ENROLLED SENATE
BILL NO. 1120

By: Rabon of the Senate

and

Pope of the House

An Act relating to motor vehicles; amending 47 O.S. 2001, Sections 1102, as amended by Section 14, Chapter 22, O.S.L. 2002, 1105, as last amended by Section 4, Chapter 431, O.S.L. 2003, 1109, as amended by Section 2, Chapter 454, O.S.L. 2002, 1113, as last amended by Section 3 of Enrolled House Bill No. 1896 of the 2nd Session of the 49th Oklahoma Legislature, 1115, as amended by Section 2, Chapter 139, O.S.L. 2003, 1120, 1120.1, 1124.1, 1133.1 and 1140 (47 O.S. Supp. 2003, Sections 1102, 1105, 1109 and 1115), which relate to motor vehicle registration; modifying the definition of special mobilized machinery; modifying exception to certain title requirement; authorizing licensed motor vehicle dealers to reassign certain certificate of title under specified circumstances and providing for distribution of associated fee; providing exception to confidentiality of certain records and limiting exception; authorizing Oklahoma Tax Commission to charge fee for replacement license plate; modifying certain exemption; authorizing assessment of specified fee to process certain registration; clarifying language relating to payment of fees for rental motor vehicles; providing for the issuance of temporary permits for certain international registration plan accounts; deleting certain requirements with respect to registration of commercial vehicles; requiring motor license agents to pay certain costs and authorizing Oklahoma Tax Commission to waive such costs; authorizing Oklahoma Tax Commission to utilize motor license agents for specified duties and motor license agents to charge and receive fees for such duties; amending 63 O.S. 2001, Sections 4007, 4013 and 4021, as amended by Section 2, Chapter 374, O.S.L. 2002 (63 O.S. Supp. 2003, Section 4021), which relate to vessel and motor registration; expanding exceptions from confidentiality for certain boat and motor registration records; modifying procedures for removing a lien on boat and motor title; providing exemption from certain taxes and fees for boat and motor donated to nonprofit charitable organization; providing for codification; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1102, as amended by Section 14, Chapter 22, O.S.L. 2002 (47 O.S. Supp. 2003, Section 1102), is amended to read as follows:

Section 1102. As used in this act:

1. "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. "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. "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 the Oklahoma Vehicle License and Registration Act, asphaltic materials are also authorized for use in such surfacing and construction;

4. "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. "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. "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. "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. 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;

8. "Commission" or "Tax Commission" means the Oklahoma Tax Commission;

9. "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. "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. "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. "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. "Low-speed electrical vehicle" means any four-wheeled electrical vehicle that is powered by an electric motor that draws current from rechargeable storage batteries or other sources of electrical current and whose top speed is greater than twenty (20) miles per hour but not greater than twenty-five (25) miles per hour and is manufactured in compliance with the National Highway Traffic Safety Administration standards for low-speed vehicles in 49 C.F.R. 571.500;

14. "Manufactured home" means a residential dwelling built in accordance with the National Manufactured Housing Construction and Safety Standards Act of 1974, 42 U.S.C., Section 5401 et seq., and rules promulgated pursuant thereto and the rules promulgated by the Oklahoma Used Motor Vehicle and Parts Commission pursuant to Section 582 of this title;

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 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 the dealer’s 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;

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 the Oklahoma Vehicle License and Registration Act;

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;

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

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

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;

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;

22. "Remanufactured vehicle" means a vehicle which has been assembled by a vehicle remanufacturer using a new body and which may include original, reconditioned, or remanufactured parts, and which is not a salvage, rebuilt, or junked vehicle as defined by paragraphs 1, 2, and 5, respectively, of subsection A of Section 1105 of this title;

23. "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 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;

24. "Special mobilized machinery" means special purpose machines <u>or devices</u>, 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;

25. "State" means the State of Oklahoma;

26. "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;

27. "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;

28. "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 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 or her 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;

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

30. "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 other than a remanufactured vehicle, regardless of age, owned by any person who is not a dealer;

31. "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; and

32. "Vehicle remanufacturer" means a commercial entity which assembles remanufactured vehicles.

SECTION 2. AMENDATORY 47 O.S. 2001, Section 1105, as last amended by Section 4, Chapter 431, O.S.L. 2003 (47 O.S. Supp. 2003, Section 1105), is amended to read as follows:

Section 1105. A. As used in the Oklahoma Vehicle License and Registration Act:

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 <u>by anyone</u> in another state and engaged in interstate commerce, and except as provided in subsection M of this section. There shall be six types of certificates of title:

1. Original title for any motor vehicle which is not a remanufactured, 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;

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

6. Remanufactured title for any vehicle which is a remanufactured vehicle.

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 Tax 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 Tax 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 Tax 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 Tax 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 Tax Commission, containing:

a. a full description of the vehicle,

b. the manufacturer's serial or other identification number,

c. the motor number and the date on which first sold by the manufacturer or dealer to the owner,

d. any distinguishing marks,

e. a statement of the applicant's source of title,

f. any security interest upon the vehicle, and

g. such other information as the Tax 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 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 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 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 Tax Commission.

5. The certificate of title shall be of such size and design and color as the Tax Commission may direct pursuant to the provisions of this section. The title shall be on colored paper or other material as designated by the Tax 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, remanufactured 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, remanufactured title, or classic title shall be identified by the word "Original", "Rebuilt", “Remanufactured” 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 Tax 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 the vehicle, and

e. such other information as the Tax 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 Tax 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 Tax Commission. The Tax 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 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 Tax 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 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 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 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 Tax Commission or the motor license agent shall complete a lien entry form as prescribed by the Tax Commission. The owner of such vehicle shall file an affidavit with the Tax 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 Tax Commission and contain any other information deemed necessary by the Tax 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 Tax 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 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 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 Tax Commission. Absent evidence to the contrary, failure to notify the Tax 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 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 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 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). The remaining Two Dollars ($2.00) shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

The 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, if the vehicle identification number on the vehicle offered for sale at salvage pools, salvage disposal sales or a classic or antique auction does not match the number recorded on the ownership record, the inspection may be conducted at the location of or place of business of such sale or auction by any state, county or city law enforcement officer. The 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 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 Tax Commission of the name and any other identification information requested by the Tax Commission of the authorized person. A signature specimen of the authorized person shall be submitted to the 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 Tax Commission and return any remaining inspection forms to the 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 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.

