

1 ENGROSSED HOUSE
2 BILL NO. 2624

By: Osborn of the House

and

Justice of the Senate

3
4
5
6
7 An Act relating to scrap metal dealers; amending 59
8 O.S. 2011, Section 1423, as amended by Section 3,
9 Chapter 230, O.S.L. 2013, and as renumbered by
10 Section 5, Chapter 18, O.S.L. 2014 (2 O.S. Supp.
11 2015, Section 11-92), which relates to the Oklahoma
12 Scrap Metal Dealers Act; modifying information
13 required to sell vehicle to scrap metal dealer;
14 amending 47 O.S. 2011, Section 1105, as amended by
15 Section 1, Chapter 158, O.S.L. 2012 (47 O.S. Supp.
16 2015, Section 1105), which relates to the Oklahoma
17 Vehicle License and Registration Act; modifying
18 transfer of title for certain vehicles; and providing
19 an effective date.

20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

1 following data from any seller of any amount of scrap metal as
2 defined by the Oklahoma Scrap Metal Dealers Act:

3 1. A legible photocopy of the seller's driver license or other
4 form of government issued photo identification that contains his or
5 her name, address, date of birth, weight and height;

6 2. Vehicle description and license tag number of the seller if
7 the vehicle was used to transport the material being sold;

8 3. Date and place of the transaction and the transaction number
9 as provided by the scrap metal dealer;

10 4. Description of the items sold and weight of the items as
11 required by the provisions of the Oklahoma Scrap Metal Dealers Act;

12 5. Whether the scrap metal is in wire, cable, bar, rod, sheet
13 or tube form;

14 6. If any insulation is on the scrap metal, the names and
15 addresses of the persons, groups or corporations from whom seller
16 purchased or obtained the materials; and

17 7. If apparent on the scrap metal, the name of the manufacturer
18 and serial number of each item of scrap metal.

19 B. Municipalities or other political subdivisions may adopt,
20 and scrap metal dealers shall abide by, local ordinances regarding
21 the format of the information required by subsection A of this
22 section, either written or electronic.

23 C. Records required by this section shall be made available at
24 any time to any person authorized by law for such inspection.

1 D. Purchases of thirty-five (35) pounds or more of scrap metal
2 containing a manufacturer's serial number or other unique label or
3 mark shall be held separate and apart so that the purchased scrap
4 metal may be readily identifiable from all other purchases for a
5 period of not less than ten (10) days from the date of purchase.
6 During the holding period the scrap metal dealer may not change the
7 form of the purchased scrap metal and shall permit any person
8 authorized by law to make inspection of such materials.

9 E. Purchases of thirty-five (35) pounds or more of scrap metal
10 which does not contain a manufacturer's serial number or other
11 unique label or mark shall either be held for the same time and in
12 the same manner as required by subsection D of this section; or in
13 the alternative, the scrap metal dealer shall be required to obtain
14 a digital image of the items purchased, the seller of the items, a
15 copy of the bill of sale and a copy of the seller's photo
16 identification. The digital image shall contain a depiction that
17 can reasonably be utilized for identification of the seller and the
18 items sold and captured in the common JPEG format with a minimum
19 resolution of 640 pixels by 480 pixels. The digital image shall be
20 retained by the purchaser for a minimum of ninety (90) days from the
21 date of purchase. For the purpose of this section a "digital image"
22 means a raster-based two-dimensional, rectangular array of static
23 data elements called pixels, intended for display on a computer
24

1 monitor or for transformation into another format, such as a printed
2 page.

3 F. No purchase of any amount of scrap metal from an exempted
4 seller, as defined by Section ~~1422~~ 11-91 of this title, shall be
5 subject to any holding period or digital imaging identification
6 required by subsection D or E of this section.

7 G. It shall be unlawful for any person to sell or purchase
8 copper material or copper wire from which the actual or apparent
9 insulation or other coating has been burned, melted or exposed to
10 heat or fire resulting in melting some or all of the insulation or
11 coating. This provision shall not apply to sales by or purchases
12 from an exempted seller.

13 H. It shall be unlawful for any scrap metal dealer to purchase
14 any item from a minor without having first obtained the consent, in
15 writing, of a parent or guardian of such minor. Such written
16 consent shall be kept with the book, record or other electronic
17 recording system required by subsection A of this section and, if
18 requested by a law enforcement agency where the purchase was made,
19 shall be transmitted to the law enforcement agency and may be kept
20 as a permanent record and made available for public inspection.

