

THE HOUSE OF REPRESENTATIVES  
Tuesday, April 13, 2010

Committee Substitute for  
ENGROSSED  
Senate Bill No. 1769

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 1769 - By:  
COATES of the Senate and BLACKWELL of the House.

[ motor vehicles - temporary license plates - electronic, print-on-demand  
temporary license plate issuance system – codification –  
effective date ]

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

1 SECTION 1. AMENDATORY 47 O.S. 2001, Section 1137.1, as last amended by  
2 Section 19, Chapter 326, O.S.L. 2007 (47 O.S. Supp. 2009, Section 1137.1), is amended to  
3 read as follows:  
4 Section 1137.1 A. Except for vehicles, travel trailers or commercial trailers which  
5 display a current Oklahoma license tag, upon the purchase or transfer of ownership of a  
6 used motor vehicle, travel trailer or commercial trailer, including an out-of-state  
7 purchase or transfer of the same, to a licensed used motor vehicle dealer, wholesale used  
8 motor vehicle dealer, used travel trailer dealer or used commercial trailer dealer,  
9 subsequently referred to in this section as "dealer", the dealer shall affix a used dealer's  
10 plate visible from the rear of the vehicle, travel trailer or commercial trailer. Such  
11 license plate shall expire on December 31 of each year. When the vehicle, travel trailer

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

14 B. Upon the purchase or transfer of ownership of an out-of-state used motor  
15 vehicle, travel trailer or commercial trailer to a licensed dealer, the dealer shall make  
16 application for an Oklahoma certificate of title pursuant to the Oklahoma Vehicle  
17 License and Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma Statutes.  
18 Upon receipt of the Oklahoma certificate of title, the dealer shall follow the procedure as  
19 set forth in subsection A of this section. Provided, nothing in this title shall be construed  
20 as requiring a dealer to register a used motor vehicle, travel trailer or commercial trailer  
21 purchased in another state which will not be operated or sold in this state.

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

8 D. Upon sale of a used motor vehicle or travel trailer to another licensed dealer, the  
9 selling dealer shall place the tax stamp required in subsection C of this section upon the  
10 certificate of title. The used dealer license plate or wholesale dealer license plate shall be  
11 removed by the selling dealer. The purchasing dealer shall, at time of purchase, place  
12 his or her dealer license plate on the used motor vehicle, travel trailer or commercial  
13 trailer as provided in subsection A of this section; provided, for vehicles, travel trailers or  
14 commercial trailers purchased by a licensed used dealer at an auction, in lieu of such  
15 placement of the dealer license plate, the auction may provide temporary documentation  
16 as approved by the Director of the Motor Vehicle Division of the Oklahoma Tax  
17 Commission for the purpose of transporting such vehicle to the purchaser's point of  
18 destination. Such temporary documentation shall be valid for two (2) days following the  
19 date of sale.

20 E. The purchaser of every used motor vehicle, travel trailer or commercial trailer,  
21 except as otherwise provided by law, shall obtain registration and title for the vehicle or  
22 trailer within thirty (30) days from the date of purchase of same. It shall be the

1 responsibility of the selling dealer to place a temporary license plate, in ~~size similar to~~  
2 ~~the permanent Oklahoma license plate but of a weatherproof plastic-impregnated~~  
3 ~~substance approved by the Used Motor Vehicle and Parts Commission~~ a form prescribed  
4 pursuant to Section 3 of this act, upon a used motor vehicle, travel trailer or commercial  
5 trailer when a transaction is completed for the sale of said vehicle. The temporary  
6 license plate under this subsection shall be placed at the location provided for the  
7 permanent motor vehicle license plate. The temporary license plate shall show the  
8 license number which is issued to the dealer each year by the Oklahoma Tax Commission  
9 or the Used Motor Vehicle and Parts Commission, the date the used motor vehicle, travel  
10 trailer or commercial trailer was purchased ~~and~~, the company name of the selling dealer  
11 and any additional information required pursuant to Section 3 of this act. ~~The Used~~  
12 ~~Motor Vehicle and Parts Commission is hereby directed to develop the temporary license~~  
13 ~~plate design to incorporate these requirements in a manner that will permit law~~  
14 ~~enforcement personnel to readily identify the dealer license number and date of the~~  
15 ~~vehicle purchase.~~ The Used Motor Vehicle and Parts Commission is hereby authorized to  
16 develop additional requirements and parameters as deemed appropriate to discourage or  
17 prevent illegal duplication and use of the temporary license plate. Such temporary  
18 license plate shall be valid for a period of thirty (30) days from the date of purchase. Use  
19 of the temporary license by a dealer for other than the purposes set forth herein shall  
20 constitute grounds for revocation of the dealer's license to conduct business. Purchasers  
21 of a commercial trailer shall affix the temporary license plate to the rear of the  
22 commercial trailer. The purchaser shall display the temporary license plate for a period

1 not to exceed thirty (30) days or until registration and title are obtained as provided in  
2 this section.

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

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

16 G. Dealers following the procedure set forth herein shall not be required to register  
17 vehicles, travel trailers or commercial trailers to which this section applies, nor will the  
18 registration fee otherwise required be assessed. Provided, dealers shall not purchase or  
19 trade for a used motor vehicle, travel trailer or commercial trailer on which the  
20 registration therefor has been expired for a period exceeding thirty (30) days without  
21 obtaining current registration therefor.

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

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

1 parameters designed to discourage or prevent illegal duplication and use of the  
2 temporary license plate. On or before thirty (30) days from the date of purchase of a new  
3 motor vehicle, travel trailer or commercial trailer, ~~said~~ the temporary license plate shall  
4 be removed and replaced with a permanent, current Oklahoma license plate. Use of ~~said~~  
5 the temporary license plate by a licensed dealer for other than the purpose of normally  
6 doing business shall constitute grounds for revocation of the dealer's license.

7 It shall be unlawful for any licensed dealer of new motor vehicles, travel trailers or  
8 commercial trailers to procure the registration and licensing of any new motor vehicle,  
9 travel trailer or commercial trailer sold by such licensed dealer or to act as the agent for  
10 such purchaser in the procurement of ~~said~~ such registration and licensing. The license of  
11 any licensed dealer of new motor vehicles, travel trailers or commercial trailers violating  
12 the provisions of this section shall be revoked.

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

16 A. On or before June 1, 2011, the Oklahoma Tax Commission shall implement a  
17 pilot program for an electronic, print-on-demand, temporary license plate issuance  
18 system for use by new motor vehicle dealers authorized to provide temporary license  
19 plates pursuant to Sections 1137.1 and 1137.3 of Title 47 of the Oklahoma Statutes. The  
20 system shall enable:

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

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

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

7           B. The pilot program shall be in operation until June 1, 2012, after which all new  
8 motor vehicle dealers authorized to issue temporary license plates shall be required to  
9 utilize the system for electronic, print-on-demand, temporary license plate issuance. The  
10 Tax Commission shall promulgate such rules as may be necessary to implement this  
11 section in consultation with the Oklahoma Motor Vehicle Commission and the  
12 Department of Public Safety. The rules shall set the size and scope of the pilot program.  
13 The rules may include a modification of the form and design of the temporary license  
14 plate to ensure that the plate is durable and weatherproof and will enable law  
15 enforcement personnel to readily identify the vehicle and its owner.

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

17           COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
18 dated 04-12-10 - DO PASS, As Amended.