

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1943

By: Coates

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2001, Sections 1-125, 1-180, 1102, as last amended by Section 1, Chapter 284, O.S.L. 2005, 1105, as last amended by Section 2, Chapter 284, O.S.L. 2005, 1134 and 1134.2 (47 O.S. Supp. 2005, Sections 1102 and 1105), which relate to registration of trailers; requiring registration of certain devices; modifying definition by removing exclusion; defining term and modifying definition; establishing initial and nonrecurring registration fee for trailers; requiring visual inspection for certain trailers; requiring Oklahoma Tax Commission to design certain license plates; requiring separate license plate when trailer is pulled by truck or truck-tractor; providing for apportionment of revenue; deleting exemption from licensing requirement; deleting optional registration; clarifying registration requirement for certain trailers and semitrailers; 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 1-125, is amended to read as follows:

Section 1-125. Implement of Husbandry. Every device, whether it is self-propelled, designed and adapted so as to be used exclusively for agricultural, horticultural or livestock-raising operations or for lifting or carrying an implement of husbandry and, in either case, not subject to registration if operated upon the highways unless such device meets the definition of "trailer" in Section 1-180 of this title.

1. Farm wagon type tank trailers of not over one thousand two hundred (1,200) gallons capacity, used during the liquid fertilizer season as field storage "nurse tanks" supplying the fertilizer to a field applicator and moved on highways only for bringing the fertilizer from a local source of supply to farms or field or from

one farm or field to another, shall be considered implements of husbandry for purposes of this title.

2. Trailers or semitrailers owned by a person engaged in the business of farming and used exclusively for the purpose of transporting farm products to market or for the purpose of transporting to the farm material or things to be used thereon shall also be considered implements of husbandry for purposes of this title. Provided, no truck or semitrailer with an axle weight of twenty thousand (20,000) pounds or more, which is used to haul manure and operated on the public roads or highways of this state, shall be considered an implement of husbandry for the purposes of this title.

3. Utility-type, all-terrain vehicles with a maximum curb weight of one thousand five hundred (1,500) pounds, which are equipped with metal front or rear carrying racks when used for agricultural, horticultural or livestock-raising operations, shall be considered implements of husbandry for purposes of this title.

SECTION 2. AMENDATORY 47 O.S. 2001, Section 1-180, is amended to read as follows:

Section 1-180. Trailer. Every vehicle with or without motive power, other than a pole trailer, designed for carrying persons or property and for being drawn by a motor vehicle and so constructed that no part of its weight rests upon the towing vehicle, ~~provided however, the definition of trailer herein shall not include implements of husbandry as defined in Section 1-125 of this chapter.~~

SECTION 3. AMENDATORY 47 O.S. 2001, Section 1102, as last amended by Section 1, Chapter 284, O.S.L. 2005 (47 O.S. Supp. 2005, Section 1102), is amended to read as follows:

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

1. "All-terrain vehicle" means a motorized vehicle manufactured and used exclusively for off-highway use which is sixty (60) inches

or less in width, with an unladen dry weight of one thousand five hundred (1,500) pounds or less, traveling on two or more low-pressure tires;

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

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

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

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

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

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

8. "Commercial vehicle" means any vehicle over eight thousand (8,000) pounds combined laden weight used primarily for business or commercial purposes. Each motor vehicle being registered pursuant to the provisions of this section shall have the name of the commercial establishment or the words "Commercial Vehicle" permanently and prominently displayed upon the outside of the vehicle in letters not less than two (2) inches high. 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;

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

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

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

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

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

14. "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;

15. "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;

16. "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;

17. "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;

18. "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;

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

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

21. "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;

22. "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;

23. "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;

24. "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;

25. "Special mobilized machinery" means special purpose machines or devices, 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;

26. "State" means the State of Oklahoma;

27. "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;

28. "Trailer" means any trailer, as defined in Section 1-180 of this title, other than a commercial trailer, rental trailer or travel trailer;

29. "Travel trailer" means any vehicular portable structure built on a chassis, used as a temporary dwelling for travel, recreational or vacation 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;

~~29.~~ 30. "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;

~~30.~~ 31. "Used motor vehicle dealer" means "used motor vehicle dealer" as defined in Section 581 of this title;

~~31.~~ 32. "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;

~~32.~~ 33. "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,~~ 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

~~33.~~ 34. "Vehicle remanufacturer" means a commercial entity which assembles remanufactured vehicles.