N. A licensed motor vehicle dealer, upon payment of a fee of Fifteen Dollars ($15.00), may reassign an out-of-state certificate of title to a used motor vehicle provided such dealer obtains the appropriate inspection form required by either subsection L or M of this section and attaches the form to the out-of-state certificate of title. Motor license agents shall be allowed to retain Two Dollars and twenty-five cents ($2.25) of the fee plus an additional Two Dollars ($2.00) or Three Dollars ($3.00) as provided in subsections L and M of this section for performance of the inspection. Two Dollars ($2.00) of the fee shall be deposited in the Tax Commission Reimbursement Fund. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Tax 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 by an insurer because of theft shall be transferred to the insurer by a salvage title; provided, the ownership of any such vehicle which has been declared a total loss by an insurer licensed by the Oklahoma Insurance Department and maintaining a multi-state motor vehicle salvage processing center in this state shall be transferred to the insurer by a salvage title without the requirement of a visual inspection of the vehicle identification number by the insurer. Upon recovery of the vehicle, 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 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 Tax Commission for at least five (5) years from the date of cancellation of the certificate of title. The 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 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 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 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 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 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

Upon receipt of the certificate, the Tax Commission shall verify that any perfected lien upon the vehicle has been released. If the lien is not released, the Tax 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 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 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.

S. When registering for the first time in this state a remanufactured vehicle which has not been registered in any other state since its remanufacture, before issuing a certificate of title, the Tax Commission shall require the applicant to deliver a statement of origin from the remanufacturer.

SECTION 3. AMENDATORY 47 O.S. 2001, Section 1109, as amended by Section 2, Chapter 454, O.S.L. 2002 (47 O.S. Supp. 2003, Section 1109), is amended to read as follows:

Section 1109. A. All information contained in certificates of title, applications therefor, vehicle registration records and computer data files is hereby declared to be confidential information and shall not be copied by anyone or disclosed to anyone other than employees of the Oklahoma Tax Commission in the regular course of their employment, except as follows:

1. For use by any governmental agency, including but not limited to any court or law enforcement agency, in carrying out its functions, or any private person or entity acting on behalf of a

federal, state or local governmental agency in carrying out its functions. Information relating to motor vehicle insurance, including the insurer and insurance policy numbers, may be released to law enforcement officers investigating an accident pursuant to the provisions of Section 10-104 of this title;

2. For use by any motor vehicle manufacturer or an authorized representative thereof in connection with matters of motor vehicle or driver safety and theft, motor vehicle emissions, motor vehicle product alterations, recalls or advisories, performance monitoring of motor vehicles, motor vehicle parts and dealers, motor vehicle market research activities, including survey research, and removal of non-owner records from the original owner records of motor vehicle manufacturers. The confidentiality of the information shall be protected, as set out above, and used only for the purpose stated; provided, further, that the Tax Commission shall be authorized to review the use of and the measures employed to safeguard the information; and provided, further, that the manufacturer or representative shall bear the cost incurred by the Tax Commission in the production of the information requested. If the confidentiality provisions, as set out above, are violated, the provisions of subsection D of Section 205 of Title 68 of the Oklahoma Statutes shall apply and the privilege of obtaining information shall be terminated. Any manufacturer or representative violating the provisions of this paragraph, upon conviction, shall be punishable by a fine not to exceed Fifty Thousand Dollars ($50,000.00);

3. For use by any person compiling and publishing motor vehicle statistics, provided that such statistics do not disclose the names and addresses of individuals. Such information shall be provided upon payment of a fee as determined by the Tax Commission;

4. For use by a wrecker or towing service licensed pursuant to the provisions of Section 951 et seq. of this title for use in providing notice to the owners and secured parties of towed or impounded vehicles, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent;

5. For use by a legitimate business or its agents, employees, or contractors for use in the normal course of business, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent, but only:

a. to verify the accuracy of personal information submitted by the individual to whom the information pertains to the business or its agents, employees, or contractors, or

b. to obtain the correct information, if such information submitted by the individual to whom the information pertains to the business is not correct, or is no longer correct, but only for the purposes of preventing fraud by, pursuing legal remedies against, or recovering on a debt or security interest against the individual;

6. For use in connection with any civil, criminal, administrative or arbitral proceeding in any federal, state or local court or agency or before any self-regulatory body, including the service of process, investigation in anticipation of litigation, and the execution or enforcement of judgments and orders, or pursuant to an order of a federal, state or local court, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent;

7. For use by any insurer or insurance support organization, or by a self-insured entity, or its agents, employees, or contractors, in connection with claims investigation activities, anti-fraud activities, rating or underwriting, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent;

8. For use by any licensed private investigative agency or licensed security service for any purpose permitted under this subsection, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent;

9. For use by a requester, upon payment of a fee of One Dollar ($1.00) per vehicle record page to the Tax Commission or any motor license agent, if the requester demonstrates that it has obtained the written consent of the individual to whom the information pertains; ~~or~~

10. For use in connection with the operation of private toll transportation facilities; or

11. For furnishing the name and address of all commercial entities who have current registrations of any particular model of vehicle; provided, this exception shall not allow the release of personal information pursuant to the provisions of the Driver's Privacy Protection Act, 18 U.S.C., Sections 2721 through 2725.

As used in this section, the term "vehicle record page" means a computer-generated printout of the motor vehicle inquiry screen. Information provided on the motor vehicle inquiry screen printout shall include the current vehicle owner name and address, vehicle make, model and year, identifying numbers for the vehicle license plate, certificate of title and vehicle identification number, relevant dates relating to the vehicle registration and certificate of title, and lien status.

B. In addition to the information provided on the vehicle record page, the Tax Commission may, upon written request, release to any requester authorized by the provisions of this section to obtain individual motor vehicle information, corresponding copies of vehicle certificates of title, applications therefor, vehicle registration records and computer data files.

There shall be an informational search and retrieval fee of Five Dollars ($5.00) per vehicle for such computerized record copies. If the Tax Commission does a manual search and retrieval, the fee for document record copies shall be Seven Dollars and fifty cents

($7.50) per vehicle. Certified copies of vehicle certificates of title and applications therefor shall be included within the informational search and retrieval by the Tax Commission for a fee of Ten Dollars ($10.00). Such duly certified copies may be received in evidence with the same effect as the original when the original is not in the possession or under the control of the party desiring to use the same.

C. Requesters authorized by this section to receive motor vehicle information shall submit to the Tax Commission or motor license agent an affidavit supported by such documentation as the Tax Commission may require, on a form prescribed by the Tax Commission certifying that the information is requested for a lawful and legitimate purpose and will not be further disseminated.

D. Notwithstanding the foregoing, the Tax Commission may allow the release of information from its motor vehicle records upon magnetic tape consisting only of the following information:

1. The date of the certificate of title;

2. The certificate of title number;

3. The type of title issued for the vehicle;

4. The odometer reading from the certificate of title;

5. The year in which the vehicle was manufactured;

6. The vehicle identification number for the vehicle;

7. The make of the vehicle; and

8. The location in which the vehicle is registered.

The Tax Commission shall allow the release of such information upon payment of a fee to be determined by the Tax Commission. The information released as authorized by this subsection may only be used for purposes of detecting odometer rollback or odometer tampering, for determining the issuance in this state or any other state of salvage or rebuilt titles for vehicles or for determining whether a vehicle has been reported stolen in this state or any other state.

E. Notwithstanding the provisions of this section or of Section 205 of Title 68 of the Oklahoma Statutes, the Tax Commission may inform a secured party that taxes and fees are delinquent with respect to a vehicle upon which the secured party has a perfected lien.

