

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SUBCOMMITTEE RECOMMENDATION  
4 FOR

5 HOUSE BILL NO. 2575

6 By: Ownbey

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to motor vehicles; amending 47 O.S.  
9 2011, Section 1105, which relates to certificates of  
10 title; allowing transfer of certificate of title to  
11 be processed as one transaction under certain  
12 circumstances; providing fee; providing for deposit  
13 of portion of fee in certain fund; providing  
14 alternative method to obtain salvage title; providing  
15 procedures; amending 47 O.S. 2011, Section 1108,  
16 which relates to the procedure for replacement of  
17 lost certificates of title; providing exception under  
18 certain circumstances; amending 47 O.S. 2011, Section  
19 1111, which relates to vehicle title; providing  
20 alternative method to obtain salvage title; amending  
21 47 O.S. 2001, Section 1141.1, which relates to  
22 retention of fees by motor license agents;  
23 referencing alternative amount allowed to be retained  
24 pursuant to certain provision; providing an effective  
date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1105, is  
amended to read as follows:

1 Section 1105. A. As used in the Oklahoma Vehicle License and  
2 Registration Act:

3 1. "Salvage vehicle" means any vehicle which is within the last  
4 ten (10) model years and which has been damaged by collision or  
5 other occurrence to the extent that the cost of repairing the  
6 vehicle for safe operation on the highway exceeds sixty percent  
7 (60%) of its fair market value, as defined by Section 1111 of this  
8 title, immediately prior to the damage. For purposes of this  
9 section, actual repair costs shall only include labor and parts for  
10 actual damage to the suspension, motor, transmission, frame or  
11 unibody and designated structural components;

12 2. "Rebuilt vehicle" means any salvage vehicle which has been  
13 rebuilt and inspected for the purpose of registration and title;

14 3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle  
15 which was damaged by flooding or a vehicle which was submerged at a  
16 level to or above the dashboard of the vehicle and on which an  
17 amount of loss was paid by the insurer;

18 4. "Unrecovered-theft vehicle" means a vehicle which has been  
19 stolen and not yet recovered;

20 5. "Recovered-theft vehicle" means a vehicle, including a  
21 salvage or rebuilt vehicle, which was recovered from a theft; and

22 6. "Junked vehicle" means any vehicle which is incapable of  
23 operation or use on the highway, has no resale value except as a  
24

1 source of parts or scrap and has an eighty percent (80%) loss in  
2 fair market value.

3 B. The owner of every vehicle in this state shall possess a  
4 certificate of title as proof of ownership of such vehicle, except  
5 those vehicles registered pursuant to Section 1120 of this title and  
6 trailers registered pursuant to Section 1133 of this title,  
7 previously titled by anyone in another state and engaged in  
8 interstate commerce, and except as provided in subsection M of this  
9 section. Except for owners that possess an agricultural exemption  
10 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma  
11 Statutes, the owner of an all-terrain vehicle or a motorcycle used  
12 exclusively off roads or highways in this state which is purchased  
13 or the ownership of which is transferred on or after July 1, 2005,  
14 and the owner of a utility vehicle used exclusively off roads and  
15 highways in this state which is purchased or the ownership of which  
16 is transferred on or after July 1, 2008, shall possess a certificate  
17 of title as proof of ownership. Any person possessing an  
18 agricultural exemption permit and owning an all-terrain vehicle or a  
19 motorcycle used exclusively off roads or highways in this state  
20 which is purchased or the ownership of which is transferred on or  
21 after July 1, 2008, shall possess a certificate of title as proof of  
22 ownership. Upon receipt of proper application information by such  
23 owner, the Oklahoma Tax Commission shall issue an original or  
24 transfer certificate of title. Until July 1, 2008, any security

1 interest in an all-terrain vehicle that attached and was perfected  
2 before July 1, 2005, and that has not otherwise terminated shall  
3 remain perfected, and shall take priority over any subsequently  
4 perfected security interest in the same all-terrain vehicle,  
5 notwithstanding that a certificate of title may have been issued  
6 with respect to the same all-terrain vehicle on or after July 1,  
7 2005, and that a lien may have been recorded on said certificate of  
8 title. There shall be eight types of certificates of title:

9 1. Original title for any motor vehicle which is not a  
10 remanufactured, salvage, unrecovered-theft, rebuilt, rebodied or  
11 junked vehicle;

12 2. Salvage title for any motor vehicle which is a salvage  
13 vehicle or is specified as a salvage vehicle or the equivalent  
14 thereof on a certificate of title from another state;

15 3. Rebuilt title for any motor vehicle which is a rebuilt  
16 vehicle;

17 4. Junked title for any motor vehicle which is a junked vehicle  
18 or is specified as a junked vehicle or the equivalent thereof on a  
19 certificate of title from another state;

20 5. Classic title for any motor vehicle, except a junked  
21 vehicle, which is twenty-five (25) model years or older;

22 6. Remanufactured title for any vehicle which is a  
23 remanufactured vehicle;

24

1       7. Unrecovered-theft title for any motor vehicle which has been  
2 stolen and not recovered; and

3       8. Rebodyed title for any motor vehicle which is a rebodyed  
4 vehicle.

