

<DateSubmitted>

HOUSE OF REPRESENTATIVES
CONFERENCE COMMITTEE REPORT

Mr. President:
Mr. Speaker:

The Conference Committee, to which was referred

HB1230

By: Ownbey of the House and Mazzei of the Senate

Title: Motor vehicles; modifying certain certificate of title provisions; effective date; emergency.

Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendments and that the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action _____ Date _____ Senate Action _____ Date _____

HOUSE CONFEREES

Jordan Fred Jordan

Martin (Steve) _____

McCullough McCullough

Moore J. H. Moore

Morrisette _____

Roan Paul D. Roan

Roberts (Dustin) D. Roberts

Schwartz Colby Schwartz

Sherrer Ben Sherrer

Sullivan Alan Sullivan

Tibbs Steve Tibbs

Wesselhoft Paul Wesselhoft

Williams Craig Williams

Mr. Speaker Chris Steele

SENATE CONFEREES

Mazzei _____
Brinkley _____
Aldridge _____
Treat _____
Wilson _____
Ivester _____

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR ENGROSSED
6 HOUSE BILL NO. 1230

By: Ownbey of the House

and

Mazzei and Ivester of the
Senate

8
9
10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to motor vehicles; amending 47 O.S.
12 2001, Section 1105, as last amended by Section 2 of
13 Enrolled Senate Bill No. 38 of the 1st Session of the
14 53rd Oklahoma Legislature, which relates to
15 certificates of title; allowing transfer of
16 certificate of title to be processed as one
17 transaction under certain circumstances; providing
18 fee; providing for deposit of portion of fee in
19 certain fund; amending 47 O.S. 2001, Section 1108,
20 which relates to the procedure for replacement of
21 lost certificates of title; providing exception under
22 certain circumstances; amending 47 O.S. 2001, Section
23 1140, as last amended by Section 1, Chapter 386,
24 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.

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

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

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

8 1. "Salvage vehicle" means any vehicle which is within the last
9 ten (10) model years and which has been damaged by collision or
10 other occurrence to the extent that the cost of repairing the
11 vehicle for safe operation on the highway exceeds sixty percent
12 (60%) of its fair market value, as defined by Section 1111 of this
13 title, immediately prior to the damage. For purposes of this
14 section, actual repair costs shall only include labor and parts for
15 actual damage to the suspension, motor, transmission, frame or
16 unibody and designated structural components;

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

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

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

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

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

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

1 after July 1, 2008, shall possess a certificate of title as proof of
2 ownership. Upon receipt of proper application information by such
3 owner, the Oklahoma Tax Commission shall issue an original or
4 transfer certificate of title. Until July 1, 2008, any security
5 interest in an all-terrain vehicle that attached and was perfected
6 before July 1, 2005, and that has not otherwise terminated shall
7 remain perfected, and shall take priority over any subsequently
8 perfected security interest in the same all-terrain vehicle,
9 notwithstanding that a certificate of title may have been issued
10 with respect to the same all-terrain vehicle on or after July 1,
11 2005, and that a lien may have been recorded on said certificate of
12 title. There shall be eight types of certificates of title:

13 1. Original title for any motor vehicle which is not a
14 remanufactured, salvage, unrecovered-theft, rebuilt, rebodied or
15 junked vehicle;

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

19 3. Rebuilt title for any motor vehicle which is a rebuilt
20 vehicle;

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

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

3 6. Remanufactured title for any vehicle which is a
4 remanufactured vehicle;

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

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

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

1 Commission shall provide the appropriate motor license agent with
2 confirmation of such issuance.

3 C. 1. The application for certificate of title shall be upon a
4 blank form furnished by the Tax Commission, containing:

- 5 a. a full description of the vehicle,
- 6 b. the manufacturer's serial or other identification
7 number,
- 8 c. the motor number and the date on which first sold by
9 the manufacturer or dealer to the owner,
- 10 d. any distinguishing marks,
- 11 e. a statement of the applicant's source of title,
- 12 f. any security interest upon the vehicle, and
- 13 g. such other information as the Tax Commission may
14 require.