SECTION 4. AMENDATORY 47 O.S. 2001, Section 1105, as last amended by Section 2, Chapter 284, O.S.L. 2005 (47 O.S. Supp. 2005, 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; and

6. "Shop-built trailer" means any trailer as defined in Section 1-180 of this title which is not commercially manufactured.

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 by anyone in another state and engaged in interstate commerce, and except as provided in subsection M of this section. Except for owners that possess an agricultural exemption permit pursuant to Section 1358.1 of Title 68 of the Oklahoma Statutes, the owner of an all-terrain vehicle or a motorcycle used exclusively off roads or highways in this state which is purchased or the ownership of which is transferred on or after July 1, 2005, shall possess a certificate of title as proof of ownership. Upon receipt of proper application information by such owner, the Tax Commission shall issue an original or transfer certificate of title. 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.

3. The Tax Commission shall promulgate rules which provide necessary documentation as an alternative to a manufacturer's certificate of origin for any shop-built trailer.

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. Except for all-terrain vehicles and motorcycles used exclusively for off-road use, 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.

T. If a vehicle is sold to a foreign buyer pursuant to the provisions of the Automotive Dismantlers and Parts Recycler Act, the licensed seller shall stamp the title with: "EXPORT ONLY. NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall supply the Tax Commission the title number, the vehicle identification number and the foreign buyer's bid identification number on a form prescribed by the Commission. The Commission shall cancel the title, and the vehicle identification number shall be

preserved in the computer files of the Tax Commission for a period of not less than five (5) years.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1133.3 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. After December 31, 2006, an initial and nonrecurring registration fee of Sixteen Dollars (\$16.00) shall be assessed for each trailer towed on the roads and highways of this state which is not otherwise registered pursuant to the Oklahoma Vehicle License and Registration Act. Any shop-built trailer which is not commercially manufactured shall be subject to visual inspection by a motor license agent at the time of registration.

B. The Oklahoma Tax Commission shall design appropriate license plates for all trailers registered pursuant to the provisions of this section. Such license plates shall be permanent in nature and shall be designed in such a manner as to remain with the trailer for the duration of the trailer's life span or until the title is transferred.

C. Notwithstanding the provisions of Section 1104 of Title 47 of the Oklahoma Statutes, all revenues received pursuant to the provisions of this section shall be apportioned and distributed monthly by the Tax Commission as follows:

1. Eleven Dollars (\$11.00) shall be apportioned as provided in Section 1104 of Title 47 of the Oklahoma Statutes; and

2. Five Dollars (\$5.00) shall be apportioned to the Sheriff's Service Fee Account for the county in which the owner of the trailer resides if the trailer is owned by an individual, or the principal place of business of the owner if the trailer is owned by an entity other than an individual.

SECTION 6. AMENDATORY 47 O.S. 2001, Section 1134, is amended to read as follows:

Section 1134. A. Upon each pickup, truck or truck-tractor owned and operated by one or more farmers and used primarily for farm use, and not for commercial or industrial purposes, the license fee shall be Thirty Dollars (\$30.00). As used in this section, the term "pickup" shall mean a small, light truck with an open back or box used for hauling and designed primarily for the carrying of property rather than people. The term "truck" shall mean a motor vehicle designed or converted primarily for carrying or hauling farm commodities, property, livestock, or equipment, rather than people.

