

ENROLLED SENATE
BILL NO. 11

BY: ROBERTS, CAPPS and SNYDER
of the SENATE

and

LITTLEFIELD of the HOUSE

AN ACT RELATING TO MOTOR VEHICLES; AMENDING SECTION 39, CHAPTER 179, O.S.L. 1985, AS LAST AMENDED BY SECTION 4 OF ENROLLED HOUSE BILL NO. 1144 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO THE OKLAHOMA VEHICLE LICENSE AND REGISTRATION ACT; CLARIFYING LANGUAGE; PROVIDING CERTAIN EXCEPTION FROM REQUIREMENTS FOR VEHICLES TO CARRY TAX-EXEMPT OR NONPROFIT LICENSE PLATES; MODIFYING ELIGIBILITY FOR CERTAIN SPECIAL LICENSE PLATE; REQUIRING CERTAIN SPECIAL LICENSE PLATES TO CARRY THE EMBLEM AND NAME OF THE APPROPRIATE BRANCH OF SERVICE; AMENDING SECTION 8, CHAPTER 179, O.S.L. 1985 (47 O.S. SUPP. 1990, SECTION 1105), AS LAST AMENDED BY SECTION 3 OF ENROLLED HOUSE BILL NO. 1144 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO CERTIFICATES OF TITLE; MODIFYING SECURITY FEATURES FOR CERTIFICATES OF TITLE AND MANUFACTURER'S CERTIFICATES OF ORIGIN; REPEALING SECTION 8, CHAPTER 179, O.S.L. 1985 (47 O.S. SUPP. 1990, SECTION 1105), AS LAST AMENDED BY SECTION 1 OF ENROLLED SENATE BILL NO. 45 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO CERTIFICATES OF TITLE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 39, Chapter 179, O.S.L. 1985, as last amended by Section 4 of Enrolled House Bill No. 1144 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1136. The Oklahoma Tax Commission is hereby authorized to design and issue appropriate official special license plates as provided by this section.

Special license plates shall not be transferred to any other person but shall be removed from the vehicle upon transfer of ownership and retained. The special license plate may then be used on another vehicle but only after such other vehicle has been registered for the current year with a motor license agent.

The Commission shall take applications by October 1 of each year for the following calendar year for special license plates and shall issue such plates to each applicant.

Special license plates shall be designed in such a manner as to identify the use and ownership of the vehicle. The special license plates provided by this section are as follows:

1. Political Subdivision Plates - such plates shall be designed for any vehicle owned by any political subdivision of this state and shall be registered for a nominal fee of One Dollar (\$1.00), after having obtained proper Oklahoma certificate of title. Such political subdivisions shall file an annual report with the Commission stating the agency where such vehicle is located. Such license plates shall be permanent in nature and designed in such a manner as to remain with the vehicle for the duration of the life span of the vehicle or until the title is transferred to an owner who is not a political subdivision;

2. Legislative License Plates - such plates shall be designed for persons elected to the Oklahoma Legislature and shall designate the house of the Legislature in which the legislator serves and his district number.

The fee for such plate shall be One Dollar (\$1.00) and shall be in addition to the regular plate issued to the member and the fees charged therefor;

3. Tax-Exempt or Nonprofit License Plates - such plates shall be designed for:

- (a) any motor bus, manufactured home, or mobile chapel and power unit owned and operated by a religious corporation or society of this state holding a valid exemption from taxation issued pursuant to Section 501(a) of the Internal Revenue Code of 1954, 26 U.S.C., Section 501(a), and listed as an exempt organization in Section 501(c) (3) of the Internal Revenue Code of 1954, as amended, 26 U.S.C., Section 501(c) (3), and that is used by the corporation or society solely for the furtherance of its religious functions,
- (b) any vehicle owned and operated only by nonprofit organizations devoted exclusively to youth programs including, but not limited to, the Girl Scouts and Boy Scouts of America,
- (c) any vehicle, except passenger automobiles, owned or operated by nonprofit organizations actually involved in programs for the employment of the handicapped and used exclusively in the transportation of goods or materials for such organization,
- (d) any vehicle owned and operated by a nonprofit organization that provides older persons transportation to and from medical, dental and religious services and relief from business and social isolation,
- (e) any vehicle owned and operated by a private nonprofit organization that:
 - (1) warehouses and distributes surplus foods to other nonprofit agencies and organizations, and
 - (2) holds a valid exemption from taxation issued pursuant to Section 501(c) of the Internal Revenue Code of 1954, as amended, 26 U.S.C., Section 501(c), and listed as an exempt organization in Section 501(c) (3) of the Internal Revenue Code of 1954, as amended, and
 - (3) uses such vehicle exclusively for the transportation of such surplus foods, or

- (f) any vehicle owned and operated by a fire department organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes.

