

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 SENATE BILL NO. 1769

By: Coates of the Senate

and

6 Blackwell of the House

7
8 COMMITTEE SUBSTITUTE

9 [motor vehicles - temporary license plates -
10 electronic, print-on-demand temporary license plate
11 issuance system - codification -
12 effective date]

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

17 SECTION 1. AMENDATORY 47 O.S. 2001, Section 1137.1, as
18 last amended by Section 19, Chapter 326, O.S.L. 2007 (47 O.S. Supp.
19 2009, Section 1137.1), is amended to read as follows:

20 Section 1137.1 A. Except for vehicles, travel trailers or
21 commercial trailers which display a current Oklahoma license tag,
22 upon the purchase or transfer of ownership of a used motor vehicle,
23 travel trailer or commercial trailer, including an out-of-state
24 purchase or transfer of the same, to a licensed used motor vehicle

1 dealer, wholesale used motor vehicle dealer, used travel trailer
2 dealer or used commercial trailer dealer, subsequently referred to
3 in this section as "dealer", the dealer shall affix a used dealer's
4 plate visible from the rear of the vehicle, travel trailer or
5 commercial trailer. Such license plate shall expire on December 31
6 of each year. When the vehicle, travel trailer or commercial
7 trailer is parked on the dealer's licensed place of business, it
8 shall not be required to have a license plate of any kind affixed.
9 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
10 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
11 transporting or any other normal business of a dealer; provided, any
12 dealer who operates a wrecker or towing service licensed pursuant to
13 Sections 951 through 957 of this title shall register each wrecker
14 vehicle and display a wrecker license plate on each vehicle as
15 required by Section 1134.3 of this title. A dealer may obtain as
16 many additional license plates as may be desired upon the payment of
17 Ten Dollars (\$10.00) for each additional license plate. Use of the
18 used dealer license plate by a licensed dealer for other than the
19 purposes as set forth herein shall constitute grounds for revocation
20 of the dealer's license. The Oklahoma Tax Commission shall design
21 the official used dealer license plate to include the used dealer's
22 license number issued to him or her each year by the Commission or
23 the Used Motor Vehicle and Parts Commission.

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1 B. Upon the purchase or transfer of ownership of an out-of-
2 state used motor vehicle, travel trailer or commercial trailer to a
3 licensed dealer, the dealer shall make application for an Oklahoma
4 certificate of title pursuant to the Oklahoma Vehicle License and
5 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
6 Statutes. Upon receipt of the Oklahoma certificate of title, the
7 dealer shall follow the procedure as set forth in subsection A of
8 this section. Provided, nothing in this title shall be construed as
9 requiring a dealer to register a used motor vehicle, travel trailer
10 or commercial trailer purchased in another state which will not be
11 operated or sold in this state.

12 C. Upon sale or transfer of ownership of the used motor vehicle
13 or travel trailer, the dealer shall place upon the reassignment
14 portion of the certificate of title a tax stamp issued by the county
15 treasurer of the county in which the dealer has his or her primary
16 place of business. The tax stamp shall be issued upon payment of a
17 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of
18 the dealer's ad valorem tax on the inventories of used motor
19 vehicles or travel trailers but shall not relieve any other property
20 of the dealer from ad valorem taxation.

21 D. Upon sale of a used motor vehicle or travel trailer to
22 another licensed dealer, the selling dealer shall place the tax
23 stamp required in subsection C of this section upon the certificate
24 of title. The used dealer license plate or wholesale dealer license

1 plate shall be removed by the selling dealer. The purchasing dealer
2 shall, at time of purchase, place his or her dealer license plate on
3 the used motor vehicle, travel trailer or commercial trailer as
4 provided in subsection A of this section; provided, for vehicles,
5 travel trailers or commercial trailers purchased by a licensed used
6 dealer at an auction, in lieu of such placement of the dealer
7 license plate, the auction may provide temporary documentation as
8 approved by the Director of the Motor Vehicle Division of the
9 Oklahoma Tax Commission for the purpose of transporting such vehicle
10 to the purchaser's point of destination. Such temporary
11 documentation shall be valid for two (2) days following the date of
12 sale.

