As Passed by the Senate

124th General Assembly Regular Session 2001-2002

Sub. S. B. No. 59

SENATORS Amstutz, Jacobson, Harris, Mallory, Prentiss, Spada, Oelslager, Johnson, Fingerhut, Hagan, Furney, Espy, Armbruster

ABILL

То	amend sections 325.33, 1548.01, 1548.02, 1548.03,	1
	1548.06, 1548.07, 1548.08, 1548.09, 1548.11,	2
	1548.12, 1548.13, 1548.16, 1548.17, 1548.18,	3
	1548.19, 1548.20, 4501.01, 4503.03, 4503.10,	4
	4503.182, 4505.03, 4505.04, 4505.06, 4505.08,	5
	4505.09, 4505.10, 4505.102, 4505.11, 4505.12,	6
	4505.13, 4505.18, 4505.181, 4505.19, 4505.20,	7
	4519.01, 4519.03, 4519.51, 4519.52, 4519.53,	8
	4519.55, 4519.56, 4519.57, 4519.58, 4519.59,	9
	4519.60, 4519.61, 4519.62, 4519.66, 4519.67, and	10
	4519.68 and to enact sections 1548.021, 1548.141,	11
	4503.034, 4505.021, 4505.032, 4505.141, 4505.25,	12
	4519.511, 4519.512, 4519.521, and 4519.631 of the	13
	Revised Code to make changes in the titling	14
	processes for motor vehicles, watercraft, outboard	15
	motors, off-highway motorcycles, and all-purpose	16
	vehicles.	17

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

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section 1. That sections 325.33, 1548.01, 1548.02, 1548.03,
1548.06, 1548.07, 1548.08, 1548.09, 1548.11, 1548.12, 1548.13,
1548.16, 1548.17, 1548.18, 1548.19, 1548.20, 4501.01, 4503.03,
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4503.10, 4503.182, 4505.03, 4505.04, 4505.06, 4505.08, 4505.09,	21
4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.18, 4505.181,	22
4505.19, 4505.20, 4519.01, 4519.03, 4519.51, 4519.52, 4519.53,	23
4519.55, 4519.56, 4519.57, 4519.58, 4519.59, 4519.60, 4519.61,	24
4519.62, 4519.66, 4519.67, and 4519.68 be amended and sections	25
1548.021, 1548.141, 4503.034, 4505.021, 4505.032, 4505.141,	26
4505.25, 4519.511, 4519.512, 4519.521, and 4519.631 of the Revised	27
Code be enacted to read as follows:	28

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 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 under section 4503.03 of the Revised Code. 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, <u>"electronic" and</u>
"watercraft" has have the same meaning meanings as in section
1547.01 of the Revised Code.

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outboard motor when required by this chapter, but, except as	111
otherwise specifically required in this chapter, the owner may	112
elect whether or not to have the clerk of the court of common	113
pleas to whom the certificate of title application is submitted	114
issue a physical certificate of title for the watercraft or	115
outboard motor, as provided in section 1548.09 of the Revised	116
Code.	117

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 130 1548.05 of the Revised Code, shall sell or otherwise dispose of a 131 watercraft or outboard motor without delivering to the purchaser 132 or transferee thereof a physical certificate of title with such an 133 assignment thereon on it as is necessary to show title in the 134 purchaser or transferee; nor shall any person purchase or 135 otherwise acquire a watercraft or outboard motor without obtaining 136 a certificate of title for it in his the person's name in 137 accordance with Chapter 1548. of the Revised Code this chapter; 138 however, a purchaser may take possession of and operate a 139 watercraft or outboard motor on the waters in this state without a 140 certificate of title for a period not exceeding thirty days if he 141

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poss	sess	sion	a	deale	er's o	dated	bill	of	sale	- or_	, in	the	case	of	a
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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 database of the automated data processing system in the office of the clerk of the court of common pleas of the applicant's county of residence.

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 <u>a purchaser.</u>

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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

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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

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. 1548.11. (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	426
to the watercraft or outboard motor was issued, upon the surrender	427
of the prior certificate of title or the manufacturer's or	428
importer's certificate, or, when that is not possible, upon	429
presentation of satisfactory proof to the clerk of ownership and	430
rights of possession to the watercraft or outboard motor, and upon	431
payment of the fee prescribed in section 1548.10 of the Revised	432
Code and presentation of an application for certificate of title,	433
may issue to the applicant a certificate of title to the	434
watercraft or outboard motor. Only an affidavit by the person or	435
agent of the person to whom possession of the watercraft or	436
outboard motor has passed, setting forth the facts entitling the	437
person to possession and ownership, together with a copy of the	438
journal entry, court order, or instrument upon which the claim of	439
possession and ownership is founded, is satisfactory proof of	440
ownership and right of possession. If the applicant cannot produce	441
such proof of ownership, the applicant may apply directly to the	442
chief of the division of watercraft and submit such evidence as	443
the applicant has, and the chief, if the chief finds the evidence	444
sufficient, may authorize the clerk to issue a certificate of	445
title. If, from the records in the office of the clerk, there	446
appears to be any lien on the watercraft or outboard motor, the	447
certificate of title shall contain a statement of the lien unless	448
the application is accompanied by proper evidence of its	449
extinction.	450

(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

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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

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by the chief and, accompanied by the fee prescribed in section	523
1548.10 of the Revised Code. In the event of the recovery of the	524
original memorandum certificate by the owner, he the owner shall	525
forthwith surrender the same it immediately to the a clerk for	526
cancellation. Such \underline{a} memorandum certificate is not assignable and	527
constitutes no evidence of title or of right to transfer or	528
encumber the watercraft or outboard motor described therein in it.	529
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Sec. 1548.141. The chief of the division of watercraft shall	531
enable the public to access watercraft and outboard motor title	532
information via electronic means. No fee shall be charged for this	533
access. The title information that must be so accessible is only	534
the title information that is in an electronic format at the time	535
a person requests this access.	536
The chief, in accordance with Chapter 119. of the Revised	537
Code, shall adopt rules governing this access. In adopting these	538
rules, the chief shall confer with the clerks of the courts of	539
common pleas.	540
Access by the public to watercraft and outboard motor title	541
information under this section shall comply with all restrictions	542
contained in the Revised Code and federal law that govern the	543
disclosure of that information.	544
Sec. 1548.16. The clerk of the court of common pleas and his	545
the clerk's authorized deputies may administer oaths on any	546
application or affidavit required by Chapter 1548. of the Revised	547
Code this chapter.	548
Sec. 1548.17. Every peace officer, sheriff, watercraft	549
officer, division of parks and recreation officer, division of	550
wildlife officer, conservancy district officer, constable, or	551
state highway patrol trooper, having knowledge of a stolen	552

outboard motor for which a certificate of title is required

without having such the certificate, or a valid temporary permit

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serial number;

- (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
- (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.

alteration, or defacement of such the manufacturer's or assigned

with knowledge of such the destruction, removal, covering,

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

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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 <u>security interests</u>, liens, mortgages, or encumbrances upon the watercraft or outboard motor.

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(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

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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 683 discharged as a result of its holder's receipt of good funds in 684 the correct amount and if the holder holds a physical certificate 685 of title, the holder thereof shall note the discharge of the 686 security interest over his the holder's signature on the face of 687 the certificate of title, or, if there is not sufficient space for 688 the notation on the face of the certificate of title, he the 689 holder shall note the discharge over the holder's signature on a 690 form prescribed by the chief. Prior Except as otherwise provided 691 in this section, prior to delivering the certificate of title to 692 the owner, the holder or his the holder's agent shall present it 693 convey the certificate of title or a separate sworn statement of 694 the discharge of the security interest and any additional 695 information the chief requires to the a clerk for the purpose of 696 having. The conveyance shall occur not more than seven business 697 days after the date the holder deposits the good funds received in 698 the correct amount to fully discharge the security interest into 699 an account of the holder, provided the holder has accurate 700 information concerning the watercraft or outboard motor. 701 Conveyance of the certificate of title or separate sworn statement 702 of the discharge within the required seven business days may be 703 indicated by postmark or receipt by a clerk within that period. If 704 the discharge of the security interest appears to be genuine, the 705 clerk <u>shall</u> note the discharge of the lien or security interest on 706 the face of the certificate of title, if it was so conveyed, and 707 note it in the automated title processing system and upon the 708 records of the clerk. If the discharge appears to be genuine, the 709 clerk shall note it on the certificate of title, and he also shall 710

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note the discharge on his records and notify the chief, who shall	711
note the discharge.	712
(D)(1) In all cases, a secured party may choose to present a	713
clerk with evidence of a security interest via electronic means,	714
and the clerk shall enter the security interest into the automated	715
title processing system. A secured party also may choose to notify	716
a clerk of the discharge of its security interest via electronic	717
means, and the clerk shall enter the cancellation into the	718
automated title processing system.	719
(2) In the case of a security interest that is being	720
satisfied by a watercraft dealer to whom a certificate of title is	721
being transferred, the cancellation of the security interest shall	722
occur during the course of the transfer. The dealer shall submit a	723
discharge request to the secured party. A discharge request shall	724
include good funds in the correct amount to fully discharge the	725
security interest and accurate information concerning the	726
watercraft or outboard motor.	727
(3)(a) Upon receiving a discharge request that complies with	728
division (D)(2) of this section, except as otherwise provided in	729
this division, a secured party shall convey the certificate of	730
title, with the discharge of the security interest noted on its	731
face, to the dealer within seven business days after the date the	732
secured party deposits the good funds received in the correct	733
amount to fully discharge the security interest into an account of	734
the secured party.	735
If a secured party is unable to convey to the dealer a	736
certificate of title within the required seven business days, the	737
secured party instead shall convey to the dealer an affidavit	738
stating that the security interest has been discharged, together	739
with payment for a duplicate certificate of title, within that	740
period.	741
(b) A certificate of title, or affidavit and required	742

(1) "Accurate information" means the serial number of the 774 watercraft or outboard motor, if any; the make and model of the 775 watercraft or outboard motor; and the name and address of the 776 owner of the watercraft or outboard motor as they appear on the 777 certificate of title that is to be conveyed. 778 (2) "Good funds" has the same meaning as in section 4505.13 779 of the Revised Code. 780 (3) "Watercraft dealer" has the same meaning as in section 781 1547.01 of the Revised Code. 782 Sec. 4501.01. As used in this chapter and Chapters 4503., 783 4505., 4507., 4509., 4511., 4513., 4515., and 4517. of the Revised 784 Code, and in the penal laws, except as otherwise provided: 785 786 (A) "Vehicles" means everything on wheels or runners, 787 including motorized bicycles, but does not mean vehicles that are 788 operated exclusively on rails or tracks or from overhead electric 789 trolley wires and vehicles that belong to any police department, 790 municipal fire department, or volunteer fire department, or that 791 are used by such a department in the discharge of its functions. 792 (B) "Motor vehicle" means any vehicle, including mobile homes 793 and recreational vehicles, that is propelled or drawn by power 794 other than muscular power or power collected from overhead 795 electric trolley wires. "Motor vehicle" does not include motorized 796 bicycles, road rollers, traction engines, power shovels, power 797 cranes, and other equipment used in construction work and not 798 designed for or employed in general highway transportation, 799 well-drilling machinery, ditch-digging machinery, farm machinery, 800 trailers that are used to transport agricultural produce or 801 agricultural production materials between a local place of storage 802 or supply and the farm when drawn or towed on a public road or 803

