ENGROSSED SENATE
BILL NO. 887

By: Easley and Crutchfield of the Senate

and

Tyler of the House

[motor vehicles - restricted driver licenses and permits - certificates of title for all-terrain vehicles - effective date - emergency]

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 6-105, as last amended by Section 2, Chapter 161, O.S.L. 1999 (47 O.S. Supp. 1999, Section 6-105), is amended to read as follows:

Section 6-105. A. Unless a custodial parent or guardian has filed an objection to licensure pursuant to Section 6-103.1 of this title, any person under sixteen (16) years of age may be permitted to operate a motor vehicle as provided in this section. Any secondary school student who is in compliance with Section 6-107.3 of this title and:

1. Is at least fifteen (15) years of age may drive during a session in which the driver is being instructed in a driver education course by a certified driver education instructor who is seated in the right front seat of the motor vehicle;

2. Is at least fifteen and one-half (15 1/2) years of age and:

a. is currently receiving instruction in or has successfully completed:

(1) a prescribed secondary school driver education course, as provided for in Sections 19-113 through 19-121 of Title 70 of the Oklahoma Statutes, or

(2) a driver education course, certified by the Department of Public Safety, from a parochial, private, or other nonpublic secondary school, or

(3) a commercial driver training course, as defined by Sections 801 through 808 of this title, or

b. whose parent or legal guardian has certified to the Department by sworn affidavit that the person will receive a minimum of twenty-five (25) hours of actual behind-the-wheel training from a licensed driver who is at least twenty-one (21) years of age and who has been properly licensed to operate a Class D motor vehicle for a minimum of two (2) years,

may, upon successfully passing all parts of the driver license examination administered by the Department except the driving examination, be issued a restricted Class D license which will grant the licensee the privilege to operate a Class D motor vehicle upon the public highways while accompanied by a licensed driver who is at least twenty-one (21) years of age and who is actually occupying a seat beside the restricted Class D licensee;

3. Is at least sixteen (16) years of age and has not completed a driver education course may be issued a restricted Class D license upon successfully passing all parts of the driver license examinations administered by the Department. A restricted Class D license shall grant to the licensee the privilege to operate a Class D motor vehicle upon the public highways only during daylight hours except for driving to and from work, school, school activities, and church activities, or if a parent or guardian is a passenger in the front seat of the vehicle, the person may drive at any time, and may not operate a motor vehicle with more than one passenger unless all passengers live in the same household or unless the parent or guardian is a passenger in the front seat of the vehicle;

4. Is at least sixteen and one-half (16 1/2) years of age, has been issued a restricted Class D license for a minimum of thirty (30) days, and who has not been convicted of, pled guilty to, or pled no contest to any moving vehicle violations may be issued a Class D license; provided, if the licensee holds a restricted Class D license, the licensee must successfully pass a driving examination. The Department shall conduct a driving examination not more than three ~~(3)~~ times during the first six (6) months after date of eligibility of the restricted licensee to have the restriction removed for a Class D license and not more than one time every three (3) months thereafter upon request of the restricted licensee;

5. Is at least sixteen (16) years of age, and has completed driver education, or is at least seventeen (17) years of age, may be issued a Class D license by successfully passing all parts of the driver license examination if the examinations have not been successfully passed in connection with a restricted Class D license application; or

6. Is at least sixteen (16) years of age, has not completed driver education, and resides in or is enrolled in a school district that does not offer driver education shall be exempt from the driver education requirement for a Class D license and may be issued a Class D license upon successfully completing all parts of the driver license examination.

B. Restricted Class D licenses shall be issued for the same period as all other driver licenses. The licenses may be suspended or cancelled at the discretion of the Department for violation of restrictions, for failing to give the required or correct information on the application or for violation of any traffic laws of this state pertaining to the operation of a motor vehicle.

C. The Department of Public Safety shall promulgate rules establishing proceedings for removal of the restriction from the license upon the license holder qualifying for an unrestricted

license. The restriction shall have no force or effect upon or after the seventeenth birthday of the restricted licensee.

D. Any person fourteen (14) years of age or older may apply for a restricted Class D license with a motorcycle restriction. After the person has successfully passed all parts of the motorcycle examination other than the driving examination, has met all requirements provided for in the rules of the Department, is in compliance with Section 6-107.3 of this title, and unless a custodial parent or guardian has filed an objection pursuant to Section 6-103.1 of this title, the Department shall issue to the person a restricted Class D license with a motorcycle restriction which shall grant to the person, while having the license in his or her immediate possession, the privilege to operate a motor-driven cycle:

1. With a piston displacement not to exceed ~~one hundred twenty-five (125)~~ two hundred fifty (250) cubic centimeters; ~~and~~

2. Between the hours of 4:30 a.m. to 9:00 p.m. only; ~~and~~

3. While wearing approved protective headgear; and

4. While accompanied by and receiving instruction from any person who is at least twenty-one (21) years of age and who is properly licensed pursuant to the laws of this state to operate a motorcycle, and who has visual contact with the restricted licensee.

The restricted licensee may apply on or after thirty (30) days from date of issuance of the restricted Class D license with a motorcycle restriction to have the restriction of being accompanied by a licensed driver removed by successfully completing the driving portion of an examination.

E. The Department may in its discretion issue a special permit to any person who has attained the age of fourteen (14) years, authorizing such person to operate farm vehicles between the farm and the market to haul commodities grown on such farm; provided, that such special permit shall be temporary and shall expire not

more than thirty (30) days after the issuance thereof. Special permits shall be issued only to farm residents and shall be issued only during the time of the harvest of the principal crops grown on such farm. Provided, however, the Department shall not issue a special permit pursuant to this subsection until the Department is fully satisfied after the examination of the application, and other evidence furnished in support thereof, that the person is physically and mentally developed to such a degree that the operation of a motor vehicle by the person would not be inimical to public safety.