~~B. The fees assessed pursuant to this section shall not apply to trailers or semitrailers or combinations thereof used primarily for farm use and for the transportation of products of the farm by the producer thereof. Such fee shall not apply to any trailer or semitrailer or combinations thereof when used primarily for the transportation of any article or articles owned by the operator of such trailer or semitrailer or combinations thereof and not used in the furtherance of or incident to any commercial or industrial enterprise. The provisions of Section 1134.2 of this title shall apply to any trailers or semitrailers when used primarily for the transportation of logs, ties, stave bolts and posts, direct from forest to sawmill.~~

~~C. For the purpose of this section, a A trailer or semitrailer or combination thereof owned by a farmer and used primarily for the purpose of transporting farm products to market or for the purpose of transporting to the farm material or things to be used thereon, and not for commercial or industrial purposes, ~~may be registered for One Dollar (\$1.00); provided, any such trailer shall be registered~~ as provided in Section 5 of this act. A trailer used by the holder of a certificate of convenience and necessity issued by the Oklahoma Corporation Commission or the Interstate Commerce Commission shall be conclusively presumed to be used in and for a commercial use, and~~

must be licensed as such, paying the license fees provided in Section 1133 of this title.

~~D.~~ C. Before a party shall be allowed to purchase a license plate ~~or claim an exception or exemption~~ under subsection A of this section, the party shall:

1. Show an income tax Schedule F for the preceding year; or
2. Present a valid exemption card issued pursuant to the provisions of Section 1358.1 of Title 68 of the Oklahoma Statutes.

A violation shall be grounds for revocation of driver's license. Any person who signs said affidavit as required by this section when such person does not believe that the information in the affidavit is true or knows it is not true, upon conviction, shall be guilty of perjury and shall be punished as provided for by law.

~~E.~~ D. Any person owning a truck upon which the farm truck license fee has been paid in Oklahoma for the current year and whose truck may be needed during grain harvests or other seasonal farming activities for hauling farm products other than his or her own, or for hauling gravel, shale or other road materials for rural roads, may make application with the Oklahoma Tax Commission for a short term commercial license for such truck for a period of time not to exceed ninety (90) days.

~~F.~~ E. Upon such application, the Tax Commission shall issue a temporary commercial truck license and register the truck upon payment of the following fees:

1. For thirty (30) days a fee equal to one-eighth (1/8) of the annual commercial license fee required for such truck.
2. For sixty (60) days a fee equal to one-fourth (1/4) of the annual commercial license fee required for such truck.
3. For ninety (90) days a fee equal to three-eighths (3/8) of the annual commercial license fee required for such truck.

~~G.~~ F. Provided, however, the provisions of this section shall not apply to the transportation of persons or property for hire.

SECTION 7. AMENDATORY 47 O.S. 2001, Section 1134.2, is amended to read as follows:

Section 1134.2 A. For each motor vehicle used primarily for the purpose of transporting unfinished and unprocessed forest products, logs, ties, stave bolts and posts, originating and produced in this state from the point of production or harvesting to the point at which they shall first undergo any processing, preparation for processing, conversion or transformation from their raw or natural state, the annual license fee shall be Two Hundred Fifty Dollars (\$250.00).

B. The Oklahoma Tax Commission shall design appropriate license plates for all vehicles registered pursuant to the provisions of this section. Such license plates shall be permanent in nature and shall be 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 or the vehicle is no longer used for the purposes specified in subsection A of this section.

C. For purposes of this section, the term "motor vehicle" means a truck or truck-tractor or the combination of a truck or truck-tractor pulling a trailer or semitrailer. When a truck or truck-tractor pulling a trailer or semitrailer is licensed pursuant to the provisions of this section, a separate license plate shall be issued for each truck or truck-tractor ~~and for each trailer or semitrailer~~ for the fee prescribed in subsection A of this section, for each trailer pursuant to Section 5 of this act and for each semitrailer pursuant to Section 1133 of this title.

D. Before a person shall be allowed to license a vehicle pursuant to the provisions of this section, the person shall sign an affidavit attesting to the fact that he is familiar with the purposes for which vehicles may be used and that he will not use such vehicle for any other purpose. Any person who signs such an affidavit when such person does not believe that the information in

the affidavit is true or knows it is not true, upon conviction, shall be guilty of perjury and shall be punished as provided for by law. A violation of the provisions of this section shall also be grounds for revocation of driver's license.

SECTION 8. This act shall become effective November 1, 2006.

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