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

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

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- 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

material that are not dependent upon confined air for support of

census, even though a department in a place of business is used to

dismantle, salvage, or rebuild motor vehicles by means of used

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motor vehicle at a fixed charge for the vehicle in accordance with	1055
the carrier's tariff, lawfully on file with the United States	1056
department of transportation, for the purpose of group travel to a	1057
specified destination or for a particular itinerary, either agreed	1058
upon in advance or modified by the chartered group after having	1059
left the place of origin.	1060
specified destination or for a particular itinerary, either agreed upon in advance or modified by the chartered group after having	105

- (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 1068 restriction of time, geographic area, mileage, or commodity, and 1069 includes license plates issued to farm trucks under division (K) 1070 of section 4503.04 of the Revised Code. 1071
- (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 1083 designed to carry nine or fewer passengers and is operated for 1084 hire on an hourly basis pursuant to a prearranged contract for the 1085

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in division (A)(2) of section $\frac{102.021}{4503.033}$ of the Revised	1148
Code. As used in this division, "immediate family" has the same	1149
meaning as in division (D) of section 102.01 of the Revised Code_	1150
and "entity" includes any political party and any "continuing	1151
association" as defined in division (B)(4) of section 3517.01 of	1152
the Revised Code or "political action committee" as defined in	1153
division (B)(8) of that section that is primarily associated with	1154
that political party. For purposes of this division, contributions	1155
to any continuing association or any political action committee	1156
that is primarily associated with a political party shall be	1157
aggregated with contributions to that political party.	1158
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The contribution limitations contained in this division do 1160 not apply to any county auditor or clerk of a court of common 1161 pleas. 1162

The registrar shall not contract with either of the following 1163 to act as a deputy registrar: 1164

- (1) Any elected public official other than a county auditor 1165 or, as authorized by division (A)(1)(b) of this section, a clerk 1166 of a court of common pleas, acting in his an official capacity; 1167
- (2) Any person holding a current, valid contract to conduct 1168 motor vehicle inspections under section 3704.14 of the Revised 1169 Code. 1170
- (C) Deputy registrars are independent contractors and neither 1171 they nor their employees are employees of this state, except that 1172 nothing in this section shall affect the status of county auditors 1173 or clerks of courts of common pleas as public officials, nor the 1174 status of their employees as employees of any of the counties of 1175 this state, which are political subdivisions of this state. Each 1176 deputy registrar shall be responsible for the payment of all 1177 unemployment compensation premiums, all workers' compensation 1178 premiums, social security contributions, and any and all taxes for 1179

which he the deputy registrar is legally responsible. Each deputy 1180 registrar shall comply with all applicable federal, state, and 1181 local laws requiring the withholding of income taxes or other 1182 taxes from the compensation of his the deputy registrar's 1183 employees. Each deputy registrar shall maintain during the entire 1184 term of his the deputy registrar's contract a policy of business 1185 liability insurance satisfactory to the registrar and shall hold 1186 the department of public safety, the director of public safety, 1187 the bureau of motor vehicles, and the registrar harmless upon any 1188 and all claims for damages arising out of the operation of the 1189 deputy registrar agency. 1190

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(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	1213
rules also shall include specifications providing that every	1214
deputy in each county, upon request, provide any person with	1215
information about the location and office hours of all deputy	1216
registrars in the county and that every deputy registrar	1217
prominently display within his the deputy's office, the toll-free	1218
telephone number of the bureau. The rules shall not prohibit the	1219
award of a deputy registrar contract to a nonprofit corporation	1220
formed under the laws of this state. The rules shall prohibit any	1221
deputy registrar from operating more than one such office at any	1222
time, except that the rules may permit a nonprofit corporation	1223
formed for the purposes of providing automobile-related services	1224
to its members or the public and that provides such services from	1225
more than one location in this state to operate a deputy registrar	1226
office at any such location, provided that the nonprofit	1227
corporation operates no more than one deputy registrar office in	1228
any one county. The rules may include such other specifications as	1229
the registrar and director consider necessary to provide a high	1230
level of service.	1231

- (2) With the prior approval of the registrar, each deputy registrar may conduct at the location of the deputy registrar's 1233 office any business that is consistent with the functions of a 1234 deputy registrar and that is not specifically mandated or 1235 authorized by this or another chapter of the Revised Code or by 1236 implementing rules of the registrar. 1237
- (3) Each even-numbered year, the registrar, in consultation

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 with the Ohio deputy registrars association, shall review the

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 economic effect of the terms of the contracts entered into between

 the registrar and each deputy registrar and of the specifications

 for or related to the performance of deputy registrar services.

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 Upon the completion of this review, the registrar shall submit to

 the governor, the president of the senate, and the speaker of the

termination of the deputy registrar contract, the registrar may

require the production of such books, records, and papers as he

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the registrar determines are necessary, and may take the	1277
depositions of witnesses residing within or outside the state in	1278
the same manner as is prescribed by law for the taking of	1279
depositions in civil actions in the court of common pleas, and for	1280
that purpose the registrar may issue a subpoena for any witness or	1281
a subpoena duces tecum to compel the production of any books,	1282
records, or papers, directed to the sheriff of the county where	1283
the witness resides or is found. Such a subpoena shall be served	1284
and returned in the same manner as a subpoena in a criminal case	1285
is served and returned. The fees and mileage of the sheriff and	1286
witnesses shall be the same as that allowed in the court of common	1287
pleas in criminal cases and shall be paid from the fund in the	1288
state treasury for the use of the agency in the same manner as	1289
other expenses of the agency are paid.	1290

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 1300 hearing of any nature prior to the termination of any deputy 1301 registrar contract by the registrar, with the approval of the 1302 director, for cause.

(F) Except as provided in section 2743.03 of the Revised 1304 Code, no court, other than the court of common pleas of Franklin 1305 county, has jurisdiction of any action against the department of 1306 public safety, the director, the bureau, or the registrar to 1307 restrain the exercise of any power or authority nor, or to 1308

entertain any action for declaratory judgment, in the selection	1309
and appointment of, or contracting with, deputy registrars.	1310
Neither the department, the director, the bureau, nor the	1311
registrar is liable in any action at law for damages sustained by	1312
any person because of any acts of the department, the director,	1313
the bureau, or the registrar, nor <u>or of</u> any employee of the	1314
department or bureau, in the performance of his official duties in	1315
the selection and appointment of, and contracting with, deputy	1316
registrars.	1317

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- (G) The registrar shall assign to each deputy registrar a 1318 series of numbers sufficient to supply the demand at all times in 1319 the area the deputy registrar serves, and the registrar shall keep 1320 a record in his the registrar's office of the numbers within the 1321 series assigned. Each deputy shall be required to give bond in the 1322 amount of at least twenty-five thousand dollars, or in such higher 1323 amount as the registrar determines necessary, based on a uniform 1324 schedule of bond amounts established by the registrar and 1325 determined by the volume of registrations handled by the deputy. 1326 The form of the bond shall be prescribed by the registrar. The 1327 bonds required of deputy registrars, in the discretion of the 1328 registrar, may be individual or schedule bonds or may be included 1329 in any blanket bond coverage carried by the department. 1330
- (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.
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- (I) Upon request, a deputy registrar shall make the physical 1334 inspection of a motor vehicle and issue the physical inspection 1335 certificate required in section 4505.061 of the Revised Code. 1336
- (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
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described in this section and every person mentioned as owner in	1371
the last certificate of title of a motor vehicle that is operated	1372
or driven upon the public roads or highways shall cause to be	1373
filed each year, by mail or otherwise, in the office of the	1374
registrar of motor vehicles or a deputy registrar, a written or	1375
electronic application or a preprinted registration renewal notice	1376
issued under section 4503.102 of the Revised Code, the form of	1377
which shall be prescribed by the registrar, for registration for	1378
the following registration year, which shall begin on the first	1379
day of January of every calendar year and end on the thirty-first	1380
day of December in the same year. Applications for registration	1381
and registration renewal notices shall be filed at the times	1382
established by the registrar pursuant to section 4503.101 of the	1383
Revised Code. A motor vehicle owner also may elect to apply for or	1384
renew a motor vehicle registration by electronic means using	1385
electronic signature in accordance with rules adopted by the	1386
registrar. Except as provided in division (J) of this section,	1387
applications for registration shall be made on blanks furnished by	1388
the registrar for that purpose, containing the following	1389
information:	1390

- (1) A brief description of the motor vehicle to be
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 registered, including the name of the manufacturer, the factory
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 number of the vehicle, the year's model, and, in the case of
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 commercial cars, the gross weight of the vehicle fully equipped
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 computed in the manner prescribed in section 4503.08 of the
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 Revised Code;
- (2) The name and residence address of the owner, and the 1397 township and municipal corporation in which the owner resides; 1398
- (3) The district of registration, which shall be determined 1399 as follows:
- (a) In case the motor vehicle to be registered is used for 1401 hire or principally in connection with any established business or 1402

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

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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 twenty-five cents 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 1515 sheriff or local police officials shall recover license plates 1516 erroneously or fraudulently issued. 1517
- (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

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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 twenty-five cents 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. Violation 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 1561 this section relating to the presentation of an inspection 1562 certificate issued under section 3704.14 of the Revised Code and 1563 rules adopted under it for a motor vehicle, the refusal of a 1564 license for failure to present an inspection certificate, and the 1565 stamping of the inspection certificate by the official issuing the 1566 certificate of registration apply to the registration of and 1567 issuance of license plates for a motor vehicle under sections 1568 4503.102, 4503.12, 4503.14, 4503.15, 4503.16, 4503.171, 4503.172, 1569 4503.19, 4503.40, 4503.41, 4503.42, 4503.43, 4503.44, 4503.46, 1570 4503.47, and 4503.51 of the Revised Code. 1571
- (2)(a) The registrar shall adopt rules ensuring that each 1572 owner registering a motor vehicle in a county where a motor 1573 vehicle inspection and maintenance program is in effect under 1574 section 3704.14 of the Revised Code and rules adopted under it 1575 receives information about the requirements established in that 1576 section and those rules and about the need in those counties to 1577 present an inspection certificate with an application for 1578 registration or preregistration. 1579
- (b) Upon request, the registrar shall provide the director of 1580 environmental protection, or any person that has been awarded a 1581 contract under division (D) of section 3704.14 of the Revised 1582 Code, an on-line computer data link to registration information 1583 for all passenger cars, noncommercial motor vehicles, and 1584 commercial cars that are subject to that section. The registrar 1585 also shall provide to the director of environmental protection a 1586 magnetic data tape containing registration information regarding 1587 passenger cars, noncommercial motor vehicles, and commercial cars 1588 for which a multi-year registration is in effect under section 1589 4503.103 of the Revised Code or rules adopted under it, including, 1590 without limitation, the date of issuance of the multi-year 1591 registration, the registration deadline established under rules 1592