F. The Department may issue an instructor's permit to any qualified secondary school driver education instructor as defined by the Oklahoma State Board of Education Rules and Regulations for Oklahoma High School Driver and Traffic Safety Education, any driver education instructor, certified by the Department of Public Safety, of a parochial, private, or other nonpublic secondary school upon a proper application to the State Board of Education or the Department of Public Safety in the case of secondary schools that are not regulated by the State Board of Education or a commercial driver training course instructor as provided for in Sections 801 through 808 of this title. The Department shall promulgate rules for the issuance of such permits. Any instructor as defined in this subsection who has been issued a permit may instruct any person who is at least fifteen and one-half (15 1/2) years of age or who is at least fifteen (15) years of age and of secondary school or higher educational standing while regularly enrolled and certified by the instructor as a student taking a prescribed course of secondary school driver education, a driver education course, certified by the Department of Public Safety, from a parochial, private, or other nonpublic secondary school or a commercial driver training course as defined by Sections 801 through 808 of this title to operate a motor vehicle while accompanied by and receiving instruction from the instructor who is actually occupying a seat beside the driver.

G. In addition to the licenses to operate motor vehicles, the Department may issue cards for purposes of identification only. The identification cards shall be issued and renewed in the same manner as driver licenses in this state and for a fee of Seven Dollars ($7.00) to any resident of this state. The application for an identification card by any person under the age of sixteen (16) shall be signed and verified by the parent or legal guardian before a person authorized to administer oaths. Such cards shall be valid for a period of four (4) years from the month of issuance; however, the identification cards issued to persons sixty-five (65) years of age or older shall be valid indefinitely from the month of issuance, and no person sixty-five (65) years of age or older shall be charged a fee for an identification card or renewal of driver license. The fees derived pursuant to this section shall be apportioned as provided in Section 1104 of this title.

The Oklahoma Tax Commission is hereby authorized to reimburse, from funds available to that agency, each motor license agent issuing an identification card or driver license to a person sixty-five (65) years of age or older, an amount not to exceed One Dollar ($1.00) for each card so issued. The Tax Commission shall develop procedures for claims for reimbursement.

SECTION 2. AMENDATORY Section 2, Chapter 128, O.S.L. 1994 (47 O.S. Supp. 1999, Section 6-105.1), is amended to read as follows:

Section 6-105.1 The Commissioner of Public Safety may in his discretion issue a special permit to any person who has attained fourteen (14) years of age authorizing such person to operate a motor-driven cycle with a piston displacement in excess of the ~~one hundred twenty-five cubic centimeters~~ two hundred fifty-cubic-centimeters restriction prescribed in subsection ~~B~~ D of Section 6-105 of this title and with no time limitations as to when such

motor-driven cycle may be operated. Provided that such special permit:

1. Shall be temporary and shall expire not more than thirty (30) days after the issuance thereof; and

2. Shall be issued only to a person who is participating in competitive events sanctioned by the Commissioner.

The Commissioner shall not issue a special permit pursuant to this section until the Commissioner is fully satisfied after the examination of said application and other evidence furnished in support thereof that said person is physically and mentally developed to such a degree that the operation of such motor-driven cycle by said person would not be inimical to public safety.

SECTION 3. AMENDATORY 47 O.S. 1991, Section 1102, as last amended by Section 1, Chapter 199, O.S.L. 1998 (47 O.S. Supp. 1999, Section 1102), is amended to read as follows:

Section 1102. As used in ~~this act~~ the Oklahoma Vehicle License and Registration Act:

1. "All-terrain vehicle" means a motorized vehicle manufactured and used exclusively for off-highway use which is fifty (50) inches or less in width, with an unladen dry weight of six hundred (600) pounds or less, traveling with two or more low pressure tires, with a seat designed to be straddled by the operator and handlebars for steering control;

2. "Carrying capacity" means the carrying capacity of a vehicle as determined or declared in tons of cargo or payload by the owner, provided, that such declared capacity shall not be less than the minimum tonnage capacity fixed, listed or advertised by the manufacturer of any vehicle;

~~2.~~ 3. "Certificate of title" means a document which is proof of legal ownership of a motor vehicle as described and provided for in Section 1105 of this title;

~~3.~~ 4. "Chips and oil" or the term "road oil and crushed rock" means, with respect to materials authorized for use in the surfacing of roads or highways in this title or in any equivalent statute pertaining to road or highway surfacing in the State of Oklahoma, any asphaltic materials. Wherever chips and oil or road oil and crushed rock are authorized for use in the surfacing of roads or highways in this state, whether by the Department of Transportation, or by the county commissioners, or other road building authority subject to this act, asphaltic materials are also authorized for use in such surfacing and construction;

~~4.~~ 5. "Combined laden weight" means the weight of a truck or station wagon and its cargo or payload transported thereon, or the weight of a truck or truck-tractor plus the weight of any trailers or semitrailers together with the cargo or payload transported thereon;

~~5.~~ 6. "Commercial trailer" means any trailer, as defined in Section 1-180 of this title, or semitrailer, as defined in Section 1-162 of this title, when such trailer or semitrailer is used primarily for business or commercial purposes;

~~6.~~ 7. "Commercial trailer dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used commercial trailers;

