

Senate Engrossed House Bill

total loss vehicle; electronic signatures

State of Arizona
House of Representatives
Fifty-seventh Legislature
First Regular Session
2025

CHAPTER 200

HOUSE BILL 2303

AN ACT

AMENDING SECTIONS 28-370 AND 28-2060, ARIZONA REVISED STATUTES; RELATING
TO VEHICLE TITLES AND REGISTRATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 28-370, Arizona Revised Statutes, is amended to
3 read:

4 28-370. Oaths and acknowledgments; power of attorney;
5 definitions

6 A. The director and officers, agents and employees of the
7 department WHO the director designates may administer oaths and
8 acknowledge signatures, without REQUIRING THE PAYMENT OF a fee, in any
9 matter connected with the administration of a law the enforcement of which
10 is vested in the director.

11 B. Notwithstanding title 14, chapter 5, article 5:

12 1. The director or an officer, agent or employee of the department
13 WHO IS designated by the director may witness a power of attorney to be
14 used solely in the performance of vehicle title and registration
15 activities.

16 2. For the purposes of executing a power of attorney in the
17 performance of vehicle title and registration activities, the power of
18 attorney is not required to be:

19 (a) Notarized if it is witnessed by the director or an officer,
20 agent or employee of the department WHO IS designated by the director.

21 (b) Notarized if it is involving a total loss vehicle settlement
22 and an insurance company that is licensed pursuant to title 20 OR AN AGENT
23 submits it electronically to the department in a manner approved by the
24 director. THE POWER OF ATTORNEY MAY BE SIGNED ELECTRONICALLY AND PRINTED
25 ON HARD COPY BY USING A COMMERCIAL PRODUCT THAT VALIDATES A PERSON'S
26 IDENTITY BY USING THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY'S
27 IDENTITY ASSURANCE LEVEL 2 OR HIGHER AUTHORIZATION WITHOUT BIOMETRICS. A
28 NOTATION DIRECTLY ASSOCIATED WITH THE ELECTRONIC SIGNATURE AT OR NEAR THE
29 SIGNATURE LINE ON THE FORM SHALL INDICATE THAT THE ELECTRONIC SIGNATURE
30 WAS OBTAINED USING THE NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY'S
31 IDENTITY ASSURANCE LEVEL 2 OR HIGHER AUTHENTICATION PROCESS.

32 (c) Witnessed if it is notarized.

33 C. For the purposes of this section: —

34 1. "Agent" includes a motor vehicle dealer or a third party
35 authorized pursuant to this title.

36 2. "SIGN ELECTRONICALLY" MEANS TO ATTACH TO OR LOGICALLY ASSOCIATE
37 WITH AN ELECTRONIC RECORD AN ELECTRONIC SOUND, SYMBOL OR PROCESS THAT IS
38 USED BY A PERSON TO EXECUTE OR ADOPT THE ELECTRONIC RECORD WITH THE INTENT
39 TO SIGN THE ELECTRONIC RECORD WITHOUT THE REQUIREMENT OF A PHYSICAL TOUCH.

40 Sec. 2. Section 28-2060, Arizona Revised Statutes, is amended to
41 read:

42 28-2060. Transfer of ownership by operation of law

43 A. Except as provided in subsection F of this section, when the
44 title or interest of an owner of a registered vehicle passes to another
45 other than by voluntary transfer, the transferee shall obtain a transfer

1 of registration within thirty days after the passing of the title or
2 interest.

3 B. Within thirty days after passing of the title or interest of an
4 owner of a registered or unregistered vehicle, the transferee of the
5 vehicle shall obtain a new certificate of title on proper application and
6 presentation of the last certificate of title, if available, and such
7 instruments or documents of authority or certified copies of the
8 instruments or documents that are sufficient or required by law to
9 evidence or effect a transfer of title or interest in or to chattels that
10 pass to another other than by voluntary transfer.