Sec. 4505.03. No person, except as provided in section

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sections 4505.032 and 4505.05 of the Revised Code, shall sell or 1684 otherwise dispose of a motor vehicle without delivering to the 1685 buyer or transferee thereof of it a certificate of title with such 1686 an assignment thereon on it as is necessary to show title in the 1687 buyer or transferee; nor shall any person, except as provided in 1688 section 4505.032 or 4505.11 of the Revised Code, buy or otherwise 1689 acquire a motor vehicle without obtaining a certificate of title 1690 for it in the person's name in accordance with this chapter. 1691

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.

of title made under section 4505.032 of the Revised Code, a

manufacturer's or importer's certificate, or a certified receipt

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- (a) The lessee shall file with and attach to the complaint in 1776 the tort action a copy of the lease agreement pursuant to which 1777 the lessee is responsible for damage to the motor vehicle, for 1778 purposes of establishing the ownership of the motor vehicle and 1779 the interest of the lessee in $it\dot{\tau}$.
- (b) The harm to the motor vehicle shall be such that, under 1781 the lease agreement, the lessee bringing the action is legally 1782 responsible for the repair of the harm÷. 1783
- (c) The lessee shall cause a copy of the complaint in the 1784 tort action to be served upon the owner of the motor vehicle and 1785 upon any other lessee of the vehicle in accordance with the Rules 1786 of Civil Procedure.

Sec. 4505.06. (A)(1) Application for a certificate of title 1788 shall be made in a form prescribed by the registrar of motor 1789 vehicles, and shall be sworn to before a notary public or other 1790 officer empowered to administer oaths. The application shall be 1791 filed with the clerk of the any court of common pleas of the 1792 county in which the applicant resides if the applicant is a 1793 resident of this state or, if not a resident, in the county in 1794 which the transaction is consummated. An application for a 1795 certificate of title may be filed electronically by any electronic 1796 1797 image transmission means approved by the registrar in any county in which with the clerk of the court of common pleas permits an 1798 application to be filed electronically. The signature of an 1799 officer empowered to administer oaths that appears on an 1800 application for a certificate of title, or on any other document 1801 required to be filed by this chapter that has been filed 1802 electronically, is not a facsimile signature as defined in section 1803 9.10 of the Revised Code of that county. Any payments required by 1804 this chapter shall be considered as accompanying any 1805 electronically transmitted application when payment actually is 1806

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received by the clerk. Payment of any fee or taxes may be made by
electronic transfer of funds.

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(2) The application for a certificate of title shall be 1809 accompanied by the fee prescribed in section 4505.09 of the 1810 Revised Code; and if. The fee shall be retained by the clerk who 1811 issues the certificate of title and shall be distributed in 1812 accordance with that section. If a clerk of a court of common 1813 pleas, other than the clerk of the court of common pleas of an 1814 applicant's county of residence, issues a certificate of title to 1815 the applicant, the clerk shall transmit data related to the 1816 transaction to the database of the automated data processing 1817 system in the office of the clerk of the court of common pleas of 1818 the applicant's county of residence. 1819

(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

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an electronic motor vehicle dealer on behalf of the purchaser of a 1839 motor vehicle, the clerk shall retain the completed electronic 1840 record to which the dealer converted the certificate of title 1841 application and other required documents. The electronic motor 1842 vehicle dealer shall forward the actual application and all other 1843 documents relating to the sale of the motor vehicle to any clerk 1844 within thirty days after the certificate of title is issued. The 1845 registrar, after consultation with the attorney general, shall 1846 adopt rules that govern the location at which, and the manner in 1847 which, are stored the actual application and all other documents 1848 relating to the sale of a motor vehicle when an electronic motor 1849 vehicle dealer files the application for a certificate of title 1850 electronically on behalf of the purchaser. The 1851

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.

$\underline{(4)}$ In the case of the sale of a motor vehicle to a general	1872
buyer or user by a dealer, by a motor vehicle leasing dealer	1873
selling the motor vehicle to the lessee or, in a case in which the	1874
leasing dealer subleased the motor vehicle, the sublessee, at the	1875
end of the lease agreement or sublease agreement, or by a	1876
manufactured home broker, the certificate of title shall be	1877
obtained in the name of the buyer by the dealer, leasing dealer,	1878
or the manufactured home broker, as the case may be, upon	1879
application signed by the buyer. The certificate of title shall be	1880
issued, or the process of entering the certificate of title	1881
application information into the automated title processing system	1882
if a physical certificate of title is not to be issued shall be	1883
completed, within five business days after the application for	1884
title is filed with the clerk. If the buyer of the motor vehicle	1885
previously leased the motor vehicle and is buying the motor	1886
vehicle at the end of the lease pursuant to that lease, the	1887
certificate of title shall be obtained in the name of the buyer by	1888
the motor vehicle leasing dealer who previously leased the motor	1889
vehicle to the buyer or by the motor vehicle leasing dealer who	1890
subleased the motor vehicle to the buyer under a sublease	1891
agreement.	1892
In all other cases, except as provided in section 4505.032	1893
and division (D)(2) of section 4505.11 of the Revised Code, such	1894

certificates shall be obtained by the buyer. In 1895

(5)(a)(i) If the certificate of title is being obtained in 1896 the name of the buyer by a motor vehicle dealer or motor vehicle 1897 leasing dealer and there is a security interest to be noted on the 1898 certificate of title, the dealer or leasing dealer shall submit 1899 the application for the certificate of title and payment of the 1900 applicable tax to a clerk within seven business days after the 1901 later of the delivery of the motor vehicle to the buyer or the 1902 date the dealer or leasing dealer obtains the manufacturer's or 1903

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importer's certificate, or certificate of title issued in the name	1904
of the dealer or leasing dealer, for the motor vehicle. Submission	1905
of the application for the certificate of title and payment of the	1906
applicable tax within the required seven business days may be	1907
indicated by postmark or receipt by a clerk within that period.	1908
(ii) Upon receipt of the certificate of title with the	1909
security interest noted on its face, the dealer or leasing dealer	1910
shall forward the certificate of title to the secured party at the	1911
location noted in the financing documents or otherwise specified	1912
by the secured party.	1913
(iii) A motor vehicle dealer or motor vehicle leasing dealer	1914
is liable to a secured party for a late fee of ten dollars per day	1915
for each certificate of title application and payment of the	1916
applicable tax that is submitted to a clerk more than seven	1917
business days but less than twenty-one days after the later of the	1918
delivery of the motor vehicle to the buyer or the date the dealer	1919
or leasing dealer obtains the manufacturer's or importer's	1920
certificate, or certificate of title issued in the name of the	1921
dealer or leasing dealer, for the motor vehicle and, from then on,	1922
twenty-five dollars per day until the application and applicable	1923
tax are submitted to a clerk.	1924
(b) In all cases of transfer of a motor vehicle, the	1925
application for certificate of title shall be filed within thirty	1926
days after the assignment or delivery of the motor vehicle. If an	1927
application for a certificate of title is not filed within that	1928
the period specified in division (A)(5)(b) of this section, the	1929
clerk shall collect a fee of five dollars for the issuance of the	1930
certificate, except that no such fee shall be required from a	1931
motor vehicle salvage dealer, as defined in division (A) of	1932
section 4738.01 of the Revised Code, who immediately surrenders	1933
the certificate of title for cancellation. The fee shall be in	1934

addition to all other fees established by this chapter, and shall

A clerk, however, may retain from the taxes paid to the clerk

an amount equal to the poundage fees associated with certificates

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of title issued by other clerks of courts of common pleas to	1968
applicants who reside in the first clerk's county. The registrar,	1969
in consultation with the tax commissioner and the clerks of the	1970
courts of common pleas, shall develop a report from the automated	1971
title processing system that informs each clerk of the amount of	1972
the poundage fees that the clerk is permitted to retain from those	1973
taxes because of certificates of title issued by the clerks of	1974
other counties to applicants who reside in the first clerk's	1975
county.	1976

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 1996 transferor shall swear to the true selling price and, except as 1997 provided in this division, the true odometer reading of the motor 1998 vehicle. The registrar may prescribe an affidavit in which the 1999

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.

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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

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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 <u>cashier's check</u>, certified check, draft, or money order, <u>or</u> 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

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payment of uncollected taxes or uncollected fees. The clerk shall	2064
notify the tax commissioner of any such payment of taxes that is	2065
due but not made and shall furnish such information to the	2066
commissioner as the commissioner requires. The clerk shall deduct	2067
the amount of taxes due but not paid from the clerk's periodic	2068
remittance of tax payments, in accordance with procedures agreed	2069
upon by the tax commissioner. The commissioner may collect taxes	2070
due by assessment in the manner provided in section 5739.13 of the	2071
Revised Code.	2072

Any person who presents payment that is returned or 2073 dishonored for any reason is liable to the clerk for payment of a 2074 penalty over and above the amount of the taxes due. The clerk 2075 shall determine the amount of the penalty, which shall be no 2076 greater than that amount necessary to compensate the clerk for 2077 banking charges, legal fees, or other expenses incurred by the 2078 clerk in collecting the returned or dishonored payment. The 2079 remedies and procedures provided in this section are in addition 2080 to any other available civil or criminal remedies. Subsequently 2081 collected penalties, poundage fees, and title fees, less any title 2082 fee due the state, from returned or dishonored payments collected 2083 by the clerk shall be paid into the certificate of title 2084 administration fund. Subsequently collected taxes, less poundage 2085 fees, shall be sent by the clerk to the treasurer of state at the 2086 next scheduled periodic remittance of tax payments, with such 2087 information as the commissioner may require. The clerk may abate 2088 all or any part of any penalty assessed under this division. 2089

- (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

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shall be retained and filed by the clerk in the clerk's office.	2158
The clerk shall sign and affix the clerk's seal to the original	2159
certificate of title and, if there are no liens on the motor	2160
vehicle, shall deliver the certificate to the applicant or the	2161
selling dealer. If there are one or more liens on the motor	2162
vehicle, the certificate of title shall be delivered to the holder	2163
of the first lien or the selling dealer, who shall deliver the	2164
certificate of title to the holder of the first lien.	2165