F. Fees received by a motor license agent pursuant to the provisions of this section shall not be included in the maximum sum that may be retained by motor license agents as compensation pursuant to the provisions of Section 1143 of this title.

G. All funds collected by the Tax Commission pursuant to the provisions of this section shall be deposited in the Oklahoma Tax Commission Revolving Fund.

H. It is further provided that the provisions of this section shall be strictly interpreted and shall not be construed as permitting the disclosure of any other information contained in the files and records of the Tax Commission.

I. It shall be unlawful for any person to commit any of the following acts:

1. To knowingly obtain or disclose personal information from a motor vehicle record for any use not expressly permitted by this section; or

2. To make false representation to obtain any personal information from an individual's motor vehicle record.

Any violation of the provisions of this section shall constitute a misdemeanor and shall be punishable by the imposition of a fine not exceeding One Thousand Dollars ($1,000.00), or by imprisonment in the county jail for a term not exceeding one (1) year, or by both such fine and imprisonment. Where applicable, a person convicted of a violation of the provisions of this section shall be removed or dismissed from office or state employment. No liability whatsoever, civil or criminal, shall attach to any member or employee of the Tax Commission for any error or omission in the disclosure of such information.

SECTION 4. AMENDATORY 47 O.S. 2001, Section 1113, as last amended by Section 3 of Enrolled House Bill No. 1896 of the 2nd Session of the 49th Oklahoma Legislature, 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~~ and a yearly decal ~~for the year that a license plate is not issued~~. For each subsequent registration year, the Tax Commission shall issue a yearly decal to be affixed to the license plate. 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. If the owner applies for a replacement license plate, the Tax Commission shall charge the fee provided for in Section 1114 of this title. 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 in this state, regardless of where such vehicle is registered, 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. Provided, if the registrant submits its application through electronic means, such qualified owners of one hundred or more commercial motor vehicles, properly registered pursuant to the provisions of Section 1133 of this title, may elect to receive a permanent certificate of registration that shall be carried at all times in the vehicle for which it is issued.

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 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; and

6. 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. The temporary dealer license plate or the metal license plate shall be displayed on the manufactured home at all times when upon a public roadway; provided, a repossession affidavit issued pursuant to Sections 1110 and 1126 of this title shall be permissible in lieu of a current license plate and decal for the purposes of removing a repossessed manufactured home to a secure location. Manufactured homes previously registered and subject to ad valorem taxation as provided by law shall have a decal affixed at the time ad valorem taxes are paid for such manufactured home; provided, for a manufactured home permanently affixed to real estate, no decal or license plate shall be required to be affixed and the owner thereof shall be given a receipt upon payment of ad valorem taxes due on the home. The Tax Commission shall make sufficient plates and decals available to the various motor license agents of the state in order for an owner of a manufactured home to acquire the plate or decal. A One Dollar ($1.00) fee shall be charged for issuance of any plate or decal. 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 5. AMENDATORY 47 O.S. 2001, Section 1115, as amended by Section 2, Chapter 139, O.S.L. 2003 (47 O.S. Supp. 2003, 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, 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. Any person who purchases such vehicle or manufactured home 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, 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. 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.

3. Applicants seeking to establish Oklahoma as the base jurisdiction for registering apportioned fleet vehicles 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.

4. Effective January 1, 2004, all motorcycles and mopeds shall be registered on a staggered system of registration. The Oklahoma Tax Commission shall notify in writing, prior to December 1, 2003, all owners of motorcycles or mopeds registered as of such date, who shall have a one-time option of registering for a period of not less than three (3) months 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. All motorcycles and mopeds registered pursuant to new applications received on or after December 1, 2003, shall also be registered pursuant to the provisions of this paragraph.

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 (2) 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 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.

G. If a vehicle is donated to a nonprofit charitable organization ~~which organization will transfer such donated vehicle to a current or potential recipient of Temporary Assistance to Needy Families as determined by the Department of Human Services and which vehicle will be used primarily for transportation for job-related or work-related activities by such recipient~~, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax, ~~title or~~ transfer fees, and penalties and interest.

~~H. If a vehicle is donated to a nonprofit charitable organization other than as provided in subsection G of this section, the person donating the vehicle and the nonprofit charitable organization receiving the donated vehicle shall be exempt from paying any registration fees, excise tax, title or transfer fees, and penalties and interest due from previous years if such fees, taxes, penalties and interest are more than one (1) year past due and the vehicle is not currently registered.~~ However, after the donation, if the person donating the vehicle, or someone on behalf of such person, purchases the same vehicle back from the nonprofit charitable organization to which the vehicle was donated, such person shall be liable for all current and past-due registration fees, excise tax, title or transfer fees, and penalties and interest on such vehicle.

SECTION 6. AMENDATORY 47 O.S. 2001, Section 1120, is amended to read as follows:

Section 1120. A. The Oklahoma Tax Commission may, when in the interest of the State of Oklahoma and its residents, enter into the International Registration Plan or other compacts or agreements with other states to permit motor vehicle registration and license taxes

on any truck, bus, or truck-tractor on a proportional basis commensurate with the use of Oklahoma highways. Proportional registration under such plans may be permitted for vehicles engaged in interstate commerce or combined interstate and intrastate commerce.

B. The Tax Commission shall require that such proportional registration be based on the percentage of miles actually operated by such vehicles or fleets of vehicles in the State of Oklahoma in the preceding year in proportion to the total fleet miles operated both within and without Oklahoma. If mileage data is not available for the preceding fiscal year, the Tax Commission may accept the latest twelve-month period available. Such percentage figure, so determined by the Tax Commission, shall be the Oklahoma mileage factor. In computing the taxes under the foregoing formula, the Tax Commission shall first compute the license fees for the entire fleet and then multiply the amount by the Oklahoma mileage factor on a dollar basis.

C. Upon receipt of the Oklahoma license and registration tax, which shall be paid by cash and/or certified funds, as computed under the provisions of the Oklahoma Vehicle License and Registration Act, the Tax Commission shall register all such fleet vehicles, and shall issue a license plate or decal for each of such vehicles identifying it as part of an interstate fleet. The Tax Commission may, upon satisfactory review of the payment history of an applicant, waive the requirement for payment in cash or certified funds.

D. Vehicles so registered on a prorated basis shall be considered fully licensed in Oklahoma and shall be exempt from all further registration or license fees under the provisions of the Oklahoma Vehicle License and Registration Act; provided that such fleet vehicles are proportionally licensed in some other state, territory or possession of the United States or some foreign province, state or country with which the Tax Commission has entered into a prorationing compact or agreement.

If a vehicle is permanently withdrawn from a proportionally registered fleet and a replacement vehicle is added to the fleet in the same calendar quarter, the replacement vehicle shall be considered fully registered as provided in Section 1133 of this title and Section 14-109 of this title, if the replacement vehicle is registered for a weight equal to or less than the vehicle permanently withdrawn, or if additional registration fees are paid when the replacement vehicle is registered for a weight greater than the vehicle withdrawn. If a vehicle is permanently withdrawn from a proportionally registered fleet and is not replaced by another vehicle in the same calendar quarter, credit shall be allowed as otherwise provided in this section.

