

An Act

ENROLLED HOUSE
BILL NO. 1230

By: Ownbey of the House

and

Mazzei and Ivester of the
Senate

An Act relating to motor vehicles; amending 47 O.S. 2001, Section 1105, as last amended by Section 2 of Enrolled Senate Bill No. 38 of the 1st Session of the 53rd Oklahoma Legislature, which relates to certificates of title; allowing transfer of certificate of title to be processed as one transaction under certain circumstances; providing fee; providing for deposit of portion of fee in certain fund; amending 47 O.S. 2001, Section 1108, which relates to the procedure for replacement of lost certificates of title; providing exception under certain circumstances; amending 47 O.S. 2001, Section 1140, as last amended by Section 1, Chapter 386, O.S.L. 2009 (47 O.S. Supp. 2010, Section 1140), which relates to qualifications and requirements for motor license agents; modifying certain limitation on motor license agent eligibility; amending 47 O.S. 2001, Section 1141.1, as last amended by Section 3, Chapter 443, O.S.L. 2009 (47 O.S. Supp. 2010, Section 1141.1), which relates to retention of fees by motor license agents; referencing alternative amount allowed to be retained pursuant to certain provision; providing an effective date; and declaring an emergency.

SUBJECT: Motor vehicle registration

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1105, as last amended by Section 2 of Enrolled Senate Bill No. 38 of the 1st Session of the 53rd Oklahoma Legislature, is amended to read as follows:

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

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

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

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

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

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

6. "Junked vehicle" means any vehicle which is incapable of operation or use on the highway, has no resale value except as a source of parts or scrap and has an eighty percent (80%) loss in fair market value.

B. The owner of every vehicle in this state shall possess a certificate of title as proof of ownership of such vehicle, except those vehicles registered pursuant to Section 1120 of this title and trailers registered pursuant to Section 1133 of this title, previously titled by anyone in another state and engaged in interstate commerce, and except as provided in subsection M of this section. Except for owners that possess an agricultural exemption permit pursuant to Section 1358.1 of Title 68 of the Oklahoma

Statutes, the owner of an all-terrain vehicle or a motorcycle used exclusively off roads or highways in this state which is purchased or the ownership of which is transferred on or after July 1, 2005, and the owner of a utility vehicle used exclusively off roads and highways in this state which is purchased or the ownership of which is transferred on or after July 1, 2008, shall possess a certificate of title as proof of ownership. Any person possessing an agricultural exemption permit and owning an all-terrain vehicle or a motorcycle used exclusively off roads or highways in this state which is purchased or the ownership of which is transferred on or after July 1, 2008, shall possess a certificate of title as proof of ownership. Upon receipt of proper application information by such owner, the Oklahoma Tax Commission shall issue an original or transfer certificate of title. Until July 1, 2008, any security interest in an all-terrain vehicle that attached and was perfected before July 1, 2005, and that has not otherwise terminated shall remain perfected, and shall take priority over any subsequently perfected security interest in the same all-terrain vehicle, notwithstanding that a certificate of title may have been issued with respect to the same all-terrain vehicle on or after July 1, 2005, and that a lien may have been recorded on said certificate of title. There shall be eight types of certificates of title:

1. Original title for any motor vehicle which is not a remanufactured, salvage, unrecovered-theft, rebuilt, rebodied or junked vehicle;
2. Salvage title for any motor vehicle which is a salvage vehicle or is specified as a salvage vehicle or the equivalent thereof on a certificate of title from another state;
3. Rebuilt title for any motor vehicle which is a rebuilt vehicle;
4. Junked title for any motor vehicle which is a junked vehicle or is specified as a junked vehicle or the equivalent thereof on a certificate of title from another state;
5. Classic title for any motor vehicle, except a junked vehicle, which is twenty-five (25) model years or older;
6. Remanufactured title for any vehicle which is a remanufactured vehicle;

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

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

Application for a certificate of title, whether the initial certificate of title or a duplicate, may be made to the Tax Commission or any motor license agent. When application is made with a motor license agent, the application information shall be transmitted either electronically or by mail to the Tax Commission by the motor license agent. If the application information is transmitted electronically, the motor license agent shall forward the required application along with evidence of ownership, where required, by mail. Where the transmission of application information cannot be performed electronically, the Tax Commission is authorized to provide postage paid envelopes to motor license agents for the purpose of mailing the application along with evidence of ownership, where required. The Tax Commission shall upon receipt of proper application information issue an Oklahoma certificate of title. The certificates may be mailed to the applicant. Upon issuance of a certificate of title, the Tax Commission shall provide the appropriate motor license agent with confirmation of such issuance.