The registrar of motor vehicles shall prescribe a uniform 2167 method of numbering certificates of title, and such numbering 2168 shall be in such manner that the county of issuance is indicated. 2169 The clerk shall assign numbers to certificates of title in the 2170 manner prescribed by the registrar. The clerk shall file all 2171 certificates of title according to regulations rules to be 2172 prescribed by the registrar, and the clerk shall maintain in the 2173 clerk's office indexes for the certificates of title. 2174

The clerk need not retain on file any current certificates of 2175 title, current duplicate certificates of title, current memorandum 2176 certificates of title, or current salvage certificates of title, 2177 or supporting evidence thereof of them, including the electronic 2178 record described in division (A) of section 4505.06 of the Revised 2179 Code, covering any motor vehicle or manufactured or mobile home 2180 for a period longer than seven years after the date of its filing; 2181 thereafter, the same documents and supporting evidence may be 2182 destroyed. The clerk need not retain on file any inactive records, 2183 including certificates of title, duplicate certificates of title, 2184 or memorandum certificates of title, or supporting evidence 2185 thereof of them, including the electronic record described in 2186 division (A) of section 4505.06 of the Revised Code, covering any 2187 motor vehicle or manufactured or mobile home for a period longer 2188 than five years after the date of its filing; thereafter, the same 2189

- 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

(E) The clerk may issue a duplicate title, when duly applied

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of section 4505.08 of the Revised Code, and notation of any lien	2285
on a certificate of title. The clerk shall retain two dollars and	2286
twenty-five cents of the fee charged for each certificate of	2287
title, four dollars and seventy-five cents of the fee charged for	2288
each duplicate certificate of title, all of the fees charged for	2289
each memorandum certificate or authorization to print a	2290
non-negotiable evidence of ownership, and four dollars and	2291
twenty-five cents of the fee charged for each notation of a lien.	2292

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 2308 of title shall be paid by the registrar as follows: 2309
- (a) Four cents shall be paid into the state treasury to the 2310 credit of the motor vehicle dealers board fund, which is hereby 2311 created. All investment earnings of the fund shall be credited to 2312 the fund. The moneys in the motor vehicle dealers board fund shall 2313 be used by the motor vehicle dealers board created under section 2314 4517.30 of the Revised Code, together with other moneys 2315 appropriated to it, in the exercise of its powers and the 2316

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 $\dot{\tau}_{\cdot}$
- (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

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processing equipment.

(3) The registrar shall purchase, lease, or otherwise acquire 2381 any automated title processing equipment and certificates of title 2382 that the board determines are necessary from moneys in the 2383 automated title processing fund established by division (B)(3) of 2384 this section. Each county issuing more than one hundred thousand 2385 certificates of title annually, with the approval of the registrar 2386 and in accordance with the registrar's requirements, may purchase 2387 and maintain an automated title processing system for the issuance 2388 of motor vehicle titles, certificates of title for off-highway 2389 motorcycles and all-purpose vehicles, and certificates of title 2390 for watercraft and outboard motors with the cost of the system 2391

(D) All counties shall conform to the requirements of the 2394 registrar regarding the operation of their automated title 2395 processing system for motor vehicle titles, certificates of title 2396 for off-highway motorcycles and all-purpose vehicles, and 2397 certificates of title for watercraft and outboard motors. 2398

paid for from the automated processing title fund.

Sec. 4505.10. (A) In the event of the transfer of ownership 2399 of a motor vehicle by operation of law, as upon inheritance, 2400 devise or, bequest, order in bankruptcy, insolvency, replevin, or 2401 execution sale, a motor vehicle is sold to satisfy storage or 2402 repair charges, or repossession is had upon default in performance 2403 of the terms of a security agreement as provided in Chapter 1309. 2404 of the Revised Code and the secured party has complied with the 2405 repossession requirements of section 1309.46 of the Revised Code 2406 and all of the requirements of section 1309.47 of the Revised 2407 Code, including the notice requirements, the a clerk of the a 2408 court of common pleas of the county in which the last certificate 2409 of title to the motor vehicle was issued, upon the surrender of 2410 the prior certificate of title or the manufacturer's or importer's 2411 certificate, or, when that is not possible, upon presentation of 2412 satisfactory proof to the clerk of ownership and rights of 2413 possession to the motor vehicle, and upon payment of the fee 2414 prescribed in section 4505.09 of the Revised Code and presentation 2415 of an application for certificate of title, may issue to the 2416 applicant a certificate of title to the motor vehicle. Only an 2417 affidavit by the person or agent of the person to whom possession 2418 of the motor vehicle has passed, setting forth the facts entitling 2419 the person to the possession and ownership, together with a copy 2420 of the journal entry, court order, or instrument upon which the 2421 claim of possession and ownership is founded, is satisfactory 2422 proof of ownership and right of possession. If the applicant 2423 cannot produce that proof of ownership, the applicant may apply 2424 directly to the registrar of motor vehicles and submit the 2425 evidence the applicant has, and the registrar, if the registrar 2426 finds the evidence sufficient, then may authorize the a clerk to 2427 issue a certificate of title. If, from the records in the office 2428 of the clerk involved, there appears to be any lien on the motor 2429 vehicle, the certificate of title shall contain a statement of the 2430 lien unless the application is accompanied by proper evidence of 2431 its extinction. 2432

(B) The A clerk shall transfer a decedent's interest in one 2433 or two automobiles to the surviving spouse of the decedent, as 2434 provided in section 2106.18 of the Revised Code, upon receipt of 2435 the title or titles. An affidavit executed by the surviving spouse 2436 shall be submitted to the clerk with the title or titles. The 2437 affidavit shall give the date of death of the decedent, shall 2438 state that each automobile for which the decedent's interest is to 2439 be so transferred is not disposed of by testamentary disposition, 2440 and shall provide an approximate value for each automobile 2441 selected to be transferred by the surviving spouse. The affidavit 2442 shall also contain a description for each automobile for which the 2443

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

the following:

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certificate of title, free and clear of all liens and

encumbrances, to the pawnbroker.

(C) No person shall execute or present the affidavit required 2506 by this section, knowing any entry on the affidavit to be false. 2507

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	2537
vehicle in the dealer's own name as provided in division (C)(1) of	2538
this section.	2539

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- (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 2560 described in division (C)(1) of this section to be impossible to 2561 restore for highway operation, the insurance company may assign 2562 the certificate of title to the motor vehicle to a salvage dealer 2563 or scrap metal processing facility and send the assigned 2564 certificate of title to the clerk of the court of common pleas of 2565 the county in which the salvage dealer or scrap metal processing 2566 facility is located. The insurance company shall mark the face of 2567 the certificate of title "FOR DESTRUCTION" and shall deliver a 2568

motor vehicle. If the motor vehicle is sold, the self-insured

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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 <u>a</u> clerk of the <u>a</u> court of common pleas of the county in which the purchaser resides.

2604 (E) If a motor vehicle titled with a salvage certificate of 2605 title is restored for operation upon the highways, application 2606 shall be made to the a clerk of the a court of common pleas for a 2607 certificate of title. Upon inspection by the state highway patrol, 2608 which shall include establishing proof of ownership and an 2609 inspection of the motor number and vehicle identification number 2610 of the motor vehicle and of documentation or receipts for the 2611 materials used in restoration by the owner of the motor vehicle 2612 being inspected, which documentation or receipts shall be 2613 presented at the time of inspection, the clerk, upon surrender of 2614 the salvage certificate of title, shall issue a certificate of 2615 title for a fee prescribed by the registrar. The certificate of 2616 title shall be in the same form as the original certificate of 2617 title, shall bear the same number as the salvage certificate of 2618 title and the original certificate of title, and shall bear the 2619 words "REBUILT SALVAGE" in black boldface letters on its face. 2620 Every subsequent certificate of title, memorandum certificate of 2621 title, or duplicate certificate of title issued for the motor 2622 vehicle also shall bear the words "REBUILT SALVAGE" in black 2623 boldface letters on its face. The exact location on the face of 2624 the certificate of title of the words "REBUILT SALVAGE" shall be 2625 determined by the registrar, who shall develop an automated 2626 procedure within the automated title processing system to comply 2627 with this division. The clerk shall use reasonable care in 2628 performing the duties imposed on the clerk by this division in 2629 issuing a certificate of title pursuant to this division, but the 2630 clerk is not liable for any of the clerk's errors or omissions or 2631 those of the clerk's deputies, or the automated title processing 2632

system in the performance of those duties. A fee of forty dollars	2633
in fiscal year 1998 and fifty dollars in fiscal year 1999 and	2634
thereafter shall be assessed by the state highway patrol for each	2635
inspection made pursuant to this division and shall be deposited	2636
into the state highway safety fund established by section 4501.06	2637
of the Revised Code.	2638

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- (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 2643 been marked "FOR DESTRUCTION" and surrendered to the a clerk of 2644 the a court of common pleas shall be used for anything except 2645 parts and scrap metal.
- 2647 (H)(1) Except as otherwise provided in this division, an owner of a manufactured or mobile home that will be taxed as real 2648 property pursuant to division (B) of section 4503.06 of the 2649 Revised Code shall surrender the certificate of title to the 2650 auditor of the county containing the taxing district in which the 2651 home is located. An owner whose home qualifies for real property 2652 taxation under divisions (B)(1)(a) and (b) of section 4503.06 of 2653 the Revised Code shall surrender the certificate within fifteen 2654 days after the home meets the conditions specified in those 2655 divisions. The auditor shall deliver the certificate of title to 2656 the clerk of the court of common pleas who issued it. 2657
- (2) If the certificate of title for a manufactured or mobile 2658 home that is to be taxed as real property is held by a lienholder, 2659 the lienholder shall surrender the certificate of title to the 2660 auditor of the county containing the taxing district in which the 2661 home is located, and the auditor shall deliver the certificate of 2662 title to the clerk of the court of common pleas who issued it. The 2663 lienholder shall surrender the certificate within thirty days 2664

of the certificate of title.