~~7.~~ 8. "Commercial vehicle" means any vehicle over eight thousand (8,000) pounds combined laden weight used primarily for business or commercial purposes. Each motor vehicle being registered pursuant to the provisions of this section shall have the name of the commercial establishment or the words "Commercial Vehicle" permanently and prominently displayed upon the outside of the vehicle in letters not less than two (2) inches high and two (2) inches wide. Such letters shall be in sharp contrast to the background and shall be of sufficient 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. The Commission or its motor license agents shall make physical inspections of commercial vehicles as provided for in Section 1133.1 of this title, if by law ~~said~~ the vehicles are required to be inspected to verify that ~~said~~ the lettering is permanently displayed as required by this paragraph. A fee of fifty cents ($0.50) shall be charged for making such inspection. Any commercial vehicle with a combined laden weight of over twenty-six thousand (26,000) pounds registered pursuant to the provisions of Section 1133 of this title shall not be subject to physical inspection by the Commission or its motor license agents. Any commercial vehicle with a combined laden weight of twenty-six thousand (26,000) pounds or less registered pursuant to Section 1133 or 1133.1 of this title shall be subject to physical inspection by the Commission or its motor license agent only at the time the vehicle is first registered in this state and upon the transfer of ownership of such vehicle;

~~8.~~ 9. "Commission" means the Oklahoma Tax Commission;

~~9.~~ 10. "Dealer" means any person, firm, association, corporation or trust who sells, solicits or advertises the sale of new and unused motor vehicles and holds a bona fide contract or franchise in effect with a manufacturer or distributor of a particular make of new or unused motor vehicle or vehicles for the sale of same;

~~10.~~ 11. "Interstate commerce" means any commerce moving between any place in a state and any place in another state or between places in the same state through another state;

~~11.~~ 12. "Laden weight" means the combined weight of a vehicle when fully equipped for use and the cargo or payload transported thereon; provided that in no event shall the laden weight be less than the unladen weight of the vehicle fully equipped for use, plus the manufacturer's rated carrying capacity;

~~12.~~ 13. "Local authorities" means every county, municipality or local board or body having authority to adopt police regulations under the Constitution and laws of this state;

~~13.~~ 14. "Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in length, or, when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning, and electrical systems contained thereon. The term manufactured home shall not include any manufactured home which is owned by a religious corporation or society and is used exclusively for religious purposes. "Mobile home" means a manufactured home transportable in one section. "Sectional home" means a manufactured home transportable in two or more sections. ~~Said~~ The terms shall not include any travel trailer or any self-propelled vehicles used as living quarters, whether referred to as motor homes or by any other name. Provided, that trailers or semitrailers used for the transportation of goods or property, other than the personal belongings of the owner of such vehicle, shall not be included in this definition;

~~14.~~ 15. "Manufactured home dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used manufactured homes. Such information and a valid franchise letter as proof of authorization to sell any such new manufactured home product line or lines shall be attached to ~~said~~ the application for a dealer license to sell manufactured homes. "Manufactured home dealer" shall not include any person, firm or corporation who sells or contracts for the sale of his own personally titled manufactured home or homes. No person, firm or corporation shall be considered a manufactured home dealer as to any

manufactured home purchased or acquired by such person, firm or corporation for purposes other than resale; provided, that the restriction set forth in this sentence shall not prevent an otherwise qualified person, firm or corporation from utilizing a single manufactured home as a sales office;

~~15.~~ 16. "Motor license agent" means any person appointed, designated or authorized by the Oklahoma Tax Commission to collect the fees and to enforce the provisions provided for in this act;

~~16.~~ 17. "New vehicle" or "unused vehicle" means a vehicle which has been in the possession of the manufacturer, distributor or wholesaler or has been sold only by the manufacturer, distributor or wholesaler to a dealer;

~~17.~~ 18. "Nonresident" means any person who is not a resident of this state;

~~18.~~ 19. "Owner" means any person owning, operating or possessing any vehicle herein defined;

~~19.~~ 20. "Person" means any individual, copartner, joint venture, association, corporation, limited liability company, estate, trust, business trust, syndicate, the State of Oklahoma, or any county, city, municipality, school district or other political subdivision thereof, or any group or combination acting as a unit, or any receiver appointed by the state or federal court;

~~20.~~ 21. "Recreational vehicle" means every vehicle which is built on or permanently attached to a self-propelled motor chassis or chassis cab which becomes an integral part of the completed vehicle and is capable of being operated on the highways. In order to qualify as a recreational vehicle pursuant to this paragraph such vehicle shall be permanently constructed and equipped for human habitation, having its own sleeping and kitchen facilities, including permanently affixed cooking facilities, water tanks and holding tank with permanent toilet facilities. Recreational vehicle shall not include manufactured homes or any vehicle with portable

sleeping, toilet and kitchen facilities which are designed to be removed from such vehicle;

~~21.~~ 22. "Rental trailer" means all small or utility trailers or semitrailers constructed and suitable for towing by a passenger automobile and designed only for carrying property, when ~~said~~ the trailers or semitrailers are owned by, or are in the possession of, any person engaged in renting or leasing such trailers or semitrailers for intrastate or interstate use or combined intrastate and interstate use;

~~22.~~ 23. "Special mobilized machinery" means special purpose machines, either self-propelled or drawn as trailers or semitrailers, which derive no revenue from the transportation of persons or property, whose use of the highway is only incidental, and whose useful revenue producing service is performed at destinations in an area away from the traveled surface of an established open highway;

~~23.~~ 24. "State" means the State of Oklahoma;

~~24.~~ 25. "Station wagon" means any passenger vehicle which does not have a separate luggage compartment or trunk and which does not have open beds, and has one or more rear seats readily lifted out or folded, whether same is called a station wagon or ranch wagon;

~~25.~~ 26. "Travel trailer" means any vehicular portable structure built on a chassis, used as a temporary dwelling for travel, recreational or vacational use, and, when factory-equipped for the road, it shall have a body width not exceeding eight (8) feet and an overall length not exceeding forty (40) feet, including the hitch or coupling;