21 I. A scrap metal dealer shall obtain from each seller of a
22 scrap metal item regulated by the Oklahoma Scrap Metal Dealers Act,
23 or a parent or guardian on behalf of a minor, a written declaration
24 of ownership containing a legible signature of the seller. The

1 declaration of ownership shall be in the following form and shall
2 appear on the bill of sale or transaction ticket to be completed by
3 the seller in the presence of the purchaser at the time of the
4 transaction:

5 "I hereby affirm under penalty of prosecution that I am the
6 rightful owner of the hereon described merchandise; or I am an
7 authorized representative of the rightful owner and affirm that I
8 have been given authority by the rightful owner to sell the hereon
9 described merchandise.

10 _____

11 Signature"

12 J. If requested by a law enforcement agency, a scrap metal
13 dealer shall report in writing all purchases of scrap metal as
14 defined by the Oklahoma Scrap Metal Dealers Act within forty-eight
15 (48) hours following such purchase. The report shall contain all
16 the information required by this section.

17 K. A scrap metal dealer purchasing a vehicle from any person
18 shall be required to record the information required in subsection A
19 of this section and the make, model, license tag number and vehicle
20 identification number of the purchased vehicle. A person selling a
21 vehicle to a scrap metal dealer shall be required to present to the
22 dealer the title of the vehicle or a ~~verified bill of sale from the~~
23 ~~owner of the vehicle or other proof of ownership~~ certificate of
24 ownership form, as approved by the Oklahoma Tax Commission and

1 available at the Oklahoma Tax Commission or through a motor license
2 agent, in addition to signing a declaration of ownership as required
3 by subsection I of this section. The provisions of this subsection
4 shall not apply to sales, purchases or other transfer of vehicles
5 between scrap metal dealers and licensed automotive dismantlers and
6 parts recyclers.

7 L. The provisions of the Oklahoma Scrap Metal Dealers Act shall
8 not apply to the sale or purchase of aluminum beverage cans for
9 recycling purposes.

10 M. A scrap metal dealer shall not enter into any cash
11 transactions in excess of One Thousand Dollars (\$1,000.00) in
12 payment for the purchase of scrap metal that is listed in subsection
13 B of Section ~~1424~~ 11-93 of this title unless the transaction is made
14 with an exempted seller. Payment by check shall be issued and made
15 payable only to the seller of the scrap metal whose identification
16 information has been obtained pursuant to the provisions of this
17 section.

18 SECTION 2. AMENDATORY 47 O.S. 2011, Section 1105, as
19 amended by Section 1, Chapter 158, O.S.L. 2012 (47 O.S. Supp. 2015,
20 Section 1105), is amended to read as follows:

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

23 1. "Salvage vehicle" means any vehicle which is within the last
24 ten (10) model years and which has been damaged by collision or

1 other occurrence to the extent that the cost of repairing the
2 vehicle for safe operation on the highway exceeds sixty percent
3 (60%) of its fair market value, as defined by Section 1111 of this
4 title, immediately prior to the damage. For purposes of this
5 section, actual repair costs shall only include labor and parts for
6 actual damage to the suspension, motor, transmission, frame or
7 unibody and designated structural components;

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

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

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

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

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

22 B. The owner of every vehicle in this state shall possess a
23 certificate of title as proof of ownership of such vehicle, except
24 those vehicles registered pursuant to Section 1120 of this title and

1 trailers registered pursuant to Section 1133 of this title,
2 previously titled by anyone in another state and engaged in
3 interstate commerce, and except as provided in subsection M of this
4 section. Except for owners that possess an agricultural exemption
5 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma
6 Statutes, the owner of an all-terrain vehicle or a motorcycle used
7 exclusively off roads or highways in this state which is purchased
8 or the ownership of which is transferred on or after July 1, 2005,
9 and the owner of a utility vehicle used exclusively off roads and
10 highways in this state which is purchased or the ownership of which
11 is transferred on or after July 1, 2008, shall possess a certificate
12 of title as proof of ownership. Any person possessing an
13 agricultural exemption permit and owning an all-terrain vehicle or a
14 motorcycle used exclusively off roads or highways in this state
15 which is purchased or the ownership of which is transferred on or
16 after July 1, 2008, shall possess a certificate of title as proof of
17 ownership. Upon receipt of proper application information by such
18 owner, the Oklahoma Tax Commission shall issue an original or
19 transfer certificate of title. Until July 1, 2008, any security
20 interest in an all-terrain vehicle that attached and was perfected
21 before July 1, 2005, and that has not otherwise terminated shall
22 remain perfected, and shall take priority over any subsequently
23 perfected security interest in the same all-terrain vehicle,
24 notwithstanding that a certificate of title may have been issued