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

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

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

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

f. color coding.

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

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

D. 1. To obtain an original certificate of title for a vehicle that is being registered for the first time in this state which has not been previously registered in any other state, the applicant shall be required to deliver, as evidence of ownership, a manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon a form to be prescribed and approved by the Tax Commission. A manufacturer's certificate of origin shall contain:

- a. the manufacturer's serial or other identification number,
- b. date on which first sold by the manufacturer to the dealer,
- c. any distinguishing marks including model and the year same was made,

- d. a statement of any security interests upon the vehicle, and
- e. such other information as the Tax Commission may require.

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

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

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

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

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

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

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

G. When registering in this state a vehicle which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, or such state certificate is being held by the secured party in that state or any other state, the Tax Commission or the motor license agent shall complete a lien entry form as prescribed by the Tax Commission. The owner of such vehicle shall file an affidavit with the Tax Commission or the motor license agent stating that title to the vehicle is being held by a secured party has not been issued pursuant to the laws of the state where titled, and that there is an existing lien or encumbrance on the vehicle. The current name and address of the secured party or lienholder shall also be stated in the affidavit. The form of the affidavit shall be prescribed by the Tax Commission and contain any other information deemed necessary by the Tax Commission. A statement of the lien or encumbrance shall be included on the Oklahoma certificate of title and the lien or encumbrance shall be deemed continuously perfected as though it had been perfected pursuant to Section 1110 of this title. For completing the lien entry form and recording the security interest

on the certificate of title, the Tax Commission or the motor license agent shall collect a fee of Three Dollars (\$3.00) which shall be in addition to other fees provided by the Oklahoma Vehicle License and Registration Act. The fee, if collected by the motor license agent pursuant to this subsection, shall be retained by the motor license agent.

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

I. The vehicle identification number of a junked vehicle shall be preserved in the computer files of the Tax Commission for a period of not less than five (5) years. The charge of junked titles as defined in paragraph 4 of subsection B of this section shall be Four Dollars (\$4.00). The fee remitted to the Tax Commission shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

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

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

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

1. Are offered for sale at auction;

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

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

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

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

M. No title for any out-of-state vehicle offered for sale at salvage pools, salvage disposal sales, or an auction, or by a dealer or a licensed automotive dismantler and parts recycler, shall be issued without an inspection to compare the vehicle identification number on the vehicle with the number recorded on the ownership record and to record the actual odometer reading on the vehicle. Upon request of the seller, person or entity conducting an auction, dealer or licensed dismantler, the inspection shall be conducted at the location or place of business of the sale, auction, dealer, or the dismantler. The inspection shall be conducted by any motor license agent or a duly authorized employee thereof; provided, if

the vehicle identification number on the vehicle offered for sale at salvage pools, salvage disposal sales or a classic or antique auction does not match the number recorded on the ownership record, the inspection may be conducted at the location of or place of business of such sale or auction by any state, county or city law enforcement officer. The Tax Commission may enter into reciprocal agreements with other states for such inspections to be performed at locations outside the boundaries of this state for vehicles which:

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

The inspection shall be certified upon forms prescribed by the Tax Commission. The name and other identification of the authorized person conducting the inspection shall be legibly printed or typed on the form. Prior to any inspection by any employee of a motor license agent, the motor license agent shall notify the Tax Commission of the name and any other identification information requested by the Tax Commission of the authorized person. A signature specimen of the authorized person shall be submitted to the Tax Commission by the employing motor license agent. If the authorization to inspect vehicles is withdrawn or the employer-employee relationship is terminated, the motor license agent, immediately, shall notify the Tax Commission and return any remaining inspection forms to the Tax Commission. The fee for the inspection shall be Four Dollars (\$4.00). The motor license agent shall retain Three Dollars (\$3.00) of the fee. Fees received by a motor license agent or an authorized employee thereof shall be handled and accounted for in the manner as prescribed by law for any other fees paid to or received by a motor license agent. Out-of-state vehicles brought into this state by a person licensed in another state to sell new or used vehicles to be sold within this state at a motor vehicle auction which is limited to dealer-to-dealer transactions shall not be required to be inspected, unless the vehicle is purchased by an Oklahoma dealer. Any person licensed in another state to sell new or used motor vehicles, who offers a motor vehicle for sale within this state at a motor vehicle auction which is limited to dealer-to-dealer transactions, shall not be

within the definition of "owner" in Section 1102 of this title, for purposes of Section 1101 et seq. of this title.