15 2. The application for a certificate of title for a vehicle
16 which is within the last seven (7) model years shall require a
17 declaration as to whether the vehicle has been damaged by collision
18 or other occurrence and whether the vehicle has been recovered from
19 theft and the extent of the damage to the vehicle. The declaration
20 shall be made by the owner of a vehicle if:

- 21 a. the vehicle has been damaged or stolen,
- 22 b. the owner did or did not receive any payment for the
23 loss from an insurer, or

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1 c. the vehicle is titled or registered in a state that
2 does not classify the vehicle or brand the title
3 because of damage to or loss of the vehicle similar to
4 the classifications or brands utilized by this state.

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

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

- 21 a. intaglio printing or security thread, with or without
- 22 watermark,
- 23 b. latent images,
- 24 c. fluorescent inks,

- d. micro print,
- e. void background, and
- f. color coding.

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

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

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

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

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

- 22 a. intaglio printing or security thread, with or without
23 watermark,
- 24 b. latent images,

1 c. fluorescent inks,

2 d. micro print, and

3 e. void background.

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

23 F. When registering for the first time in this state a vehicle
24 which was not originally manufactured for sale in the United States,

1 to obtain a certificate of title, the Tax Commission shall require
2 the applicant to deliver:

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

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

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

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1 registered pursuant to Section 1151.3 of this title, or for medium-
2 speed electric vehicles.

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

1 Registration Act. The fee, if collected by the motor license agent
2 pursuant to this subsection, shall be retained by the motor license
3 agent.

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

23 I. The vehicle identification number of a junked vehicle shall
24 be preserved in the computer files of the Tax Commission for a

1 period of not less than five (5) years. The charge of junked titles
2 as defined in paragraph 4 of subsection B of this section shall be
3 Four Dollars (\$4.00). The fee remitted to the Tax Commission shall
4 be deposited in the Oklahoma Tax Commission Reimbursement Fund.

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

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

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

1 agreements with other states for such inspections to be performed at
2 locations outside the boundaries of this state for vehicles which:

3 1. Are offered for sale at auction;

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

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

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

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

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

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

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

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

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

1 N. A licensed motor vehicle dealer, upon payment of a fee of
2 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
3 of title to a used motor vehicle provided such dealer obtains the
4 appropriate inspection form required by either subsection L or M of
5 this section and attaches the form to the out-of-state certificate
6 of title. Motor license agents shall be allowed to retain Two
7 Dollars and twenty-five cents (\$2.25) of the fee plus an additional
8 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in
9 subsections L and M of this section for performance of the
10 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
11 the Tax Commission Reimbursement Fund. An out-of-state vehicle
12 which has been rebuilt shall be inspected pursuant to the provisions
13 of Section 1111 of this title. The Tax Commission shall train motor
14 license agents in interpreting vehicle identification numbers to
15 assure that it accurately describes the vehicle and to detect
16 rollback or alteration of the odometer. Failure of a motor license
17 agent to inspect the vehicle and make the required notations shall
18 be a misdemeanor punishable by a fine of not more than One Thousand
19 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
20 (\$5,000.00) for the second offense or subsequent offense, or by
21 imprisonment in the county jail for not more than six (6) months, or
22 by both such fine and imprisonment.

23 O. The ownership of any unrecovered vehicle which has been
24 declared a total loss by an insurer because of theft shall be

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

12 P. The owner of any vehicle which is incapable of operation or
13 use on the public roads and has no resale value, except as parts,
14 scrap or junk, may deliver the certificate of title to the vehicle
15 to the Tax Commission for cancellation. Upon verification that any
16 perfected lien against the vehicle has been released, the
17 certificate of title shall be canceled without any fee, charge, or
18 cost required from the owner. The vehicle identification numbers on
19 the certificates of title shall be preserved in the computer files
20 of the Tax Commission for at least five (5) years from the date of
21 cancellation of the certificate of title. The Tax Commission shall
22 prescribe and provide an affidavit form to be completed by the owner
23 of any vehicle for which the certificate of title is canceled. No
24 title or registration shall subsequently be issued for a vehicle for

1 which the certificate of title has been surrendered pursuant to this
2 subsection. The Tax Commission shall prescribe a form for the
3 transfer of ownership of a vehicle for which the certificate of
4 title has been canceled.