5       Application for a certificate of title, whether the initial  
6 certificate of title or a duplicate, may be made to the Tax  
7 Commission or any motor license agent. When application is made  
8 with a motor license agent, the application information shall be  
9 transmitted either electronically or by mail to the Tax Commission  
10 by the motor license agent. If the application information is  
11 transmitted electronically, the motor license agent shall forward  
12 the required application along with evidence of ownership, where  
13 required, by mail. Where the transmission of application  
14 information cannot be performed electronically, the Tax Commission  
15 is authorized to provide postage paid envelopes to motor license  
16 agents for the purpose of mailing the application along with  
17 evidence of ownership, where required. The Tax Commission shall  
18 upon receipt of proper application information issue an Oklahoma  
19 certificate of title. The certificates may be mailed to the  
20 applicant. Upon issuance of a certificate of title, the Tax  
21 Commission shall provide the appropriate motor license agent with  
22 confirmation of such issuance.

23       C. 1. The application for certificate of title shall be upon a  
24 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.

1       The declaration shall be based upon the best information and  
2 knowledge of the owner and shall be in addition to the requirements  
3 specified in paragraph 1 of this subsection. The Tax Commission  
4 shall not issue a certificate of title for a vehicle which is  
5 subject to the provisions of this paragraph without the required  
6 declaration, completed and signed by the owner of the vehicle. Upon  
7 receipt of an application without the properly completed  
8 declaration, the Tax Commission shall return the application to the  
9 applicant with notice that the title may not be issued without the  
10 required declaration. Nothing in this paragraph shall prohibit the  
11 Tax Commission from recognizing the type of or brand on a title or  
12 other ownership document issued by another state or the inspection  
13 conducted in another state and issuing the appropriate certificate  
14 of title for the vehicle.

15       3. The certificate of title shall have the following security  
16 features:

- 17           a. intaglio printing or security thread, with or without  
18                watermark,
- 19           b. latent images,
- 20           c. fluorescent inks,
- 21           d. micro print,
- 22           e. void background, and
- 23           f. color coding.

24

1           4. Each title issued pursuant to the provisions of the Oklahoma  
2 Vehicle License and Registration Act shall be color coded as  
3 determined by the Tax Commission.

4           5. The certificate of title shall be of such size and design  
5 and color as the Tax Commission may direct pursuant to the  
6 provisions of this section. The title shall be on colored paper or  
7 other material as designated by the Tax Commission and be of such  
8 intensity or hue as will allow easy identification as to whether the  
9 title is an original title, a salvage title, a rebuilt title,  
10 remanufactured title, rebodied title or a junked title. The type of  
11 title shall be identified on the front of the certificate of title.  
12 The original title, rebuilt title, remanufactured title, an  
13 unrecovered-theft title, rebodied title or classic title shall be  
14 identified by the word "Original", "Rebuilt", "Remanufactured",  
15 "Unrecovered Theft", "Rebodied" or "Classic" printed in the upper  
16 right quadrant of the certificate of title, in the space which is  
17 currently captioned "type of title". A rebodied title shall also  
18 identify on the front of the title the year, make and model of the  
19 originally manufactured vehicle which has been rebodied and display  
20 a notation that reads as follows: "This vehicle has been assembled  
21 with new major components licensed by the original manufacturer".

22           D. 1. To obtain an original certificate of title for a vehicle  
23 that is being registered for the first time in this state which has  
24 not been previously registered in any other state, the applicant



1 shall be required to deliver, as evidence of ownership, a  
2 manufacturer's certificate of origin properly assigned by the  
3 manufacturer, distributor, or dealer licensed in this or any other  
4 state shown thereon to be the last transferee to the applicant upon  
5 a form to be prescribed and approved by the Tax Commission. A  
6 manufacturer's certificate of origin shall contain:

- 7 a. the manufacturer's serial or other identification  
8 number,
- 9 b. date on which first sold by the manufacturer to the  
10 dealer,
- 11 c. any distinguishing marks including model and the year  
12 same was made,
- 13 d. a statement of any security interests upon the  
14 vehicle, and
- 15 e. such other information as the Tax Commission may  
16 require.

17 2. The manufacturer's certificate of origin shall have the  
18 following security features:

- 19 a. intaglio printing or security thread, with or without  
20 watermark,
- 21 b. latent images,
- 22 c. fluorescent inks,
- 23 d. micro print, and
- 24 e. void background.

1 E. In the absence of a dealer's or manufacturer's number, the  
2 Tax Commission may assign such identifying number to the vehicle,  
3 which shall be permanently stamped, burned or pressed or attached  
4 into the vehicle, and a certificate of title shall be delivered to  
5 the applicant upon payment of all fees and taxes, and the remaining  
6 copies shall be permanently filed and indexed by the Tax Commission.  
7 The Tax Commission shall assign an identifying number to any rebuilt  
8 vehicle if the vehicle identification number displayed on the  
9 rebuilt vehicle does not accurately describe the vehicle as rebuilt.  
10 The motor license agent, at the time of inspection of the rebuilt  
11 vehicle pursuant to Section 1111 of this title, shall identify the  
12 make, model, and year for the body to accurately describe the  
13 rebuilt vehicle. At the time of the inspection, an appropriate  
14 identifying number shall be permanently stamped, burned, pressed, or  
15 attached on the rebuilt vehicle. The assigned identifying number  
16 shall be recorded on the certificate of title for the rebuilt  
17 vehicle. The dealer's or manufacturer's vehicle identification  
18 number on the rebuilt vehicle shall be preserved in the computer  
19 files of the Tax Commission for at least five (5) years.