The registration fee shall be One Dollar (\$1.00).

Any person claiming to be eligible for a tax-exempt or nonprofit license plate under the provisions of this paragraph must have the name of the tax-exempt or nonprofit organization prominently displayed upon the outside of the vehicle, except those vehicles registered pursuant to the provisions of subparagraph (b) of this paragraph, unless such display is prohibited by federal or state law or by state agency rules and regulations. No vehicle shall be licensed as a tax-exempt or nonprofit vehicle unless the vehicle has affixed on each side thereof, in letters not less than two (2) inches high and two (2) inches wide, the name of the tax-exempt or nonprofit organization or the insignia or other symbol of such organization which shall be of sufficient size, shape and color as to be readily legible during daylight hours from a distance of fifty (50) feet while the vehicle is not in motion;

4. Prisoner of War License Plates - such plates shall be designed for honorably discharged or present members of the United States Armed Forces and civilians who were former prisoners of war held by a foreign country and who can provide proper certification of that status. Such persons may apply for a prisoner of war license plate for no more than two vehicles with each vehicle having a rated carrying capacity of one (1) ton or less. The surviving spouse of any deceased former prisoner of war, if said spouse has not since remarried, may apply for a prisoner of war license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The registration fee shall be One Dollar (\$1.00);

5. National Guard License Plates - such plates shall be designed for active or retired members of the Oklahoma National Guard.

The fee for such plate shall be Two Dollars (\$2.00) and shall be in addition to all other registration fees provided by this act, Section 1101 et seq. of this title;

6. ~~United States Military Reserves~~ Armed Forces - such plates shall be designed for active ~~or~~, retired or reserve members of the United States ~~Military Reserves~~ Armed Forces, and shall identify which branch of service, ~~i.e.~~ and carry the emblem and name of either the Army, Navy, Air Force, Marines, or Coast Guard, according to the branch of service to which the member belongs. Persons applying for such license plate must show proof of present or past military service by presenting a valid Uniformed Services Identity Card or the United States Department of Defense Form (DD)214.

The fee for such plates shall be ~~Two Dollars (\$2.00)~~ One Dollar (\$1.00) and shall be in addition to all other registration fees provided by this act;

7. Physically Disabled License Plates - such plates shall be designed for persons who are eligible for an insignia as a physically disabled person under the provisions of Section 15-112 of this title. It shall prominently display the international accessibility symbol, which is a stylized human figure in a wheelchair. Upon the death of such physically disabled person, said special license plate shall be returned to the Commission.

There shall be no fee for such plate in addition to the rate provided by this act for the registration of the vehicle.

Any person who is eligible for a physically disabled license plate and whose vehicle has had modifications because of the physical disability of the owner, may register the vehicle for a

flat fee of Twenty-five Dollars (\$25.00). This fee shall be in lieu of all other registration fees provided by this act;

8. Disabled Veterans License Plates - such plates shall be designed for persons presenting proper certification from the United States Veteran's Administration or the Armed Forces of the United States certifying such veteran has a service-connected disability rating of fifty percent (50%) or more or that such veteran has been awarded a vehicle by the United States government or receives a grant from the United States Veteran's Administration for the purchase of an automobile due to a service-connected disability rating or due to the loss of use of a limb or an eye. Such persons may apply to the Commission for a disabled veterans license plate or to a motor license agent for a regular license plate for no more than two vehicles with each vehicle having a rated carrying capacity of one (1) ton or less. The surviving spouse of any deceased disabled veteran, if said spouse has not since remarried, may apply for a disabled veterans license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The registration fee shall be One Dollar (\$1.00);

9. Congressional Medal of Honor Recipient License Plates - such plates shall be designed for any resident of this state who has been awarded the Congressional Medal of Honor. Such persons may apply for a Congressional Medal of Honor recipient license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The fee for such plate shall be One Dollar (\$1.00);