E. Vehicles subsequently added to a proportionally registered fleet after commencement of the registration year shall be proportionally registered by applying the mileage percentage used in the original application for such fleet for such registration period to the regular registration fees due with respect to such vehicle for the remainder of the registration year.

F. If a vehicle is permanently withdrawn from a proportionally registered fleet because it has been destroyed, sold or otherwise completely removed from service, credit shall be allowed. Such credit shall be a sum equal to the amount paid with respect to such vehicle when it was first proportionally registered in the registration year, reduced by one-fourth (1/4) for each calendar quarter or fraction thereof elapsing since the beginning of the registration year. The credit may be applied against subsequent additions to the fleet to be prorated or for other additional registration fees assessed. In no event shall credit be allowed for fees beyond such registration year, nor shall any such amount be subject to refund. Provided, further, that vehicles removed from a prorated fleet or sold to a nonprorated fleet for operation in Oklahoma shall be registered in Oklahoma for the remaining portion of the year.

G. Mileage proportions for interstate fleets not operated in this state during the preceding year will be determined by the Tax Commission on the basis of the operations of the fleet the preceding year in other states plus the estimated operation in Oklahoma, or, if no operations were conducted the previous year, a full statement of the proposed method of operation. In the absence of a full statement of the proposed method of operation, the Tax Commission shall require the applicant to utilize an estimated mileage chart provided by the Tax Commission.

H. The records of total mileage operated in all states upon which the application is made for a period of three (3) years following the year upon which the application is based shall be preserved. Upon request of the Tax Commission, such records shall be made available for audit as to accuracy of computation and payments. The Tax Commission may enter into agreements with agencies of other states administering motor vehicle registration laws for joint audits of any such records.

I. The Tax Commission may enter into compacts or agreements with other states or other countries or subdivisions of such countries allowing reciprocal privileges to vehicles based in such other states and operating in interstate commerce if the vehicles are properly registered therein.

J. Interchanged vehicles properly registered in another state may be granted reciprocal privileges when engaged in a continuous movement in interstate commerce, but must register in this state if used in intrastate commerce.

K. In addition to those taxes or fees imposed by the Oklahoma Vehicle License and Registration Act, the same or substantially the same type or category of tax or fee may be imposed upon an out-of-state resident as is imposed upon residents of Oklahoma for the same or substantially similar use of a vehicle in such other state in the amount, or approximate total amount, of any fee or tax, including property, motor fuel, excise, sales, use or mileage tax required by the laws of such other state to be paid by a resident of this state making the same or similar use of a like vehicle in such state.

The Tax Commission shall have the authority to promulgate rules which provide procedures for implementation of comparable regulatory fees and taxes for vehicles used in this state by residents of other states.

Any revenue derived from this subsection shall be apportioned in the same manner as provided in Section 1104 of this title.

It is the intention of the Legislature that the motor vehicle registration and licensing fees assessed against residents of other states operating similar vehicles in Oklahoma be comparably the same as the motor vehicle registration and licensing fees assessed against residents of Oklahoma operating a similar vehicle for a similar purpose in such other state; and that the Tax Commission diligently monitor the motor vehicle registration and licensing fees assessed against residents of Oklahoma by other states and to provide for uniform treatment of Oklahoma residents operating vehicles in other states and for residents of other states operating vehicles in Oklahoma.

L. The provisions of this section shall not apply to tour bus operations issued permits pursuant to Section 1171 of this title.

M. Until December 1, 2000, the Tax Commission may allow fleet vehicles to be registered on a staggered system, on a quarterly basis, if the registrant submits its application through electronic means. Effective December 1, 2000, applicants registering fleet vehicles through electronic means may choose their initial monthly period of registration.

N. The Tax Commission shall assess a fee of Three Dollars ($3.00) to process an amended registration filed under the International Registration Plan to add a jurisdiction to an existing registration under the Plan. The collection and payment of the fee shall be a prerequisite to amending the registration. All revenue derived under this subsection shall be apportioned and distributed by the Tax Commission as provided for in Section 1104 of this title.

SECTION 7. AMENDATORY 47 O.S. 2001, Section 1120.1, is amended to read as follows:

Section 1120.1 A. The Oklahoma Tax Commission, when in the interest of the State of Oklahoma and its residents, may enter into the International Registration Plan or other compacts or agreements with other states to permit motor vehicle registration and license taxes on any motor vehicle to be used as a rental motor vehicle as defined in the International Registration Plan.

B. The Tax Commission shall require that each rental motor vehicle be assessed the following registration fees in lieu of the fee schedule set forth in Section 1132 of this title:

1. A ~~registration~~ fee of Fifteen Dollars ($15.00) shall be assessed ~~at the time of initial~~ for the first year of registration in ~~lieu of the fee required by paragraph 1 of subsection A of Section 1132 of Title 47 of the Oklahoma Statutes~~ this or any other state; and

2. A fee~~, to be paid annually in lieu of the fee specified in paragraph 2 of subsection A of Section 1132 of Title 47 of the Oklahoma Statutes~~ of Ten Dollars ($10.00) shall be assessed in the first year and each subsequent year of registration in this or any other state.

C. Upon registration and payment of the fees required by this section, the owner shall receive a license plate which shall be valid until the vehicle is permanently withdrawn from the rental fleet of the owner.

SECTION 8. AMENDATORY 47 O.S. 2001, Section 1124.1, is amended to read as follows:

Section 1124.1 The Oklahoma Tax Commission is authorized to issue temporary permits or authorization for any vehicle to be proportionally registered in this state or which is currently proportionally registered in this state under the provisions of the International Registration Plan. Temporary permits may be issued for adding vehicles or jurisdictions to established accounts in good standing. New accounts may be issued temporary permits only after all fees are paid. Such temporary permit or authorization shall authorize a vehicle to be driven on the public roads of this state pending completion by the Tax Commission of an application for proportional registration of such vehicle. The temporary permit or authorization shall be recognized in lieu of registration in this state. The temporary permit or authorization shall clearly indicate the time and date of issuance, the reason for the issuance, and the date of expiration, which shall be forty-five (45) days, including the day of issuance. The Tax Commission may enter into reciprocal agreements with other states for recognition of temporary permits or authorizations.

The Tax Commission may assign the temporary permits or authorization to owners or operators of vehicles subject to proportional registration and such owners or operators may issue the temporary permits or authorization as needed for the operation of vehicles that will be operated as a fleet of proportionally registered vehicles. Owners or operators shall be accountable for all temporary permits or authorization assigned to them by the Tax Commission and shall be subject to audit by the Tax Commission.

The Tax Commission may enter into an agreement with any person located within or without the state for the distribution and issuance of temporary permits or authorizations for any vehicle which is currently proportionally registered in this state under the provisions of the International Registration Plan when the Tax Commission determines that such agreement is in the best interest of the state. Any such person or corporation shall be accountable for all temporary permits or authorizations assigned to them by the Tax Commission and shall be subject to audit by the Tax Commission.