20 F. When registering for the first time in this state a vehicle  
21 which was not originally manufactured for sale in the United States,  
22 to obtain a certificate of title, the Tax Commission shall require  
23 the applicant to deliver:  
24

1        1. As evidence of ownership, if the vehicle has not previously  
2 been titled in the United States, the documents constituting valid  
3 proof of ownership in the country in which the vehicle was  
4 originally purchased, together with a notarized translation of any  
5 such documents; and

6        2. As evidence of compliance with federal law, copies of the  
7 bond release letters for the vehicle issued by the United States  
8 Environmental Protection Agency and the United States Department of  
9 Transportation, together with a receipt issued by the Internal  
10 Revenue Service indicating that the applicable federal gas guzzler  
11 tax has been paid.

12        The Tax Commission shall not issue a certificate of title for a  
13 vehicle which is subject to the provisions of this paragraph without  
14 the required documentation from agencies of the United States and  
15 evidence of ownership. Upon receipt of an application without the  
16 required documentation, the Tax Commission shall return the  
17 application to the applicant with notice that the certificate of  
18 title may not be issued without the required documentation. Nothing  
19 in this paragraph shall prohibit the Tax Commission from issuing  
20 certificates of title for antique or classic vehicles not driven  
21 upon the public streets, roads, or highways, for mini-trucks  
22 registered pursuant to Section 1151.3 of this title, or for medium-  
23 speed electric vehicles.

1 G. When registering in this state a vehicle which was titled in  
2 another state and which title contains the name of a secured party  
3 on the face of the other state certificate of title, or such state  
4 certificate is being held by the secured party in that state or any  
5 other state, the Tax Commission or the motor license agent shall  
6 complete a lien entry form as prescribed by the Tax Commission. The  
7 owner of such vehicle shall file an affidavit with the Tax  
8 Commission or the motor license agent stating that title to the  
9 vehicle is being held by a secured party has not been issued  
10 pursuant to the laws of the state where titled, and that there is an  
11 existing lien or encumbrance on the vehicle. The current name and  
12 address of the secured party or lienholder shall also be stated in  
13 the affidavit. The form of the affidavit shall be prescribed by the  
14 Tax Commission and contain any other information deemed necessary by  
15 the Tax Commission. A statement of the lien or encumbrance shall be  
16 included on the Oklahoma certificate of title and the lien or  
17 encumbrance shall be deemed continuously perfected as though it had  
18 been perfected pursuant to Section 1110 of this title. For  
19 completing the lien entry form and recording the security interest  
20 on the certificate of title, the Tax Commission or the motor license  
21 agent shall collect a fee of Three Dollars (\$3.00) which shall be in  
22 addition to other fees provided by the Oklahoma Vehicle License and  
23 Registration Act. The fee, if collected by the motor license agent  
24

1 pursuant to this subsection, shall be retained by the motor license  
2 agent.

3 H. The charge for each certificate of title issued, except for  
4 junked titles as defined in paragraph 4 of subsection B of this  
5 section, shall be Eleven Dollars (\$11.00), which charge shall be in  
6 addition to any other fees or taxes imposed by law for such vehicle.  
7 One Dollar (\$1.00) of each such charge shall be deposited in the  
8 Oklahoma Tax Commission Reimbursement Fund. However, the charge  
9 shall not apply to any vehicle which is to be registered in this  
10 state pursuant to the provisions of Section 1120 or 1133 of this  
11 title and which was registered in another state at least sixty (60)  
12 days prior to the time it is required to be registered in this  
13 state. When an insurer requests a salvage or junk title in the name  
14 of the insurer resulting from the settlement of a total loss claim  
15 and upon presentation of appropriate proof of loss documentation as  
16 required by the Commission, such transfer may be processed as one  
17 title transaction, without first requiring issuance of a replacement  
18 certificate of title in the name of the vehicle owner. The fee  
19 shall be Twenty-two Dollars (\$22.00). Two Dollars (\$2.00) of this  
20 fee shall be deposited in the Oklahoma Tax Commission Reimbursement  
21 Fund.

22 I. The vehicle identification number of a junked vehicle shall  
23 be preserved in the computer files of the Tax Commission for a  
24 period of not less than five (5) years. The charge of junked titles

1 as defined in paragraph 4 of subsection B of this section shall be  
2 Four Dollars (\$4.00). The fee remitted to the Tax Commission shall  
3 be deposited in the Oklahoma Tax Commission Reimbursement Fund.

4 J. If a vehicle is sold to a resident of another state  
5 destroyed, dismantled, or ceases to be used as a vehicle, the owner  
6 shall immediately notify the Tax Commission. Absent evidence to the  
7 contrary, failure to notify the Tax Commission shall be prima facie  
8 evidence that the vehicle has been in continuous operation in this  
9 state.

10 K. If a vehicle is stolen, the owner shall immediately notify  
11 the appropriate law enforcement agency. Immediately after receiving  
12 such notification, the law enforcement agency shall notify the Tax  
13 Commission.

14 L. Except for all-terrain vehicles, utility vehicles and  
15 motorcycles used exclusively for off-road use, no title for an out-  
16 of-state vehicle, except any commercial truck or truck-tractor  
17 registered pursuant to Section 1120 of this title which is engaged  
18 in interstate commerce or any trailer or semitrailer registered  
19 pursuant to Section 1133 of this title which is engaged in  
20 interstate commerce, shall be issued without an inspection of such  
21 vehicle and payment of a fee of Four Dollars (\$4.00) for such  
22 inspection; provided, the Tax Commission may enter into reciprocal  
23 agreements with other states for such inspections to be performed at  
24 locations outside the boundaries of this state for vehicles which:

1 1. Are offered for sale at auction;

2 2. Have been solely used as vehicles for rent under the  
3 ownership of a licensed motor vehicle dealer or a person engaged in  
4 the business of renting motor vehicles; or

5 3. Have not been registered in this or any other state for more  
6 than one (1) year.