10. Missing In Action License Plates - such plates shall be designed to honor members of the United States Armed Forces who are missing in action. The spouse of such missing person, if said spouse has not since remarried, and each parent of such missing person may apply for a missing in action license plate upon presenting proper certification that such person is missing in action and that the person making said application is the unremarried spouse or the parent of such missing person. The spouse and each parent of such missing person may each apply for the missing in action license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The registration fee shall be One Dollar (\$1.00) and shall be in addition to the regular plate issued and the fees charged therefor;

11. Indian Tribal License Plates - such plates shall be designed for any vehicle of a native American Indian Tribal Association exempted in Sections 201 through 204 of Public Law 97-473 and used by the tribal association exclusively for the furtherance of its tribal functions.

The registration fee shall be One Dollar (\$1.00);

12. Personalized License Plates - such plates shall be designed and issued to any person in any combination of numbers or letters from one to a maximum of seven. Such plates may be issued for motorcycles in any combination of numbers or letters from one to a maximum of six. The personalized license plates shall be issued on a staggered system except for motorcycles.

On and after January 1, 1987, persons owning vehicles which are twenty-one (21) years and older are qualified to submit for approval by the Oklahoma Tax Commission or a motor license agent a vintage but expired official Oklahoma license plate which is twenty-one (21) years and older. Upon approval of such personalized plate, the owner shall be issued the annual registration decal which the Commission or agent shall direct to be affixed in close proximity to the mandatory vehicle inspection decal. The Tax Commission shall promulgate a rule which establishes appropriate criteria to be used in the implementation of this act.

The fee for such plate shall be Twelve Dollars (\$12.00) and shall be in addition to all other registration fees provided by this act. Two Dollars (\$2.00) of the personalized tag fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund to be used for the administration of this act;

13. Antique or Classic Vehicle Plates - such plates shall be designed and issued for any vehicle twenty-five (25) years of age or older, based upon the date of manufacture thereof and which travels on the highways of this state primarily incidental to historical or exhibition purposes only.

The registration fee shall be One Dollar (\$1.00) and, except as otherwise provided in this subparagraph, shall be in addition to all other registration fees provided by this act. Vehicles issued an antique vehicle license plate pursuant to the provisions of this subparagraph shall be exempt from the registration fee levied by paragraph 1 of subsection A of Section 1132 of this title;

14. Purple Heart Recipient License Plates - such plates shall be designed for any resident of this state who has been awarded the Purple Heart military decoration. Such persons may apply for a Purple Heart recipient license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The fee for such plate shall be One Dollar (\$1.00) and shall be in addition to all other registration fees required by the Oklahoma Vehicle License and Registration Act;

15. Pearl Harbor Survivor License Plates - such plates shall be designed for any resident of this state who can be verified by the United States Veteran's Administration or the Armed Forces of the United States as being:

- (a) a member of the United States Armed Forces on December 7, 1941,
- (b) stationed on December 7, 1941, during the hours of 7:55 a.m. to 9:45 a.m. Hawaii time at Pearl Harbor, the island of Oahu, or offshore at a distance not to exceed three (3) miles, and
- (c) a recipient of an honorable discharge from the United States Armed Forces.

Such person may apply for a Pearl Harbor Survivor license plate for one vehicle with a rated carrying capacity of one (1) ton or less.

The fee for such plate shall be One Dollar (\$1.00) and shall be in addition to all other registration fees required by the Oklahoma Vehicle License and Registration Act.

The Oklahoma Tax Commission shall design and make available to any person who is issued a Pearl Harbor Survivor License Plate a commemorative Pearl Harbor decal to commemorate the fiftieth anniversary of Pearl Harbor. Such decal shall include the language "Pearl Harbor 1941-1991" and shall be designed to be easily attached to a license plate. This decal shall be free of charge to those persons issued a Pearl Harbor Survivor License Plate;

16. Killed in Action License Plates - such plates shall be designed to honor members of the United States Armed Forces who were killed in action. The spouse of such deceased person, if said spouse has not remarried, may apply for a killed in action license plate upon presenting proper certification that such person was killed in action and that said person making the application is the unremarried spouse of such deceased person. The spouse may apply for a killed in action license plate for one vehicle with a rated carrying capacity of one (1) ton or less. The registration fee for such plate shall be One Dollar (\$1.00) and shall be in addition to all other fees required by the Oklahoma Vehicle Registration Act; and

17. University or College Supporter License Plates - such plates shall be designed and issued to any person wishing to demonstrate support to any state-supported university or college. The fee for such plate shall be Twenty-five Dollars (\$25.00) and shall be in addition to all other registration fees required by the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of this title. The twenty-five-dollar fee shall be apportioned pursuant to Section 1104.1 of this title.