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

19 The certificate of ownership shall be completed in triplicate.
20 The buyer and seller shall each retain a copy. Within thirty (30)
21 days of the transaction, the seller shall submit one copy to the Tax
22 Commission or a motor license agent accompanied with a fee of Four
23 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
24

1 license agent and Three Dollars (\$3.00) shall be deposited in the
2 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

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

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

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

23 T. If a vehicle is sold to a foreign buyer pursuant to the
24 provisions of the Automotive Dismantlers and Parts Recycler Act, the

1 licensed seller shall stamp the title with: "EXPORT ONLY.
2 NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall
3 supply the Tax Commission the title number, the vehicle
4 identification number and the foreign buyer's bid identification
5 number on a form prescribed by the Tax Commission. The Tax
6 Commission shall cancel the title, and the vehicle identification
7 number shall be preserved in the computer files of the Tax
8 Commission for a period of not less than five (5) years.

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

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

19 Section 1108. ~~¶~~ With the exception of an insurer applying for a
20 salvage or junk certificate of title resulting from the settlement
21 of a total loss claim, as provided in subsection H of Section 1105
22 of this title, in case of a lost certificate of title, the loss of
23 which is accounted for to the satisfaction of the Commission or one
24 of its motor license agents, the Commission or one of its motor

1 license agents may issue duplicates. There shall be a replacement
2 fee of Eleven Dollars (\$11.00) for such duplicate title. One Dollar
3 (\$1.00) of each such fee shall be deposited in the Oklahoma Tax
4 Commission Reimbursement Fund.

5 SECTION 3. AMENDATORY 47 O.S. 2001, Section 1140, as
6 last amended by Section 1, Chapter 386, O.S.L. 2009 (47 O.S. Supp.
7 2010, Section 1140), is amended to read as follows:

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

- 15 1. Necessary job skills and experience;
- 16 2. Minimum office hours;
- 17 3. Provision for sufficient staffing, equipment, office space
18 and parking to provide maximum efficiency and maximum convenience to
19 the public;
- 20 4. Obtainment of a faithful performance surety bond as provided
21 for by law;
- 22 5. A requirement that operation of a motor license agency be
23 the primary source of income for said agent;

24

1 6. That the applicant has not been convicted of a felony and
2 that no felony charges are pending against the applicant;

3 7. That a complete financial statement be submitted by the
4 applicant on forms provided by the Tax Commission;

5 8. That a report of the applicant's credit history be obtained
6 through the appropriate credit bureau; and

7 9. That the location specified in the application for
8 appointment as a motor license agent not be owned by a member of the
9 Oklahoma Legislature or any person related to a member of the
10 Oklahoma Legislature within the ~~third~~ second degree by consanguinity
11 or affinity and that the location not be within a three-mile radius
12 of an existing motor license agency unless the applicant is assuming
13 the location of an operating agency. The Tax Commission may, at its
14 discretion, approve the relocation of an existing agency within a
15 three-mile radius of another existing agency only if a naturally
16 intervening geographic barrier within that radius causes the
17 locations to be separated by not less than three (3) miles of
18 roadway by the most direct route.

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

23 Any person making application to the Tax Commission for the
24 purpose of becoming a motor license agent shall pay when submitting

1 the application, a nonrefundable application fee of One Hundred
2 Dollars (\$100.00). All such application fees shall be deposited in
3 the Oklahoma Tax Commission Revolving Fund.

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

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

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

18 B. Before the effective date of this act, in all counties of
19 this state having a population of less than one hundred thirty
20 thousand (130,000) and in municipalities having a population of less
21 than eight thousand five hundred (8,500) located in a county having
22 a population in excess of one hundred thirty thousand (130,000),
23 according to the latest Federal Decennial Census, the Tax Commission
24 shall appoint as many motor license agents as it deems necessary to

1 carry out the provisions of the Motor Vehicle License and
2 Registration Act. Provided, that in counties with a population in
3 excess of twenty-five thousand (25,000) persons, according to the
4 latest Federal Decennial Census, having only one motor license agent
5 serving the county, the Tax Commission shall establish at least one
6 additional agency to serve the county. Any motor license agent
7 appointed pursuant to this subsection before the effective date of
8 this act may continue to serve until such agent vacates the position
9 by reason of resignation, removal, death or otherwise.