~~26.~~ 27. "Travel trailer dealer" means any person, firm or corporation engaged in the business of selling any new and unused, or used, or both new and used travel trailers. Such information and a valid franchise letter as proof of authorization to sell any such new travel trailer product line or lines shall be attached to ~~said~~

the application for a dealer license to sell travel trailers. "Travel trailer dealer" shall not include any person, firm or corporation who sells or contracts for the sale of his own personally titled travel trailer or trailers. No person, firm or corporation shall be considered as a travel trailer dealer as to any travel trailer purchased or acquired by such person, firm or corporation for purposes other than resale;

~~27.~~ 28. "Used motor vehicle dealer" means "used motor vehicle dealer" as defined in Section 581 of this title;

~~28.~~ 29. "Used vehicle" means any vehicle which has been sold, bargained, exchanged or given away, or used to the extent that it has become what is commonly known, and generally recognized, as a "secondhand" vehicle. This shall also include any vehicle, regardless of age, owned by any person who is not a dealer; and

~~29.~~ 30. "Vehicle" means any type of conveyance or device in, upon or by which a person or property is or may be transported from one location to another upon the avenues of public access within the state. "Vehicle" does not include bicycles, trailers except travel trailers and rental trailers, or implements of husbandry as defined in Section 1-125 of this title. All implements of husbandry used as conveyances shall be required to display the owner's driver's license number or license plate number of any vehicle owned by the owner of the implement of husbandry on the rear of the implement in numbers not less than two (2) inches in height. The use of the owner's social security number on the rear of the implement of husbandry shall not be required.

SECTION 4. AMENDATORY 47 O.S. 1991, Section 1105, as last amended by Section 3, Chapter 413, O.S.L. 1998 (47 O.S. Supp. 1999, Section 1105), 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. For purposes of this section, actual repair costs shall only include labor and parts for actual damage to the suspension, motor, transmission, frame or unibody and designated structural components;

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

3. “Flood-damaged vehicle” means a salvage or rebuilt vehicle which was damaged by flooding or a vehicle which was submerged at a level to or above the dashboard of the vehicle and on which an amount of loss was paid by the insurer;

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. <u>The owner of every all-terrain vehicle in this state which was purchased or the ownership of which was transferred after June 30, 2000, shall possess a certificate of title as proof of ownership of such all-terrain vehicle.</u> 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. The 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 the 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,

b. the owner did or did not receive any payment for the loss from an insurer, or

c. 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~~ the 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 the 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 motor license agent, 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 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, or such state certificate is being held by the secured party in that state or any other state, the Commission or the motor license agent shall complete a lien entry form as prescribed by the Commission. The owner of such vehicle shall file an affidavit with the Commission or the motor license agent stating that title to the vehicle is being held by a secured party has not been issued pursuant to the laws of the state where titled, and that there is an existing lien or encumbrance on the vehicle. The current name and address of the secured party or lienholder shall also be stated in the affidavit. The form of the affidavit shall be prescribed by the Oklahoma Tax Commission and contain any other information deemed necessary 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. However, the 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)~~ four-dollar 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.

The Oklahoma Tax Commission may allow the inspection to be performed at a location out-of-state by another state's department of motor vehicles or state police.

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~~ the 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~~ the Oklahoma Vehicle License and Registration Act.

N. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Commission 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 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 5. AMENDATORY 47 O.S. 1991, Section 1113, as last amended by Section 1, Chapter 367, O.S.L. 1999 (47 O.S. Supp. 1999, Section 1113), is amended to read as follows:

Section 1113. A. 1. Upon the filing of a registration application and the payment of the fees provided for in the Oklahoma Vehicle License and Registration Act, the Oklahoma Tax Commission shall assign to the vehicle described in the application a distinctive number, and issue to the owner of the vehicle a certificate of registration and one license plate or a yearly decal for the year that a license plate is not issued. The yearly decal shall have an identification number and the last two numbers of the registration year for which it shall expire. Except as provided by Section 1113A of this title, the license plate shall be affixed to the exterior of the vehicle until a replacement license plate is applied for. The yearly decal will validate the license plate for each registration period other than the year the license plate is issued. The license plate and decal shall be of such size, color, design and numbering as the Tax Commission may direct. However, yearly decals issued to the owner of a vehicle who has filed an

affidavit with the appropriate motor license agent in accordance with Section 7-607 of this title shall be a separate and distinct color from all other decals issued under this section.

2. The license plate shall be securely attached to the rear of the vehicle, except truck-tractor plates which shall be attached to the front of the vehicle. The Tax Commission may, with the concurrence of the Department of Public Safety, by Joint Rule, change and direct the manner, place and location of display of any vehicle license plate when such action is deemed in the public interest. The license plate, decal and all letters and numbers shall be clearly visible at all times. The operation of a vehicle upon which the license plate is covered, overlaid or otherwise screened with any material, whether such material be clear, translucent, tinted or opaque, shall be a violation of this paragraph.

3. Upon payment of the annual registration fee provided in Section 1133 of this title, the Tax Commission or a motor license agent may issue a permanent nonexpiring license plate to an owner of one hundred or more commercial motor vehicles and for vehicles registered under the provisions of Section 1120 of this title. Upon payment of the annual registration fee, the Tax Commission shall issue a certificate of registration that shall be carried at all times in the vehicle for which it is issued.

4. In order to register an all-terrain vehicle pursuant to this section, the owner of the all-terrain vehicle shall present proof to the Oklahoma Tax Commission or a motor license agent that sales or use tax was paid on such vehicle. If such proof cannot be made, the Tax Commission shall levy and collect a sales or use tax on such vehicle in accordance with law.

