

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1769

By: Coates

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5
6 AS INTRODUCED

7 An Act relating to motor vehicles; amending 47 O.S.
8 2001, Section 1137.1, as last amended by Section 19,
Chapter 326, O.S.L. 2007 and 1137.3, as last amended
9 by Section 5, Chapter 315, O.S.L. 2008 (47 O.S Supp.
2009, Sections 1137.1 and 1137.3), which relate to
10 temporary license plates; modifying requirements
relating to form and content of temporary license
11 plate for used motor vehicles and trailers; deleting
certain requirement for Used Motor Vehicle and Parts
Commission; modifying requirements relating to form
12 and content of temporary license plate for motor
vehicles and trailers; deleting certain requirement
13 for Motor Vehicle Commission; requiring Oklahoma Tax
Commission to implement electronic, print-on-demand
14 temporary license plate issuance system; providing
certain requirements for specified system; requiring
15 Tax Commission to promulgate rules in consultation
with specified entities; permitting rules to specify
16 certain modification; authorizing certain dealer fee;
providing for codification; and providing an
17 effective date.

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

21 SECTION 1. AMENDATORY 47 O.S. 2001, Section 1137.1, as
22 last amended by Section 19, Chapter 326, O.S.L. 2007 (47 O.S. Supp.
23 2009, Section 1137.1), is amended to read as follows:
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1 Section 1137.1 A. Except for vehicles, travel trailers or
2 commercial trailers which display a current Oklahoma license tag,
3 upon the purchase or transfer of ownership of a used motor vehicle,
4 travel trailer or commercial trailer, including an out-of-state
5 purchase or transfer of the same, to a licensed used motor vehicle
6 dealer, wholesale used motor vehicle dealer, used travel trailer
7 dealer or used commercial trailer dealer, subsequently referred to
8 in this section as "dealer", the dealer shall affix a used dealer's
9 plate visible from the rear of the vehicle, travel trailer or
10 commercial trailer. Such license plate shall expire on December 31
11 of each year. When the vehicle, travel trailer or commercial
12 trailer is parked on the dealer's licensed place of business, it
13 shall not be required to have a license plate of any kind affixed.
14 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
15 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
16 transporting or any other normal business of a dealer; provided, any
17 dealer who operates a wrecker or towing service licensed pursuant to
18 Sections 951 through 957 of this title shall register each wrecker
19 vehicle and display a wrecker license plate on each vehicle as
20 required by Section 1134.3 of this title. A dealer may obtain as
21 many additional license plates as may be desired upon the payment of
22 Ten Dollars (\$10.00) for each additional license plate. Use of the
23 used dealer license plate by a licensed dealer for other than the
24 purposes as set forth herein shall constitute grounds for revocation

1 of the dealer's license. The Oklahoma Tax Commission shall design
2 the official used dealer license plate to include the used dealer's
3 license number issued to him or her each year by the Commission or
4 the Used Motor Vehicle and Parts Commission.

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

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

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

17 E. The purchaser of every used motor vehicle, travel trailer or
18 commercial trailer, except as otherwise provided by law, shall
19 obtain registration and title for the vehicle or trailer within
20 thirty (30) days from the date of purchase of same. It shall be the
21 responsibility of the selling dealer to place a temporary license
22 plate, in ~~size similar to the permanent Oklahoma license plate but~~
23 ~~of a weatherproof plastic impregnated substance approved by the Used~~
24 ~~Motor Vehicle and Parts Commission~~ a form prescribed pursuant to

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

1 display the temporary license plate for a period not to exceed
2 thirty (30) days or until registration and title are obtained as
3 provided in this section.

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

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

22 G. Dealers following the procedure set forth herein shall not
23 be required to register vehicles, travel trailers or commercial
24 trailers to which this section applies, nor will the registration

1 fee otherwise required be assessed. Provided, dealers shall not
2 purchase or trade for a used motor vehicle, travel trailer or
3 commercial trailer on which the registration therefor has been
4 expired for a period exceeding thirty (30) days without obtaining
5 current registration therefor.

6 SECTION 2. AMENDATORY 47 O.S. 2001, Section 1137.3, as
7 last amended by Section 5, Chapter 315, O.S.L. 2008 (47 O.S. Supp.
8 2009, Section 1137.3), is amended to read as follows:

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

1 the date the new motor vehicle, travel trailer or commercial trailer
2 was purchased ~~and~~, the company name of the selling dealer and any
3 additional information required pursuant to Section 3 of this act.

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

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

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

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

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

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

11 The system shall enable:

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

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

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

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

13 C. An authorized dealer may charge the buyer of the vehicle a
14 transaction fee not to exceed Twenty Dollars (\$20.00) for printing
15 the temporary license plate and for entering data into the secure
16 database.

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

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