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Sec. 4505.12. In the event of a lost or destroyed certificate 2697 of title, application shall be made to the a clerk of the a court 2698 of common pleas of the county where the certificate of title was 2699 issued, by the owner of the motor vehicle, or the holder of a lien 2700 thereon, on it for a duplicate certificate of title upon a form 2701 and accompanied by the fee prescribed by section 4505.09 of the 2702 Revised Code. The application shall be signed and sworn to by the 2703 person making the application. Thereupon the The clerk then shall 2704 issue a duplicate certificate of title to the person entitled to 2705 receive it under this chapter. The duplicate copy shall be plainly 2706 marked across its face with the word "duplicate," and any 2707 subsequent purchaser of the motor vehicle in the chain of title 2708 originating through the duplicate certificate of title acquires 2709 only such rights in the motor vehicle as the original holder of 2710 the duplicate certificate of title had. Any purchaser of the motor 2711 2712 vehicle, at the time of purchase, may require the seller to indemnify the purchaser and all subsequent purchasers of the motor 2713 vehicle against any loss which that the purchaser or they may 2714 suffer by reason of any claim presented upon the original 2715 certificate. In the event of the recovery of the original 2716 certificate of title by the owner, the owner immediately shall 2717 surrender the original certificate of title it to the clerk for 2718 cancellation. 2719

The holder of a certificate of title for a motor vehicle upon 2720 which is noted an existing lien, encumbrance, or mortgage at any 2721 time may make application to the a clerk who issued the 2722 certificate of title for a memorandum certificate, which 2723 application shall be made in the form prescribed by the registrar 2724 of motor vehicles and signed and sworn to by the applicant. Upon 2725 receipt of the application, if it appears to be complete and in 2726 order, together with the fee prescribed by section 4505.09 of the 2727

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2728 Revised Code, the clerk shall issue to the applicant a memorandum certificate for the motor vehicle. In the event If the memorandum 2729 certificate is lost or destroyed, the holder thereof of it may 2730 obtain another memorandum certificate upon the filing of an 2731 application with the a clerk on a form and prescribed by the 2732 registrar, accompanied by the fee prescribed in section 4505.09 of 2733 the Revised Code. The memorandum certificate shall be effective 2734 only for the purpose of obtaining a certificate of registration, 2735 is not assignable, and constitutes no evidence of title or of 2736 right to transfer or encumber the motor vehicle described therein 2737 in it. 2738

- Sec. 4505.13. (A)(1) Sections 1309.01 to 1309.50 Chapter 2739

 1309. and section 1701.66 of the Revised Code do not permit or 2740 require the deposit, filing, or other record of a security 2741 interest covering a motor vehicle, except as provided in division 2742

 (A)(2) of this section. 2743
- 2744 (2) Sections 1309.01 to 1309.50 Chapter 1309. of the Revised Code apply applies to a security interest in a motor vehicle held 2745 as inventory, as defined in division (D) of section 1309.07 of the 2746 Revised Code, for sale by a dealer, as defined in division (J) of 2747 section 4517.01 of the Revised Code. The security interest has 2748 priority over creditors of the dealer as provided in sections 2749 1309.01 to 1309.50 Chapter 1309. of the Revised Code without 2750 notation of the security interest on a certificate of title, 2751 without entry of a notation of the security interest into the 2752 automated title processing system if a physical certificate of 2753 title for the motor vehicle has not been issued, or without the 2754 retention of a manufacturer's or importer's certificate. 2755
- (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 clerk of the a court of common pleas on the face of the certificate of title or

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the clerk has entered a notation of the agreement into the 2760 automated title processing system and a physical certificate of 2761 title for the motor vehicle has not been issued, is valid as 2762 against the creditors of the debtor, whether armed with process or 2763 not, and against subsequent purchasers, secured parties, and other 2764 lienholders or claimants. All security interests, liens, 2765 mortgages, and encumbrances noted upon entered into the automated 2766 title processing system in relation to a particular certificate of 2767 title, regardless of whether a physical certificate of title is 2768 issued, take priority according to the order of time in which they 2769 are noted on entered into the certificate automated title 2770 processing system by the clerk. Exposure for sale of any motor 2771 vehicle by its owner, with the knowledge or with the knowledge and 2772 consent of the holder of any security interest, lien, mortgage, or 2773 encumbrance on it, does not render that security interest, lien, 2774 mortgage, or encumbrance ineffective as against the creditors of 2775 that owner, or against holders of subsequent security interests, 2776 liens, mortgages, or encumbrances upon that motor vehicle. 2777

The secured party, upon presentation of the evidence of a security agreement interest to the 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	2792
result of its holder's receipt of good funds in the correct amount	2793
and if the holder holds a physical certificate of title, the	2794
holder of it shall note its <u>the</u> discharge <u>of the security interest</u>	2795
on the face of the certificate of title over the holder's	2796
signature, or over the holder's signature on a form prescribed by	2797
the registrar of motor vehicles when there is no space for the	2798
discharge on the face of the certificate of title. Prior Except as	2799
otherwise provided in this section, prior to delivering the	2800
certificate of title to the owner, the holder or the holder's	2801
agent shall present it convey the certificate of title or a	2802
separate sworn statement of the discharge of the security interest	2803
to the <u>a</u> clerk for the purpose of having the clerk . The	2804
conveyance shall occur not more than seven business days after the	2805
date the holder deposits the good funds received in the correct	2806
amount to fully discharge the security interest into an account of	2807
the holder, provided the holder has accurate information	2808
concerning the motor vehicle. Conveyance of the certificate of	2809
title or separate sworn statement of the discharge within the	2810
required seven business days may be indicated by postmark or	2811
receipt by a clerk within that period. If the discharge of the	2812
security interest appears to be genuine, the clerk shall note the	2813
cancellation of the security interest on the face of the	2814
certificate of title, if it was so conveyed, and note it in the	2815
automated title processing system and upon the records of the	2816
clerk. The clerk, if that cancellation appears to be genuine,	2817
shall note the cancellation on the certificate of title and also	2818
on the clerk's records.	2819

(C)(1) In all cases, a secured party may choose to present a 2820 clerk with evidence of a security interest via electronic means, 2821 and the clerk shall enter the security interest into the automated 2822 title processing system. A secured party also may choose to notify 2823

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Sub. S. B. No. 59

Sec. 4505.18. (A) No person shall do any of the following:	2917
$\frac{(A)}{(1)}$ Operate in this state a motor vehicle for which a	2918
certificate of title is required without having such that	2919
certificate in accordance with sections 4505.01 to 4505.21 of the	2920
Revised Code, <u>this chapter</u> or upon which the, if a physical	2921
certificate of title has <u>not</u> been canceled <u>issued for a motor</u>	2922
vehicle, operate the motor vehicle in this state knowing that the	2923
ownership information relating to the vehicle has not been entered	2924
into the automated title processing system by a clerk of a court	2925
of common pleas;	2926
$\frac{(B)(2)}{(B)}$ Display or display for sale or sell as a dealer or	2927
acting on behalf of a dealer, a motor vehicle without having	2928
obtained a manufacturer's or importer's certificate or, a	2929
certificate of title therefor, or an assignment of a certificate	2930
of title for it as provided in sections 4505.01 to 4505.21 of the	2931
Revised Code this chapter;	2932
$\frac{(C)}{(3)}$ Fail to surrender any certificate of title or any	2933
certificate of registration or license plates upon cancellation of	2934
the same by the registrar of motor vehicles and notice thereof of	2935
the cancellation as prescribed in sections 4505.01 to 4505.21 of	2936
the Revised Code this chapter;	2937
$\frac{(D)}{(4)}$ Fail to surrender the certificate of title to the <u>a</u>	2938
clerk of the <u>a</u> court of common pleas as provided in sections	2939
4505.01 to 4505.21 of the Revised Code, this chapter in case of	2940
the destruction or dismantling or change of a motor vehicle in	2941
such respect that it is not the motor vehicle described in the	2942
certificate of title;	2943
(E)(5) Violate any rules promulgated adopted pursuant to	2944
sections 4505.01 to 4505.21 of the Revised Code. this chapter;	2945
(F)(6) Except as otherwise provided in this chapter and	2946

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

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 recision 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 recision 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 recision 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 3098 delivering to the purchaser or transferee thereof of it a 3099 certificate of title, a salvage certificate of title, or a 3100 manufacturer's or importer's certificate thereto to it, assigned 3101 to such the purchaser as provided for in this chapter, except as 3102 otherwise provided in this chapter; 3103

(C) With intent to defraud, possess, sell, offer to sell,	3104
counterfeit, or supply a blank, forged, fictitious, counterfeit,	3105
stolen, or fraudulently or unlawfully obtained certificate of	3106
title, registration, bill of sale, or other instruments of	3107
ownership of a motor vehicle, or conspire to do any of the	3108
foregoing;	3109
(D) Knowingly obtain goods, services, credit, or money by	3110
means of an invalid, fictitious, forged, counterfeit, stolen, or	3111
unlawfully obtained original or duplicate certificate of title,	3112
registration, bill of sale, or other instrument of ownership of a	3113
motor vehicle;	3114
(E) Knowingly obtain goods, services, credit, or money by	3115
means of a certificate of title to a motor vehicle, which is	3116
required to be surrendered to the registrar of motor vehicles or	3117
the clerk of the court of common pleas as provided in this	3118
chapter.	3119
Sec. 4505.20. (A) Notwithstanding division $\frac{(B)(A)(2)}{(A)(B)}$	3120
section 4505.18 of the Revised Code or any other provision of	3121
Chapter 4505. this chapter or Chapter 4517. of the Revised Code, a	3122
secured party may designate any dealer to display, display for	3123
sale, or sell a manufactured or mobile home if the home has come	3124
into the possession of that secured party by a default in the	3125
terms of a security instrument and the certificate of title	3126
remains in the name and possession of the secured party.	3127
(B) Notwithstanding division $\frac{(B)(A)(2)}{(B)(B)}$ of section 4505.18 of	3128
the Revised Code or any other provision of Chapter 4505. this	3129
<u>chapter</u> or <u>Chapter</u> 4517. of the Revised Code, the owner of a	3130
recreational vehicle or a secured party of a recreational vehicle	3131
who has come into possession of the vehicle by a default in the	3132
terms of a security instrument, may designate any dealer to	3133

display, display for sale, or sell the vehicle while the

engaged in the business of manufacturing or selling snowmobiles,

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(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 3231 snowmobile, off-highway motorcycle, or all-purpose vehicle and 3232 shall be accompanied by a fee as provided in division (C) of 3233 section 4519.04 of the Revised Code. 3234

If the application is not in proper form, or if the vehicle 3235 for which registration is sought does not appear to be equipped as 3236 required by section 4519.20 of the Revised Code or any rule 3237 adopted thereunder under that section, the registration shall be 3238 refused and no registration sticker shall be issued. 3239

(B) On and after the effective date of this amendment July 1, 3240 1999, no certificate of registration or renewal of such a 3241 certificate of registration shall be issued for an off-highway 3242 motorcycle or all-purpose vehicle required to be registered under 3243 section 4519.02 of the Revised Code, and no certificate of 3244 registration issued under this chapter for an off-highway 3245 motorcycle or all-purpose vehicle that is sold or otherwise 3246 transferred shall be transferred to the new owner of the 3247 off-highway motorcycle or all-purpose vehicle as permitted by 3248 division (B) of section 4519.05 of the Revised Code, unless a 3249 certificate of title has been issued under this chapter for the 3250 motorcycle or vehicle, and the owner or new owner, as the case may 3251 be, presents the a physical certificate of title or a memorandum 3252 certificate of title for inspection at the time the owner or new 3253 owner first submits a registration application, registration 3254 renewal application, or registration transfer application for the 3255 motorcycle or vehicle on or after the effective date of this 3256 amendment July 1, 1999, if a physical certificate of title or 3257 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.

