number has been destroyed, removed, covered, altered, or defaced with knowledge of the destruction, removal, covering, alteration, or defacement of the manufacturer's or assigned vehicle identification number;

(C) ~~Sell~~ Except as otherwise provided in this chapter, sell or transfer an off-highway motorcycle or all-purpose vehicle without delivering to the purchaser or transferee ~~thereof~~ of it a certificate of title, or a manufacturer's or importer's certificate ~~thereto~~ to it, assigned to the purchaser as provided for in this chapter.

Sec. 4519.68. (A)(1) Chapter 1309. of the Revised Code does not permit or require the deposit, filing, or other record of a security interest covering an off-highway motorcycle or all-purpose vehicle, except as provided in division (A)(2) of this section.

(2) ~~Sections 1309.01 to 1309.50~~ Chapter 1309. of the Revised Code ~~apply~~ applies to a security interest in an off-highway motorcycle or all-purpose vehicle held as inventory, as defined in division (D) of section

1309.07 of the Revised Code, for sale by a dealer. The security interest has priority over creditors of the dealer as provided in ~~sections 1309.01 to 1309.50~~ Chapter 1309. of the Revised Code without notation of the security interest on a certificate of title, without entry of a notation of the security interest into the automated title processing system if a physical certificate of title has not been issued, or without the retention of a manufacturer's or importer's certificate.

(B) Subject to division (A) of this section, any security agreement covering a security interest in an off-highway motorcycle or all-purpose vehicle, if a notation of the agreement has been made by ~~the~~ a clerk of the a court of common pleas on the face of the certificate of title or if the clerk has entered a notation of the agreement into the automated title processing system if a physical certificate of title has not been issued, is valid as against the creditors of the debtor, whether armed with process or not, and against subsequent purchasers, secured parties, and other lienholders or claimants. All security interests, liens, mortgages, and encumbrances ~~noted upon~~ entered into the automated title processing system in relation to a particular certificate of title, regardless of whether a physical certificate of title is issued, take priority according to the order of time in which they are ~~noted thereon~~ entered into the automated title processing system by the clerk. Exposure for sale of any off-highway motorcycle or all-purpose vehicle by its owner, with the knowledge or with the knowledge and consent of the holder of any security interest, lien, mortgage, or encumbrance ~~thereon~~ on it, does not render the security interest, lien, mortgage, or encumbrance ineffective as against the creditors of the owner, or against holders of subsequent security interests, liens, mortgages, or encumbrances upon the off-highway motorcycle or all-purpose vehicle.

The secured party, upon presentation of ~~the~~ evidence of a security agreement ~~interest~~ to the a clerk of ~~the~~ a court of common pleas ~~of the county in which the certificate of title was issued,~~ together with the certificate of title if a physical certificate of title for the off-highway motorcycle or all-purpose vehicle exists, and the fee prescribed by section 4519.59 of the Revised Code, may have a notation of the security interest made on the face of the certificate of title, and, if such a notation is made, another notation of the ~~lien~~ security interest shall be entered into the automated title processing system ~~for motor vehicle titles.~~ The Unless the secured party specifically requests the clerk not to issue a physical certificate of title and instead to issue an electronic certificate of title, the clerk, over the clerk's signature and seal of office, shall issue a new original certificate of title from the automated title processing system that indicates

the security interest and the date of the security interest.

~~When the~~ If a security interest is discharged and the holder of the security interest holds a physical certificate of title, the holder thereof of the security interest shall note the its discharge over the holder's signature on the face of the certificate of title or over the holder's signature on a form prescribed by the registrar of motor vehicles when there is no space for the discharge on the face of the certificate of title. Prior to delivering the certificate of title to the owner, the holder or the holder's agent shall present it and any additional information the a clerk requires to the a clerk to have the clerk note the cancellation of the security interest on the face of the certificate of title and upon the records of the clerk. If the cancellation discharge appears to be genuine, the clerk shall note the cancellation on the certificate of title and also shall note the cancellation on the clerk's records and notify the registrar, who shall note the cancellation. If a security interest that is discharged does not appear on the face of the certificate of title, but instead was entered into the automated title processing system for motor vehicles, the clerk shall enter the cancellation into the automated title processing system and also shall note the cancellation on a form prescribed by the registrar.

(C) If a physical certificate of title has not been issued for an off-highway motorcycle or all-purpose vehicle and all the security interests relating to that motorcycle or vehicle have been discharged, the owner of the motorcycle or vehicle may obtain a physical certificate of title from the clerk of any court of common pleas upon payment of the fee specified in section 4519.59 of the Revised Code.

(D) If a clerk of a court of common pleas, other than the clerk of the court of common pleas of the county in which the owner of an off-highway motorcycle or all-purpose vehicle resides, enters a notation of the existence of, or the cancellation of, a security interest relating to the off-highway motorcycle or all-purpose vehicle, the clerk shall transmit the data relating to the notation to the automated title processing system.

SECTION 2. That existing sections 325.33, 1548.01, 1548.02, 1548.03, 1548.06, 1548.08, 1548.09, 1548.10, 1548.11, 1548.12, 1548.13, 1548.17, 1548.18, 1548.19, 1548.20, 4501.01, 4503.03, 4503.10, 4503.182, 4505.03, 4505.04, 4505.06, 4505.08, 4505.09, 4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.18, 4505.181, 4505.19, 4505.20, 4519.01, 4519.03, 4519.51, 4519.52, 4519.53, 4519.55, 4519.57, 4519.58, 4519.59, 4519.60, 4519.61, 4519.62, 4519.66, 4519.67, and 4519.68 of the Revised Code are hereby repealed.

