

House Bill 1178

By: Representatives Powell of the 23rd and Parham of the 94th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to
2 certificates of title, security interests, and liens, so as to change the period of time in which
3 to submit a title application to the commissioner; to provide for related matters; to repeal
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Chapter 3 of Title 40 of the Official Code of Georgia Annotated, relating to certificates of
8 title, security interests, and liens, is amended in Code Section 40-3-21, relating to application
9 for first certificate of title, by striking subsections (a) and (b) of said Code section and
10 inserting in lieu thereof the following:

11 "(a) The application for the first certificate of title of a vehicle in this state shall be made
12 by the owner to the commissioner or the commissioner's duly authorized county tag agent
13 on the prescribed form. Except as provided in subsection (b) of this Code section, the
14 application must be submitted to the commissioner or the appropriate authorized county
15 tag agent by the owner of the vehicle within ~~90~~ 30 days from the date of purchase of the
16 vehicle or from the date the owner is otherwise required by law to register the vehicle in
17 this state. If the owner does not submit the application within that time, the owner of the
18 vehicle shall be required to pay a penalty of \$10.00 in addition to the ordinary title fee
19 provided for by this chapter. If the documents submitted in support of the title application
20 are rejected, the party submitting the documents shall have 60 days from the date of
21 rejection to resubmit the documents required by the commissioner or the authorized county
22 tag agent for the issuance of a certificate of title. Should the documents not be properly
23 resubmitted within the 60 day period, there shall be an additional \$10.00 penalty assessed,
24 and the owner of the vehicle shall be required to remove immediately the license plate of
25 the vehicle and return same to the commissioner or the authorized county tag agent. The
26 license plate shall be deemed to have expired at 12:00 Midnight of the sixtieth day

1 following the initial rejection of the documents submitted, if the documents have not been
2 resubmitted as required under this subsection. Such application shall contain:

3 (1) The full legal name, driver's license number, residence, and mailing address of the
4 owner;

5 (2) A description of the vehicle, including, so far as the following data exist: its make,
6 model, identifying number, type of body, the number of cylinders, and whether new,
7 used, or a demonstrator and, for a manufactured home, the manufacturer's statement or
8 certificate of origin and the full serial number for all manufactured homes sold in this
9 state on or after July 1, 1994;

10 (3) The date of purchase by the applicant and, except as provided in paragraph (2) of
11 subsection (c) of this Code section, the name and address of the person from whom the
12 vehicle was acquired and the names and addresses of the holders of all security interests
13 and liens in order of their priority; and

14 (4) Any further information the commissioner reasonably requires to identify the vehicle
15 and to enable the commissioner or the authorized county tag agent to determine whether
16 the owner is entitled to a certificate of title and the existence or nonexistence of security
17 interests in the vehicle and liens on the vehicle.

18 (b)(1) As used in this subsection, the term 'digital signature' means a digital or electronic
19 method executed or adopted by a party with the intent to be bound by or to authenticate
20 a record, which is unique to the person using it, is capable of verification, is under the
21 sole control of the person using it, and is linked to data in such a manner that if the data
22 are changed the digital or electronic signature is invalidated.

23 (2) If the application refers to a vehicle purchased from a dealer, it shall contain the name
24 and address of the holder of any security interest created or reserved at the time of the
25 sale by the dealer. The application shall be signed by the owner and, unless the dealer's
26 signature appears on the certificate of title or manufacturer's statement of origin
27 submitted in support of the title application, the dealer, provided that as an alternative to
28 a handwritten signature, the commissioner may authorize use of a digital signature as
29 long as appropriate security measures are implemented which assure security and
30 verification of the digital signature process, in accordance with regulations promulgated
31 by the commissioner. The dealer shall promptly mail or deliver the application to the
32 commissioner or the county tag agent of the county in which the seller is located, of the
33 county in which the sale takes place, of the county in which the vehicle is delivered, or
34 of the county wherein the vehicle owner resides so as to have the application submitted
35 to the commissioner or such authorized county tag agent within ~~90~~ 30 days from the date
36 of the sale of the vehicle. If the application is not submitted within that time, the dealer,
37 or in nondealer sales the transferee, shall be required to pay a penalty of \$10.00 in

1 addition to the ordinary title fee paid by the transferee provided for in this chapter. If the
2 documents submitted in support of the title application are rejected, the dealer submitting
3 the documents shall have 60 days from the date of initial rejection to resubmit the
4 documents required by the commissioner or authorized county tag agent for the issuance
5 of a certificate of title. Should the documents not be properly resubmitted within 60 days,
6 there shall be an additional penalty of \$10.00 assessed against the dealer. The willful
7 failure of a dealer to obtain a certificate of title for a purchaser shall be grounds for
8 suspension or revocation of the dealer's state issued license and registration for the sale
9 of motor vehicles."