B. The license plates required under the provisions of this title shall conform to the requirements and specifications listed hereinafter:

1. Each license plate shall have a space for the placement of the yearly decals for each succeeding year of registration after the initial issue;

2. The provisions of the Oklahoma Vehicle License and Registration Act regarding the issuance of yearly decals shall not apply to the issuance of apportioned license plates, including license plates for state vehicles, and exempt plates for governmental entities and fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes;

3. Within the limits herein prescribed the Tax Commission shall redesign the official vehicle license plates which currently bear the legend "Oklahoma OK" or "Oklahoma is OK!" and substitute therefor the legend "Oklahoma Native America" as further described in this paragraph. Except for personalized license plates and license plates issued for motorcycles, all-terrain vehicles, and mopeds, the emblem on the state flag of Oklahoma as provided for in Section 91 of Title 25 of the Oklahoma Statutes shall be a part of all license plates issued after December 31, 1988. The Tax Commission may continue to issue license plates with the legend "Oklahoma is OK!" or "Oklahoma OK" until any inventory of such license plates is depleted but the Tax Commission shall not produce or cause to be produced any additional license plates with these legends. Except for personalized license plates, license plates issued for commercial vehicles, and license plates issued for motorcycles and mopeds, the "Oklahoma Native America" emblem shall be a part of all license plates issued after December 31, 1993. The specifications for lettering style and appearance for the legend "Oklahoma Native America" shall be provided to the Tax Commission by the Oklahoma Tourism and Recreation Department. The license plates shall be issued with the letters and numerals in the colors of green and white. All license plates and decals shall be made with reflectorized material as a background to the letters, numbers and

characters impressed thereon. The reflectorized material shall be of such a nature as to provide effective and dependable brightness during the service period for which the license plate or decal is issued;

4. Except as otherwise provided in this subsection, the Tax Commission shall design appropriate official license plates for all state vehicles. Such license plates shall be permanent in nature and designed in such manner as to remain with the vehicle for the duration of the vehicle's life span or until the title is transferred to a nongovernmental owner;

5. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Highway Patrol. The license plates shall have the legend “Oklahoma OK” and shall contain the letters “OHP” followed by the state seal and the badge number of the Highway Patrol officer to whom the vehicle is assigned. The words “Oklahoma Highway Patrol” shall also be included on such license plates;

6. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Capitol Patrol. Such license plates shall have the legend “Oklahoma OK” and shall contain the letters “OCP” followed by the state seal and badge number of the Oklahoma Capitol Patrol officer to whom the vehicle is assigned. The words “Oklahoma Capitol Patrol” shall also be included on such license plates;

7. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Lake Patrol. Such license plates shall have the legend “Oklahoma OK” and shall contain the letters “OLP” followed by the state seal and badge number of the Oklahoma Lake Patrol officer to whom the vehicle is assigned. The words “Oklahoma Lake Patrol” shall also be included on such license plates; and

8. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Military Department. Such license plates shall have the legend “Oklahoma OK” and shall contain the letters “OMD” followed by the state seal and three numbers or letters as designated by the Adjutant General. The words “Oklahoma Military Department” shall also be included on such license plates.

C. Where the applicant has satisfactorily shown that the applicant owns the vehicle sought to be registered but is unable to produce documentary evidence of the ownership, a license plate may be issued upon approval by the Tax Commission. In such instances the reason for not issuing a certificate of title shall be indicated on the receipt given to the applicant. It shall still be the duty of the applicant to immediately take all necessary steps to obtain the Oklahoma certificate of title and it shall be unlawful for the applicant to sell the vehicle until the certificate has been obtained in the applicant's name.

D. The certificate of registration provided for in this section shall be in convenient form, and the certificate of registration, or a certified copy or photostatic copy thereof, duly authenticated by the Tax Commission, shall be carried at all times in or upon commercial vehicles so registered, in such manner as to permit a ready examination thereof upon demand by any peace officer of the state or duly authorized employee of the Department of Public Safety. Any such officer or agent may seize and hold such commercial vehicle when the operator of the same does not have the registration certificate in the operator's possession or when any such officer or agent determines that the registration certificate has been obtained by misrepresentation of any essential or material fact or when any number or identifying information appearing on such certificate has been changed, altered, obliterated or concealed in

any way, until the proper registration or identification of such vehicle has been made or produced by the owner thereof.

E. The purchaser of a new or used manufactured home shall, within thirty (30) days of the date of purchase, register the home with the Tax Commission or a motor license agent pursuant to the provisions of Section 1117 of this title. For a new manufactured home, it shall be the responsibility of the dealer selling the home to place a temporary license plate on the home in the same manner as provided in Section 1128 of this title for other new motor vehicles. For the first year that any manufactured home is registered in this state, the Tax Commission shall issue a metal license plate which shall be affixed to the manufactured home. Manufactured homes previously registered and subject to ad valorem taxation as provided by law shall have the metal license plate affixed at the time ad valorem taxes are paid for such manufactured home. The owner of the home shall be required to affix such plate to the home. The Tax Commission shall make sufficient plates available to the various motor license agents of the state in order for an owner of a manufactured home to acquire the plate. A ~~One Dollar ($1.00)~~ fee of One Dollar ($1.00) shall be charged for issuance of any plate. The fee shall be apportioned each month to the General Revenue Fund of the State Treasury.

F. The manufactured home license plate shall be designed so that it is easily visible for purposes of verification by a county assessor that the manufactured home is properly assessed for ad valorem taxation. The plate shall be designed for a yearly decal. In the first year of registration, a decal shall be issued for placement on the license plate indicating payment of applicable registration fees and excise taxes. In the second and all subsequent years for which the manufactured home is subject to ad valorem taxation, an annual decal shall be affixed to the license plate as evidence of payment of ad valorem taxes. The Tax

Commission shall issue decals to the various county treasurers of the state in order for a manufactured home owner to obtain such decal each year. Upon presentation of a valid ad valorem tax receipt, the manufactured home owner shall be issued the annual decal.

