

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 792

By: Johnson (Rob) of the Senate

and

Jackson of the House

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8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to the Oklahoma Used Motor Vehicle  
11 and Parts Commission; creating the Oklahoma Crusher  
12 Act; defining terms; prohibiting operating business  
13 as a crusher without a license; stating eligibility  
14 for licensure; setting application requirements;  
15 requiring bond and service agent; providing for  
16 investigation and fees; allowing retention of  
17 investigative fee upon license denial; directing  
18 Commission to set fees by rule; describing contents  
19 of license; requiring display of license; prohibiting  
20 transfer of license; providing for license term and  
21 renewal; establishing procedure to acquire certain  
22 used vehicles; stating unauthorized sales of  
23 vehicles; directing report of vehicle purchases  
24 within certain time; providing for holding period  
following submission of the report; setting contents  
of the report; requiring submission of monthly report  
to certain national system; exempting certain  
licensed business; prohibiting reassignment of title;  
providing for rules; granting Commission rulemaking  
authority; criminalizing certain acts; setting  
penalties; providing for injunctive relief; providing  
for codification; and providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 592.1 of Title 47, unless there  
3 is created a duplication in numbering, reads as follows:

4 This act shall be known and may be cited as the "Oklahoma  
5 Crusher Act".

6 SECTION 2. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 592.2 of Title 47, unless there  
8 is created a duplication in numbering, reads as follows:

9 As used in the Oklahoma Crusher Act:

10 1. "Commission" means the Oklahoma Used Motor Vehicle and Parts  
11 Commission;

12 2. "Crusher" means a person engaged in the business of crushing  
13 and/or shredding used motor vehicles, trailers, or nonmotorized  
14 recreational vehicles; and

15 3. "Person" means an individual, partnership, corporation,  
16 limited liability company, joint venture, trust, association, or any  
17 other legal entity however organized.

18 SECTION 3. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 592.3 of Title 47, unless there  
20 is created a duplication in numbering, reads as follows:

21 No person shall engage in business as a crusher without first  
22 obtaining a license from the Oklahoma Used Motor Vehicle and Parts  
23 Commission specifically authorizing engagement in such business.

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1 SECTION 4. NEW LAW A new section of law to be codified  
2 in the Oklahoma Statutes as Section 592.4 of Title 47, unless there  
3 is created a duplication in numbering, reads as follows:

4 A. To be eligible for a crusher license, an applicant shall:

5 1. Be of good moral character;

6 2. Have net assets of at least Twenty-five Thousand Dollars  
7 (\$25,000.00); and

8 3. Show that the crusher operation will be operated lawfully  
9 and fairly within the purpose of the Oklahoma Crusher Act.

10 B. The Commission shall find ineligible an applicant who:

11 1. Has a felony conviction which relates to the duties and  
12 responsibilities of the occupation of crusher, or has any felony  
13 conviction less than five (5) years before the date of application  
14 for a license;

15 2. Is unfit to conduct the business of a crusher as determined  
16 by the Commission, taking into consideration the business integrity,  
17 financial standing, moral character, and/or ability to conduct the  
18 business of a crusher of the applicant; and

19 3. Fails to provide any information requested by the Commission  
20 in any initial or renewal application for license.

21 SECTION 5. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 592.5 of Title 47, unless there  
23 is created a duplication in numbering, reads as follows:

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1       A. Applications for a crusher license shall be under oath and  
2 shall state the full name and place of residence of the applicant.  
3 If the applicant has more than one member, the full name and  
4 residence of each member shall be stated. The application shall  
5 give the location of the business headquarters, and shall contain  
6 such relevant information as the Commission shall require.

7       B. Each applicant for a crusher license at the time of filing  
8 the application shall file with the Commission a bond in the amount  
9 of Twenty-five Thousand Dollars (\$25,000.00) for each license with a  
10 surety company qualified to do business in this state. The bond  
11 shall be approved as to form by the Attorney General and conditioned  
12 that the applicant shall not practice fraud, make any fraudulent  
13 representation, or violate any of the provisions of the Oklahoma  
14 Crusher Act or any of the rules made by the Commission hereunder in  
15 the conduct of the business for which the applicant is licensed and  
16 will pay to the state and to any person or persons any and all  
17 amounts of money that may become due or owing to the state or to  
18 such person or persons from the obligor under and by virtue of the  
19 provisions of the Oklahoma Crusher Act during the time such bond is  
20 in effect. The bond shall run to the benefit of the state and of  
21 any person or persons who may have cause of action against the  
22 obligor of the bond under the provisions of the Oklahoma Crusher Act  
23 up to the maximum amount of the bond.