7 The inspection shall include a comparison of the vehicle  
8 identification number on the vehicle with the number recorded on the  
9 ownership records and the recording of the actual odometer reading  
10 on the vehicle. The four-dollar fee shall be collected by the motor  
11 license agent or Tax Commission when the title is issued. The motor  
12 license agent shall retain Two Dollars (\$2.00). The remaining Two  
13 Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission  
14 Reimbursement Fund.

15 The Tax Commission may allow the inspection to be performed at a  
16 location out-of-state by another state's department of motor  
17 vehicles or state police.

18 M. No title for any out-of-state vehicle offered for sale at  
19 salvage pools, salvage disposal sales, or an auction, or by a dealer  
20 or a licensed automotive dismantler and parts recycler, shall be  
21 issued without an inspection to compare the vehicle identification  
22 number on the vehicle with the number recorded on the ownership  
23 record and to record the actual odometer reading on the vehicle.  
24 Upon request of the seller, person or entity conducting an auction,

1 dealer or licensed dismantler, the inspection shall be conducted at  
2 the location or place of business of the sale, auction, dealer, or  
3 the dismantler. The inspection shall be conducted by any motor  
4 license agent or a duly authorized employee thereof; provided, if  
5 the vehicle identification number on the vehicle offered for sale at  
6 salvage pools, salvage disposal sales or a classic or antique  
7 auction does not match the number recorded on the ownership record,  
8 the inspection may be conducted at the location of or place of  
9 business of such sale or auction by any state, county or city law  
10 enforcement officer. The Tax Commission may enter into reciprocal  
11 agreements with other states for such inspections to be performed at  
12 locations outside the boundaries of this state for vehicles which:

- 13 1. Are offered for sale at auction;
- 14 2. Have been solely used as vehicles for rent under the  
15 ownership of a licensed motor vehicle dealer or a person engaged in  
16 the business of renting motor vehicles; or
- 17 3. Have not been registered in this or any other state for more  
18 than one (1) year.

19 The inspection shall be certified upon forms prescribed by the Tax  
20 Commission. The name and other identification of the authorized  
21 person conducting the inspection shall be legibly printed or typed  
22 on the form. Prior to any inspection by any employee of a motor  
23 license agent, the motor license agent shall notify the Tax  
24 Commission of the name and any other identification information



1 requested by the Tax Commission of the authorized person. A  
2 signature specimen of the authorized person shall be submitted to  
3 the Tax Commission by the employing motor license agent. If the  
4 authorization to inspect vehicles is withdrawn or the employer-  
5 employee relationship is terminated, the motor license agent,  
6 immediately, shall notify the Tax Commission and return any  
7 remaining inspection forms to the Tax Commission. The fee for the  
8 inspection shall be Four Dollars (\$4.00). The motor license agent  
9 shall retain Three Dollars (\$3.00) of the fee. Fees received by a  
10 motor license agent or an authorized employee thereof shall be  
11 handled and accounted for in the manner as prescribed by law for any  
12 other fees paid to or received by a motor license agent. Out-of-  
13 state vehicles brought into this state by a person licensed in  
14 another state to sell new or used vehicles to be sold within this  
15 state at a motor vehicle auction which is limited to dealer-to-  
16 dealer transactions shall not be required to be inspected, unless  
17 the vehicle is purchased by an Oklahoma dealer. Any person licensed  
18 in another state to sell new or used motor vehicles, who offers a  
19 motor vehicle for sale within this state at a motor vehicle auction  
20 which is limited to dealer-to-dealer transactions, shall not be  
21 within the definition of "owner" in Section 1102 of this title, for  
22 purposes of Section 1101 et seq. of this title.

23 N. A licensed motor vehicle dealer, upon payment of a fee of  
24 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate

1 of title to a used motor vehicle provided such dealer obtains the  
2 appropriate inspection form required by either subsection L or M of  
3 this section and attaches the form to the out-of-state certificate  
4 of title. Motor license agents shall be allowed to retain Two  
5 Dollars and twenty-five cents (\$2.25) of the fee plus an additional  
6 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in  
7 subsections L and M of this section for performance of the  
8 inspection. Two Dollars (\$2.00) of the fee shall be deposited in  
9 the Tax Commission Reimbursement Fund. An out-of-state vehicle  
10 which has been rebuilt shall be inspected pursuant to the provisions  
11 of Section 1111 of this title. The Tax Commission shall train motor  
12 license agents in interpreting vehicle identification numbers to  
13 assure that it accurately describes the vehicle and to detect  
14 rollback or alteration of the odometer. Failure of a motor license  
15 agent to inspect the vehicle and make the required notations shall  
16 be a misdemeanor punishable by a fine of not more than One Thousand  
17 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars  
18 (\$5,000.00) for the second offense or subsequent offense, or by  
19 imprisonment in the county jail for not more than six (6) months, or  
20 by both such fine and imprisonment.

