HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 592

By: Anderson and Pittman of the Senate

and

Grau of the House

COMMITTEE SUBSTITUTE

An Act relating to motor vehicles; amending 47 O.S. 2011, Section 583, as last amended by Section 11, Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014, Section 583), which relates to licenses, fees, fines, and bonds; deleting certain maximum fine; modifying license renewals; changing licenses to two-year term on certain date; phasing in license term changes; doubling certain fees; requiring certain auctions to remit certain fee; stating procedure; setting fees; exempting governmental entities; amending 47 O.S. 2011, Sections 591.4, 591.5, 591.9, 591.10, 591.11 and 1137.1, which relate to fees, bid identification cards, salvage pools, and temporary licenses; deleting buyer identification cards; increasing certain fees; modifying language; amending 47 O.S. 2011, Section 12-506, which relates to violation and penalty of the Odometer Setting Act; modifying charge and penalty; and providing an effective date.

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

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SECTION 1. AMENDATORY 47 O.S. 2011, Section 583, as last amended by Section 11, Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014, Section 583), is amended to read as follows:

Section 583. A. 1. It shall be unlawful and constitute a misdemeanor for any person to engage in business as, or serve in the capacity of, or act as a used motor vehicle dealer, used motor vehicle salesperson, wholesale used motor vehicle dealer, manufactured home dealer, restricted manufactured home park dealer, manufactured home salesperson, manufactured home installer, or manufactured home manufacturer selling directly to a licensed manufactured home dealer in this state without first obtaining a license or following other requirements therefor as provided in this section.

2. a. Any person engaging, acting, or serving in the capacity of a used motor vehicle dealer and/or a used motor vehicle salesperson, a manufactured home dealer, restricted manufactured home park dealer, manufactured home salesperson, a manufactured home installer, or a manufactured home manufacturer, or having more than one place where any such business, or combination of businesses, is carried on or conducted shall be required to obtain and hold a current license for each such business, in which engaged.

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b. A used motor vehicle dealer's license shall authorize one person to sell without a salesperson's license in the event such person shall be the owner of a proprietorship, or the person designated as principal in the dealer's franchise or the managing officer or one partner if no principal person is named in the franchise.

c. If after a hearing in accordance with the provisions of Section 585 of this title, the Oklahoma Used Motor Vehicle and Parts Commission shall find any person installing a mobile or manufactured home to be in violation of any of the provisions of this act, such person may be subject to an administrative fine of not more than Five Hundred Dollars ($500.00) for each violation. Each day a person is in violation of this act may constitute a separate violation. ~~The maximum fine shall not exceed One Thousand Dollars ($1,000.00).~~ All administrative fines collected pursuant to the provisions of this subparagraph shall be deposited in the fund established in Section 582 of this title. Administrative fines imposed pursuant to this subparagraph may be enforceable in the district courts of this state.

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d. A salesperson's license may not be issued under a wholesale used motor vehicle dealer's license.

3. Any person except persons penalized by administrative fine violating the provisions of this section shall, upon conviction, be fined not to exceed Five Hundred Dollars ($500.00). A second or subsequent conviction shall be punished by a fine not to exceed One Thousand Dollars ($1,000.00); provided that each day such unlicensed person violates this section shall constitute a separate offense, and any vehicle involved in a violation of this subsection shall be considered a separate offense.

B. 1. Applications for licenses required to be obtained under provisions of this act, Section 581 et seq. of this title, which creates the Oklahoma Used Motor Vehicle and Parts Commission shall be verified by the oath or affirmation of the applicant and shall be on forms prescribed by the Commission and furnished to the applicants, and shall contain such information as the Commission deems necessary to enable it to fully determine the qualifications and eligibility of the several applicants to receive the license or licenses applied for. The Commission shall require in the application, or otherwise, information relating to:

a. the applicant's financial standing,

b. the applicant's business integrity,

c. whether the applicant has an established place of business and is engaged in the pursuit, avocation, or

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business for which a license, or licenses, is applied for,

d. whether the applicant is able to properly conduct the business for which a license, or licenses, is applied for, and

e. such other pertinent information consistent with the safeguarding of the public interest and the public welfare.

2. All applications for license or licenses shall be accompanied by the appropriate fee or fees in accordance with the schedule hereinafter provided. In the event any application is denied and the license applied for is not issued, the entire license fee shall be returned to the applicant.