G. Upon the registration of a manufactured home in this state for the first time or upon discovery of a manufactured home previously registered within this state for which the information required by this subsection is not known, the Tax Commission shall obtain:

1. The name of the owner of the manufactured home;

2. The serial number or identification number of the manufactured home;

3. A legal description or address of the location for the home;

4. The actual retail selling price of the manufactured home excluding Oklahoma taxes;

5. The certificate of title number for the home; and

6. Any other information which the Tax Commission deems to be necessary.

The application for registration shall also include the school district in which the manufactured home is located or is to be located. The information shall be entered into a computer data system which shall be used by the Tax Commission to provide information to county assessors upon request by the assessor. The assessor may request any information from the system in order to properly assess a manufactured home for ad valorem taxation.

SECTION 6. AMENDATORY 47 O.S. 1991, Section 1115, as last amended by Section 2, Chapter 232, O.S.L. 1999 (47 O.S. Supp. 1999, Section 1115), is amended to read as follows:

Section 1115. A. Unless provided otherwise by statute, the following vehicles shall be registered annually: manufactured homes, mopeds, motorcycles, vehicles registered with a permanent

nonexpiring license plate pursuant to Section 1113 of this title, commercial vehicles registered pursuant to the provisions of the International Registration Plan and commercial vehicles registered pursuant to the installment plan provided in subsection H of Section 1133 of this title. The following schedule shall apply for such vehicle purchased in this state or brought into this state by residents of this state:

1. Between January 1 and March 31, the payment of the full annual fee shall be required;

2. Between April 1 and June 30, the payment of three-fourths (3/4) the annual fee shall be required;

3. Between July 1 and September 30, the payment of one-half (1/2) the annual fee shall be required; and

4. Between October 1 and November 30, one-fourth (1/4) the annual fee shall be required.

License plates or decals for each year shall be made available on December 1 of each preceding year for such vehicles; and any person who purchases such vehicle, manufactured home or motorcycle between December 1 and December 31 of any year shall register it within thirty (30) days from date of purchase and obtain a license plate or Manufactured Home License Registration Decal, as appropriate, for the following calendar year upon payment of the full annual fee. Unless provided otherwise by statute, all annual license, registration and other fees for such vehicles shall be due and payable on January 1 of each year and if not paid by February 1 shall be deemed delinquent.

B. 1. All vehicles, <u>including all-terrain vehicles,</u> other than those required to be registered pursuant to the provisions of subsection A of this section, shall be registered on a staggered system of registration and licensing on a monthly series basis to distribute the work of registering such vehicles as uniformly and expeditiously as practicable throughout the calendar year. After

the end of the month following the expiration date, the license and registration fees for the new registration period shall become delinquent.

2. Effective December 1, 2000, all fleet vehicles registered pursuant to new applications approved pursuant to the provisions of Section 1120 of this title shall be registered on a staggered system monthly basis. The Oklahoma Tax Commission shall notify in writing, prior to the 2001 renewal period, all registrants with established accounts, who will have the option of changing their registration expiration date or remaining with their existing registration expiration date.

3. Applicants seeking to establish Oklahoma as the base jurisdiction for registering apportioned fleet vehicles after December 1, 2000, and registrants converting an established account to the staggered registration system shall have a one-time option of registering for a period of not less than four (4) nor greater than fifteen (15) months. Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided herein. In addition, registrants with multiple fleets may designate a different registration month of expiration for each fleet.

As used in this section, "fleet" shall have the same meaning as set forth in the International Registration Plan.

C. The following penalties shall apply for delinquent registration fees:

1. For fleet vehicles required to be registered pursuant to the provisions of Section 1120 of this title for which a properly completed application for registration has not been received by the Tax Commission by the last day of the month following the registration expiration date, a penalty of thirty percent (30%) of the Oklahoma portion of the annual registration fee, or Two Hundred Dollars ($200.00), whichever is greater, shall be assessed. The

license and registration cards issued by the Tax Commission for each fleet vehicle shall be valid until two (2) months after the registration expiration date;

2. For commercial vehicles registered under the provisions of subsection B of this section, except those vehicles registered pursuant to Section 1133.1 of this title, a penalty shall be assessed after the last day of the month following the registration expiration date. A penalty of twenty-five cents ($0.25) per day shall be added to the license fee of such vehicle and shall accrue for one (1) month. Thereafter, the penalty shall be thirty percent (30%) of the annual registration fee, or Two Hundred Dollars ($200.00), whichever is greater;

3. For new or used manufactured homes, not registered within thirty (30) days from date of purchase or date such manufactured home was brought into this state, a penalty equal to the registration fee shall be assessed; or

4. Except as provided in subsection H of Section 1133 of this title, for all other vehicles a penalty shall be assessed after the last day of the month following the expiration date. A penalty of twenty-five cents ($0.25) per day shall be added to the license fee of such vehicle and shall accrue for three (3) months. Thereafter, the penalty shall be Twenty-five Dollars ($25.00), provided that the penalty shall not exceed the amount equal to the license fee of such vehicle.

D. In addition to all other penalties provided in the Oklahoma Vehicle License and Registration Act, ~~Section 1101 et seq. of this title,~~ the following penalties shall be imposed and collected by any Revenue Enforcement Officer of the Tax Commission upon finding any commercial vehicle being operated in violation of the provisions of the Oklahoma Vehicle License and Registration Act.