10 **SECTION 2.**

11 Said chapter is further amended in Code Section 40-3-32, relating to transfer of vehicle
12 generally, by striking subsection (b) of said Code section and inserting in lieu thereof the
13 following:

14 "(b) Except as provided in Code Section 40-3-33, the transferee, promptly after delivery
15 to him of the vehicle and certificate of title, shall execute the application for a new
16 certificate of title on the form the commissioner prescribes and cause the application and
17 the certificate of title to be mailed or delivered to the commissioner or his appropriate
18 authorized county tag agent together with the application for change of registration for the
19 vehicle, so that the title application shall be received within ~~90~~ 30 days from the date of the
20 transfer of the vehicle. If the title application is not received within that time, the owner
21 shall be required to pay a penalty of \$10.00 in addition to the ordinary title fee provided for
22 by this chapter. If the documents submitted in support of the title application are rejected,
23 the party submitting the documents shall have 60 days from the date of initial rejection to
24 resubmit the documents required by the commissioner for the issuance of title. If the
25 documents are not properly resubmitted within 60 days, there shall be an additional \$10.00
26 penalty assessed, and the owner of the vehicle shall be required to remove immediately the
27 license plate of the vehicle and return same to the commissioner. The license plate shall be
28 deemed to have expired at 12:00 Midnight of the sixtieth day following the initial rejection
29 of the documents, if the documents have not been resubmitted as required under this
30 subsection."

31 **SECTION 3.**

32 Said chapter is further amended in Code Section 40-3-33, relating to transfer of vehicle to
33 or from dealer and records to be kept by dealers, by striking subsection (c) of said Code
34 section and inserting in lieu thereof the following:

1 "(c) Except as otherwise provided for in subsection (c) of Code Section 40-3-32, the dealer
 2 shall submit a properly completed certificate of title application and proper supporting
 3 documents to the commissioner or to the appropriate authorized county tag agent so that
 4 the application and supporting documents shall be submitted to the commissioner or the
 5 appropriate authorized county tag agent within ~~90~~ 30 days from the date of the transfer of
 6 the vehicle. If the application and supporting documents are not submitted within that time,
 7 the dealer shall be required to pay a penalty of \$10.00 in addition to the ordinary title fee
 8 as provided by this chapter. If the documents submitted in support of the title application
 9 are rejected, the dealer submitting the documents shall have 60 days from the date of initial
 10 rejection to resubmit the documents required by the commissioner for the issuance of title.
 11 If the documents are not properly resubmitted within 60 days, there shall be an additional
 12 penalty of \$10.00 assessed against the dealer. The willful failure of a dealer to obtain a
 13 certificate of title for a purchaser shall be grounds for suspension or revocation of the
 14 dealer's state issued license and registration for the sale of motor vehicles."

15 **SECTION 4.**

16 Said chapter is further amended in Code Section 40-3-51, relating to creation of security
 17 interest by owner, by striking paragraph (2) of said Code section and inserting in its place the
 18 following:

19 "(2) The security interest holder shall immediately cause the certificate of title and
 20 application and the required fee to be mailed or delivered to the commissioner or the
 21 commissioner's appropriate authorized county tag agent within ~~90~~ 30 days of the date of
 22 creation of the security interest or lien. If the certificate of title and application and the
 23 required fee are not mailed or delivered within such time, the lien or security interest
 24 holder shall be required to pay a \$10.00 penalty in addition to the ordinary title fee
 25 provided for by this chapter. If the documents submitted in support of the title application
 26 are rejected, the party submitting the documents shall have 60 days from the date of
 27 initial rejection to resubmit the documents required by the commissioner or the
 28 authorized county tag agent for the issuance of title. If the documents are not properly
 29 resubmitted within the 60 day period, there shall be an additional \$10.00 penalty
 30 assessed, and the owner of the vehicle shall be required to remove immediately the
 31 license plate of the vehicle and return same to the commissioner or authorized county tag
 32 agent. The license plate shall be deemed to have expired at 12:00 Midnight of the sixtieth
 33 day following the initial rejection of the documents, if the documents have not been
 34 resubmitted as required under this paragraph; and"

1 **SECTION 5.**

2 All laws and parts of laws in conflict with this Act are repealed.