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(C) When the owner of an off-highway motorcycle or 3265 all-purpose vehicle first registers it in the owner's name, and a 3266 certificate of title has been issued for the motorcycle or 3267 vehicle, the owner shall present for inspection a physical 3268 certificate of title or memorandum certificate of title showing 3269 title to the off-highway motorcycle or all-purpose vehicle in the 3270 name of the owner if a physical certificate of title or memorandum 3271 certificate has been issued by a clerk of a court of common pleas. 3272 If, under sections 4519.512 and 4519.58 of the Revised Code, a 3273 clerk instead has issued an electronic certificate of title for 3274 the applicant's off-highway motorcycle or all-purpose vehicle, 3275 that certificate may be presented for inspection at the time of 3276 first registration in a manner prescribed by rules adopted by the 3277 registrar. If, when the owner of such a an off-highway motorcycle 3278 or <u>all-purpose</u> vehicle first makes application to register it in 3279 the owner's name, the application is not in proper form or if the 3280 certificate of title or memorandum certificate of title does not 3281 accompany the registration or, in the case of an electronic 3282 certificate of title, is not presented in a manner prescribed by 3283 the registrar, the registration shall be refused, and neither a 3284 certificate of registration nor a registration sticker shall be 3285 issued. When a certificate of registration and registration 3286 sticker are issued upon the first registration of an off-highway 3287 motorcycle or all-purpose vehicle by or on behalf of the owner, 3288 the official issuing them shall indicate the issuance with a stamp 3289 on the certificate of title or memorandum certificate of title or, 3290

pleas to whom the certificate of title application is submitted	3352
issue a physical certificate of title for the motorcycle or	3353
vehicle, as provided in section 4519.58 of the Revised Code.	3354
	3355
Except as otherwise specifically provided in this chapter,	3356
any provision of this chapter relating to the cancellation,	3357
issuance, or surrender of a certificate of title, including, but	3358
not limited to, provisions that contain a phrase such as "when a	3359
certificate of title is issued," "the clerk shall issue a	3360
certificate of title, " or "the person shall obtain a certificate	3361
of title to the off-highway motorcycle or all-purpose vehicle, " or	3362
another phrase of similar import, shall include those	3363
circumstances when a clerk enters certificate of title information	3364
into the automated title processing system, but does not take any	3365
further action relating to a physical certificate of title for the	3366
motorcycle or vehicle.	3367
Sec. 4519.52. (A) Except as provided in section sections	3368
4519.521 and 4519.54 of the Revised Code, on and after the	3369
effective date of this section, no dealer engaged in the business	3370
of selling new or used off-highway motorcycles or all-purpose	3371
vehicles shall sell or otherwise transfer a new or used	3372
off-highway motorcycle or all-purpose vehicle without obtaining a	3373
certificate of title to the new or used motorcycle or vehicle, in	3374
accordance with this chapter, and delivering the certificate of	3375
title or memorandum certificate of title to the purchaser or	3376
transferee.	3377

(B)(1) A person who is not a dealer engaged in the business 3378 of selling new or used off-highway motorcycles or all-purpose 3379 vehicles and who, on and after the effective date of this section, 3380 owns an off-highway motorcycle or all-purpose vehicle, may choose 3381 to obtain a certificate of title to the motorcycle or vehicle. The 3382

person shall comply with this chapter in order to obtain the 3383 certificate of title. 3384

(2) If a person who is not a dealer engaged in the business 3385 of selling new or used off-highway motorcycles or all-purpose 3386 vehicles and who owns an off-highway motorcycle or all-purpose 3387 vehicle obtains a certificate of title to the motorcycle or 3388 vehicle, that person, except as otherwise provided in section 3389 4519.521 of the Revised Code, shall not sell or otherwise transfer 3390 the motorcycle or vehicle without delivering to the purchaser or 3391 transferee a certificate of title with such an assignment thereon 3392 on it as is necessary to show title in the purchaser or 3393 transferee, and no person shall subsequently purchase or otherwise 3394 acquire the motorcycle or vehicle without obtaining a certificate 3395 of title to the motorcycle or vehicle in the person's own name. 3396

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3398 Sec. 4519.521. (A)(1) If a person who is not an electronic dealer owns an off-highway motorcycle or all-purpose vehicle for 3399 which a physical certificate of title has not been issued by a 3400 clerk of a court of common pleas and the person sells the 3401 motorcycle or vehicle to an electronic dealer, the person is not 3402 required to obtain a physical certificate of title to the 3403 motorcycle or vehicle in order to transfer ownership to the 3404 dealer. The person shall present the dealer, in a manner approved 3405 by the registrar of motor vehicles, with sufficient proof of the 3406 person's identity and complete and sign a form prescribed by the 3407 registrar attesting to the person's identity and assigning the 3408 motorcycle or vehicle to the dealer. The electronic dealer then 3409 shall inform a clerk of a court of common pleas via electronic 3410 means of the sale of the motorcycle or vehicle and assignment of 3411 ownership of the motorcycle or vehicle to the dealer. The clerk 3412 shall enter the information relating to the assignment into the 3413 automated title processing system, and ownership of the motorcycle 3414

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or vehicle passes to the dealer when the clerk enters this	3415
information into the system. The dealer is not required to obtain	3416
a certificate of title to the motorcycle or vehicle in the	3417
dealer's name.	3418
(2) A clerk shall charge and collect from a dealer a fee of	3419
five dollars for each motorcycle or vehicle assigned to the dealer	3420
under division (A)(1) of this section. The fee shall be	3421
distributed in accordance with section 4519.59 of the Revised	3422
Code.	3423
(B) If a person who is not an electronic dealer owns an	3424
off-highway motorcycle or all-purpose vehicle for which a physical	3425
certificate of title has not been issued by a clerk of a court of	3426
common pleas and the person sells the motorcycle or vehicle to a	3427
person who is not an electronic dealer, the person shall obtain a	3428
physical certificate of title to the motorcycle or vehicle in	3429
order to transfer ownership of the vehicle to the person who is	3430
not an electronic dealer.	3431
Sec. 4519.53. No person who acquires an off-highway	3432
motorcycle or all-purpose vehicle from the owner thereof of it, if	3433
whether the owner is a manufacturer, importer, or dealer, or any	3434
other person, acquires any right, title, claim, or interest in or	3435
to the off-highway motorcycle or all-purpose vehicle until the	3436
person has been issued a certificate of title to the off-highway	3437
motorcycle or all-purpose vehicle, or <u>there is</u> delivered <u>to the</u>	3438
<pre>person a manufacturer's or importer's certificate for it, or a</pre>	3439

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

certificate for, the off-highway motorcycle or all-purpose

vehicle, for a valuable consideration.

such the certificate of title to, or manufacturer's or importer's

No court in any case at law or in equity shall recognize the	3446
right, title, claim, or interest of any person in or to any	3447
off-highway motorcycle or all-purpose vehicle sold or disposed of,	3448
or mortgaged or encumbered, unless evidenced by one of the	3449
following:	3450
(A) A certificate of title or a manufacturer's or importer's	3451
certificate issued in accordance with this chapter, or an	3452
assignment of a certificate of title made under section 4519.521	3453
of the Revised Code;	3454
(B) Admission in the pleadings or stipulation of the parties.	3455
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den 4510 55 Zeelinstien fen e mentifische ef bitle fen en	2457
Sec. 4519.55. Application for a certificate of title for an	3457
off-highway motorcycle or all-purpose vehicle shall be made upon a	3458
form prescribed by the registrar of motor vehicles and shall be	3459
sworn to before a notary public or other officer empowered to	3460
administer oaths. The application shall be filed with the clerk of	3461
the any court of common pleas of the county in which the applicant	3462
resides if the applicant is a resident of this state or, if not a	3463
resident, in the county in which the transaction is consummated.	3464
The. An application for a certificate of title may be filed	3465
electronically by any electronic means approved by the registrar	3466
in any county with the clerk of the court of common pleas of that	3467
county.	3468
If an application for a certificate of title is filed	3469
electronically by an electronic dealer on behalf of the purchaser	3470
of an off-highway motorcycle or all-purpose vehicle, the clerk	3471
shall retain the completed electronic record to which the dealer	3472
converted the certificate of title application and other required	3473
documents. The electronic dealer shall forward the actual	3474
application and all other documents relating to the sale of the	3475

off-highway motorcycle or all-purpose vehicle to any clerk within

thirty days after the certificate of title is issued. The	3477
registrar, after consultation with the attorney general, shall	3478
adopt rules that govern the location at which, and the manner in	3479
which, are stored the actual application and all other documents	3480
relating to the sale of an off-highway motorcycle or all-purpose	3481
vehicle when an electronic dealer files the application for a	3482
certificate of title electronically on behalf of the purchaser.	3483

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 database of the automated data processing system in the office of the clerk of the court of common pleas of the applicant's county of residence.

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 3509 or components, photographs, and affidavits of other persons. For 3510

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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 3518 all-purpose vehicle by a dealer to a general purchaser or user, 3519 the certificate of title shall be obtained in the name of the 3520 purchaser by the dealer upon application signed by the purchaser. 3521 In all other cases, the certificate shall be obtained by the 3522 purchaser. In all cases of transfer of an off-highway motorcycle 3523 or all-purpose vehicle, the application for certificate of title 3524 shall be filed within thirty days after the later of the date of 3525 purchase or assignment of ownership of the off-highway motorcycle 3526 or all-purpose vehicle. If the application for certificate of 3527 title is not filed within thirty days after the later of the date 3528 of purchase or assignment of ownership of the off-highway 3529 motorcycle or all-purpose vehicle, the clerk shall charge a late 3530 filing fee of five dollars in addition to the fee prescribed by 3531 section 4519.59 of the Revised Code. The clerk shall retain the 3532 entire amount of each late filing fee. 3533

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

Every clerk shall have the capability to transact by

electronic means all procedures and transactions relating to the

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certificate of title has been issued previously by this state, the	3635
application shall be accompanied by a physical inspection	3636
certificate as described in that division.	3637

If there is no manufacturer's vehicle identification number 3638 or if the manufacturer's vehicle identification number has been 3639 removed or obliterated, the registrar, upon receipt of a 3640 prescribed application and proof of ownership, but prior to 3641 issuance of a certificate of title, shall assign a vehicle 3642 identification number for the off-highway motorcycle or 3643 all-purpose vehicle. This assigned vehicle identification number 3644 shall be permanently affixed to or imprinted upon the off-highway 3645 motorcycle or all-purpose vehicle by the state highway patrol. The 3646 state highway patrol shall assess a fee of fifty dollars for 3647 affixing the number to the off-highway motorcycle or all-purpose 3648 vehicle and shall deposit each such fee in the state highway 3649 safety fund established by section 4501.06 of the Revised Code. 3650

(B) Except in the case of a new off-highway motorcycle or 3651 all-purpose vehicle sold by a dealer licensed under Chapter 4517. 3652 of the Revised Code title to which is evidenced by a 3653 manufacturer's or importer's certificate, if the application for a 3654 certificate of title refers to an off-highway motorcycle or 3655 all-purpose vehicle that contains a permanent identification 3656 number placed thereon on it by the manufacturer, but for which no 3657 certificate of title previously has been issued by this state, the 3658 application shall be accompanied by a physical inspection 3659 certificate issued by the department of public safety verifying 3660 the make, year, series or model, if any, body type, and 3661 manufacturer's vehicle identification number of the off-highway 3662 motorcycle or all-purpose vehicle for which the certificate of 3663 title is desired. The physical inspection certificate shall be in 3664 such the form as is designated by the registrar. The physical 3665 inspection shall be made at a deputy registrar's office or at an 3666

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established place of business operated by a licensed motor vehicle 3667 dealer. The deputy registrar or motor vehicle dealer may charge a 3668 maximum fee of one dollar and fifty cents for conducting the 3669 physical inspection.

