

STATE OF OKLAHOMA

2nd Session of the 50th Legislature (2006)

SENATE BILL 1977

By: Easley

AS INTRODUCED

An Act relating to motor vehicles and public health and safety; amending 47 O.S. 2001, Section 1141.1, as amended by Section 7, Chapter 381, O.S.L. 2005 (47 O.S. Supp. 2005, Section 1141.1), which relates to motor license agents; modifying the amount of fees retained by motor license agents for certain certificate of title and certificate of registration issued; amending 63 O.S. 2001, Sections 4009, as amended by Section 17, Chapter 190, O.S.L. 2005, 4014, and 4021, as last amended by Section 18, Chapter 190, O.S.L. 2005 (63 O.S. Supp. 2005, Sections 4009 and 4021), which relate to the Oklahoma Vessel and Motor Registration Act; modifying fee collected by motor license agent for completing certain lien entry form; removing cap on fee for registration of vessel or motor; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1141.1, as amended by Section 7, Chapter 381, O.S.L. 2005 (47 O.S. Supp. 2005, Section 1141.1), is amended to read as follows:

Section 1141.1 A. Each motor license agent shall be entitled to retain the following amounts from the taxes and fees collected by such agent to be used to fund the operation of the office of such motor license agent subject to the provisions of Sections 1140 through 1147 of this title:

1. Beginning July 1, 2005, Two Dollars and eighty-one cents (\$2.81) for each vehicle registered and for each special license plate issued pursuant to the Oklahoma Vehicle License and Registration Act. Beginning July 1, 2006, and thereafter, Three Dollars and fifty-six cents (\$3.56) for each vehicle registered and

for each special license plate issued pursuant to the Oklahoma Vehicle License and Registration Act;

2. ~~One Dollar and twenty-five cents (\$1.25)~~ Two Dollars and twenty-five cents (\$2.25) for each certificate of title issued for boats and motors pursuant to the Oklahoma Statutes;

3. For each certificate of registration issued for boats and motors pursuant to the Oklahoma Statutes, an amount determined pursuant to the provisions of subsection B of this section;

4. Two Dollars and twenty-five cents (\$2.25) for each certificate of title issued pursuant to the Oklahoma Vehicle License and Registration Act;

5. Beginning October 1, 2000, three percent (3%) of the vehicle excise tax collected pursuant to Section 2103 of Title 68 of the Oklahoma Statutes. Beginning July 1, 2001, each motor license agent shall be entitled to retain three and one hundred twenty-five one-thousandths percent (3.125%) of the vehicle excise tax collected pursuant to Section 2103 of Title 68 of the Oklahoma Statutes. Beginning July 1, 2002, and for all subsequent years, each motor license agent shall be entitled to retain three and twenty-five one-hundredths percent (3.25%) of the vehicle excise tax collected pursuant to Section 2103 of Title 68 of the Oklahoma Statutes. However, beginning July 1, 2003, the Legislature shall annually review the percentage to be retained by the motor license agents pursuant to this paragraph to determine whether such percentage should be adjusted;

6. Four percent (4%) of the excise tax collected on the transfer of boats and motors pursuant to the Oklahoma Statutes;

7. Two Dollars (\$2.00) for each driver license, endorsement, identification license, or renewal or duplicate issued pursuant to Section 6-101 et seq. of this title;

8. Two Dollars (\$2.00) for the recording of security interests as provided in Section 1110 of this title;

9. Two Dollars (\$2.00) for each inspection conducted pursuant to subsection L of Section 1105 of this title;

10. Three Dollars (\$3.00) for each inspection conducted pursuant to subsection M of Section 1105 of this title;

11. One Dollar (\$1.00) for each certificate of ownership filed pursuant to subsection Q of Section 1105 of this title;

12. One Dollar (\$1.00) for each temporary permit issued pursuant to Section 1124 of this title;

13. One Dollar and fifty cents (\$1.50) for processing each proof of financial responsibility, driver license information, insurance verification information, and other additional information as provided in Section 7-602 of this title;

14. The mailing fees and registration fees provided in Sections 1131 and 1140 of this title;

15. The notary fee provided in Section 1143 of this title;

16. Three Dollars (\$3.00) for each lien entry form completed and recorded on a certificate of title pursuant to subsection G of Section 1105 of this title;

17. Seven Dollars (\$7.00) for each notice of transfer as provided by subsection B of Section ~~6 of this act~~ 1107.4 of this title;

18. Seven Dollars (\$7.00) for each certificate of title or each certificate of registration issued for repossessed vehicles pursuant to Section 1126 of this title; and

19. Any amount specifically authorized by law to be retained by the motor license agent for the furnishing of a summary of a traffic record.

The balance of the funds collected shall be remitted to the Oklahoma Tax Commission as provided in Section 1142 of this title to be apportioned pursuant to Section 1104 of this title.

B. For each certificate of registration issued for boats and motors, each motor license agent shall be entitled to retain the

greater of ~~One Dollar and twenty-five cents (\$1.25)~~ Two Dollars and twenty-five cents (\$2.25) or an amount to be determined by the Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all boats and motors registered in this state during the fiscal year and shall multiply the result by six and twenty-two one-hundredths percent (6.22%). The resulting product shall be the amount which may be retained by each motor license agent for each certificate of registration for boats and motors issued during the following calendar year.