N. A licensed motor vehicle dealer, upon payment of a fee of Fifteen Dollars (\$15.00), may reassign an out-of-state certificate of title to a used motor vehicle provided such dealer obtains the appropriate inspection form required by either subsection L or M of this section and attaches the form to the out-of-state certificate of title. Motor license agents shall be allowed to retain Two Dollars and twenty-five cents (\$2.25) of the fee plus an additional Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in subsections L and M of this section for performance of the inspection. Two Dollars (\$2.00) of the fee shall be deposited in the Tax Commission Reimbursement Fund. An out-of-state vehicle which has been rebuilt shall be inspected pursuant to the provisions of Section 1111 of this title. The Tax Commission shall train motor license agents in interpreting vehicle identification numbers to assure that it accurately describes the vehicle and to detect rollback or alteration of the odometer. Failure of a motor license agent to inspect the vehicle and make the required notations shall be a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00) for the first offense and Five Thousand Dollars (\$5,000.00) for the second offense or subsequent offense, or by imprisonment in the county jail for not more than six (6) months, or by both such fine and imprisonment.

O. The ownership of any unrecovered vehicle which has been declared a total loss by an insurer because of theft shall be transferred to the insurer by an unrecovered-theft vehicle title; provided, the ownership of any such vehicle which has been declared a total loss by an insurer licensed by the Insurance Department of the State of Oklahoma and maintaining a multi-state motor vehicle salvage processing center in this state shall be transferred to the insurer by a salvage or an unrecovered-theft title without the requirement of a visual inspection of the vehicle identification number by the insurer. Upon recovery of the vehicle, the ownership shall be transferred by an original title, salvage title, or junked title, as may be appropriate based upon an estimate of the amount of loss submitted by the insurer.

P. The owner of any vehicle which is incapable of operation or use on the public roads and has no resale value, except as parts, scrap or junk, may deliver the certificate of title to the vehicle to the Tax Commission for cancellation. Upon verification that any perfected lien against the vehicle has been released, the

certificate of title shall be canceled without any fee, charge, or cost required from the owner. The vehicle identification numbers on the certificates of title shall be preserved in the computer files of the Tax Commission for at least five (5) years from the date of cancellation of the certificate of title. The Tax Commission shall prescribe and provide an affidavit form to be completed by the owner of any vehicle for which the certificate of title is canceled. No title or registration shall subsequently be issued for a vehicle for which the certificate of title has been surrendered pursuant to this subsection. The Tax Commission shall prescribe a form for the transfer of ownership of a vehicle for which the certificate of title has been canceled.

Q. The owner of a vehicle which is not within the last ten (10) model years, not roadworthy and not capable of repair for operation or use on the roads and highways shall transfer the vehicle only upon a certificate of ownership prescribed by the Tax Commission, if the certificate of title to the vehicle is lost, has been canceled, or otherwise not available. The prescribed ownership form shall include the names and addresses of the buyer and seller, the driver license number or social security number of the seller, the make and model of the vehicle, and the public vehicle identification number. If there is no public vehicle identification number, the vehicle shall be inspected by a law enforcement officer to verify the absence of the number on the vehicle and the prescribed ownership form shall include a signed statement, by such officer, verifying the absence of the number.

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

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

to the lienholder, however, the vehicle shall be subject to a valid repossession by a lienholder.

R. The Tax Commission shall notify the chief administrative officer of the agency or department responsible for issuing motor vehicle certificates of title in each state in the United States of the types of motor vehicle certificate of title effective in Oklahoma on and after January 1, 1989.