The clerk of the court of common pleas shall charge a fee of one dollar and fifty cents for the processing of each physical inspection certificate. The clerk shall retain fifty cents of the one dollar and fifty cents so charged and shall pay the remaining one dollar to the registrar 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 received by the clerk. The registrar shall pay such remaining sums into the state bureau of motor vehicles fund established by section 4501.25 of the Revised Code.

Sec. 4519.57. The When the clerk of the a court of common 3681 pleas <u>issues a physical certificate of title for an off-highway</u> 3682 motorcycle or all-purpose vehicle, the clerk shall issue 3683 certificates of title for off-highway motorcycles and all-purpose 3684 vehicles it over the clerk's official seal. The front side of each 3685 physical certificate of title shall contain the information 3686 required in the application therefor for it as prescribed by 3687 section 4519.56 of the Revised Code, spaces for the dates of 3688 notation and cancellation of two liens, mortgages, or 3689 encumbrances, and any other pertinent information as may be 3690 required by the registrar of motor vehicles, but shall contain 3691 neither the social security number nor taxpayer identification 3692 number of the applicant. The reverse side of each physical 3693 certificate of title shall contain all of the information 3694 specified in division (F) of section 4505.07 of the Revised Code. 3695 An assignment of certificate of title before a notary public or 3696 other officer empowered to administer oaths shall appear on the 3697 reverse side of each physical certificate of title in the form to 3698

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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 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,

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who shall deliver the certificate of title to the holder of the	3730
first lien and the memorandum certificate of title to the	3731
applicant. The selling dealer also may make arrangements with the	3732
clerk to have the clerk deliver the memorandum certificate of	3733
title to the applicant.	3734

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 3744 title, current duplicate certificates of title, current memorandum 3745 certificates of title, or current salvage certificates of title, 3746 or supporting evidence thereof of them, including the electronic 3747 record described in section 4519.55 of the Revised Code, covering 3748 any off-highway motorcycle or all-purpose vehicle for a period 3749 longer than seven years after the date of their filing; 3750 thereafter, the same documents and supporting evidence may be 3751 destroyed. The clerk need not retain on file any inactive records, 3752 including certificates of title, duplicate certificates of title, 3753 or memorandum certificates of title, or supporting evidence 3754 thereof of them, including the electronic record described in 3755 section 4519.55 of the Revised Code, covering any off-highway 3756 motorcycle or all-purpose vehicle for a period longer than five 3757 years after the date of their filing; thereafter, the same 3758 documents and supporting evidence may be destroyed. The clerk 3759 shall retain the active index and all active records in the data 3760 base of the computer in the clerk's office, and shall retain in 3761

described in section 4519.58 of the Revised Code, and notation of	3794
any lien on a certificate of title. The clerk shall retain two	3795
dollars and twenty-five cents of the fee charged for each	3796
certificate of title, four dollars and seventy-five cents of the	3797
fee charged for each duplicate certificate of title, all of the	3798
fees charged for each memorandum certificate or authorization to	3799
print a non-negotiable evidence of ownership, and four dollars and	3800
twenty-five cents of the fee charged for each notation of a lien.	3801

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 3818 of title shall be paid by the registrar as follows: 3819
- (a) Four cents shall be paid into the state treasury to the 3820 credit of the motor vehicle dealers board fund created in section 3821 4505.09 of the Revised Code, for use as described in division 3822 (B)(2)(a) of that section.
 - (b) Twenty-one cents shall be paid into the general revenue

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

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entry, court order, or instrument upon which the claim of	3856
possession and ownership is founded, is satisfactory proof of	3857
ownership and right of possession. If the applicant cannot produce	3858
such that proof of ownership, the applicant may apply directly to	3859
the registrar of motor vehicles and submit the evidence the	3860
applicant has, and the registrar, upon finding the evidence	3861
sufficient, may authorize the clerk to issue a certificate of	3862
title. If, from the records in the office of the clerk, there	3863
appears to be any lien on the off-highway motorcycle or	3864
all-purpose vehicle, the certificate of title shall contain a	3865
statement of the lien unless the application is accompanied by	3866
proper evidence of its extinction.	3867

Sec. 4519.61. (A) Each owner of an off-highway motorcycle or 3869 all-purpose vehicle and each person mentioned as owner in the last 3870 certificate of title, when the off-highway motorcycle or 3871 all-purpose vehicle is dismantled, destroyed, or changed in such 3872 manner that it loses its character as an off-highway motorcycle or 3873 all-purpose vehicle, or changed in such manner that it is not the 3874 off-highway motorcycle or all-purpose vehicle described in the 3875 certificate of title, shall surrender the certificate of title to 3876 the a clerk of the a court of common pleas who issued it, and 3877 thereupon the clerk, with the consent of the holders of any liens 3878 noted thereon, on the certificate of title, then shall enter a 3879 cancellation upon the clerk's records and shall notify the 3880 registrar of motor vehicles of the cancellation. 3881

Upon the cancellation of a certificate of title in the manner

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prescribed by this section, the any clerk and the registrar may

cancel and destroy all certificates and all memorandum

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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 3887 vehicle is assigned to a salvage dealer, the dealer shall not be 3888 required to obtain an Ohio certificate of title or a salvage 3889 certificate of title to the off-highway motorcycle or all-purpose 3890 vehicle in the dealer's own name if the dealer dismantles or 3891 destroys the off-highway motorcycle or all-purpose vehicle, 3892 completes the assignment on the certificate of title or salvage 3893 certificate of title, indicates the number of the dealer's motor 3894 vehicle salvage dealer's license thereon on it, marks "FOR 3895 DESTRUCTION" across the face of the certificate of title or 3896 salvage certificate of title, and surrenders the certificate of 3897 title or salvage certificate of title to the a clerk of the a 3898 court of common pleas as provided in division (A) of this section. 3899 If the salvage dealer retains the off-highway motorcycle or 3900 all-purpose vehicle for resale, the salvage dealer shall make 3901 application for a salvage certificate of title to the off-highway 3902 motorcycle or all-purpose vehicle in the salvage dealer's own name 3903 as provided in division (C)(1) of this section. 3904

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3906 (C)(1) When an insurance company declares it economically impractical to repair the off-highway motorcycle or all-purpose 3907 vehicle and has paid an agreed price for the purchase of the 3908 off-highway motorcycle or all-purpose vehicle to any insured or 3909 claimant owner, the insurance company shall receive the 3910 certificate of title and off-highway motorcycle or all-purpose 3911 vehicle and proceed as follows. Within thirty days, the insurance 3912 company shall deliver the certificate of title to the a clerk of 3913 the a court of common pleas and shall make application for a 3914 salvage certificate of title. The clerk shall issue the salvage 3915 certificate of title on a form, prescribed by the registrar, that 3916 shall be easily distinguishable from the original certificate of 3917 title and shall bear the same number and information as the 3918 original certificate of title. Except as provided in division 3919

- (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 3952 company, or secured creditor becomes the owner of an off-highway 3953 motorcycle or all-purpose vehicle that is burned, damaged, or 3954 dismantled and is determined to be economically impractical to 3955 repair, the self-insured organization, rental or leasing company, 3956 or secured creditor shall do one of the following: 3957
- (1) Mark the face of the certificate of title to the 3958 off-highway motorcycle or all-purpose vehicle "FOR DESTRUCTION" 3959 and surrender the certificate of title to the a clerk of the a 3960 court of common pleas for cancellation as described in division 3961 (A) of this section. The self-insured organization, rental or 3962 leasing company, or secured creditor thereupon then shall deliver 3963 the off-highway motorcycle or all-purpose vehicle, together with a 3964 photocopy of the certificate of title, to a salvage dealer or 3965 scrap metal processing facility and shall cause the off-highway 3966 motorcycle or all-purpose vehicle to be dismantled, flattened, 3967 crushed, or destroyed. 3968
- (2) Obtain a salvage certificate of title to the off-highway 3969 motorcycle or all-purpose vehicle in the name of the self-insured 3970 organization, rental or leasing company, or secured creditor, as 3971 provided in division (C)(1) of this section, and then sell or 3972 otherwise dispose of the off-highway motorcycle or all-purpose 3973 vehicle. If the off-highway motorcycle or all-purpose vehicle is 3974 sold, the self-insured organization, rental or leasing company, or 3975 secured creditor shall obtain a salvage certificate of title to 3976 the off-highway motorcycle or all-purpose vehicle in the name of 3977 the purchaser from the a clerk of the a court of common pleas of 3978 the county in which the purchaser resides. 3979
- (E) If an off-highway motorcycle or all-purpose vehicle 3981 titled with a salvage certificate of title is restored for 3982 operation, application shall be made to the a clerk of the a court 3983

of common pleas for a certificate of title after inspection by the	3984
state highway patrol. The inspection shall include establishing	3985
proof of ownership and an inspection of the motor number and	3986
vehicle identification number of the off-highway motorcycle or	3987
all-purpose vehicle and of documentation or receipts for the	3988
materials used in restoration by the owner of the off-highway	3989
motorcycle or all-purpose vehicle being inspected, which	3990
documentation or receipts shall be presented at the time of	3991
inspection. Upon successful completion of the inspection, the	3992
state highway patrol shall issue to the owner a completed	3993
inspection form. The clerk, upon submission of the completed	3994
inspection form and surrender of the salvage certificate of title,	3995
shall issue a certificate of title for a fee prescribed by the	3996
registrar. The certificate of title shall be in the same form as	3997
the original certificate of title, shall bear the same number as	3998
the salvage certificate of title and the original certificate of	3999
title, and shall bear the words "REBUILT SALVAGE" in black	4000
boldface letters on its face. Every subsequent certificate of	4001
title, memorandum certificate of title, or certified copy of a	4002
certificate of title or memorandum certificate of title issued for	4003
the off-highway motorcycle or all-purpose vehicle also shall bear	4004
the words "REBUILT SALVAGE" in black boldface letters on its face.	4005
The exact location on the face of the certificate of title of the	4006
words "REBUILT SALVAGE" shall be determined by the registrar, who	4007
shall develop an automated procedure within the automated title	4008
processing system to comply with this division. The clerk shall	4009
use reasonable care in performing the duties imposed on the clerk	4010
by this division in issuing a certificate of title pursuant to	4011
this division, but the clerk is not liable for errors or omissions	4012
of the clerk of courts, the clerk's deputies, or the automated	4013
title processing system in the performance of such duties. A fee	4014
of fifty dollars shall be assessed by the state highway patrol for	4015
each inspection made pursuant to this division.	4016

