11-30

## Secretary of State Certificate and Order for Filing PERMANENT ADMINISTRATIVE RULES

I certify that the attached copies* are true, full and correct copies of the PERMANENT Rules(s) adopted on <u>November 14, 2007</u> by Date prior to or same as filing date.				
Oregon Transportation Commission, Oregon Department of Transportation				
Agency and Division Administration Commission, Oregon Department of Transportation				Number
Lauri Salsbury 355 Capitol St. NE, Rm. 29, Salem, OR 97301 Rules Coordinator Address			(503) 986-3171 Telephone	
to become effective	upon filing Date upon filing or later	Rulemaking Notice was published in the	September 2007 Month and Year	Oregon Bulletin.**
		<b>RULE CAPTION</b>		
Procedures and Requirements for the Release or Assignment of Ownership Interest in a Vehicle				
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.				
RULEMAKING ACTION List each rule number separately, 000-0000.				
ADOPT: OAR 735-020-0075				
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			SECRETAR	Y OF STATE
REPEAL:				
RENUMBER: Secure approval of rule numbers with the Administrative Rules Unit prior to filing.				
AMEND & RENUMBER: Secure approval of rule numbers with the Administrative Rules Unit prior to filing.				
ORS 184.616, 184.619, 802.010 and 803.094				
			Other Authority	
ORS 803.015 and 803.094				
Stats. Implemented	J.VJ.			
RULE SUMMARY				

OAR 735-020-0075 describes requirements for the transfer, release or assignment of ownership interest in a vehicle. This includes the duties and responsibilities of persons who transfer interest in a vehicle (typically, but not always the seller) and those who receive interest (typically, but not always the buyer). The rule also explains how interest may be transferred by an operation of law, for example, when interest is transferred by court order, upon death, divorce, repossession, lien foreclosure, etc. Finally, the rule defines terms, specifies the documents required to release or assign interest and establishes timelines to submit relevant documents and information to DMV.

ulle Authorized Signer

DMV 11 - 2007

Tom McClellan
Printed Name

<u>11 - 19-07</u> Date

\* With this original, file one photocopy of certificate, one paper copy of rules listed in Rulemaking Actions, and electronic copy of rules.

\*\* The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem, Oregon 97310 by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00 pm on the preceding workday. ARC 930-2005

## 735-020-0075

**Release or Assignment of Interest; Oregon Title or Salvage Title** 

Authority and Purpose. This rule specifies the requirements for the release or assignment of interest shown on an Oregon-titled vehicle as required by ORS 803.094.

(1) Definitions. For purposes of ORS 803.094 and this rule:

(a) "Affiant" means the person who signs a small estate affidavit filed under ORS 114.515;

(b) "Assign," "assignment" or "assignment of interest" means the act of a lien holder, owner, or security interest holder transferring his or her interest in a vehicle to another person by signing the release section on an Oregon title, a secure odometer form, a bill of sale, or other document showing the transfer of the interest;

(c) "Authorized agent" means a person given a power of attorney by the owner of a vehicle for the purposes of transferring an interest in the vehicle;

(d) "DMV" means the Driver and Motor Vehicle Services Division of the Oregon Department of Transportation;

(e) "Estate" means the real and personal property of a decedent;

(f) "Heir" means the person who is entitled under intestate succession to the property of a decedent who died wholly or partially intestate (without a will);

(g) "Interest" means a right, claim or legal share in a vehicle shown on an Oregon title, or other ownership document described in subsection (k) of this section;

(h) "Interest holder" means a lien holder, owner, or security interest holder;

(i) "MCO" means a Manufacturer's Certificate of Origin;

(j) "Operation of law" means a transfer or assignment of interest in a vehicle from one person to another person due to death, divorce, merger, consolidation, dissolution, bankruptcy, inheritance, devise or bequest, court order, dissolution decree, insolvency, seizure or foreclosure;

(k) "Other ownership document" means a primary ownership document as described in OAR 735-020-0010. For example, MCO, a sheriff's bill of sale, a court judgment or a completed signed Certification of Ownership Facts (DMV Form 735-550);

(1) "Person" means an individual, corporation, business trust, estate, trust, partnership, limited liability company, association, joint venture, governmental agency, public corporation or a legal or commercial entity;