11 C. If a motor vehicle has been forfeited to the federal government
12 and is sold at public auction pursuant to federal law, the purchaser at
13 the sale takes title free of any liens or encumbrances if federal law so
14 provides. If a motor vehicle has been forfeited to any local or state
15 government entity, agency or political subdivision or to any federal law
16 enforcement agency after the disposition of all claims under the laws of
17 this state, the order of the court forfeiting the vehicle shall transfer
18 good and sufficient title to the transferee and to any subsequent
19 purchaser or transferee. The purchaser or transferee shall register the
20 motor vehicle within thirty days after the sale or transfer, and the
21 department shall issue a certificate of title to the purchaser or
22 transferee on presentation of the evidence of title without any reference
23 to liens or encumbrances.

24 D. The transferee of a vehicle required to have a certificate of
25 title and be registered under section 28-2153 or a mobile home required to
26 have a certificate of title under section 28-2063 may obtain a transfer of
27 registration to the transferee and a new certificate of title if both of
28 the following occur:

29 1. The title or interest of the owner of the vehicle passes to
30 another either:

31 (a) Through notice and sale under the conditions contained in any
32 security agreement, chattel mortgage, conditional sale or other evidence
33 of lien or under the authority given by statute in cases arising under
34 sections 33-1021 and 33-1022 or under section 33-1704.

35 (b) For a mobile home the lien on which is also a lien on real
36 property, through a contract for conveyance of real property, deed of
37 trust or mortgage.

38 2. Satisfactory evidence is presented to the director that the sale
39 of the vehicle was fairly and lawfully conducted in conformity with all
40 requirements of law after due notice to the former owner. In cases
41 arising under section 33-1704, a declaration that is signed by both the
42 seller and the buyer and that sets forth compliance with section 33-1704
43 constitutes satisfactory evidence, and the director may rely on that
44 declaration.

1 E. Any administrator, executor, trustee or other representative of
2 the owner, a peace officer or a person repossessing a vehicle under the
3 terms of any conditional sales contract, lease, chattel mortgage or other
4 security agreement or a purchaser at a sale foreclosing a lien, or the
5 assignee or legal representative of any such person, may operate a vehicle
6 from the place of repossession or place where it was formerly kept to a
7 garage or place of storage in the county or state where the contract was
8 recorded or where the person repossessing the vehicle resides or to any
9 other garage or place of storage that is not more than seventy-five miles
10 from the place of repossession or place where the vehicle was formerly
11 kept by the owner if either of the following conditions exists:

12 1. The license plates assigned to the vehicle are displayed on the
13 vehicle.

14 2. If license plates are not displayed, a written permit has been
15 obtained from the department or the local authorities having jurisdiction
16 over the highways and a placard that bears the name and address of the
17 person authorizing the movement and that is legible from a distance of one
18 hundred feet during daylight is displayed in plain sight on the vehicle.

19 F. If ownership of a motor vehicle for which a certificate of title
20 has been issued in this state or another state reverts through operation
21 of state law to a lienholder of record through repossession pursuant to
22 the terms of a security agreement or through another similar instrument
23 that is valid in such state, ~~an~~ A REPOSSESSION affidavit by the lienholder
24 of record IN THIS STATE OR ANOTHER STATE stating that the vehicle was
25 repossessed on default of the terms stated in the security agreement or
26 similar instrument is proof of ownership, right of possession and right of
27 transfer BY THE LIENHOLDER OF RECORD. If the lienholder of record is
28 LICENSED IN THIS STATE AS a financial institution as defined in section
29 28-4301, the lienholder of record shall electronically submit the
30 repossession affidavit to the department. The director shall prescribe
31 the form and content of the ARIZONA REPOSSESSION affidavit. This state
32 and its agencies, employees and agents are not liable for relying in good
33 faith on the content of the REPOSSESSION affidavit.

APPROVED BY THE GOVERNOR MAY 13, 2025.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 13, 2025.