3. All bonds and licenses issued under the provisions of this act shall expire on December 31, following the date of issue and shall be nontransferable. All applications for renewal of licenses ~~should~~ shall be submitted by November 1 of each year of expiration, and licenses for completed renewals received by November 1 shall be issued by January 10. If applications have not been made for renewal of licenses, such licenses shall expire on December 31 and it shall be illegal for any person to represent himself or herself and act as a dealer thereafter. Tag agents shall be notified not to accept dealers' titles until such time as licenses have been issued. Except as provided herein, beginning January 1, 2016, all licenses

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shall be issued for a period of two (2) years and the appropriate fees shall be assessed.

a. Any license issued before January 1, 2016, and ending in an even number shall expire on December 31, 2016. Application for renewal of such license shall be for a period of two (2) years and the appropriate fee shall be assessed.

b. Any license issued before January 1, 2016, and ending in an uneven or odd number shall expire December 31, 2017. All applicants for renewal of such license before January 1, 2016, shall pay the appropriate two-year license fee.

4. A used motor vehicle salesperson's license shall permit the licensee to engage in the activities of a used motor vehicle salesperson. Salespersons shall not be allowed to sell vehicles unless applications and fees are on file with the Commission and the motor vehicle salesperson's or temporary salesperson's license issued. A temporary salesperson's license, salesperson's renewal or reissue of salesperson's license shall be deemed to have been issued when the appropriate application and fee have been properly addressed and mailed to the Commission.

Dealers' payrolls and other evidence will be checked to ascertain that all salespersons for such dealers are licensed.

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C. The schedule of license fees to be charged and received by the Commission for the licenses issued hereunder shall be as follows:

1. For each used motor vehicle dealer's license and each wholesale used motor vehicle dealer's license, ~~Three Hundred Dollars ($300.00)~~ Six Hundred Dollars ($600.00). If a used motor vehicle dealer or a wholesale used motor vehicle dealer has once been licensed by the Commission in the classification for which he or she applies for a renewal of the license, the fee for each subsequent renewal shall be ~~One Hundred Fifty Dollars ($150.00)~~ Three Hundred Dollars ($300.00); provided, if an applicant holds a license to conduct business as an automotive dismantler and parts recycler issued pursuant to Section 591.1 et seq. of this title, the initial fee shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00) and the renewal fee shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00). If an applicant is applying simultaneously for a license under this paragraph and a license under paragraph 1 of Section 591.5 of this title, the initial application fee shall be ~~Two Hundred Dollars ($200.00)~~ Four Hundred Dollars ($400.00). For the reinstatement of a used motor vehicle dealer's license after revocation for cancellation or expiration of insurance pursuant to subsection F of this section, the fee shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00);

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2. For a used motor vehicle dealer's license, for each place of business in addition to the principal place of business, ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00);

3. For each used motor vehicle salesperson's license and renewal, ~~Twenty-five Dollars ($25.00)~~ Fifty Dollars ($50.00), and for a transfer, ~~Twenty-five Dollars ($25.00)~~ Fifty Dollars ($50.00);

4. For each holder who possesses a valid new motor vehicle dealer's license from the Oklahoma Motor Vehicle Commission, ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00) shall be the initial fee for a used motor vehicle license and the fee for each subsequent renewal shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00);

5. a. For each manufactured home dealer's license or a restricted manufactured home park dealer's license, ~~Three Hundred Dollars ($300.00)~~ Six Hundred Dollars ($600.00), and for each place of business in addition to the principal place of business, ~~Two Hundred Dollars ($200.00)~~ Four Hundred Dollars ($400.00), and

b. For each renewal of a manufactured home dealer's license or a restricted manufactured home park dealer's license, and renewal for each place of business in addition to the principal place of business, ~~One Hundred Fifty Dollars ($150.00)~~ Three Hundred Dollars ($300.00);

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6. a. For each manufactured home installer's license, ~~Two Hundred Dollars ($200.00)~~ Four Hundred Dollars ($400.00), and

b. For each renewal of a manufactured home installer's license, ~~Two Hundred Dollars ($200.00)~~ Four Hundred Dollars ($400.00);

7. a. For each manufactured home manufacturer selling directly to a licensed manufactured home dealer in this state, ~~Seven Hundred Fifty Dollars ($750.00)~~ One Thousand Five Hundred Dollars ($1,500.00), and

b. For each renewal of a manufactured home manufacturer's license, ~~Seven Hundred Fifty Dollars ($750.00)~~ One Thousand Five Hundred Dollars ($1,500.00); and

8. For each manufactured home salesperson's license or renewal thereof, ~~Twenty-five Dollars ($25.00)~~ Fifty Dollars ($50.00), and for each transfer, ~~Twenty-five Dollars ($25.00)~~ Fifty Dollars ($50.00).