21 O. The ownership of any unrecovered vehicle which has been  
22 declared a total loss by an insurer because of theft shall be  
23 transferred to the insurer by an unrecovered-theft vehicle title;  
24 provided, the ownership of any such vehicle which has been declared

1 a total loss by an insurer licensed by the Insurance Department of  
2 the State of Oklahoma and maintaining a multi-state motor vehicle  
3 salvage processing center in this state shall be transferred to the  
4 insurer by a salvage or an unrecovered-theft title without the  
5 requirement of a visual inspection of the vehicle identification  
6 number by the insurer. Upon recovery of the vehicle, the ownership  
7 shall be transferred by an original title, salvage title, or junked  
8 title, as may be appropriate based upon an estimate of the amount of  
9 loss submitted by the insurer.

10 P. When an insurance company makes a total loss settlement on a  
11 total loss vehicle and the insurance company or a salvage pool  
12 authorized by the insurance company is unable to obtain the properly  
13 endorsed certificate of ownership or other evidence of ownership  
14 acceptable to the Oklahoma Tax Commission within thirty (30) days  
15 following acceptance by the owner of an offer of an amount in  
16 settlement of a total loss, that insurance company or salvage pool,  
17 on a form provided by the Oklahoma Tax Commission and signed under  
18 penalty of perjury, may request the Oklahoma Tax Commission to issue  
19 the applicable salvage title for the vehicle. The request shall  
20 include information declaring that the requester has made at least  
21 two written attempts to obtain the certificate of ownership or other  
22 acceptable evidence of title.

23 Q. The owner of any vehicle which is incapable of operation or  
24 use on the public roads and has no resale value, except as parts,

1 scrap or junk, may deliver the certificate of title to the vehicle  
2 to the Tax Commission for cancellation. Upon verification that any  
3 perfected lien against the vehicle has been released, the  
4 certificate of title shall be canceled without any fee, charge, or  
5 cost required from the owner. The vehicle identification numbers on  
6 the certificates of title shall be preserved in the computer files  
7 of the Tax Commission for at least five (5) years from the date of  
8 cancellation of the certificate of title. The Tax Commission shall  
9 prescribe and provide an affidavit form to be completed by the owner  
10 of any vehicle for which the certificate of title is canceled. No  
11 title or registration shall subsequently be issued for a vehicle for  
12 which the certificate of title has been surrendered pursuant to this  
13 subsection. The Tax Commission shall prescribe a form for the  
14 transfer of ownership of a vehicle for which the certificate of  
15 title has been canceled.

16 ~~Q.~~ R. The owner of a vehicle which is not within the last ten  
17 (10) model years, not roadworthy and not capable of repair for  
18 operation or use on the roads and highways shall transfer the  
19 vehicle only upon a certificate of ownership prescribed by the Tax  
20 Commission, if the certificate of title to the vehicle is lost, has  
21 been canceled, or otherwise not available. The prescribed ownership  
22 form shall include the names and addresses of the buyer and seller,  
23 the driver license number or social security number of the seller,  
24 the make and model of the vehicle, and the public vehicle

1 identification number. If there is no public vehicle identification  
2 number, the vehicle shall be inspected by a law enforcement officer  
3 to verify the absence of the number on the vehicle and the  
4 prescribed ownership form shall include a signed statement, by such  
5 officer, verifying the absence of the number.

6 The certificate of ownership shall be completed in triplicate.  
7 The buyer and seller shall each retain a copy. Within thirty (30)  
8 days of the transaction, the seller shall submit one copy to the Tax  
9 Commission or a motor license agent accompanied with a fee of Four  
10 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor  
11 license agent and Three Dollars (\$3.00) shall be deposited in the  
12 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

13 Upon receipt of the certificate, the Tax Commission shall verify  
14 that any perfected lien upon the vehicle has been released. If the  
15 lien is not released, the Tax Commission shall mail notice of the  
16 transfer to the lienholder at the lienholder's last-known address.  
17 If a certificate of title has been issued, it shall be canceled and  
18 the vehicle identification number shall be preserved in the computer  
19 of the Tax Commission for at least five (5) years. The buyer of the  
20 vehicle may not be sued and shall not be liable for monetary damages  
21 to the lienholder, however, the vehicle shall be subject to a valid  
22 repossession by a lienholder.

23 ~~R.~~ S. The Tax Commission shall notify the chief administrative  
24 officer of the agency or department responsible for issuing motor

1 vehicle certificates of title in each state in the United States of  
2 the types of motor vehicle certificate of title effective in  
3 Oklahoma on and after January 1, 1989.

4 ~~S.~~ T. When registering for the first time in this state a  
5 remanufactured vehicle which has not been registered in any other  
6 state since its remanufacture, before issuing a certificate of  
7 title, the Tax Commission shall require the applicant to deliver a  
8 statement of origin from the remanufacturer.

9 ~~F.~~ U. If a vehicle is sold to a foreign buyer pursuant to the  
10 provisions of the Automotive Dismantlers and Parts Recycler Act, the  
11 licensed seller shall stamp the title with: "EXPORT ONLY.  
12 NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall  
13 supply the Tax Commission the title number, the vehicle  
14 identification number and the foreign buyer's bid identification  
15 number on a form prescribed by the Tax Commission. The Tax  
16 Commission shall cancel the title, and the vehicle identification  
17 number shall be preserved in the computer files of the Tax  
18 Commission for a period of not less than five (5) years.

19 ~~H.~~ V. The Tax Commission shall not be considered a necessary  
20 party to any lawsuit which is instigated for the purpose of  
21 determining ownership of a vehicle, wherein the Tax Commission's  
22 only involvement would be to issue title, and the court shall issue  
23 an order dismissing the Tax Commission from the pending action. In  
24 the event no other party or lienholder can be identified as to

1 ownership or claim, the Tax Commission shall accept an affidavit of  
2 ownership from the party claiming ownership and issue proper title  
3 thereon.