The penalties shall apply to any commercial vehicle found to be operating in violation of the following provisions:

1. A penalty in the amount of Fifty Dollars ($50.00) shall be imposed upon any person found to be operating a commercial vehicle sixty (60) days after the end of the month in which the license plate or registration credentials expire without the current year license plate or registration credential displayed;

2. A penalty in the amount of Fifty Dollars ($50.00) shall be imposed for any person operating a commercial vehicle subject to the provisions of Section 1120 or Section 1133 of this title without the proper display of, or, carrying in such commercial vehicle, the identification credentials issued by the Tax Commission as evidence of payment of the fee or tax as provided in Section 1120 or Section 1133 of this title; and

3. A penalty in the amount of One Hundred Dollars ($100.00) shall be imposed for any person that fails to register any commercial vehicle subject to the Oklahoma Vehicle License and Registration Act.

E. The Tax Commission shall assess the registration fees and penalties for the year or years a vehicle was not registered. For vehicles not registered for two or more years, the registration fees and penalties shall be due only for the current year and one (1) previous year. The Tax Commission shall waive road user fees and penalties for failure to register a vehicle, provided road user fees shall not be waived for the current registration year in cases where ~~said~~ the vehicle is proven to have been inoperable during the registration period. Proof of inoperability may be by, but is not limited to, submission of parts or repair receipts or such other evidence deemed appropriate by the Tax Commission.

F. In addition to any other penalty prescribed by law, there shall be a penalty in the amount of Twenty Dollars ($20.00) upon a finding by a revenue enforcement officer that:

1. The registration of a vehicle registered pursuant to Section 1132 of this title is expired and it is sixty (60) or more days after the end of the month of expiration; or

2. The registration fees for a vehicle that is subject to the registration fees pursuant to Section 1132 of this title have not been paid.

SECTION 7. AMENDATORY 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1999, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided ~~by Section 1101 et seq. of this title~~ the Oklahoma Vehicle License and Registration Act, the following vehicle registration fees shall be assessed:

1. A registration fee of Fifteen Dollars ($15.00) shall be assessed at the time of initial registration by the owner and annually thereafter, for the use of the avenues of public access within this state; and

2. A fee, to be paid annually in lieu of all other taxes both general and local, of one and one-quarter percent (1 1/4%) of the factory delivered price (F.D.P.). For this purpose the factory delivered price shall be rounded off to the nearest One Hundred Dollars ($100.00).

After the first year's registration in this or any other state, the fee shall be assessed at ninety percent (90%) of the fee computed and assessed for the first year. Thereafter such fee shall be computed and assessed at ninety percent (90%) of the previous year's fee. The fee shall be so computed and assessed through the twelfth year of registration. The fee thereafter through the twentieth year of registration shall be the same as for the twelfth year of registration. The fee provided by this paragraph shall not be assessed after the twentieth year of registration. The fee

provided by this paragraph shall be paid annually for the vehicle registered;

3. Provided that in no event shall the fee for the registration of a vehicle imposed by this subsection exceed the fee paid to register ~~said~~ the vehicle for the preceding year; and

4. Provided further, there shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

a. a new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Commission, or

b. a defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

~~Said~~ The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will ~~said~~ the credit be refunded.

B. Beginning July 1, 2000, all-terrain vehicles shall be registered and assessed a fee of Five Dollars ($5.00) at the time of initial registration by the owner and annually thereafter. The fees set forth in subsection A of this section shall not apply to all-terrain vehicles. The fee assessed pursuant to this subsection shall not be in lieu of sales tax which shall be levied and collected pursuant to law.

C. Upon every transfer or change of ownership of a vehicle, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay the fee provided in

paragraph 1 of subsection A of this section in addition to any other fees provided for in this subsection. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in paragraphs 1 and 2 of subsection A of this section and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

~~C.~~ D. In the event the vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle to register ~~said~~ the vehicle within thirty (30) days shall be twenty-five cents ($0.25) per day, provided that in no event shall the penalty exceed Twenty-five Dollars ($25.00).

SECTION 8. AMENDATORY 68 O.S. 1991, Section 2105, as last amended by Section 5, Chapter 149, O.S.L. 1999 (68 O.S. Supp. 1999, Section 2105), is amended to read as follows:

Section 2105. An original or a transfer certificate of title shall be issued without the payment of the excise tax levied by Section 2101 et seq. of this title for:

1. Any vehicle owned by a nonresident person who operates principally in some other state but who is in Oklahoma only occasionally;

2. Any vehicle brought into this state by a person formerly living in another state, who has owned and registered ~~said~~ the vehicle in such other state of his residence at least sixty (60) days prior to the time it is required to be registered in this state, provided however this paragraph shall not apply to businesses engaged in renting cars without a driver;

3. Any vehicle registered by the State of Oklahoma, by any of the political subdivisions thereof, or by a fire department organized pursuant to Section 592 of Title 18 of the Oklahoma

Statutes to be used for the purposes of the fire department, or a vehicle which is the subject of a lease or lease-purchase agreement executed between the person seeking an original or transfer certificate of title for the vehicle and a municipality, county or school district. The person seeking an original or transfer certificate of title shall provide adequate proof that the vehicle is subject to a lease or lease-purchase agreement with a municipality, county or school district at the time the excise tax levied would otherwise be payable. The Oklahoma Tax Commission shall have the authority to determine what constitutes adequate proof as required by this section;

4. Any vehicle, the legal ownership of which is obtained by the applicant for a certificate of title by inheritance;

5. Any used motor vehicle, travel trailer or commercial trailer which is owned and being offered for sale by a person licensed as a dealer to sell the same, under the provisions ~~of Section 1101 et seq. of Title 47 of the Oklahoma Statutes~~ the Oklahoma Vehicle License and Registration Act:

a. if such vehicle, travel trailer or commercial trailer has been registered in Oklahoma and the excise tax paid thereon, or

b. when such vehicle, travel trailer or commercial trailer has been registered in some other state but is not the latest manufactured model.