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

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

U. The Tax Commission shall not be considered a necessary party to any lawsuit which is instigated for the purpose of determining ownership of a vehicle, wherein the Tax Commission's only involvement would be to issue title, and the court shall issue an order dismissing the Tax Commission from the pending action. In the event no other party or lienholder can be identified as to ownership or claim, the Tax Commission shall accept an affidavit of ownership from the party claiming ownership and issue proper title thereon.

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

Section 1108. ~~In~~ With the exception of an insurer applying for a salvage or junk certificate of title resulting from the settlement of a total loss claim, as provided in subsection H of Section 1105 of this title, in case of a lost certificate of title, the loss of which is accounted for to the satisfaction of the Commission or one of its motor license agents, the Commission or one of its motor license agents may issue duplicates. There shall be a replacement

fee of Eleven Dollars (\$11.00) for such duplicate title. One Dollar (\$1.00) of each such fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund.

SECTION 3. AMENDATORY 47 O.S. 2001, Section 1140, as last amended by Section 1, Chapter 386, O.S.L. 2009 (47 O.S. Supp. 2010, Section 1140), is amended to read as follows:

Section 1140. A. The Oklahoma Tax Commission shall adopt rules prescribing minimum qualifications and requirements for locating motor license agencies and for persons applying for appointment as a motor license agent; provided, after the effective date of this act such qualifications and requirements shall apply to agents in all areas of this state. Such qualifications and requirements shall include, but not be limited to, the following:

1. Necessary job skills and experience;
2. Minimum office hours;
3. Provision for sufficient staffing, equipment, office space and parking to provide maximum efficiency and maximum convenience to the public;
4. Obtainment of a faithful performance surety bond as provided for by law;
5. A requirement that operation of a motor license agency be the primary source of income for said agent;
6. That the applicant has not been convicted of a felony and that no felony charges are pending against the applicant;
7. That a complete financial statement be submitted by the applicant on forms provided by the Tax Commission;
8. That a report of the applicant's credit history be obtained through the appropriate credit bureau; and
9. That the location specified in the application for appointment as a motor license agent not be owned by a member of the Oklahoma Legislature or any person related to a member of the Oklahoma Legislature within the ~~third~~ second degree by consanguinity or affinity and that the location not be within a three-mile radius of an existing motor license agency unless the applicant is assuming

the location of an operating agency. The Tax Commission may, at its discretion, approve the relocation of an existing agency within a three-mile radius of another existing agency only if a naturally intervening geographic barrier within that radius causes the locations to be separated by not less than three (3) miles of roadway by the most direct route.

After the necessary information has been forwarded to the Tax Commission, each applicant shall be interviewed by the Tax Commission or its designees and each item of information shall be reviewed.

Any person making application to the Tax Commission for the purpose of becoming a motor license agent shall pay when submitting the application, a nonrefundable application fee of One Hundred Dollars (\$100.00). All such application fees shall be deposited in the Oklahoma Tax Commission Revolving Fund.

Upon application by a person to serve as a motor license agent, in such counties, the Tax Commission shall make a determination whether such person and such location meets the qualifications and requirements prescribed herein and, if such be the case, shall appoint such person to serve as a motor license agent.

A motor license agent, appointed pursuant to this subsection shall be permitted to operate a motor license agency at a single location and shall be prohibited from operating subagencies or branch agencies, unless such subagencies or branch agencies were established prior to June 1, 1985.

Unless otherwise specifically provided, motor license agents appointed pursuant to this subsection shall be subject to all laws relating to motor license agents and shall be subject to removal at the will of the Tax Commission.

B. Before the effective date of this act, in all counties of this state having a population of less than one hundred thirty thousand (130,000) and in municipalities having a population of less than eight thousand five hundred (8,500) located in a county having a population in excess of one hundred thirty thousand (130,000), according to the latest Federal Decennial Census, the Tax Commission shall appoint as many motor license agents as it deems necessary to carry out the provisions of the Motor Vehicle License and Registration Act. Provided, that in counties with a population in excess of twenty-five thousand (25,000) persons, according to the

latest Federal Decennial Census, having only one motor license agent serving the county, the Tax Commission shall establish at least one additional agency to serve the county. Any motor license agent appointed pursuant to this subsection before the effective date of this act may continue to serve until such agent vacates the position by reason of resignation, removal, death or otherwise.