4 SECTION 2. AMENDATORY 47 O.S. 2001, Section 1108, is  
5 amended to read as follows:

6 Section 1108. ~~It~~ With the exception of an insurer applying for a  
7 salvage or junk certificate of title resulting from the settlement  
8 of a total loss claim, as provided in subsection H of Section 1105  
9 of this title, in case of a lost certificate of title, the loss of  
10 which is accounted for to the satisfaction of the Commission or one  
11 of its motor license agents, the Commission or one of its motor  
12 license agents may issue duplicates. There shall be a replacement  
13 fee of Eleven Dollars (\$11.00) for such duplicate title. One Dollar  
14 (\$1.00) of each such fee shall be deposited in the Oklahoma Tax  
15 Commission Reimbursement Fund.

16 SECTION 3. AMENDATORY 47 O.S. 2011, Section 1111, is  
17 amended to read as follows:

18 Section 1111. A. As used in this section:

19 1. "Loss" means the cost, in dollars, to repair or replace a  
20 vehicle which has been damaged by collision or other occurrence.  
21 The amount paid by an insurer to a holder of the certificate of  
22 title for repair of a damaged vehicle shall be prima facie evidence  
23 of the amount of the loss. The amount paid by an insurer to a  
24 holder of the certificate of title for replacement of a damaged

1 vehicle less the resale value of the damaged vehicle shall be prima  
2 facie evidence of the amount of the loss;

3 2. "Fair market value" means the value of a vehicle as listed  
4 in the current National Auto Dealers Association guidebook or other  
5 similar guidebook or the actual cash value, whichever is greater;

6 3. "Resale value" means the amount, in dollars, paid to the  
7 holder of a certificate of title by a willing buyer for a vehicle  
8 damaged by collision or other occurrence or recovered from theft;

9 4. "Total loss" means a loss which is equal to the fair market  
10 value of the vehicle immediately prior to the damage to or theft of  
11 the vehicle; and

12 5. "Vehicle" means a vehicle, as defined in paragraph 29 of  
13 Section 1102 of this title, manufactured within the last seven (7)  
14 model years.

15 B. Any insurance company that pays a total loss on a claim for  
16 any vehicle including, but not limited to, a flood-damaged vehicle  
17 or recovered-theft vehicle, any junk dealer who receives a motor  
18 vehicle which is to be used for junk or for parts, or any other  
19 person permanently dismantling or junking a vehicle shall receive  
20 the certificate of title from the current holder of the certificate  
21 of title, shall detach the license plate from the vehicle, and shall  
22 return the license plate and the certificate of title to the  
23 Oklahoma Tax Commission or a motor license agent within thirty (30)  
24 days from receipt of the certificate, or insurance companies may



1 provide alternate documentation within thirty (30) days pursuant to  
2 subsection P of Section 1105 of this title. The Tax Commission  
3 shall cancel the certificate of title to the vehicle used for junk  
4 or parts and shall preserve the vehicle identification numbers on  
5 the certificate of title in the computer files for at least five (5)  
6 years. No certificate of title may be reissued on a junked vehicle  
7 as defined in Section 1105 of this title, unless reissued pursuant  
8 to paragraph 3 of subsection C of this section. The Tax Commission  
9 shall transfer ownership of a stolen vehicle, not recovered from  
10 theft at the time of transfer, by salvage or unrecovered-theft title  
11 to the insurer. The Tax Commission shall transfer ownership of a  
12 vehicle damaged by flooding or other occurrence to the insurer by an  
13 original title, salvage title, or junked title, as may be  
14 appropriate, based upon an estimate of the amount of loss submitted  
15 by the insurer. All license plates surrendered to the Tax  
16 Commission shall be destroyed.

17 C. 1. If an insurance company pays a claim for a loss which is  
18 less than a total loss but the cost of repairing the vehicle for  
19 safe operation on the highway exceeds sixty percent (60%) of the  
20 fair market value of the vehicle, or if any vehicle not insured is  
21 damaged to the extent that the cost of repair for safe operation on  
22 the highway exceeds sixty percent (60%) of the fair market value of  
23 the vehicle, any holder of the certificate of title for the vehicle  
24 shall return the certificate of title to the Tax Commission or a

1 motor license agent within thirty (30) days from receipt of payment  
2 for the loss.

3 2. Upon receipt of the certificate, the Tax Commission or motor  
4 license agent shall issue a salvage title for the vehicle. The  
5 title for any vehicle damaged by flooding shall be stamped with the  
6 words "Flood Damaged", and for any such vehicle which was recovered  
7 from a theft, the salvage title or rebuilt title shall be stamped  
8 with the words "Recovered Theft". A licensed dealer subject to the  
9 provisions of the Automotive Dismantlers and Parts Recycler Act,  
10 Section 591.1 et seq. of this title, shall not be required to pay  
11 registration fees, excise taxes, back taxes, or penalties on a  
12 vehicle as a prerequisite to obtaining a salvage title.

13 3. If the actual documented cost of repairing the vehicle for  
14 safe operation on the highway does not exceed sixty percent (60%) of  
15 the fair market value of the vehicle as defined in this section, the  
16 certificate of title shall be reissued to the holder and the vehicle  
17 shall not be subject to inspection as required under this section.  
18 The actual documented cost of repairing the vehicle pursuant to this  
19 paragraph shall be certified by the insurance company paying the  
20 loss.