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

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

21 D. Any motor license agency operated by a motor license agent
22 who has been charged with a felony shall be closed immediately. The
23 State Auditor and Inspector shall immediately conduct an audit of
24 such motor license agency and forward the report of the audit to the

1 Tax Commission for review. The Tax Commission shall determine
2 whether the motor license agency shall be reopened and operated by
3 the motor license agent or whether the agency shall be reopened and
4 operated by the Tax Commission. The review of the audit and the Tax
5 Commission determination shall be effected as soon as possible to
6 prevent additional inconvenience to the public.

7 E. When an application for registration is made with the Tax
8 Commission, Corporation Commission or a motor license agent, a
9 registration fee of One Dollar and seventy-five cents (\$1.75) shall
10 be collected for each license plate or decal issued. Such fees
11 shall be in addition to the registration fees on motor vehicles and
12 when an application for registration is made to the motor license
13 agent such motor license agent shall retain a fee as provided in
14 Section 1141.1 of this title. When the fee is paid by a person
15 making application directly with the Tax Commission or Corporation
16 Commission, as applicable, the registration fees shall be in the
17 same amount as provided for motor license agents and the fee
18 provided by Section 1141.1 of this title shall be deposited in the
19 Oklahoma Tax Commission Revolving Fund or as provided in Section
20 1167 of this title, as applicable. The Tax Commission shall prepare
21 schedules of registration fees and charges for titles which shall
22 include the fees for such agents and all fees and charges paid by a
23 person shall be listed separately on the application and
24 registration and totaled on the application and registration. The

1 motor license agents shall charge only such fees as are specifically
2 provided for by law, and all such authorized fees shall be posted in
3 such a manner that any person shall have notice of all fees that are
4 imposed by law.

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

8 1. Any member of the Oklahoma Legislature;

9 2. Any person who has served as a member of the Oklahoma
10 Legislature within the two-year period preceding the date of
11 appointment as motor license agent; or

12 3. Any employee of the Tax Commission.

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

18 SECTION 4. AMENDATORY 47 O.S. 2001, Section 1141.1, as
19 last amended by Section 3, Chapter 443, O.S.L. 2009 (47 O.S. Supp.
20 2010, Section 1141.1), is amended to read as follows:

21 Section 1141.1 A. Each motor license agent shall be entitled
22 to retain the following amounts from the taxes and fees collected by
23 such agent to be used to fund the operation of the office of such
24

1 motor license agent subject to the provisions of Sections 1140
2 through 1147 of this title:

3 1. Beginning July 1, 2005, Two Dollars and eighty-one cents
4 (\$2.81) for each vehicle registered and for each special license
5 plate issued pursuant to the Oklahoma Vehicle License and
6 Registration Act. Beginning July 1, 2006, and thereafter, Three
7 Dollars and fifty-six cents (\$3.56) for each vehicle registered and
8 for each special license plate issued pursuant to the Oklahoma
9 Vehicle License and Registration Act;

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

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

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

23 5. Beginning October 1, 2000, three percent (3%) of the vehicle
24 excise tax collected pursuant to Section 2103 of Title 68 of the

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

5 Beginning July 1, 2002, and for all subsequent years, each motor
6 license agent shall be entitled to retain three and twenty-five one-
7 hundredths percent (3.25%) of the vehicle excise tax collected
8 pursuant to Section 2103 of Title 68 of the Oklahoma Statutes.

9 However, beginning July 1, 2003, the Legislature shall annually
10 review the percentage to be retained by the motor license agents
11 pursuant to this paragraph to determine whether such percentage
12 should be adjusted;

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

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

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

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

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

24

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

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

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

9 14. The mailing fees and registration fees provided in Sections
10 1131 and 1140 of this title;

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

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

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

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

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

23 20. Beginning July 1, 2009, each motor license agent shall also
24 be entitled to a portion of the penalties for delinquent

1 registration or payment of excise tax as provided for in subsection
2 C of Section 1115, subsection F of Section 1132 and subsection C of
3 Section 1151 of this title and of subsection A of Section 2103 of
4 Title 68 of the Oklahoma Statutes.

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

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

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

21 SECTION 6. It being immediately necessary for the preservation
22 of the public peace, health and safety, an emergency is hereby
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24

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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