The phrase "currently proportionally registered", as used in this section, shall be defined as any prorate account for which a properly completed original application has been received by the Tax

Commission and all corresponding and assessed fees have been paid in full.

Self-issue temporary permits or authorizations may be issued to a maximum of twenty-five percent (25%) of the size of the ~~registrants~~ registrant's fleet, and any registrant with a fleet of less than six vehicles may be assigned one self-issue permit.

An application shall be filed with the Motor Vehicle Division within fifteen (15) days to proportionally register any vehicle for which a temporary permit or authorization has been issued.

Any owner, operator or person that has entered into such an agreement with the Tax Commission, that is unable to produce, or refuses to produce, upon request by the Tax Commission, any unissued temporary permit or authorization assigned to such entity, shall be subject to the following penalty:

A fee of One Hundred Eighty Dollars ($180.00) which is an amount equal to the fee for the number of seventy-two-hour temporary permits, provided for in Section 1124 of this title, that would be required for the operation of a vehicle for a forty-five-day period.

If, as the result of an audit, it is determined that any owner, operator or person that has entered into such an agreement with the Tax Commission has used temporary permits or authorizations to avoid payment of proportional registration fees, all remaining unissued temporary permits or authorizations in the possession of such owner, operator or person that has entered into such an agreement with the Tax Commission shall be returned to the Tax Commission, and the Tax Commission may deny further use of temporary permits or authorizations by such owner, operator or person that has entered into such an agreement with the Tax Commission for a minimum period of six (6) months.

SECTION 9. AMENDATORY 47 O.S. 2001, Section 1133.1, is amended to read as follows:

Section 1133.1 A. Any vehicle, including a station wagon as defined in paragraph ~~24~~ 26 of Section 1102 of this title, which has a combined laden weight of eight thousand (8,000) pounds or less and is used primarily for business or commercial purposes may be registered, pursuant to Section 1133 of this title, as a commercial vehicle having a combined laden weight over eight thousand (8,000) pounds and less than fifteen thousand and one (15,001) pounds. ~~The registration application shall state that such vehicle or station wagon is used for business or commercial purposes.~~ Such vehicles or station wagons registered pursuant to this section shall be assessed the license fees for such commercial vehicle pursuant to Section 1133 of this title.

B. ~~Any person claiming the right to register a vehicle or station wagon pursuant to subsection A of this section shall sign an affidavit attesting to the fact that such person conducts a business or commercial enterprise or is employed by a person conducting a business or commercial enterprise that uses the vehicle or station wagon primarily for the use of that business or commercial~~

~~enterprise. Any person who signs the affidavit as required by this subsection when such person does not believe the information in the affidavit is true or knows that it is not true, upon conviction, shall be guilty of perjury and shall be punished as provided for by law.~~

~~C.~~ Upon initial registration by a person of a vehicle or station wagon pursuant to the provisions of this section, and upon transfer of ownership of any such vehicle or station wagon, any person claiming the right to register a vehicle or station wagon pursuant to subsection A of this section shall make further proof that the person does in fact conduct a business or commercial enterprise or is employed by a person conducting a business or commercial enterprise that uses the vehicle or station wagon primarily for the use of that business or commercial enterprise by presenting a permit to do business pursuant to Section 1364 of Title 68 of the Oklahoma Statutes or a Federal Employers Identification Number or, if a sole proprietor, a copy of Schedule C from their most recent federal income tax return. ~~Any person claiming the right to re-register a vehicle or station wagon identified by the words "Commercial Vehicle" pursuant to subsection D of this section shall offer the same proof required by this subsection for initial registration or transfer of ownership. Such proof shall not be necessary if the name of the business or commercial enterprise is permanently and prominently displayed upon the outside of said vehicle or station wagon.~~

~~D.~~ C. The failure of any owner of a vehicle or station wagon to properly label the vehicle or station wagon or to properly utilize the vehicle or station wagon for the purposes required by this section shall result in the issuance of a new license plate at the rate specified in Section 1132 of this title and in addition a penalty of fifty percent (50%) of the cost of such license shall be assessed against the owner.

~~E.~~ D. In addition to the requirements of Section 1133 of this title, any commercial vehicle having a combined laden weight over eight thousand (8,000) pounds and less than fifteen thousand and one (15,001) pounds shall be subject to the requirements of this section.

SECTION 10. AMENDATORY 47 O.S. 2001, Section 1140, is amended to read as follows:

Section 1140. A. In municipalities having a population in excess of eight thousand five hundred (8,500) located in a county having a population in excess of one hundred thirty thousand (130,000), according to the latest Federal Decennial Census, the Oklahoma Tax Commission shall adopt, not later than sixty (60) days after the effective date of this act, rules and regulations prescribing minimum qualifications and requirements for locating motor license agencies and for persons applying for appointment as a motor license agent. Such qualifications and requirements shall include, but not be limited to, the following:

1. Necessary job skills and experience;

2. Minimum office hours;

3. Provision for sufficient staffing, equipment, office space and parking to provide maximum efficiency and maximum convenience to the public;

4. Obtainment of a faithful performance surety bond as provided for by law;

5. Operation of a motor license agency shall be the primary source of income for said agent;

6. That the applicant has not been convicted of a felony and that no felony charges are pending against the applicant;

7. That a complete financial statement be submitted by the applicant on forms provided by the ~~Oklahoma~~ Tax Commission;

8. That a report of the applicant's credit history be obtained through the appropriate credit bureau;

9. That the location specified in the application for appointment as a motor license agent not be owned by a member of the Oklahoma Legislature or any person related to a member of the Oklahoma Legislature within the third degree by consanguinity or affinity and that the location not be within a three-mile radius of an existing motor license agency unless the applicant is assuming the location of an operating agency; and

10. After the necessary information has been forwarded to the ~~Oklahoma~~ Tax Commission, each applicant shall be interviewed by the ~~Oklahoma~~ Tax Commission or its designees and each item of information shall be reviewed.

The qualifications and requirements specified in paragraphs 1 through 10 of this subsection shall apply only to persons making application to be appointed as motor license agents on or after the effective date of this act.

Any person making application to the ~~Oklahoma~~ Tax Commission for the purpose of becoming a motor license agent shall pay when submitting the application, a nonrefundable application fee of One Hundred Dollars ($100.00). All such application fees shall be deposited in the Oklahoma Tax Commission Revolving Fund.

Upon application by a person to serve as a motor license agent, in such counties, the Tax Commission shall make a determination whether such person and such location meets the qualifications and requirements prescribed herein and, if such be the case, shall appoint such person to serve as a motor license agent.

A motor license agent, appointed pursuant to this subsection shall be permitted to operate a motor license agency at a single location and shall be prohibited from operating subagencies or branch agencies, unless such subagencies or branch agencies were established prior to June 1, 1985.

Unless otherwise specifically provided, motor license agents appointed pursuant to this subsection shall be subject to all laws relating to motor license agents and shall be subject to removal at the will of the Tax Commission.