13 E. The purchaser of every used motor vehicle, travel trailer or
14 commercial trailer, except as otherwise provided by law, shall
15 obtain registration and title for the vehicle or trailer within
16 thirty (30) days from the date of purchase of same. It shall be the
17 responsibility of the selling dealer to place a temporary license
18 plate, in ~~size similar to the permanent Oklahoma license plate but~~
19 ~~of a weatherproof plastic impregnated substance approved by the Used~~
20 ~~Motor Vehicle and Parts Commission~~ a form prescribed pursuant to
21 Section 3 of this act, upon a used motor vehicle, travel trailer or
22 commercial trailer when a transaction is completed for the sale of
23 said vehicle. The temporary license plate under this subsection
24 shall be placed at the location provided for the permanent motor

1 vehicle license plate. The temporary license plate shall show the
2 license number which is issued to the dealer each year by the
3 Oklahoma Tax Commission or the Used Motor Vehicle and Parts
4 Commission, the date the used motor vehicle, travel trailer or
5 commercial trailer was purchased ~~and~~, the company name of the
6 selling dealer and any additional information required pursuant to
7 Section 3 of this act. ~~The Used Motor Vehicle and Parts Commission~~
8 ~~is hereby directed to develop the temporary license plate design to~~
9 ~~incorporate these requirements in a manner that will permit law~~
10 ~~enforcement personnel to readily identify the dealer license number~~
11 ~~and date of the vehicle purchase.~~ The Used Motor Vehicle and Parts
12 Commission is hereby authorized to develop additional requirements
13 and parameters as deemed appropriate to discourage or prevent
14 illegal duplication and use of the temporary license plate. Such
15 temporary license plate shall be valid for a period of thirty (30)
16 days from the date of purchase. Use of the temporary license by a
17 dealer for other than the purposes set forth herein shall constitute
18 grounds for revocation of the dealer's license to conduct business.
19 Purchasers of a commercial trailer shall affix the temporary license
20 plate to the rear of the commercial trailer. The purchaser shall
21 display the temporary license plate for a period not to exceed
22 thirty (30) days or until registration and title are obtained as
23 provided in this section.

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1 The provisions of this subsection on temporary licenses shall
2 apply to nonresidents who purchase a used motor vehicle, travel
3 trailer or commercial trailer within this state that is to be
4 licensed in another state. The nonresident purchaser shall be
5 allowed to operate the vehicle or trailer within the state with a
6 temporary license plate for a period not to exceed thirty (30) days
7 from date of purchase. Any nonresident purchaser found to be
8 operating a used motor vehicle, travel trailer or commercial trailer
9 within this state after thirty (30) days shall be subject to the
10 registration fees of this state upon the same terms and conditions
11 applying to residents of this state.

12 F. It shall be unlawful for any dealer to procure the
13 registration and licensing of any used motor vehicle, travel trailer
14 or commercial trailer sold by the dealer or to act as the agent for
15 the purchaser in the procurement of the registration and licensing
16 of the purchaser's used vehicle, travel trailer or commercial
17 trailer. A license of any dealer violating the provision of this
18 section may be revoked.

19 G. Dealers following the procedure set forth herein shall not
20 be required to register vehicles, travel trailers or commercial
21 trailers to which this section applies, nor will the registration
22 fee otherwise required be assessed. Provided, dealers shall not
23 purchase or trade for a used motor vehicle, travel trailer or
24 commercial trailer on which the registration therefor has been

1 expired for a period exceeding thirty (30) days without obtaining
2 current registration therefor.