1 with respect to the same all-terrain vehicle on or after July 1,
2 2005, and that a lien may have been recorded on said certificate of
3 title. There shall be eight types of certificates of title:

4 1. Original title for any motor vehicle which is not a
5 remanufactured, salvage, unrecovered-theft, rebuilt, rebodied or
6 junked vehicle;

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

10 3. Rebuilt title for any motor vehicle which is a rebuilt
11 vehicle;

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

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

17 6. Remanufactured title for any vehicle which is a
18 remanufactured vehicle;

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

21 8. Rebodied title for any motor vehicle which is a rebodied
22 vehicle.

23 Application for a certificate of title, whether the initial
24 certificate of title or a duplicate, may be made to the Tax

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

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

- 19 a. a full description of the vehicle,
- 20 b. the manufacturer's serial or other identification
21 number,
- 22 c. the motor number and the date on which first sold by
23 the manufacturer or dealer to the owner,
- 24 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

1 declaration, the Tax Commission shall return the application to the
2 applicant with notice that the title may not be issued without the
3 required declaration. Nothing in this paragraph shall prohibit the
4 Tax Commission from recognizing the type of or brand on a title or
5 other ownership document issued by another state or the inspection
6 conducted in another state and issuing the appropriate certificate
7 of title for the vehicle.

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

- 1 0 a. intaglio printing or security thread, with or without
1 1 watermark,
- 1 2 b. latent images,
- 1 3 c. fluorescent inks,
- 1 4 d. micro print,
- 1 5 e. void background, and
- 1 6 f. color coding.

1 7 4. Each title issued pursuant to the provisions of the Oklahoma
1 8 Vehicle License and Registration Act shall be color coded as
1 9 determined by the Tax Commission.

2 0 5. The certificate of title shall be of such size and design
2 1 and color as the Tax Commission may direct pursuant to the
2 2 provisions of this section. The title shall be on colored paper or
2 3 other material as designated by the Tax Commission and be of such
2 4 intensity or hue as will allow easy identification as to whether the

1 title is an original title, a salvage title, a rebuilt title,
2 remanufactured title, rebodied title or a junked title. The type of
3 title shall be identified on the front of the certificate of title.
4 The original title, rebuilt title, remanufactured title, an
5 unrecovered-theft title, rebodied title or classic title shall be
6 identified by the word "Original", "Rebuilt", "Remanufactured",
7 "Unrecovered Theft", "Rebodied" or "Classic" printed in the upper
8 right quadrant of the certificate of title, in the space which is
9 currently captioned "type of title". A rebodied title shall also
10 identify on the front of the title the year, make and model of the
11 originally manufactured vehicle which has been rebodied and display
12 a notation that reads as follows: "This vehicle has been assembled
13 with new major components licensed by the original manufacturer".

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

- 23 a. the manufacturer's serial or other identification
24 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

1 rebuilt vehicle does not accurately describe the vehicle as rebuilt.
2 The motor license agent, at the time of inspection of the rebuilt
3 vehicle pursuant to Section 1111 of this title, shall identify the
4 make, model, and year for the body to accurately describe the
5 rebuilt vehicle. At the time of the inspection, an appropriate
6 identifying number shall be permanently stamped, burned, pressed, or
7 attached on the rebuilt vehicle. The assigned identifying number
8 shall be recorded on the certificate of title for the rebuilt
9 vehicle. The dealer's or manufacturer's vehicle identification
10 number on the rebuilt vehicle shall be preserved in the computer
11 files of the Tax Commission for at least five (5) years.

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

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

21 2. As evidence of compliance with federal law, copies of the
22 bond release letters for the vehicle issued by the United States
23 Environmental Protection Agency and the United States Department of
24 Transportation, together with a receipt issued by the Internal

1 Revenue Service indicating that the applicable federal gas guzzler
2 tax has been paid.

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

15 G. When registering in this state a vehicle which was titled in
16 another state and which title contains the name of a secured party
17 on the face of the other state certificate of title, or such state
18 certificate is being held by the secured party in that state or any
19 other state, the Tax Commission or the motor license agent shall
20 complete a lien entry form as prescribed by the Tax Commission. The
21 owner of such vehicle shall file an affidavit with the Tax
22 Commission or the motor license agent stating that title to the
23 vehicle is being held by a secured party, has not been issued
24 pursuant to the laws of the state where titled, and that there is an