Use of any vehicle possessing a special license plate for any purpose not specified in this section shall be grounds for revocation of the special license plate and registration certificate.

SECTION 2. AMENDATORY Section 8, Chapter 179, O.S.L. 1985 (47 O.S. Supp. 1990, Section 1105), as last amended by Section 3 of Enrolled House Bill No. 1144 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1105. A. As used in the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of this title:

1. "Salvage vehicle" means any vehicle which is within the last ten (10) model years and which has been damaged by collision or other occurrence to the extent that the cost of repairing the vehicle for safe operation on the highway exceeds sixty percent (60%) of its fair market value, as defined by Section 1111 of this title, immediately prior to the damage;

2. "Rebuilt vehicle" means any salvage vehicle which has been rebuilt and inspected for the purpose of registration and title;

3. "Damaged by Flooding" vehicle means a salvage or rebuilt vehicle which was damaged by flooding;

4. "Recovered Theft" vehicle means a salvage or rebuilt vehicle which was recovered from a theft; and

5. "Junked vehicle" means any vehicle which is incapable of operation or use on the highway, has no resale value except as a source of parts or scrap and has an eighty percent (80%) loss in fair market value.

B. The owner of every vehicle in this state shall possess a certificate of title as proof of ownership of such vehicle, except those vehicles registered pursuant to Section 1120 of this title and trailers registered pursuant to Section 1133 of this title, previously titled in another state and engaged in interstate commerce, and except as provided in subsection M of this section. There shall be five (5) types of certificates of title:

1. Original title for any motor vehicle which is not a salvage, rebuilt or junked vehicle;

2. Salvage title for any motor vehicle which is a salvage vehicle or is specified as a salvage vehicle or the equivalent thereof on a certificate of title from another state;

3. Rebuilt title for any motor vehicle which is a rebuilt vehicle;

4. Junked title for any motor vehicle which is a junked vehicle or is specified as a junked vehicle or the equivalent thereof on a certificate of title from another state; and

5. Classic title for any motor vehicle, except a junked vehicle, which is twenty-five (25) model years or older.

Application for a certificate of title, whether the initial certificate of title or a duplicate, may be made to the Oklahoma Tax Commission or any motor license agent. When application is made with a motor license agent, the application information shall be transmitted either electronically or by mail to the Commission by the motor license agent. If the application information is transmitted electronically, the motor license agent shall forward

the required application along with evidence of ownership, where required, by mail. Where the transmission of application information cannot be performed electronically, the Commission is authorized to provide postage paid envelopes to motor license agents for the purpose of mailing the application along with evidence of ownership, where required. The Commission shall upon receipt of proper application information issue an Oklahoma certificate of title. Such certificates may be mailed to the applicant. Upon issuance of a certificate of title, the Commission shall provide the appropriate motor license agent with confirmation of such issuance.

C. 1. The application for certificate of title shall be upon a blank form furnished by the Commission, containing:

- a. a full description of the vehicle,
- b. the manufacturer's serial or other identification number,
- c. the manufacturer's factory delivered price and total delivered price,
- d. the motor number and the date on which first sold by the manufacturer or dealer to the owner,
- e. any distinguishing marks,
- f. a statement of the applicant's source of title,
- g. any security interest upon said vehicle, and
- h. such other information as the Commission may require.

2. The application for a certificate of title for a vehicle which is within the last seven (7) model years shall require a declaration as to whether the vehicle has been damaged by collision or other occurrence and whether the vehicle has been recovered from theft and the extent of the damage to the vehicle. The declaration shall be made by the owner of a vehicle if:

- a. the vehicle has been damaged or stolen and the owner did not receive any payment for the loss from an insurer; or
- b. the vehicle is titled or registered in a state that does not classify the vehicle or brand the title because of damage to or loss of the vehicle similar to the classifications or brands utilized by this state.