B. In all other counties of this state and in municipalities having a population of less than eight thousand five hundred (8,500) located in a county having a population in excess of one hundred thirty thousand (130,000), according to the latest Federal Decennial Census, the Tax Commission shall appoint as many motor license agents as it deems necessary to carry out the provisions of the Motor Vehicle License and Registration Act. Provided, that in counties with a population in excess of twenty-five thousand (25,000), according to the latest Federal Decennial Census, having only one motor license agent serving said county, the Tax Commission shall establish at least one additional agency to serve said county.

Such agents shall be self-employed independent contractors, and all agents shall be under the supervision of the Tax Commission. Any such agent, upon being appointed, shall furnish and file with the Tax Commission a bond in such amount as may be fixed by said Tax Commission. Such agent shall be removable at the will of the Tax Commission. Such agent shall perform all duties and do such things in the administration of the laws of this state as shall be enjoined upon and required of him by the Tax Commission. Provided that, the Tax Commission may operate a motor license agency in any county where a vacancy occurs.

C. In the event of a vacancy existing by reason of resignation, removal, death or otherwise, in the position of any motor license agent, the Tax Commission is hereby empowered and authorized to take any and all actions it deems appropriate in order to provide for the orderly transition and for the maintenance of operations of the motor license agency including, but not limited to, the designation of one of its regular employees to serve as "acting agent" without bond, and to receive and expend all fees or charges authorized or provided by law and exercise the same powers and authority as a regularly appointed motor license agent. Said acting agent may be authorized by the Tax Commission equally as the preceding agent to make disbursements from any balances in the preceding motor license agent's operating account and the agent's operating funds for the payment of expenses of operations and salaries and other overhead. If such funds are insufficient, the Tax Commission is authorized to expend from funds appropriated for the operation of the Tax Commission such amounts as are necessary to maintain and continue the operation of any such motor license agency until a successor agent is appointed and qualified. The Tax Commission may require a blanket fiduciary bond of the agency employees.

D. Any motor license agency operated by a motor license agent who has been charged with a felony shall be closed immediately. The State Auditor and Inspector shall immediately conduct an audit of such motor license agency and forward the report of the audit to the Tax Commission for review. The Tax Commission shall determine whether the motor license agency shall be reopened and operated by the motor license agent or whether the agency shall be reopened and operated by the Tax Commission. The review of the audit and the Tax

Commission determination shall be effected as soon as possible to prevent additional inconvenience to the public.

E. When an application for registration is made with the Tax Commission or a motor license agent, a registration fee of One Dollar and seventy-five cents ($1.75) shall be collected for each license plate or decal issued. Such fees shall be in addition to the registration fees on motor vehicles and when an application for registration is made to the motor license agent such motor license agent shall retain One Dollar and twenty-five cents ($1.25) and such retained amounts shall be distributed as provided for other such fees retained by a motor license agent and the remaining fifty cents ($0.50) shall be remitted to the Tax Commission to be distributed according to the provisions of Section 1104 of this title.

It is provided further that, when applications are made to the motor license agent in transactions involving issuance of title and the payment of excise taxes as required by law, the motor license agent shall receive four percent (4%) of the excise tax as provided for in Section 2102 of Title 68 of the Oklahoma Statutes and such fees shall be used for operating expenses as herein defined, and the excess funds are to be deposited in school general funds as provided by law for other motor license agent fees. When the fee is paid by a person making his application directly with the Tax Commission, said registration fees shall be in the same amount as provided for motor license agents and One Dollar and twenty-five cents ($1.25) of such fees shall be deposited in the Oklahoma Tax Commission Revolving Fund and fifty cents ($0.50) of such fees shall be apportioned according to the provisions of Section 1104 of this title. The Tax Commission shall prepare schedules of registration fees and charges for titles which shall include the fees for such agents and all fees and charges paid by a person shall be listed separately on the application and registration and totaled on the application and registration. The motor license agents shall charge only such fees as are specifically provided for by law, and all such authorized fees shall be posted in such a manner that any person shall have notice of all fees that are imposed by law.

F. Beginning on the effective date of this act, no person shall be appointed as a motor license agent unless the person has attested under oath that the person is not related by affinity or consanguinity within the third degree to:

1. Any member of the Oklahoma Legislature;

2. Any person who has served as a member of the Oklahoma Legislature within the two-year period preceding the date of appointment as motor license agent; or

3. Any employee of the ~~Oklahoma~~ Tax Commission.

G. Any motor license agent appointed under the provisions of this title shall be responsible for all costs incurred by the Tax Commission when relocating an existing motor license agency. The Tax Commission may waive payment of such costs in case of unforeseen business or emergency conditions beyond the control of the agent.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1143.2 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. In addition to the duties and functions authorized to be performed by motor license agents pursuant to the provisions of the Oklahoma Vehicle License and Registration Act, the Oklahoma Tax Commission is authorized to utilize motor license agents to perform the following duties:

1. Process, receive, and issue permits, licenses, and registration relating to any tax which is payable to, collectible by, or administered by the Tax Commission;

2. Accept documents, reports, or returns required to be filed with the Tax Commission and accept payment of remittances required to be made to the Tax Commission as provided by the tax laws of this state;

3. Provide information regarding the status of any permit or license issued by the Tax Commission, or the franchise tax status of any corporation, upon written request and subject to the provisions of Section 205 of Title 68 of the Oklahoma Statutes and any other provision of law relating to the confidentiality of records or information; and

4. Perform any other duties specified by the Tax Commission relating to the enforcement or administration of any state tax law.

B. Any permit, license, or registration issued by a motor license agent, and any document, report, return, or remittance accepted by a motor license agent, pursuant to the provisions of subsection A of this section, shall be deemed on the date of such issuance or acceptance to have been issued or accepted by the Tax Commission.

C. In addition to the amounts authorized to be retained by motor license agents pursuant to the provisions of Section 1141.1 of Title 47 of the Oklahoma Statutes, motor license agents shall be entitled to charge and receive fees for duties performed pursuant to the provisions of this section as provided by law.

SECTION 12. AMENDATORY 63 O.S. 2001, Section 4007, is amended to read as follows:

Section 4007. A. Except as otherwise provided by this section, all information contained in the certificate of title or the registration of any vessel or motor shall be confidential and privileged, subject only to disclosure to the following:

1. Any duly authorized peace officer of this state in the regular course of ~~his~~ the peace officer's duties;

2. Any official person or body of any other state or of the United States, when required in their governmental functions; ~~and~~

3. Any person or firm, when the Oklahoma Tax Commission is satisfied the request for information is reasonable and is related primarily to boating safety; and

4. Any filer of a mechanics, storage or abandoned vessel possessory lien under the applicable provisions of Sections 91 through 200 of Title 42, Section 908 of Title 47 or Section 4217.4 of Title 63 of the Oklahoma Statutes, when such information is required to fulfill the notification requirements contained therein.