1 existing lien or encumbrance on the vehicle. The current name and
2 address of the secured party or lienholder shall also be stated in
3 the affidavit. The form of the affidavit shall be prescribed by the
4 Tax Commission and contain any other information deemed necessary by
5 the Tax Commission. A statement of the lien or encumbrance shall be
6 included on the Oklahoma certificate of title and the lien or
7 encumbrance shall be deemed continuously perfected as though it had
8 been perfected pursuant to Section 1110 of this title. For
9 completing the lien entry form and recording the security interest
10 on the certificate of title, the Tax Commission or the motor license
11 agent shall collect a fee of Three Dollars (\$3.00) which shall be in
12 addition to other fees provided by the Oklahoma Vehicle License and
13 Registration Act. The fee, if collected by the motor license agent
14 pursuant to this subsection, shall be retained by the motor license
15 agent.

16 H. The charge for each certificate of title issued, except for
17 junked titles as defined in paragraph 4 of subsection B of this
18 section, shall be Eleven Dollars (\$11.00), which charge shall be in
19 addition to any other fees or taxes imposed by law for such vehicle.
20 One Dollar (\$1.00) of each such charge shall be deposited in the
21 Oklahoma Tax Commission Reimbursement Fund. However, the charge
22 shall not apply to any vehicle which is to be registered in this
23 state pursuant to the provisions of Section 1120 or 1133 of this
24 title and which was registered in another state at least sixty (60)

1 days prior to the time it is required to be registered in this
2 state. When an insurer requests a salvage or junk title in the name
3 of the insurer resulting from the settlement of a total loss claim
4 and upon presentation of appropriate proof of loss documentation as
5 required by the Commission, such transfer may be processed as one
6 title transaction, without first requiring issuance of a replacement
7 certificate of title in the name of the vehicle owner. The fee
8 shall be Twenty-two Dollars (\$22.00). Two Dollars (\$2.00) of this
9 fee shall be deposited in the Oklahoma Tax Commission Reimbursement
10 Fund.

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

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

23 K. If a vehicle is stolen, the owner shall immediately notify
24 the appropriate law enforcement agency. Immediately after receiving

1 such notification, the law enforcement agency shall notify the Tax
2 Commission.

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

14 1. Are offered for sale at auction;

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

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

20 The inspection shall include a comparison of the vehicle
21 identification number on the vehicle with the number recorded on the
22 ownership records and the recording of the actual odometer reading
23 on the vehicle. The four-dollar fee shall be collected by the motor
24 license agent or Tax Commission when the title is issued. The motor

1 license agent shall retain Two Dollars (\$2.00). The remaining Two
2 Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission
3 Reimbursement Fund.

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

7 M. No title for any out-of-state vehicle offered for sale at
8 salvage pools, salvage disposal sales, or an auction, or by a dealer
9 or a licensed automotive dismantler and parts recycler, shall be
10 issued without an inspection to compare the vehicle identification
11 number on the vehicle with the number recorded on the ownership
12 record and to record the actual odometer reading on the vehicle.
13 Upon request of the seller, person or entity conducting an auction,
14 dealer or licensed dismantler, the inspection shall be conducted at
15 the location or place of business of the sale, auction, dealer, or
16 the dismantler. The inspection shall be conducted by any motor
17 license agent or a duly authorized employee thereof; provided, if
18 the vehicle identification number on the vehicle offered for sale at
19 salvage pools, salvage disposal sales or a classic or antique
20 auction does not match the number recorded on the ownership record,
21 the inspection may be conducted at the location of or place of
22 business of such sale or auction by any state, county or city law
23 enforcement officer. 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 be certified upon forms prescribed by the Tax
10 Commission. The name and other identification of the authorized
11 person conducting the inspection shall be legibly printed or typed
12 on the form. Prior to any inspection by any employee of a motor
13 license agent, the motor license agent shall notify the Tax
14 Commission of the name and any other identification information
15 requested by the Tax Commission of the authorized person. A
16 signature specimen of the authorized person shall be submitted to
17 the Tax Commission by the employing motor license agent. If the
18 authorization to inspect vehicles is withdrawn or the employer-
19 employee relationship is terminated, the motor license agent,
20 immediately, shall notify the Tax Commission and return any
21 remaining inspection forms to the Tax Commission. The fee for the
22 inspection shall be Four Dollars (\$4.00). The motor license agent
23 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
24 motor license agent or an authorized employee thereof shall be

1 handled and accounted for in the manner as prescribed by law for any
2 other fees paid to or received by a motor license agent. Out-of-
3 state vehicles brought into this state by a person licensed in
4 another state to sell new or used vehicles to be sold within this
5 state at a motor vehicle auction which is limited to dealer-to-
6 dealer transactions shall not be required to be inspected, unless
7 the vehicle is purchased by an Oklahoma dealer. Any person licensed
8 in another state to sell new or used motor vehicles, who offers a
9 motor vehicle for sale within this state at a motor vehicle auction
10 which is limited to dealer-to-dealer transactions, shall not be
11 within the definition of "owner" in Section 1102 of this title, for
12 purposes of Section 1101 et seq. of this title.