3 SECTION 2. AMENDATORY 47 O.S. 2001, Section 1137.3, as
4 last amended by Section 5, Chapter 315, O.S.L. 2008 (47 O.S. Supp.
5 2009, Section 1137.3), is amended to read as follows:

6 Section 1137.3 The purchaser of every new motor vehicle, travel
7 trailer or commercial trailer shall register or license the same
8 within thirty (30) days from the date of purchase. It shall be the
9 responsibility of the selling dealer to place a temporary license
10 plate, in ~~size similar to the permanent Oklahoma license plate but~~
11 ~~of a weatherproof plastic impregnated substance approved by the~~
12 ~~Oklahoma Motor Vehicle Commission~~ a form prescribed pursuant to
13 Section 3 of this act, upon a new motor vehicle, travel trailer or
14 commercial trailer when a transaction is completed for the sale of
15 said vehicle or trailer. Except for cab and chassis trucks, the
16 temporary license plate under this section shall be placed at the
17 location provided for the permanent motor vehicle license plate.
18 The purchaser of a new cab and chassis truck may place the temporary
19 license plate under this section in the rear window. ~~Said~~ The
20 temporary license plate shall show the dealer's license number which
21 is issued to him or her each year by the Oklahoma Tax Commission,
22 the date the new motor vehicle, travel trailer or commercial trailer
23 was purchased ~~and~~, the company name of the selling dealer and any
24 additional information required pursuant to Section 3 of this act.

1 ~~The Oklahoma Motor Vehicle Commission is hereby directed to develop~~
2 ~~a temporary license plate design to incorporate these requirements~~
3 ~~in a manner that will permit law enforcement personnel to readily~~
4 ~~identify the dealer license number and date of the vehicle purchase.~~

5 The Motor Vehicle Commission is further authorized to develop
6 additional requirements and parameters designed to discourage or
7 prevent illegal duplication and use of the temporary license plate.

8 On or before thirty (30) days from the date of purchase of a new
9 motor vehicle, travel trailer or commercial trailer, ~~said~~ the
10 temporary license plate shall be removed and replaced with a
11 permanent, current Oklahoma license plate. Use of ~~said~~ the
12 temporary license plate by a licensed dealer for other than the
13 purpose of normally doing business shall constitute grounds for
14 revocation of the dealer's license.

15 It shall be unlawful for any licensed dealer of new motor
16 vehicles, travel trailers or commercial trailers to procure the
17 registration and licensing of any new motor vehicle, travel trailer
18 or commercial trailer sold by such licensed dealer or to act as the
19 agent for such purchaser in the procurement of ~~said~~ such
20 registration and licensing. The license of any licensed dealer of
21 new motor vehicles, travel trailers or commercial trailers violating
22 the provisions of this section shall be revoked.

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1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1137.4 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 A. On or before June 1, 2011, the Oklahoma Tax Commission shall
5 implement a pilot program for an electronic, print-on-demand,
6 temporary license plate issuance system for use by new motor vehicle
7 dealers authorized to provide temporary license plates pursuant to
8 Sections 1137.1 and 1137.3 of Title 47 of the Oklahoma Statutes.

9 The system shall enable:

10 1. The Tax Commission to issue, on demand, a temporary license
11 plate number in response to a request from an authorized dealer via
12 a secure electronic exchange of data;

13 2. The authorized dealer to print the temporary license plate
14 at the dealer's place of business for placement on a vehicle as
15 required by Sections 1137.1 and 1137.3 of Title 47 of the Oklahoma
16 Statutes; and

17 3. The authorized dealer to enter into a secure database such
18 information as may be required by the Tax Commission, the Oklahoma
19 Motor Vehicle Commission and the Department of Public Safety,
20 pursuant to rules promulgated to implement this section.

21 B. The pilot program shall be in operation until June 1, 2012,
22 after which all new motor vehicle dealers authorized to issue
23 temporary license plates shall be required to utilize the system for
24 electronic, print-on-demand, temporary license plate issuance. The

1 Tax Commission shall promulgate such rules as may be necessary to
2 implement this section in consultation with the Oklahoma Motor
3 Vehicle Commission and the Department of Public Safety. The rules
4 shall set the size and scope of the pilot program. The rules may
5 include a modification of the form and design of the temporary
6 license plate to ensure that the plate is durable and weatherproof
7 and will enable law enforcement personnel to readily identify the
8 vehicle and its owner.

9 SECTION 4. This act shall become effective January 1, 2011.

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