SECTION 3. (A) The Registrar of Motor Vehicles shall adopt rules that establish a pilot program to appoint limited authority deputy registrars. Notwithstanding any contrary provision of section 4503.03 of the Revised Code, the Registrar may appoint the clerk of a court of common pleas as a limited authority deputy registrar under the program. Each limited authority deputy registrar appointed under the program shall conduct only initial and transfer motor vehicle registration transactions via electronic means, and VIN inspections, in a manner approved in the rules that the Registrar adopts; is entitled to collect and retain a fee of two dollars and seventy-five cents for each transaction or physical inspection that the limited authority deputy registrar conducts on and after the effective date of this section and before January 1, 2003, a fee of three dollars and twenty-five cents for each transaction or physical inspection that the limited authority deputy registrar conducts on and after January 1, 2003, and before January 1, 2004, and a fee of three dollars and fifty cents for each transaction or physical inspection that the limited authority deputy registrar conducts on and after January 1, 2004; and shall collect all fees and taxes that are required by law and related to the transactions or inspections in a manner approved by the Registrar. All fees collected and retained by a clerk of a court of common pleas for conducting transactions or inspections as a limited authority deputy registrar shall be paid into the county treasury to the credit of the certificate of title administration fund created under section 325.33 of the Revised Code.

A limited authority deputy registrar appointed under the program is not subject to the contribution limitations contained in division (B) of section 4503.03 of the Revised Code or to the filing requirement contained in division (A) of section 4503.033 of the Revised Code.

(B) The Registrar shall adopt the rules required by division (A) of this section not later than 30 days after the effective date of this section.

(C) The Registrar shall make recommendations, not later than twenty-four months after the effective date of this section, to the Governor, Speaker of the House of Representatives, and President of the Senate regarding the success of the pilot program established under division (A) of this section and the feasibility of establishing a permanent system of limited authority deputy registrars.

SECTION 4. (A) The Legislative Service Commission shall conduct a study of both of the following:

- (1) The effect of this act on customer service in the issuance of

certificates of title;

(2) The fiscal impact of this act, including, but not limited to, its impact on the collection of state and local permissive sales and use taxes and on balances in county certificate of title administration funds.

(B) The Commission, in conducting the study, may seek the assistance of state agencies, political subdivisions, and organizations such as the County Commissioners Association of Ohio, the Ohio Clerk of Courts Association, and the Ohio Automobile Dealers Association.

(C) The Commission shall complete the study not later than February 15, 2003.

SECTION 5. In accordance with a schedule and on a form adopted by the Registrar of Motor Vehicles, a clerk of a court of common pleas may certify to the Registrar any net revenue loss that the clerk incurs during the first three years following the effective date of this section and that is attributable to the implementation of this act. The clerk shall certify net revenue loss based upon a comparison of the revenue the clerk received during a period of time, as determined by the Registrar, preceding the effective date of this section, with the revenue the clerk receives during comparable periods of time during the first three years following the effective date of this section.

From the automated title processing fund created by section 4505.09 of the Revised Code, the Registrar shall make on a monthly basis during those three years payments to any clerk who certifies a net revenue loss for an applicable reporting period. During the first year of payments, the payments shall equal one hundred per cent of the certified net revenue loss for an applicable reporting period. During the second year of payments, the payments shall equal seventy-five per cent of the certified net revenue loss for an applicable reporting period. During the third year of payments, the payments shall equal fifty per cent of the certified net revenue loss for an applicable reporting period.

The Registrar shall adopt rules as necessary to implement this section.

SECTION 6. The Registrar of Motor Vehicles shall implement to the maximum extent practicable all provisions of sections 4501.01, 4503.03, 4503.035, 4503.10, 4503.182, 4505.021, 4505.03, 4505.032, 4505.04, 4505.06, 4505.062, 4505.08, 4505.09, 4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.141, 4505.18, 4505.181, 4505.19, 4505.20, 4505.25, 4519.01, 4519.03, 4519.51, 4519.511, 4519.512, 4519.52, 4519.521, 4519.53, 4519.55, 4519.551, 4519.57, 4519.58, 4519.59, 4519.60, 4519.62, 4519.631,

4519.66, 4519.67, and 4519.68 of the Revised Code as amended or enacted by this act, and the provisions of Section 3 of this act, by no later than nine months after the effective date of this section.

The Chief of the Division of Watercraft in the Division of Natural Resources shall implement to the maximum extent practicable all provisions of sections 1548.02, 1548.021, 1548.03, 1548.06, 1548.061, 1548.08, 1548.09, 1548.10, 1548.11, 1548.12, 1548.13, 1548.141, 1548.17, 1548.18, 1548.19, and 1548.20 of the Revised Code as amended or enacted by this act by no later than nine months after the effective date of this section.

Speaker _____ *of the House of Representatives.*

President _____ *of the Senate.*

Passed _____, 20____

Approved _____, 20____

Governor.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

Director, Legislative Service Commission.

Filed in the office of the Secretary of State at Columbus, Ohio, on the ___ day of _____, A. D. 20____.

Secretary of State.

File No. _____ Effective Date _____