24

1 C. Each licensee shall maintain on file with the Commission a  
2 written appointment of a resident of this state as his or her agent  
3 for service of all judicial or other process or legal notice, unless  
4 the licensee has appointed an agent under another statute of this  
5 state. In case of noncompliance, such service may be made on the  
6 Commission.

7 SECTION 6. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 592.6 of Title 47, unless there  
9 is created a duplication in numbering, reads as follows:

10 A. Upon the filing of an application and bond and payment of  
11 the annual fee and an investigation fee, the Commission shall  
12 conduct an investigation. If the Commission finds that the  
13 financial responsibility, experience, character and general fitness  
14 of the applicant are such as to warrant belief that the business  
15 will be operated lawfully and fairly, within the purposes of this  
16 act, and the applicant meets the eligibility requirements of this  
17 act and the rules of the Commission, the Commission shall grant the  
18 application and issue to the applicant a license which will evidence  
19 the applicant's authority to do business pursuant to the Oklahoma  
20 Crusher Act.

21 B. If the Commission does not find facts sufficient to warrant  
22 issuance of a license, the Commission may deny the application. In  
23 the event of denial of the application, the investigation fee shall  
24

1 be retained by the Commission, but the annual license fee shall be  
2 returned to the applicant.

3 C. The Commission shall prescribe by rule a fee for each  
4 initial application, investigation fee, renewal application, late  
5 fee for renewals not received by June 1, and fee for each license  
6 change, duplicate license or returned check.

7 SECTION 7. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 592.7 of Title 47, unless there  
9 is created a duplication in numbering, reads as follows:

10 A. Each license shall state the name of the licensee and the  
11 address at which the business office is located and where the  
12 records of the business are to be permanently maintained. The  
13 license shall be displayed at the business location. The license  
14 shall not be transferable.

15 B. Each license shall remain in full force and effect until  
16 relinquished, suspended, revoked or expired. Every licensee, on or  
17 before June 1, shall pay the Commission an annual fee for the  
18 succeeding one-year licensing period, July 1 through June 30. If  
19 the annual fee remains unpaid by June 15, the license shall  
20 thereupon expire on June 30. If the renewal application is received  
21 after June 15, a late fee shall be charged.

22 SECTION 8. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 592.8 of Title 47, unless there  
24 is created a duplication in numbering, reads as follows:

1 A. Prior to the purchase of a used motor vehicle, trailer, or  
2 nonmotorized recreational vehicle, the crusher shall require the  
3 following proof of ownership from the person selling the used motor  
4 vehicle, trailer, or nonmotorized recreational vehicle:

5 1. A certificate of title in the name of the seller that shows  
6 no outstanding liens;

7 2. A notarized power of attorney from the individual on the  
8 certificate of title authorizing the seller to dispose of the  
9 vehicle on behalf of the owner;

10 3. A bill of sale from the owner as identified by the  
11 certificate of title to the person presenting the vehicle to be  
12 crushed or shredded; and

13 4. A statement of ownership from the seller stating that the  
14 vehicle to be crushed was purchased from the lawful owner,  
15 accompanied by a bill of sale from the lawful owner including a  
16 statement that there are no outstanding liens on the vehicle, and a  
17 statement that the vehicle is inoperable or incapable of operation  
18 or use on the highway and has no resale value except as scrap.

19 B. A crusher shall not:

20 1. Accept any vehicle to be crushed or shredded from a person  
21 under the age of eighteen (18) years;

22 2. Buy a vehicle from a person unable to supply verification of  
23 identity by photo I.D. by either a state-issued identification card,  
24 driver license or federal-government-issued identification card or

1 by readable fingerprint of right or left index finger on the  
2 purchase document to be retained in the crusher's records; or

3 3. Crush or shred any vehicle purchased until making the report  
4 and waiting the time period required herein.