21 D. If a motor vehicle with a salvage title is placed in  
22 operative condition, application shall be made to the Tax Commission  
23 or a motor license agent for a rebuilt title. A visual inspection  
24 of the vehicle and examination of the vehicle identification numbers

1 shall be conducted prior to the issuance of a rebuilt title. At the  
2 time of issuance, the salvage title shall be returned to the Tax  
3 Commission by the owner, or by the motor license agent if the motor  
4 license agent issues the rebuilt title. A visual inspection shall  
5 also be made of any out-of-state vehicle to be registered and titled  
6 in this state if the vehicle is within the class of vehicles for  
7 which a rebuilt title is required and a similar inspection has not  
8 been conducted by another state. The certificate of title for the  
9 rebuilt vehicle shall be stamped with the words, "This Rebuilt  
10 Vehicle Has Been Inspected By The Appropriate State Official".

11 E. 1. The visual inspections and examination of vehicle  
12 identification numbers shall include, but not be limited to:

- 13 a. comparison of the vehicle identification numbers with  
14 the number recorded on the ownership records,
- 15 b. inspection of the vehicle identification numbers and  
16 the VIN plate to detect possible alteration or other  
17 fraud,
- 18 c. interpretation of the vehicle identification number  
19 recorded on the ownership documents to assure that it  
20 accurately describes the motor vehicle in question,  
21 and
- 22 d. inspection of the odometer of the vehicle to detect  
23 rollback or alteration.

24

1           2. All vehicle damage shall be repaired before the examination  
2 is conducted. The following paperwork shall be presented to the  
3 motor license agent: the salvage title and original receipts for  
4 all parts placed on the vehicle. Components such as doors, motor,  
5 and transmission shall indicate the serial number or the vehicle  
6 identification number (VIN) of the auto the part was purchased from  
7 or removed from.

8           F. The visual inspection and vehicle identification numbers  
9 examination shall be performed by a motor license agent at the  
10 location designated by the motor license agent. If the location of  
11 the inspection is not the place of business of the rebuilder, the  
12 motor license agent shall issue a permit authorizing the applicant  
13 to operate the vehicle upon the public streets, roads, and highways  
14 in route to and from the designated location for the inspection.  
15 The inspection and examination shall be performed within ten (10)  
16 working days after the owner of the vehicle requests the inspection  
17 and examination. Requests shall be made by completing the request  
18 form prescribed and provided by the Tax Commission.

19           G. Inspection and examination of a rebuilt vehicle shall be  
20 performed by a person employed by a motor license agent.

21           H. The fee for the examination by the motor license agent shall  
22 be Twenty-five Dollars (\$25.00), which shall be paid at the time of  
23 issuance of the certificate of title for the rebuilt vehicle. The  
24 motor license agent shall retain Five Dollars (\$5.00) and shall

1 remit Twenty Dollars (\$20.00) to the Tax Commission which shall  
2 retain Ten Dollars (\$10.00) and transmit Ten Dollars (\$10.00) to the  
3 State Treasurer for deposit in the Department of Public Safety  
4 Revolving Fund. The motor license agent and its employees and  
5 agents may not be sued for and shall not be liable for any damages  
6 allegedly arising out of the inspection of a vehicle or any acts or  
7 omissions in the performance of the inspection. The motor license  
8 agent may be held liable for any damages to the vehicle caused by  
9 the negligent acts or omissions in the performance of the  
10 inspection. Any person may be liable for any damages to a vehicle  
11 caused by the intentional acts or omissions in the performance of  
12 the inspection.

13 I. The rebuilt title and any subsequent transfers of such title  
14 shall also reflect that the vehicle was a salvage vehicle, flood-  
15 damaged vehicle or recovered-theft vehicle, if applicable, and also  
16 shall include the salvage date.

17 J. Any title for a motor vehicle issued pursuant to the laws of  
18 any other state which reflects that such vehicle is a salvage  
19 vehicle, a rebuilt vehicle or a junked vehicle or has any other  
20 brand or classification notation by that state shall be retained on  
21 the new title issued by the Tax Commission unless the actual  
22 documented cost of repairing the vehicle for safe operation on the  
23 highway does not exceed sixty percent (60%) of the fair market value  
24 of the vehicle as provided by this section.

1 K. When the insurance company pays a loss on a vehicle which is  
2 registered at the time of mishap, accident, burning, or flooding,  
3 the appropriate certificate of title shall be issued without the  
4 payment of additional registration fees or excise taxes, upon the  
5 submission of a police report or insurance adjuster's report and a  
6 declaration by the insurer that the vehicle is held for sale to a  
7 dealer. If the owner of the vehicle or other insured retains  
8 ownership of the damaged vehicle, the Tax Commission shall notify  
9 the owner or insured of the requirements of this section.