(F) No off-highway motorcycle or all-purpose vehicle the 4019 certificate of title to which has been marked "FOR DESTRUCTION" 4020 and surrendered to the a clerk of the a court of common pleas 4021 shall be used for anything except parts and scrap metal. 4022

Sec. 4519.62. In the event of a lost or destroyed certificate 4023 of title, application shall be made to the a clerk of the a court 4024 of common pleas of the county where the certificate of title was 4025 issued, by the owner of the off-highway motorcycle or all-purpose 4026 vehicle, or the holder of a lien thereon on it, for a certified 4027 copy of the certificate, upon a form prescribed by the registrar 4028 of motor vehicles and accompanied by the fee prescribed by section 4029 4519.59 of the Revised Code. The application shall be signed and 4030 sworn to by the person making the application, and the clerk shall 4031 issue a certified copy of the certificate of title to the person 4032 entitled to receive it under this chapter. The certified copy 4033 shall be plainly marked across its face with the word "duplicate," 4034 and any subsequent purchaser of the off-highway motorcycle or 4035 all-purpose vehicle in the chain of title originating through the 4036 certified copy acquires only such rights in the off-highway 4037 motorcycle or all-purpose vehicle as the original holder of the 4038 certified copy had. Any purchaser of the off-highway motorcycle or 4039 all-purpose vehicle, at the time of purchase, may require the 4040 seller of the same to indemnify the purchaser and all subsequent 4041 purchasers of the off-highway motorcycle or all-purpose vehicle 4042 against any loss that the purchaser or subsequent purchasers may 4043 suffer by reason of any claim presented upon the original 4044 certificate. In the event of the recovery of the original 4045 certificate of title by said the owner, the owner shall surrender 4046 forthwith the original certificate of title it immediately to the 4047 clerk for cancellation. 4048

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The holder of a certificate of title for an off-highway	4050
motorcycle or all-purpose vehicle upon which is noted an existing	4051
lien, encumbrance, or mortgage, may make application at any time	4052
to the <u>a</u> clerk who issued the certificate of title for a	4053
memorandum certificate, which application shall be made in the	4054
form prescribed by the registrar and signed and sworn to by the	4055
applicant. Upon receipt of the application, if it appears to be	4056
correct, together with the fee prescribed by section 4519.59 of	4057
the Revised Code, the clerk shall issue to the applicant a	4058
memorandum certificate for the off-highway motorcycle or	4059
all-purpose vehicle. In the event $\underline{\text{If}}$ the memorandum certificate is	4060
lost or destroyed, the holder thereof of it may obtain a certified	4061
copy of the same it upon the filing of an application with the	4062
<pre>clerk on a form prescribed by the registrar and, accompanied by</pre>	4063
the fee prescribed in section 4519.59 of the Revised Code. The	4064
memorandum certificate is not assignable and constitutes no	4065
evidence of title or of right to transfer or encumber the	4066
off-highway motorcycle or all-purpose vehicle described $\frac{1}{1}$	4067
<u>it</u> .	4068
Sec. 4519.631. The registrar of motor vehicles shall enable	4069
the public to access off-highway motorcycle and all-purpose	4070
vehicle title information via electronic means. No fee shall be	4071
charged for this access. The title information that must be so	4072
accessible is only the title information that is in an electronic	4073
format at the time a person requests this access.	4074
The registrar, in accordance with Chapter 119. of the Revised	4075
Code, shall adopt rules governing this access. In adopting the	4076
rules, the registrar shall confer with the clerks of the courts of	4077
common pleas.	4078

Access by the public to off-highway motorcycle and

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section.	4140

(2) Sections 1309.01 to 1309.50 Chapter 1309. of the Revised 4141 Code apply applies to a security interest in an off-highway 4142 motorcycle or all-purpose vehicle held as inventory, as defined in 4143 division (D) of section 1309.07 of the Revised Code, for sale by a 4144 dealer. The security interest has priority over creditors of the 4145 dealer as provided in sections 1309.01 to 1309.50 Chapter 1309. of 4146 the Revised Code without notation of the security interest on a 4147 certificate of title, without entry of a notation of the security 4148 interest into the automated title processing system if a physical 4149 certificate of title has not been issued, or without the retention 4150 of a manufacturer's or importer's certificate. 4151

agreement covering a security interest in an off-highway 4154 motorcycle or all-purpose vehicle, if a notation of the agreement 4155 has been made by the a clerk of the a court of common pleas on the 4156 face of the certificate of title or if the clerk has entered a 4157 notation of the agreement into the automated title processing 4158 system if a physical certificate of title has not been issued, is 4159 valid as against the creditors of the debtor, whether armed with 4160 process or not, and against subsequent purchasers, secured 4161 parties, and other lienholders or claimants. All security 4162 interests, liens, mortgages, and encumbrances noted upon entered 4163 into the automated title processing system in relation to a 4164 particular certificate of title, regardless of whether a physical 4165 certificate of title is issued, take priority according to the 4166 4167 order of time in which they are noted thereon entered into the automated title processing system by the clerk. Exposure for sale 4168 of any off-highway motorcycle or all-purpose vehicle by its owner, 4169

with the knowledge or with the knowledge and consent of the holder

of any security interest, lien, mortgage, or encumbrance thereon

(B) Subject to division (A) of this section, any security

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.
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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 database of the automated data processing system in the office of the clerk of the court of common pleas of the county of the owner's residence.

Section 2. That existing sections 325.33, 1548.01, 1548.02, 4233 1548.03, 1548.06, 1548.07, 1548.08, 1548.09, 1548.11, 1548.12, 4234 1548.13, 1548.16, 1548.17, 1548.18, 1548.19, 1548.20, 4501.01, 4235

4503.03, 4503.10, 4503.182, 4505.03, 4505.04, 4505.06, 4505.08,	4236
4505.09, 4505.10, 4505.102, 4505.11, 4505.12, 4505.13, 4505.18,	4237
4505.181, 4505.19, 4505.20, 4519.01, 4519.03, 4519.51, 4519.52,	4238
4519.53, 4519.55, 4519.56, 4519.57, 4519.58, 4519.59, 4519.60,	4239
4519.61, 4519.62, 4519.66, 4519.67, and 4519.68 of the Revised	4240
Code are hereby repealed.	4241

Section 3. (A) The Registrar of Motor Vehicles shall adopt 4242 rules that establish a pilot program to appoint limited authority 4243 deputy registrars. Notwithstanding any contrary provision of 4244 section 4503.03 of the Revised Code, the Registrar may appoint the 4245 clerk of a court of common pleas as a limited authority deputy 4246 registrar under the program. Each limited authority deputy 4247 registrar appointed under the program shall conduct only initial 4248 and transfer motor vehicle registration transactions via 4249 electronic means, and VIN inspections, in a manner approved in the 4250 rules that the Registrar adopts, is entitled to collect and retain 4251 a fee of two dollars and twenty-five cents for each transaction or 4252 a fee of one dollar and fifty cents for each physical inspection 4253 that the limited authority deputy registrar conducts, and shall 4254 collect all fees and taxes that are required by law and related to 4255 the transactions or inspections in a manner approved by the 4256 Registrar. A limited authority deputy registrar appointed under 4257 the program is not subject to the contribution limitations 4258 contained in division (B) of section 4503.03 of the Revised Code 4259 or to the filing requirement contained in division (A) of section 4260 4503.033 of the Revised Code. 4261

- (B) The Registrar shall adopt the rules required by division 4262

 (A) of this section not later than 30 days after the effective 4263

 date of this section.
- (C) The Registrar shall make recommendations, not later than 4265 twenty-four months after the effective date of this section, to 4266

the effective date of this section, with the revenue the clerk	4297
receives during comparable periods of time during the first two	4298
years following the effective date of this section.	4299

From the automated title processing fund created by section 4300 4505.09 of the Revised Code, the Registrar shall make on a 4301 quarterly basis during those two years payments to any clerk who 4302 certifies a net revenue loss for an applicable reporting period. 4303 During the first year of quarterly payments, the payments shall 4304 equal one hundred per cent of the certified net revenue loss for 4305 an applicable reporting period. During the second year of 4306 quarterly payments, the payments shall equal seventy-five per cent 4307 of the certified net revenue loss for an applicable reporting 4308 period. 4309

The Registrar shall adopt rules as necessary to implement 4310 this section.

Section 6. The Registrar of Motor Vehicles shall implement to 4312 the maximum extent practicable all provisions of sections 4501.01, 4313 4503.03, 4503.034, 4503.10, 4503.182, 4505.021, 4505.03, 4505.032, 4314 4505.04, 4505.06, 4505.08, 4505.09, 4505.10, 4505.102, 4505.11, 4315 4505.12, 4505.13, 4505.141, 4505.18, 4505.181, 4505.19, 4505.20, 4316 4505.25, 4519.01, 4519.03, 4519.51, 4519.511, 4519.512, 4519.52, 4317 4519.521, 4519.53, 4519.55, 4519.56, 4519.57, 4519.58, 4519.59, 4318 4519.60, 4519.62, 4519.631, 4519.66, 4519.67, and 4519.68 of the 4319 Revised Code as amended or enacted by this act, and the provisions 4320 of Section 3 of this act, by no later than six months after the 4321 effective date of this act. 4322

The Chief of the Division of Watercraft in the Division of 4323

Natural Resources shall implement to the maximum extent 4324

practicable all provisions of sections 1548.02, 1548.021, 1548.03, 4325

1548.06, 1548.07, 1548.08, 1548.09, 1548.11, 1548.12, 1548.13, 4326

1548.141, 1548.16, 1548.17, 1548.18, 1548.19, and 1548.20 of the 4327

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The reason of the contact	
Revised Code as amended or enacted by this act by no later than	4328
six months after the effective date of this act.	4329
Section 7. Section 1548.07 of the Revised Code is presented	4330
in this act as a composite of the section as amended by both Sub.	4331
H.B. 458 and Am. Sub. S.B. 182 of the 120th General Assembly. The	4332
General Assembly, applying the principle stated in division (B) of	4333
section 1.52 of the Revised Code that amendments are to be	4334
harmonized if reasonably capable of simultaneous operation, finds	4335
that the composite is the resulting version of the section in	4336
effect prior to the effective date of the section as presented in	4337
this act.	4338