SECTION 2. AMENDATORY 63 O.S. 2001, Section 4009, as amended by Section 17, Chapter 190, O.S.L. 2005 (63 O.S. Supp. 2005, Section 4009), is amended to read as follows:

Section 4009. A. The application for a certificate of title and registration for a vessel or an outboard motor shall be upon a form furnished by the Oklahoma Tax Commission and shall contain:

1. A full description of the vessel or outboard motor;
2. The manufacturer's serial and model number or other identification number;
3. The length of the vessel;
4. The date on which first sold by the manufacturer or dealer to the owner;
5. Any distinguishing marks;
6. A statement of the applicant's source of title;
7. Whether the vessel is a documented vessel and the number assigned to such vessel;
8. Any security interest upon said vessel or outboard motor, or vessel and motor; and
9. Such other information as the Commission may require.

Every original or duplicate certificate of title and registration for a vessel or an outboard motor shall contain all items listed in this subsection.

B. To obtain an original certificate of title for a vessel or outboard motor that is being registered for the first time in this state or for a vessel or outboard motor that 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 or at the discretion of the Tax Commission a copy of the manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon a form to be prescribed and approved by the Commission. A manufacturer's certificate of origin shall contain:

1. The manufacturer's serial or other identification number;
2. Date on which first sold by the manufacturer to the dealer;
3. Any distinguishing marks including model and the year same was made;
4. A statement of any security interests upon said vessel or outboard motor, or vessel and motor; and
5. Such other information as the Tax Commission may require.

C. In the absence of a dealer's or manufacturer's number, the Tax Commission may assign such identifying number to the vessel or outboard motor, which shall be permanently stamped, burned or pressed into or attached onto such vessel or outboard motor.

D. Every dealer selling new or used vessels or outboard motors and every individual not licensed as a dealer who sells a new or used vessel or outboard motor shall verify the hull identification number or serial number is the same as the number on the current registration of the vessel or outboard motor. The seller of the vessel or outboard motor shall sign a notarized affidavit, under penalty of perjury, affirming the numbers are the same.

E. 1. Before a homemade vessel is issued a hull identification number from the Tax Commission, the vessel and the motor shall be inspected by a commissioned officer of the Oklahoma Highway Patrol Division of the Department of Public Safety or by any other employee of the Department or any other law enforcement officer of the state as the Commissioner of Public Safety may designate, pursuant to the rules promulgated by the Commissioner of Public Safety. For the purposes of this act, "homemade vessel" means any vessel not allotted a hull identification number (HIN) by a manufacturer, and specifically excludes any vessel upon which the hull identification number has been covered, altered, defaced, destroyed, or removed.

2. The Department of Public Safety is hereby granted authority and jurisdiction, pursuant to Article 1 of the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, to promulgate, administer and enforce all necessary rules deemed necessary to implement the provisions of this section.

3. The Department of Public Safety shall prescribe all forms deemed necessary to implement the provisions of this section.

F. It shall be unlawful to:

1. Improperly display or fail to display a vessel's hull identification number;

2. Operate or possess a vessel on which the hull identification number has been removed; or

3. Operate or possess a motor on which the serial number has been removed.

G. When registering in this state a vessel which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, the ~~Oklahoma~~ Tax Commission or the motor license agent shall complete a lien entry form as prescribed by said 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 4013 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)~~ Five Dollars (\$5.00) which shall be in addition to other fees provided by the Oklahoma Vessel and Motor Registration Act.

H. Upon payment of all fees and taxes, a certificate of title, a certificate of registration and, for a vessel, two registration decals or, for an outboard motor, one registration decal shall be delivered to the applicant. Provided, yearly decals shall be issued for vessels and motors titled and registered to the Department of Public Safety.

SECTION 3. AMENDATORY 63 O.S. 2001, Section 4014, is amended to read as follows:

Section 4014. A. The charge for each certificate of title for any vessel or motor issued shall be ~~Two Dollars and twenty-five cents (\$2.25)~~ Eleven Dollars (\$11.00), which charge shall be in addition to any excise taxes or fees imposed by law for such vessel or motor. One Dollar (\$1.00) of each such fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

B. The charge for a duplicate certificate of title shall be ~~Two Dollars and twenty-five cents (\$2.25)~~ Eleven Dollars (\$11.00) which charge shall be in addition to any other fees imposed by this section for any such vessel or motor. One Dollar (\$1.00) of such fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

C. For each security interest recorded on a certificate of title, or manufacturer's certificate of origin or other identification number, such person shall pay a fee of Eight Dollars (\$8.00), which shall be in addition to other fees provided for in this section.

D. 1. When an application for a new certificate of title or duplicate certificate of title for a vessel or motor is made to the Oklahoma Tax Commission or one of its motor license agents, an application fee in the amount of One Dollar and twenty-five cents (\$1.25) for the issuance of such certificate of title shall be charged and collected.

2. For recording a security interest on a certificate of title or manufacturer's certificate of origin or other identification number, the Tax Commission or a motor license agent shall charge Two Dollars (\$2.00) for each security interest so recorded.

E. 1. The charge for a copy of certificate of title information is One Dollar (\$1.00) for each instrument.

2. The charge for a certified copy of certificate of title information is Two Dollars (\$2.00) for each instrument.

§SECTION 4. AMENDATORY 63 O.S. 2001, Section 4021, as last amended by Section 18, Chapter 190, O.S.L. 2005 (63 O.S. Supp. 2005, 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:

1. By the Boy Scouts of America, the Girl Scouts of U.S.A., and the Camp Fire USA, devoted exclusively to youth programs emphasizing physical fitness, character development and citizenship training; and

2. By the Department of Public Safety;

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 5. This act shall become effective November 1, 2006.

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