13 N. A licensed motor vehicle dealer, upon payment of a fee of
14 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
15 of title to a used motor vehicle provided such dealer obtains the
16 appropriate inspection form required by either subsection L or M of
17 this section and attaches the form to the out-of-state certificate
18 of title. Motor license agents shall be allowed to retain Two
19 Dollars and twenty-five cents (\$2.25) of the fee plus an additional
20 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in
21 subsections L and M of this section for performance of the
22 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
23 the Tax Commission Reimbursement Fund. An out-of-state vehicle
24 which has been rebuilt shall be inspected pursuant to the provisions

1 of Section 1111 of this title. The Tax Commission shall train motor
2 license agents in interpreting vehicle identification numbers to
3 assure that it accurately describes the vehicle and to detect
4 rollback or alteration of the odometer. Failure of a motor license
5 agent to inspect the vehicle and make the required notations shall
6 be a misdemeanor punishable by a fine of not more than One Thousand
7 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
8 (\$5,000.00) for the second offense or subsequent offense, or by
9 imprisonment in the county jail for not more than six (6) months, or
10 by both such fine and imprisonment.

11 O. The ownership of any unrecovered vehicle which has been
12 declared a total loss by an insurer because of theft shall be
13 transferred to the insurer by an unrecovered-theft vehicle title;
14 provided, the ownership of any such vehicle which has been declared
15 a total loss by an insurer licensed by the Insurance Department of
16 the State of Oklahoma and maintaining a multi-state motor vehicle
17 salvage processing center in this state shall be transferred to the
18 insurer by a salvage or an unrecovered-theft title without the
19 requirement of a visual inspection of the vehicle identification
20 number by the insurer. Upon recovery of the vehicle, the ownership
21 shall be transferred by an original title, salvage title, or junked
22 title, as may be appropriate based upon an estimate of the amount of
23 loss submitted by the insurer.
24

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

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

1 of any vehicle for which the certificate of title is canceled. No
2 title or registration shall subsequently be issued for a vehicle for
3 which the certificate of title has been surrendered pursuant to this
4 subsection. The Tax Commission shall prescribe a form for the
5 transfer of ownership of a vehicle for which the certificate of
6 title has been canceled.

7 R. The owner of a vehicle which is not within the last ten (10)
8 model years, not roadworthy and not capable of repair for operation
9 or use on the roads and highways, or a vehicle which is being sold
10 to a scrap metal dealer pursuant to Section 11-92 of Title 2 of the
11 Oklahoma Statutes, shall transfer the vehicle only upon a
12 certificate of ownership prescribed by the Tax Commission, if the
13 certificate of title to the vehicle is lost, has been canceled, or
14 otherwise not available. The prescribed ownership form shall
15 include the names and addresses of the buyer and seller, the driver
16 license number or social security number of the seller, the make and
17 model of the vehicle, and the public vehicle identification number.
18 If there is no public vehicle identification number, the vehicle
19 shall be inspected by a law enforcement officer to verify the
20 absence of the number on the vehicle and the prescribed ownership
21 form shall include a signed statement, by such officer, verifying
22 the absence of the number.

23 The certificate of ownership shall be completed in triplicate.
24 The buyer and seller shall each retain a copy. Within thirty (30)

1 days of the transaction, the seller shall submit one copy to the Tax
2 Commission or a motor license agent accompanied with a fee of Four
3 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
4 license agent and Three Dollars (\$3.00) shall be deposited in the
5 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

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

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

21 T. When registering for the first time in this state a
22 remanufactured vehicle which has not been registered in any other
23 state since its remanufacture, before issuing a certificate of
24

1 title, the Tax Commission shall require the applicant to deliver a
2 statement of origin from the remanufacturer.

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

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

21 SECTION 3. This act shall become effective November 1, 2016.
22
23
24

1 Passed the House of Representatives the 17th day of February,
2016.

4 _____
Presiding Officer of the House
of Representatives

6 Passed the Senate the ___ day of _____, 2016.

8 _____
Presiding Officer of the Senate