All motor license agents shall be self-employed independent contractors and shall be under the supervision of the Tax Commission; provided, any agent authorized to issue registrations pursuant to the International Registration Plan shall also be under the supervision of the Corporation Commission, subject to rules promulgated by the Corporation Commission pursuant to the provisions of subsection E of Section 1166 of this title. Any such agent, upon being appointed, shall furnish and file with the Tax Commission a bond in such amount as may be fixed by the Tax Commission. Such agent shall be removable at the will of the Tax Commission. Such agent shall perform all duties and do such things in the administration of the laws of this state as shall be enjoined upon and required by the Tax Commission or the Corporation Commission. Provided, the Tax Commission may operate a motor license agency in any county where a vacancy occurs.

C. In the event of a vacancy existing by reason of resignation, removal, death or otherwise, in the position of any motor license agent, the Tax Commission is hereby empowered and authorized to take any and all actions it deems appropriate in order to provide for the orderly transition and for the maintenance of operations of the motor license agency including but not limited to the designation of one of its regular employees to serve as "acting agent" without bond, and to receive and expend all fees or charges authorized or provided by law and exercise the same powers and authority as a regularly appointed motor license agent. An acting agent may be authorized by the Tax Commission equally as the preceding agent to make disbursements from any balances in the preceding motor license agent's operating account and the agent's operating funds for the payment of expenses of operations and salaries and other overhead. If such funds are insufficient, the Tax Commission is authorized to expend from funds appropriated for the operation of the Tax Commission such amounts as are necessary to maintain and continue the operation of any such motor license agency until a successor agent is appointed and qualified. The Tax Commission may require a blanket fiduciary bond of the agency employees.

D. Any motor license agency operated by a motor license agent who has been charged with a felony shall be closed immediately. The State Auditor and Inspector shall immediately conduct an audit of such motor license agency and forward the report of the audit to the Tax Commission for review. The Tax Commission shall determine whether the motor license agency shall be reopened and operated by the motor license agent or whether the agency shall be reopened and operated by the Tax Commission. The review of the audit and the Tax Commission determination shall be effected as soon as possible to prevent additional inconvenience to the public.

E. When an application for registration is made with the Tax Commission, Corporation Commission or a motor license agent, a registration fee of One Dollar and seventy-five cents (\$1.75) shall be collected for each license plate or decal issued. Such fees shall be in addition to the registration fees on motor vehicles and when an application for registration is made to the motor license agent such motor license agent shall retain a fee as provided in Section 1141.1 of this title. When the fee is paid by a person making application directly with the Tax Commission or Corporation Commission, as applicable, the registration fees shall be in the same amount as provided for motor license agents and the fee provided by Section 1141.1 of this title shall be deposited in the Oklahoma Tax Commission Revolving Fund or as provided in Section 1167 of this title, as applicable. The Tax Commission shall prepare schedules of registration fees and charges for titles which shall include the fees for such agents and all fees and charges paid by a person shall be listed separately on the application and registration and totaled on the application and registration. The motor license agents shall charge only such fees as are specifically provided for by law, and all such authorized fees shall be posted in such a manner that any person shall have notice of all fees that are imposed by law.

F. No person shall be appointed as a motor license agent unless the person has attested under oath that the person is not related by affinity or consanguinity within the ~~third~~ second degree to:

1. Any member of the Oklahoma Legislature;
2. Any person who has served as a member of the Oklahoma Legislature within the two-year period preceding the date of appointment as motor license agent; or
3. Any employee of the Tax Commission.

G. Any motor license agent appointed under the provisions of this title shall be responsible for all costs incurred by the Tax Commission when relocating an existing motor license agency. The Tax Commission may waive payment of such costs in case of unforeseen business or emergency conditions beyond the control of the agent.

SECTION 4. AMENDATORY 47 O.S. 2001, Section 1141.1, as last amended by Section 3, Chapter 443, O.S.L. 2009 (47 O.S. Supp. 2010, Section 1141.1), is amended to read as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 5. This act shall become effective July 1, 2011.

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

Passed the House of Representatives the 18th day of May, 2011.

Presiding Officer of the House of
Representatives

Passed the Senate the 19th day of May, 2011.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Governor this _____
day of _____, 20____,
at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma the _____ day of
_____, 20____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this _____
_____ day of _____, 20____,
at _____ o'clock _____ M.

By: _____