(m) "Release" or "release of interest" means the act of a lien holder, owner, or security interest holder transferring an interest in a vehicle by signing the release section on an Oregon title, a secure odometer form, a bill of sale, or other document showing the transfer of the interest. For purposes of these rules, transferring includes release, termination, assignment or transfer of an interest;

(n) "Representative," "authorized agency representative" or "personal representative" means a personal representing agent, government official, receiver, trustee, executor, administrator, or other representative with lawful right or authority to transfer an interest in a vehicle on behalf of the owner or by operation of law;

(o) "Title" means an Oregon certificate of title, Oregon salvage title, other ownership document or electronic equivalent issued by DMV, as evidence of ownership interest in a vehicle recorded in DMV's records;

(p) "Transferee" means a person to whom an interest in a vehicle is transferred, including but not limited to a purchaser of the vehicle;

(q) "Transferor" means any person who transfers an interest in a vehicle.

(r) "VIN" means vehicle identification number.

(2) General Requirements. Except as provided in section (6) of this rule, upon transferring an interest in an Oregon-titled vehicle, any person whose interest is released, terminated, assigned or transferred, or the person's representative, must release or assign that interest in writing. A release or assignment document must include the following:

(a) For the vehicle subject to the transfer, the make, model year, license plate number (if available) and VIN;

(b) The full name and signature of the transferor(s), or the transferor's representative;

(c) If available, the date the interest in the vehicle was released or assigned; and

(d) A statement or other indicator in the document that the vehicle was sold, ownership was transferred or released, or any interest, including a lien or security interest, was assigned, released, terminated or transferred.

(3) Although not required, a release or assignment document should include the name of the transferee.

(4) DMV will accept the following as a release or assignment document:

(a) The current title issued for the vehicle with the release/assignment section completed by the transferor(s) or the transferor(s) authorized agent;

(c) The vehicle's MCO with the release section completed by the dealer.

(b) A completed odometer disclosure that meets the requirements of ORS 803.120, 803.122 and OAR 735-028-0050; or

(d) A bill of sale or other document that meets the requirements of section (2) of this rule.

(5) Additional Requirements. In addition to the requirements of section (2) of this rule, a release or assignment of interest for a vehicle with a salvage title must comply with OAR 735-024-0170.(6) Operation of Law. In addition to other applicable requirements of this rule, if an interest in a

vehicle is transferred by operation of law as described in this section, a representative, an authorized agency representative, personal representative, heir, affiant, security interest holder, or lien claimant must release or assign the interest in the vehicle as follows:

(a) Transfer of Interest upon Death. The personal representative of an estate must sign the release or assignment document unless DMV receives:

(A) If the owner of the vehicle died intestate, an Inheritance Affidavit (DMV Form 735-516) signed by all of the heirs; or

(B) A Small Estate Certification (DMV Form 735-6797) signed by the affiant;

(b) Vehicle Repossession. The security interest holder or representative of the security interest holder must sign a Vehicle Repossession Certificate (DMV Form 735-263).

(c) Possessory Lien Foreclosure. A lien claimant must fulfill all legal requirements to foreclose a possessory lien on the vehicle and sign a certificate of possessory lien foreclosure form as specified in OAR 735-020-0012.

(d) Government Agency. A government agency may transfer interest in a vehicle in its custody, if it complies with relevant legal requirements and, at the time of transfer, provides the transferee a certificate of sale, bill of sale or similar document that contains:

(A) A citation of the legal authority authorizing the government agency to transfer or assign interest in the vehicle;

(B) The make, model, year and VIN of the vehicle subject to the transfer; and

(C) The full name and signature of an authorized agency representative.

(7) A person who assigns or releases a partial interest in a vehicle but will remain on the vehicle title as an owner, does not need to complete an assignment or release document. However, the person must acknowledge that the addition of a new owner on the title is authorized by signing:

(a) A title application that lists the additional owner; or

(b) A written document that identifies and permits the addition of the additional owner on the title.

Stat. Auth.: ORS 184.616, 184.619, 802.010 & 803.094 Stats. Implemented: ORS 803.015 & 803.094