The declaration shall be based upon the best information and knowledge of the owner and shall be in addition to the requirements specified in paragraph 1 of this subsection. The Oklahoma Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required declaration, completed and signed by the owner of the vehicle. Upon receipt of an application without the properly completed declaration, the Oklahoma Tax Commission shall return the application to the applicant with notice that the title may not be issued without the required declaration. Nothing in this paragraph shall prohibit the Oklahoma Tax Commission from recognizing the type of or brand on a title or other ownership document issued by another state or the inspection conducted in another state and issuing the appropriate certificate of title for the vehicle.

3. The certificate of title shall have the following security features:

- a. intaglio printing or security thread, with or without watermark,
- b. latent images,
- c. fluorescent inks,
- d. micro print,
- e. void background, and
- f. color coding.

4. Each title issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act shall be color coded as determined by the Oklahoma Tax Commission.

5. The certificate of title shall be of such size and design and color as the Commission may direct pursuant to the provisions of this section. The title shall be on colored paper or other material as designated by the Commission and be of such intensity or hue as will allow easy identification as to whether the title is an original title, a salvage title, a rebuilt title or a junked title. The type of title shall be identified on the front of the certificate of title. The original title, rebuilt title or classic title shall be identified by the word "Original", "Rebuilt" or "Classic" printed in the upper right quadrant of the certificate of title, in the space which is currently captioned "type of title".

D. 1. To obtain an original certificate of title for a vehicle that is being registered for the first time in this state which has not been previously registered in any other state, the applicant shall be required to deliver, as evidence of ownership, a manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon a form to be prescribed and approved by the Commission. A manufacturer's certificate of origin shall contain:

- a. the manufacturer's serial or other identification number,
- b. date on which first sold by the manufacturer to the dealer,
- c. any distinguishing marks including model and the year same was made,
- d. a statement of any security interests upon said vehicle, and
- e. such other information as the Commission may require.

2. The manufacturer's certificate of origin shall have the following security features:

- a. intaglio printing or security thread, with or without watermark,
- b. latent images,
- c. fluorescent inks,
- d. micro print, and
- e. void background.

E. In the absence of a dealer's or manufacturer's number, the Commission may assign such identifying number to the vehicle, which shall be permanently stamped, burned or pressed or attached into such vehicle, and a certificate of title shall be delivered to the applicant upon payment of all fees and taxes, and the remaining copies shall be permanently filed and indexed by the Commission. The Commission shall assign an identifying number to any rebuilt vehicle if the vehicle identification number displayed on the rebuilt vehicle does not accurately describe the vehicle as rebuilt. The Department of Public Safety, at the time of inspection of the rebuilt vehicle pursuant to Section 1111 of this title, shall identify the make, model, and year for the body, frame, chassis, motor, transmission, and other major components to accurately describe the rebuilt vehicle. At the time of the inspection, an appropriate identifying number shall be permanently stamped, burned, pressed, or attached on the rebuilt vehicle. The assigned identifying number shall be recorded on the certificate of title for the rebuilt vehicle. The dealer's or manufacturer's vehicle identification number on the rebuilt vehicle shall be preserved in

the computer files of the Oklahoma Tax Commission for at least five (5) years.

F. When registering for the first time in this state a vehicle which was not originally manufactured for sale in the United States, to obtain a certificate of title, the Commission shall require the applicant to deliver:

1. as evidence of ownership, if the vehicle has not previously been titled in the United States, the documents constituting valid proof of ownership in the country in which the vehicle was originally purchased, together with a notarized translation of any such documents, and

2. as evidence of compliance with federal law, copies of the bond release letters for the vehicle issued by the United States Environmental Protection Agency and the United States Department of Transportation, together with a receipt issued by the Internal Revenue Service indicating that the applicable federal gas guzzler tax has been paid.

The Oklahoma Tax Commission shall not issue a certificate of title for a vehicle which is subject to the provisions of this paragraph without the required documentation from agencies of the United States and evidence of ownership. Upon receipt of an application without the required documentation, the Oklahoma Tax Commission shall return the application to the applicant with notice that the certificate of title may not be issued without the required documentation. Nothing in this paragraph shall prohibit the Oklahoma Tax Commission from issuing certificates of title for antique or classic vehicles not driven upon the public streets, roads, or highways.