B. The Tax Commission or a motor license agent may furnish the holder of a security interest in a specific vessel or motor upon payment of the fee specified by Section 4014 of this title, a copy or certified copy of the certificate of title or registration information for such vessel.

SECTION 13. AMENDATORY 63 O.S. 2001, Section 4013, is amended to read as follows:

Section 4013. A. 1. Except for a security interest in vessels or motors held by a dealer for sale or lease, a security interest, as defined in paragraph (37) of Section 1-201 of Title 12A of the Oklahoma Statutes, in a vessel or motor as to which a certificate of title may be properly issued by the Oklahoma Tax Commission shall be perfected only when a lien entry form prescribed by the Tax Commission, and the existing certificate of title, if any, or application for a certificate of title and manufacturer's certificate of origin or other identification number containing the name and address of the secured party and the date of the security agreement and the required fee are delivered to the Tax Commission or to a motor license agent. The filing and duration of perfection of a security interest, pursuant to the provisions of Title 12A of the Oklahoma Statutes, including, but not limited to, Section 1-9-311 of Title 12A of the Oklahoma Statutes, shall not be applicable to perfection of security interests in vessels or motors as to which a certificate of title may be properly issued by the Tax Commission, except as to vessels or motors held by a dealer for sale or lease and except as provided in subsection D of this section. In all other respects Title 12A of the Oklahoma Statutes shall be applicable to such security interests in vessels or motors as to which a certificate of title may be properly issued by the Tax Commission.

2. Whenever a person creates a security interest in a vessel or motor, such person shall surrender to the secured party the certificate of title or the signed application for a new certificate of title, on the form prescribed by the Tax Commission, and the manufacturer's certificate of origin or other identification number. The secured party shall deliver the lien entry form and the required lien filing fee within ~~twenty (20)~~ twenty-five (25) calendar days as provided hereafter with certificate of title or the application for certificate of title, and the manufacturer's certificate of origin or other identification number to the Tax Commission or to a motor license agent. Perfection of the security interest shall begin from the date of the delivery to the Tax Commission or to a motor license agent of (i) the lien entry form, (ii) the lien filing fee, and (iii) the certificate of title or application for certificate of

title and the manufacturer’s certificate of origin or other identification number. When a vessel or motor title is presented to a motor license agent for transfer or registration and the documents reflect a lienholder, the motor license agent shall perfect the lien as provided for in subsection G of Section 1105 of Title 47 of the Oklahoma Statutes.

3. Upon the receipt of the lien entry form and the required fees with either the certificate of title or an application for certificate of title and manufacturer's certificate of origin or other identification number, a motor license agent shall, by placement of a clearly distinguishing mark, record the date and number shown in a conspicuous place, on each of these instruments.

4. The certificate of title or the application for certificate of title and manufacturer's certificate of origin or other identification number with the record of the date of receipt clearly marked thereon shall be returned to the debtor together with a notice that the debtor is required to register and pay all additional fees and taxes due within thirty (30) calendar days from the date of purchase of said vessel or motor.

5. Any person creating a security interest in a vessel or motor that has been previously registered in the debtor's name and on which all taxes due the state have been paid shall surrender the certificate of ownership to the secured party. The secured party shall have the duty to record the security interest as provided in this section and shall, at the same time, obtain a new certificate of title which shall show the secured interest on the face of such certificate of title.

6. The lien entry form with the date and assigned number thereof clearly marked thereon shall be returned to the secured party. If the lien entry form is received and authenticated, as herein provided, by a motor license agent, such agent shall make a report thereof to the Tax Commission upon the forms and in the manner as may be prescribed by the Tax Commission.

7. The Tax Commission shall have the duty to record the lien upon the face of the certificate of title issued at the time of registering and paying all fees and taxes due on such vessel or motor.

B. 1. A secured party shall, within seven (7) business days after the satisfaction of such security interest, furnish directly or by mail a release of a security interest to the Tax Commission and mail a copy thereof to the last-known address of the debtor. If the security interest has been satisfied by payment from a licensed used boat dealer to whom the used vessel or motor has been transferred, the secured party shall also, within seven (7) business days after such satisfaction, mail a certified copy of copy number one of the release of security interest to such dealer. If the secured party fails to furnish such release as herein required, the secured party shall be liable to the debtor for a penalty of One Hundred Dollars ($100.00) and, in addition, any loss caused to the debtor by such failure.

2. Upon release of a security interest the owner may obtain a new certificate of title omitting reference to the security interest, by submitting to the Tax Commission or to a motor license agent:

a. a release signed by the secured party, an application for new certificate of title and the proper fees, or

b. by submitting to the Tax Commission or the motor license agent an affidavit, supported by such documentation as the Tax Commission may require, by the owner on a form prescribed by the Tax Commission stating that the security interest has been satisfied and stating the reasons why a release cannot be obtained, an application for a new certificate of title and the proper fees.

Upon receiving such affidavit that the security interest has been satisfied, the Tax Commission shall issue a new certificate of title eliminating the satisfied security interest and the name and address of the secured parties who have been paid and satisfied. The Tax Commission shall accept a release of a security interest in any form that identifies the debtor, the secured party, and the vessel or motor and contains the signature of the secured party. The Tax Commission shall not require any particular form for the release of a security interest.

The words "security interest" when used in the Oklahoma Vessel and Motor Registration Act~~, Section 4002 et seq. of this title,~~ do not include liens dependent upon possession.

C. The Tax Commission shall file and index certificates of title so that at all times it will be possible to trace a certificate of title to the vessel or motor designated therein, identify the lien entry form, and the names and addresses of secured parties, or their assignees, so that all or any part of such information may be made readily available to those who make legitimate inquiry of the Tax Commission as to the existence or nonexistence of security interest in the vessel or motor.

D. 1. Any security interest in a vessel or motor properly perfected prior to January 1, 1990, may be continued as to its effectiveness or duration as provided by ~~subsection (3) of Section 9-401 and subsection (3) of Section 9-403~~ Section 1-9-515 of Title 12A of the Oklahoma Statutes, or may be terminated, assigned or released as provided by Sections ~~9-404, 9-405 and 9-406~~ 1-9-513 and 1-9-514 of Title 12A of the Oklahoma Statutes, as fully as if this section had not been enacted, or, at the option of the secured party, may also be perfected under this section, and, if so perfected, the time of perfection under this section shall be the date said security interest was originally perfected under the prior law.

2. Upon request of the secured party, the debtor or any other holder of the certificate of title shall surrender said certificate of title to the secured party and shall do such other acts as may be required to perfect said security interest under this section.