5 C. A crusher shall:

6 1. Make available a copy or report within three days (3) days  
7 of any purchase of a vehicle to the local law enforcement agency of  
8 the municipality or other political subdivision in which the crusher  
9 is located or temporarily operating. Such copy or report shall be  
10 shown upon request to the Commission's representative or to any  
11 authorized peace officer;

12 2. Hold the vehicle in the state and condition in which it was  
13 purchased for a period of three (3) days after submitting the report  
14 required in paragraph 1 of this subsection;

15 3. Include in the report:

16 a. the name, address and telephone number of the crusher  
17 whereby the crusher may be immediately contacted,  
18 b. the name, address, race, sex, weight, height, date of  
19 birth and identifying number of the seller as verified  
20 by either a state-issued identification card, driver  
21 license or federal-government-issued identification  
22 card or by readable fingerprint of right or left index  
23 finger on the purchase document to be retained in the  
24 crusher's record, and

1 c. a description of the vehicle, the manufacturer of the  
2 vehicle, the vehicle identification numbers of the  
3 vehicle, and the date and time of the purchase of the  
4 vehicle; and

5 4. Submit a report monthly to the National Motor Vehicle Title  
6 Information System (NMVTIS) of the disposition of each vehicle  
7 crushed.

8 D. A licensed automotive dismantler engaging the services of a  
9 crusher shall not be required to produce proof of ownership to the  
10 crusher before selling to the crusher vehicles or other property  
11 purchased by the automotive dismantler in the ordinary course of  
12 business.

13 E. A crusher shall not have the right of reassignment of a  
14 certificate of title.

15 SECTION 9. NEW LAW A new section of law to be codified  
16 in the Oklahoma Statutes as Section 592.9 of Title 47, unless there  
17 is created a duplication in numbering, reads as follows:

18 A. Rulemaking Power. The Oklahoma Used Motor Vehicle and Parts  
19 Commission may adopt, amend and repeal such rules as are necessary  
20 for the enforcement of the provisions of the Oklahoma Crusher Act  
21 and consistent with its provisions.

22 B. Criminal Penalties.

23 1. Any person who engages in the business of operating a  
24 crusher without first obtaining the license prescribed in the

1 Oklahoma Crusher Act or any person who receives, obtains or  
2 possesses and crushes any vehicle or other property which the person  
3 knows to be subject to an outstanding lien shall be guilty of a  
4 misdemeanor and upon conviction thereof shall be punished by a fine  
5 not in excess of One Thousand Dollars (\$1,000.00), by confinement in  
6 the county jail for not more than six (6) months, or by both.

7 2. Any person who engages in the business of operating a  
8 crusher without first obtaining the license prescribed in the  
9 Oklahoma Crusher Act and who receives, obtains or possesses any  
10 vehicle or other property which he knows to be stolen, shall be  
11 guilty of a felony offense of receiving, obtaining or possessing  
12 stolen property and, upon conviction, shall be subject to the  
13 penalties which may be imposed for such crime.

14 3. Any person selling a vehicle or other property to a crusher  
15 who uses false or altered identification or makes a false  
16 declaration of ownership or lien status as related to the provisions  
17 of the Oklahoma Crusher Act shall be guilty of a felony, and upon  
18 conviction shall be punished by imprisonment in the custody of the  
19 Department of Corrections for a term of not more than five (5)  
20 years, or in the county jail for a term of not more than one (1)  
21 year, or by a fine not exceeding One Thousand Dollars (\$1,000.00),  
22 or by both such fine and imprisonment.

23 4. Any person who fails to repay a crusher the full amount  
24 received from the sale of a vehicle or other property after being

1 | officially notified by a peace officer or the Commission that the  
2 | vehicle or other property the person sold to the crusher was stolen  
3 | shall be guilty of a misdemeanor and upon conviction shall be  
4 | punished by imprisonment in the county jail for a term of not to  
5 | exceed six (6) months, or a fine not to exceed One Thousand Dollars  
6 | (\$1,000.00), or by both such fine and imprisonment.

7 |       C. Injunctive Action. The Commission may institute, in the  
8 | name of the State of Oklahoma ex rel. Oklahoma Used Motor Vehicle  
9 | and Parts Commission, any necessary action to enjoin any person,  
10 | firm, or corporation from engaging in the business of a crusher  
11 | without a license, or for any violations of this act. An injunction  
12 | shall issue without the requirement of a bond of any kind from the  
13 | state. The venue of any action authorized by this section shall be  
14 | in the county wherein the business activity complained of is  
15 | conducted.

16 |       SECTION 10. This act shall become effective November 1, 2013.

18 |       54-1-7776       EK       04/04/13