10 L. Any insurance company that pays a claim for a loss where the  
11 cost of repairing the vehicle for safe operation on the highway  
12 exceeds sixty percent (60%) of the market value of the vehicle or  
13 pays a claim for a flood-damaged vehicle as defined in Section 1105  
14 of this title shall notify, in writing, the holder of the  
15 certificate of title of the requirements of this section and shall  
16 notify the Tax Commission of the payment of such claim. The notice  
17 shall include the estimated total damage percentage determination of  
18 the actual cash value made by the insurance company to repair the  
19 vehicle for safe operation on the highway. The insurance company  
20 shall also send a copy of the notification to the holder of the  
21 title. The Tax Commission shall provide notice to the owner of the  
22 vehicle in writing requiring the owner to surrender the title along  
23 with the fee to the Tax Commission or one of its motor license  
24 agents within thirty (30) days from the receipt of notice for the

1 issuance of the appropriate title based on the amount of loss. The  
2 Tax Commission shall reissue the appropriate title with the words  
3 "Flood Damaged" on the face of the title in the case of a flood-  
4 damaged vehicle; provided, no insurance company shall pay a claim  
5 for less than the amount to which the holder of the certificate of  
6 title is rightfully entitled in order to avoid compliance with this  
7 section.

8 M. Except as provided for in subsection N of this section, any  
9 person, firm, corporation, or other legal entity convicted of  
10 violating any provision of this section shall be guilty of a  
11 misdemeanor and shall be punished by a fine of not less than Three  
12 Hundred Dollars (\$300.00) or by incarceration in the county jail for  
13 not more than six (6) months, or by both the fine and incarceration.

14 N. Any owner of a titled vehicle who has knowledge that the  
15 title is not the proper type for the vehicle and, with intent to  
16 misrepresent the vehicle, fails to make the appropriate title  
17 changes, shall be guilty of a misdemeanor. Any person who has  
18 knowledge that the title is not the proper type for the vehicle, and  
19 with intent to misrepresent the vehicle, buys or receives any  
20 vehicle for which the appropriate title changes have not been made  
21 as required by this act shall be guilty of a misdemeanor. Any  
22 person found guilty in accordance with the provisions of this  
23 subsection shall be punished by a fine of not more than One Thousand  
24 Dollars (\$1,000.00) for the first offense or Five Thousand Dollars

1 (\$5,000.00) for the second or subsequent offense, or by imprisonment  
2 in the county jail for a term not exceeding six (6) months, or by  
3 both such fine and imprisonment.

4 O. Any owner of a salvage or junked vehicle shall submit the  
5 certificate of title to the Tax Commission or motor license agent  
6 for issuance of an appropriate title. Any holder of a certificate  
7 of title issued by this state, to a vehicle which no longer exists,  
8 shall surrender the certificate of title to the Tax Commission for  
9 cancellation. The vehicle identification number on the canceled  
10 certificate of title shall be preserved in the computer of the Tax  
11 Commission for at least five (5) years.

12 Nothing in this section shall be construed to prevent the  
13 transfer of ownership of a vehicle by assignment of the title to a  
14 used car dealer, wholesale used car dealer, or a licensed automotive  
15 dismantler or parts recycler.

16 SECTION 4. AMENDATORY 47 O.S. 2001, Section 1141.1, is  
17 amended to read as follows:

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

23 1. Beginning July 1, 2005, Two Dollars and eighty-one cents  
24 (\$2.81) for each vehicle registered and for each special license



1 plate issued pursuant to the Oklahoma Vehicle License and  
2 Registration Act. Beginning July 1, 2006, and thereafter, Three  
3 Dollars and fifty-six cents (\$3.56) for each vehicle registered and  
4 for each special license plate issued pursuant to the Oklahoma  
5 Vehicle License and Registration Act;

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

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

12 4. Two Dollars and twenty-five cents (\$2.25) for each  
13 certificate of title issued pursuant to the Oklahoma Vehicle License  
14 and Registration Act. Provided, the fee retention amount for  
15 certificates of title issued pursuant to the provisions of  
16 subsection H of Section 1105 of this title, in which an insurer pays  
17 the optional twenty-two-dollar-fee amount, is Four Dollars and fifty  
18 cents (\$4.50);

19 5. Beginning October 1, 2000, three percent (3%) of the vehicle  
20 excise tax collected pursuant to Section 2103 of Title 68 of the  
21 Oklahoma Statutes. Beginning July 1, 2001, each motor license agent  
22 shall be entitled to retain three and one hundred twenty-five one-  
23 thousandths percent (3.125%) of the vehicle excise tax collected  
24 pursuant to Section 2103 of Title 68 of the Oklahoma Statutes.

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

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

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

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

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

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

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

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

24

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

5       14. The mailing fees and registration fees provided in Sections  
6 1131 and 1140 of this title;

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

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

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

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

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

19       20. Beginning July 1, 2009, each motor license agent shall also  
20 be entitled to a portion of the penalties for delinquent  
21 registration or payment of excise tax as provided for in subsection  
22 C of Section 1115, subsection F of Section 1132 and subsection C of  
23 Section 1151 of this title and of subsection A of Section 2103 of  
24 Title 68 of the Oklahoma Statutes.

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

4 B. For each certificate of registration issued for boats and  
5 motors, each motor license agent shall be entitled to retain the  
6 greater of One Dollar and twenty-five cents (\$1.25) or an amount to  
7 be determined by the Tax Commission according to the provisions of  
8 this subsection. At the end of fiscal year 1997 and each fiscal  
9 year thereafter, the Tax Commission shall compute the average amount  
10 of registration fees for all boats and motors registered in this  
11 state during the fiscal year and shall multiply the result by six  
12 and twenty-two one-hundredths percent (6.22%). The resulting  
13 product shall be the amount which may be retained by each motor  
14 license agent for each certificate of registration for boats and  
15 motors issued during the following calendar year.

16 SECTION 5. This act shall become effective July 1, 2012.

17 SECTION 6. It being immediately necessary for the preservation  
18 of the public peace, health and safety, an emergency is hereby  
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1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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