Provided, the provisions of this paragraph shall not be construed as allowing an exemption to any person not licensed as a dealer of used motor vehicles, travel trailers or commercial trailers or as an automotive dismantler and parts recycler in this state;

6. Any vehicle which was purchased by a person licensed to sell new or used motor vehicles in another state:

a. if such vehicle is not purchased for operation or resale in this state, and

b. the state from which the dealer is licensed offers reciprocal privileges to a dealer licensed in this state, pursuant to a reciprocal agreement between the duly authorized agent of the Oklahoma Tax Commission and the licensing state;

7. Any vehicle, the ownership of which was obtained by the lienholder or mortgagee under or by foreclosure of a lien or mortgage in the manner provided by law or to the insurer under subrogated rights arising by reason of loss under an insurance contract;

8. Any vehicle which is taxed on an ad valorem basis;

9. Any vehicle or motor vehicle, the legal ownership of which is obtained by transfers:

a. from one corporation to another corporation pursuant to a reorganization. As used in this subsection the term "reorganization" means:

(1) a statutory merger or consolidation, or

(2) the acquisition by a corporation of substantially all of the properties of another corporation when the consideration is solely all or a part of the voting stock of the acquiring corporation, or of its parent or subsidiary corporation,

b. in connection with the winding up, dissolution or liquidation of a corporation only when there is a distribution in kind to the shareholders of the property of such corporation,

c. to a corporation where the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, in control of the corporation, and the stock or securities received by each is substantially in proportion to his interest in the vehicle or motor vehicle prior to the transfer,

d. to a partnership if the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, members of such partnership and the interest in the partnership received by each is substantially in proportion to his interest in the vehicle or motor vehicle prior to the transfer,

e. from a partnership to the members thereof when made in the dissolution of such partnership,

f. to a limited liability company if the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, members of the limited liability company and the interest in the limited liability company received by each is substantially in proportion to the interest in the vehicle or motor vehicle prior to the transfer, or

g. from a limited liability company to the members thereof when made in the dissolution of such partnership;

10. Any vehicle which is purchased by a person to be used by a business engaged in renting motor vehicles without a driver, provided:

a. the vehicle shall not be rented to the same person for a period exceeding ninety (90) days,

b. any such vehicle exempted from the excise tax by these provisions shall not be placed under any type of lease agreement,

c. on any such vehicle exempted from the excise tax by this subsection that is reregistered in this state, without a prior sale or transfer to the persons specified in divisions (1) and (2) of this subparagraph, at any time prior to the expiration of twelve (12) months from the date of issuance of the

original title, the seller shall pay immediately the amount of excise tax which would have been due had this exemption not been granted plus a penalty of twenty percent (20%). No such excise tax or penalty shall become due and payable if the vehicle is sold or transferred in a condition either physical or mechanical which would render it eligible for a salvage title pursuant to law or if the vehicle is sold and transferred in this state at any time prior to the expiration of twelve (12) months:

(1) to the manufacturer of the vehicle or its controlled financing arm, or

(2) to a factory authorized franchised new motor vehicle dealer which holds a franchise of the same line-make of the vehicle being purchased, or

d. when this exemption is claimed, the Oklahoma Tax Commission shall issue a special title which shall restrict the transfer of the title only within this state prior to the expiration of twelve (12) months unless:

(1) payment of the excise tax plus penalty as provided in this section is made,

(2) the sale is made to a person specified in division (1) or (2) of subparagraph c of this paragraph, or

(3) the vehicle is eligible for a salvage title.

For all other tax purposes vehicles herein exempted shall be treated as though the excise tax has been paid;

11. Any vehicle of the latest manufactured model, registered from a title in the name of the original manufacturer or assigned to the original manufacturer and issued by any state and transferred to a licensed, franchised Oklahoma motor vehicle dealer, as defined by

Section 1102 of Title 47 of the Oklahoma Statutes, which holds a franchise of the same line-make as the vehicle being registered;

12. Any new motor vehicle, registered in the name of a manufacturer or dealer of new motor vehicles, for which a license plate has been issued pursuant to Section 1116.1 of Title 47 of the Oklahoma Statutes, if such vehicle is authorized by the manufacturer or dealer for personal use by an individual. The authorization for such use shall not exceed four (4) months which shall not be renewed or the exemption provided by this subsection shall not be applicable. The exemption provided by this subsection shall not be applicable to a transfer of ownership or registration subsequent to the first registration of the vehicle by a manufacturer or dealer;

13. Any vehicle, travel trailer or commercial trailer of the latest manufacturer model purchased by a franchised Oklahoma dealer licensed to sell the same which holds a franchise of the same line-make as the vehicle, travel trailer or commercial trailer being registered;

14. Any vehicle which is the subject of a lease or lease-purchase agreement and which the ownership of such vehicle is being obtained by the lessee, if the vehicle excise tax was paid at the time of the initial lease or lease-purchase agreement; ~~or~~

15. Effective January 1, 1998, any vehicle which:

a. is purchased by a private, nonprofit organization which is exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which is primarily funded by a fraternal or civic service organization with at least one hundred local chapters or clubs, and

b. is designed and used to provide mobile health screening services to the general public at no cost to the recipient, and for which no reimbursement of any

kind is received from any health insurance provider, health maintenance organization or governmental program; or

16. Any all-terrain vehicle as defined in Section 1102 of Title 47 of the Oklahoma Statutes.

SECTION 9. Sections 3 through 8 of this act shall become effective July 1, 2000.

SECTION 10. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 8th day of March, 2000.

_____
President of the Senate

Passed the House of Representatives the ____ day of _____, 2000.

_____
Speaker of the House of Representatives