SECTION 14. AMENDATORY 63 O.S. 2001, Section 4021, as amended by Section 2, Chapter 374, O.S.L. 2002 (63 O.S. Supp. 2003, Section 4021), is amended to read as follows:

Section 4021. A. The application required for the initial and annual registration of a vessel or a motor shall be accompanied by payment of the following fees:

1. Where the manufacturer's factory delivered price, or in the absence of such price being published in a recognized publication for the use of marine dealers and/or for purposes of insurance and financing firms, where the provable original or new cost of all materials, is One Hundred Fifty Dollars ($150.00) or less, the registration and license fee for the first and for each succeeding year's registration shall be One Dollar ($1.00);

2. Where the manufacturer's factory delivered price, or in the absence of such price being published as provided in paragraph 1 of this section, where the value of such vessel or motor is determined and fixed as above required and, is in excess of One Hundred Fifty Dollars ($150.00), there shall be added to the fee of One Dollar ($1.00), the sum of One Dollar ($1.00) for each One Hundred Dollars ($100.00) or any fraction thereof, in excess of One Hundred Fifty Dollars ($150.00) provided such fee shall not exceed One Hundred Fifty Dollars ($150.00);

3. After the first year's registration in this state under the Oklahoma Vessel and Motor Registration Act of any new vessel or new motor under paragraph 2 of this subsection, the registration for the second year shall be ninety percent (90%) of the fee computed and assessed hereunder for the first year, and thereafter, such fee shall be computed and assessed at ninety percent (90%) of the previous year's fee and shall be so computed and assessed for the next nine (9) successive years provided such fee shall not exceed One Hundred Fifty Dollars ($150.00);

4. The initial and annual registration fee for any vessel which is a part of a fleet used for lodging and for which a rental fee and sales tax are collected shall be Forty Dollars ($40.00) in lieu of the fees required by paragraphs 1 through 3 of this subsection. For the purpose of this paragraph, "fleet" means twenty or more vessels operated by a business organization from a single anchorage. The fee provided for in this paragraph may be reduced annually to zero until the total reduction equals the difference between the sum of the fees paid pursuant to paragraphs 1 through 3 of this subsection for the two registration years preceding January 1, 1990, and the fee provided for in this paragraph;

5. For any vessel or motor owned and numbered, registered or licensed prior to January 1, 1990, in this or any other state, or in the absence of such registration upon proof of the year, model and age of same, the registration fee shall be computed and assessed at the rate hereinabove provided for a new vessel or motor based on the value thereof determined as provided in this subsection, but reduced as though same had been registered for each prior year of its existence. Except as provided in paragraph 1 of this subsection,

the registration fee for the eleventh year computed in accordance with the provisions of this subsection shall be the amount of the fee to be assessed for such eleventh year and shall be the minimum annual registration fee for such vessel or motor for any subsequent year; and

6. The initial and annual registration fee for any vessel or motor which is not being used in a trade or business or for any commercial purpose and is owned by:

a. a nonresident member of the Armed Forces of the United States assigned to duty in this state in compliance with official military or naval orders,

b. a resident member of the Armed Forces of the United States assigned to duty in this state in compliance with official military or naval orders,

c. the spouse, who resides in Oklahoma, of a resident or nonresident member of the Armed Forces of the United States serving in a foreign country, or

d. any Oklahoma resident who is stationed out of state due to an official assignment of the Armed Forces of the United States,

shall be the lesser of either a Fifteen Dollar ($15.00) registration fee or the fee computed and assessed for vessels or motors of similar age and model pursuant to this section.

B. As used in this section, the term "manufacturer's factory delivered price" shall represent the recommended retail selling price and shall not mean the wholesale price to a dealer.

C. The Oklahoma Tax Commission shall assess the registration fees and penalties for the year or years a vessel or motor was not registered as provided in the Oklahoma Vessel and Motor Registration Act. For vessels or motors not registered for two (2) or more years, the registration fees and penalties shall be due only for the current year and one (1) previous year.

D. Upon each vessel or motor repossessed by a mortgagee, a fee of Forty-six Dollars ($46.00) shall be assessed. This fee shall be in lieu of any applicable vessel or motor excise tax and registration fees. Each motor license agent accepting applications for certificates of title for such vessel or motors shall receive Seven Dollars ($7.00) to be deducted from the license fee specified in this paragraph for each application accepted.

E. All vessels or motors owned by the State of Oklahoma, its agencies or departments, or political subdivisions thereof, or which under the law would be exempt from direct ad valorem taxation, shall be registered pursuant to the provisions of the Oklahoma Vessel and Motor Registration Act for an annual fee of Two Dollars and twenty-five cents ($2.25) irrespective of whether registered by a motor license agent or the Tax Commission.

F. All vessels and motors owned by Boy Scouts of America, Girl Scouts of U.S.A., and the Campfire Girls, devoted exclusively to youth programs emphasizing physical fitness, character development and citizenship training, are hereby exempt from the payment of registration fees required by this section. Provided all of such vessels or motors shall be registered and shall otherwise comply with the provisions of the Oklahoma Vessel and Motor Registration Act.

G. A credit shall be allowed with respect to the fee for registration of any new vessel or new motor, when such new vessel or motor is a replacement for:

1. A new original vessel or new original motor which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vessel or new original motor as certified by a police report or other documentation as required by the Tax Commission; or

2. A defective new original vessel or new original motor returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vessel or new original motor as certified by the manufacturer.

Such credit shall be in the amount of the fee for registration which was paid for the new original vessel or new original motor and shall be applied to the registration fee for the replacement vessel or motor. In no event will said credit be refunded.

H. Upon proper proof of a lost certificate of registration being made to the Tax Commission or one of its motor license agents, accompanied by an application therefor and payment of the fees required by the Oklahoma Vessel and Motor Registration Act, a duplicate certificate of registration shall be issued to the applicant. The charge for such duplicate certificate of registration shall be Two Dollars and twenty-five cents ($2.25), which charge shall be in addition to any other fees imposed by Section 4022 of this title for any such vessel or motor.

I. In addition to any other fees levied by the Oklahoma Vessel and Motor Registration Act, there is levied and there shall be paid to the Tax Commission a fee of One Dollar ($1.00) upon every vessel or motor for which a registration or license fee is required pursuant to the provisions of this section. The fee shall accrue and shall be collected upon each vessel or motor under the same circumstances and shall be payable in the same manner and times as apply to vessel and motor licenses and registrations under the provisions of the Oklahoma Vessel and Motor Registration Act; provided, the fee shall be paid in full for the then current year at the time any vehicle is first registered in a calendar year.

Monies collected pursuant to this subsection shall be apportioned by the Tax Commission to the State Treasurer for deposit in the Trauma Care Assistance Revolving Fund created in Section 330.97 of this title.

The collection and payment of the fee shall be a prerequisite to license or registration of any vessel or motor.

J. If a vessel or motor is donated to a nonprofit charitable organization, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax, transfer fees, and penalties and interest; provided, subsequent to such donation, if the person, entity or party acting on another's behalf who donated the vessel or motor, purchases the same vessel or motor from the nonprofit charitable organization receiving the original donation, such person, entity or party acting on another's behalf shall be liable for all current and past due registration fees, excise tax, transfer fees, and penalties and interest on such vehicle.

SECTION 15. This act shall become effective November 1, 2004.

Passed the Senate the 25th day of May, 2004.

_____
Presiding Officer of the Senate

Passed the House of Representatives the 27th day of May, 2004.

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Presiding Officer of the House
of Representatives