G. When registering in this state, a vehicle which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, the Commission or the motor license agent shall complete a lien entry form as prescribed by the Commission. A statement of the lien or encumbrance shall be included on the Oklahoma certificate of title and the lien or encumbrance shall be deemed continuously perfected as though it had been perfected pursuant to Section 1110 of this title. For completing the lien entry form and recording the security interest on the certificate of title, the Commission or the motor license agent shall collect a fee of Three Dollars (\$3.00) which shall be in addition to other fees provided by the Oklahoma Vehicle License and Registration Act. The fee, if collected by the motor license agent pursuant to this subsection, shall be retained by the motor license agent.

H. The charge for each certificate of title issued, except for junked titles as defined in paragraph 4 of subsection B of this section, shall be Eleven Dollars (\$11.00), which charge shall be in addition to any other fees or taxes imposed by law for such vehicle. One Dollar (\$1.00) of each such charge shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Provided however, that said charge shall not apply to any vehicle which is to be registered in this state pursuant to the provisions of Section 1120 or 1133 of this title and which was registered in another state at least sixty (60) days prior to the time it is required to be registered in this state.

I. The vehicle identification number of a junked vehicle shall be preserved in the computer files of the Oklahoma Tax Commission for a period of not less than five (5) years. The charge of junked titles as defined in paragraph 4 of subsection B of this section shall be Four Dollars (\$4.00). The fee remitted to the Oklahoma Tax

Commission shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

J. If a vehicle is sold to a resident of another state, destroyed, dismantled, or ceases to be used as a vehicle, the owner shall immediately notify the Commission. Absent evidence to the contrary, failure to notify the Commission shall be prima facie evidence that the vehicle has been in continuous operation in this state.

K. If a vehicle is stolen, the owner shall immediately notify the appropriate law enforcement agency. Immediately after receiving such notification, the law enforcement agency shall notify the Oklahoma Tax Commission.

L. No title for an out-of-state vehicle, except any commercial truck or truck-tractor registered pursuant to Section 1120 of this title which is engaged in interstate commerce or any trailer or semitrailer registered pursuant to Section 1133 of this title which is engaged in interstate commerce, shall be issued without an inspection of such vehicle and payment of a fee of Four Dollars (\$4.00) for such inspection; provided, the Oklahoma Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;
2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or
3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall include a comparison of the vehicle identification number on the vehicle with the number recorded on the ownership records and the recording of the actual odometer reading on the vehicle. The Four Dollar (\$4.00) fee shall be collected by the motor license agent or Commission when the title is issued. The motor license agent shall retain Two Dollars (\$2.00) for his fee. The remaining Two Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

M. No title for any out-of-state vehicle offered for sale at salvage pools, salvage disposal sales, or an auction, or by a dealer or a licensed automotive dismantler and parts recycler, shall be issued without an inspection to compare the vehicle identification number on the vehicle with the number recorded on the ownership record and to record the actual odometer reading on the vehicle. Upon request of the seller, person or entity conducting an auction, dealer or licensed dismantler, the inspection shall be conducted at the location or place of business of the sale, auction, dealer, or the dismantler. The inspection shall be conducted by any motor license agent or a duly authorized employee thereof; provided, the Oklahoma Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

1. Are offered for sale at auction;
2. Have been solely used as vehicles for rent under the ownership of a licensed motor vehicle dealer or a person engaged in the business of renting motor vehicles; or
3. Have not been registered in this or any other state for more than one (1) year.

The inspection shall be certified upon forms prescribed by the Oklahoma Tax Commission. The name and other identification of the authorized person conducting the inspection shall be legibly printed or typed on the form. Prior to any inspection by any employee of a

motor license agent, the motor license agent shall notify the Oklahoma Tax Commission of the name and any other identification information requested by the Oklahoma Tax Commission of the authorized person. A signature specimen of the authorized person shall be submitted to the Oklahoma Tax Commission by the employing motor license agent. If the authorization to inspect vehicles is withdrawn or the employer-employee relationship is terminated, the motor license agent, immediately, shall notify the Commission and return any remaining inspection forms to the Oklahoma Tax Commission. The fee for the inspection shall be Four Dollars (\$4.00). The motor license agent shall retain Three Dollars (\$3.00) of the fee. Fees received by a motor license agent or an authorized employee thereof shall be handled and accounted for in the manner as prescribed by law for any other fees paid to or received by a motor license agent. Out-of-state vehicles brought into this state by a person licensed in another state to sell new or used vehicles to be sold within this state at a motor vehicle auction which is limited to dealer to dealer transactions shall not be required to be inspected, unless said vehicle is purchased by an Oklahoma dealer. Any person licensed in another state to sell new or used motor vehicles, who offers a motor vehicle for sale within this state at a motor vehicle auction which is limited to dealer to dealer transactions, shall not be within the definition of "owner" in Section 1102 of this title, for purposes of Section 1101 et seq. of this title.

N. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Department of Public Safety shall train motor license agents in interpreting vehicle identification numbers to assure that it accurately describes the vehicle and to detect rollback or alteration of the odometer. Failure of a motor license agent to inspect the vehicle and make the required notations shall be a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00) for the first offense and Five Thousand Dollars (\$5,000.00) for the second offense or subsequent offense, or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

O. The ownership of any vehicle which has been declared a total loss because of theft shall be transferred to the insurer by a salvage title. Upon recovery of the vehicle from theft, the ownership shall be transferred by an original title, salvage title, or junked title, as may be appropriate based upon an estimate of the amount of loss submitted by the insurer.

P. The owner of any vehicle which is incapable of operation or use on the public roads and has no resale value, except as parts, scrap or junk, may deliver the certificate of title to the vehicle to the Oklahoma Tax Commission for cancellation. Upon verification that any perfected lien against the vehicle has been released, the certificate of title shall be canceled without any fee, charge, or cost required from the owner. The vehicle identification numbers on the certificates of title shall be preserved in the computer files of the Oklahoma Tax Commission for at least five (5) years from the date of cancellation of the certificate of title. The Oklahoma Tax Commission shall prescribe and provide an affidavit form to be completed by the owner of any vehicle for which the certificate of title is canceled. No title or registration shall subsequently be issued for a vehicle for which the certificate of title has been surrendered pursuant to this subsection. The Oklahoma Tax Commission shall prescribe a form for the transfer of ownership of a vehicle for which the certificate of title has been canceled.

Q. The owner of a vehicle which is not within the last ten (10) model years, not roadworthy and not capable of repair for operation or use on the roads and highways shall transfer the vehicle only upon a certificate of ownership prescribed by the Oklahoma Tax Commission, if the certificate of title to the vehicle is lost, has been canceled, or otherwise not available. The prescribed ownership form shall include the names and addresses of the buyer and seller, the driver's license number or social security number of the seller, the make and model of the vehicle, and the public vehicle identification number. If there is no public vehicle identification number, the vehicle shall be inspected by a law enforcement officer to verify the absence of the number on the vehicle and the prescribed ownership form shall include a signed statement, by such officer, verifying the absence of the number.

The certificate of ownership shall be completed in triplicate. The buyer and seller shall each retain a copy. Within thirty (30) days of the transaction, the seller shall submit one (1) copy to the Oklahoma Tax Commission or a motor license agent accompanied with a fee of Four Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor license agent and Three Dollars (\$3.00) shall be deposited in the Tax Commission Reimbursement Fund in the State Treasury.

Upon receipt of the certificate, the Oklahoma Tax Commission shall verify that any perfected lien upon the vehicle has been released. If the lien is not released, the Commission shall mail notice of the transfer to the lienholder at the lienholder's last-known address. If a certificate of title has been issued, it shall be canceled and the vehicle identification number shall be preserved in the computer of the Oklahoma Tax Commission for at least five (5) years. The buyer of the vehicle may not be sued and shall not be liable for monetary damages to the lienholder, however, the vehicle shall be subject to a valid repossession by a lienholder.

R. The Oklahoma Tax Commission shall notify the chief administrative officer of the agency or department responsible for issuing motor vehicle certificates of title in each state in the United States of the types of motor vehicle certificate of title effective in Oklahoma on and after January 1, 1989.

SECTION 3. REPEALER Section 8, Chapter 179, O.S.L. 1985 (47 O.S. Supp. 1990, Section 1105), as last amended by Section 1 of Enrolled Senate Bill No. 45 of the 1st Session of the 43rd Oklahoma Legislature, is hereby repealed.

SECTION 4. This act shall become effective September 1, 1991.
Passed the Senate the 29th day of April, 1991.

President of the Senate

Passed the House of Representatives the 17th day of April, 1991.

Speaker of the House of
Representatives