D. 1. The license issued to each used motor vehicle dealer, each wholesale used motor vehicle dealer, each restricted manufactured home park dealer and each manufactured home dealer shall specify the location of the place of business. If the business location is changed, the Oklahoma Used Motor Vehicle and Parts Commission shall be notified immediately of the change and the Commission may endorse the change of location on the license. The

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fee for a change of location shall be One Hundred Dollars ($100.00), and the fee for a change of name, Twenty-five Dollars ($25.00). The license of each licensee shall be posted in a conspicuous place in the place or places of business of the licensee.

2. The license issued to each manufactured home installer, and each manufactured home manufacturer shall specify the location of the place of business. If the business location is changed, the Oklahoma Used Motor Vehicle and Parts Commission shall be notified immediately of the change and the Commission may endorse the change of location on the license without charge. The license of each licensee shall be posted in a conspicuous place in the place or places of business of the licensee.

3. Every used motor vehicle salesperson shall have the license upon his or her person when engaged in business, and shall display same upon request. The name of the employer of the salesperson shall be stated on the license and if there is a change of employer, the license holder shall immediately mail the license to the Commission for its endorsement of the change thereon. There shall be no ~~charge for endorsement of change of employer on the license or~~ penalty for not having a license upon his or her person.

4. Every manufactured home installer shall have the license available for inspection at the primary place of business of the licensee. This license shall be valid for the licensee and all of the employees of the licensee. Any person who is not an employee of

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the licensee must obtain a separate manufactured home installer license regardless of whether such person is acting in the capacity of a contractor or subcontractor.

E. 1. a. Each applicant for a used motor vehicle dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Twenty-five Thousand Dollars ($25,000.00). Each new applicant for a used motor vehicle dealer's license for the purpose of conducting a used motor vehicle auction shall procure and file with the Commission a good and sufficient bond in the amount of Fifty Thousand Dollars ($50,000.00). An applicant who intends to conduct a used motor vehicle auction who provides proof that the applicant has check and title insurance in an amount not less than Fifty Thousand Dollars ($50,000.00) shall only be required to have a bond in the amount of Twenty-five Thousand Dollars ($25,000.00).

b. Each new applicant for a used motor vehicle dealer license for the purpose of conducting a used motor vehicle business which will consist primarily of non-auction consignment sales which are projected to equal Five Hundred Thousand Dollars ($500,000.00) or more in gross annual sales shall procure and file with the

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Commission a good and sufficient bond in the amount of Fifty Thousand Dollars ($50,000.00). The Commission shall prescribe by rule the method of operation of the non-auction consignment dealer in order to properly protect the interests of all parties to the transaction and to provide sanctions against dealers who fail to comply with the rules.

c. Each applicant for a wholesale used motor vehicle dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Twenty-five Thousand Dollars ($25,000.00).

d. Any used motor vehicle dealer who, for the purpose of being a rebuilder, applies for a rebuilder certificate, as provided in Section 591.5 of this title, whether as a new application or renewal, shall procure and file with the Commission a good and sufficient bond in the amount of Fifteen Thousand Dollars ($15,000.00), in addition to any other bonds required.

e. Each applicant for a manufactured home dealer's license or a restricted manufactured home park dealer's license shall procure and file with the Commission a good and sufficient bond in the amount of Thirty Thousand Dollars ($30,000.00).

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f. Each manufactured home manufacturing facility selling directly to a licensed manufactured home dealer in this state shall procure and file with the Commission a good and sufficient bond in the amount of Thirty Thousand Dollars ($30,000.00). In addition to all other conditions and requirements set forth herein, the bond shall require the availability of prompt and full warranty service by the manufacturer to comply with all warranties expressed or implied in connection with each manufactured home which is manufactured for resale in this state. A manufacturer may not sell, exchange, or lease-purchase a manufactured home to a person in this state who is not a licensed manufactured home dealer.

g. The bond shall be approved as to form by the Attorney General and conditioned that the applicant shall not practice fraud, make any fraudulent representation, or violate any of the provisions of this act in the conduct of the business for which the applicant is licensed. One of the purposes of the bond is to provide reimbursement for any loss or damage suffered by any person by reason of issuance of a certificate of title by a used motor vehicle dealer, a wholesale

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used motor vehicle dealer, a restricted manufactured home park dealer or a manufactured home dealer.

2. The bonds as required by this section shall be maintained throughout the period of licensure. Should the bond be canceled for any reason, the license shall be revoked as of the date of cancellation unless a new bond is furnished prior to such date.

F. Any used motor vehicle dealer or wholesale used motor vehicle dealer is required to furnish and keep in force a minimum of Twenty-five Thousand Dollars ($25,000.00) of single liability insurance coverage on all vehicles offered for sale or used in any other capacity in demonstrating or utilizing the streets and roadways in accordance with the financial responsibility laws of this state.

G. Any manufactured home dealer or restricted manufactured home park dealer is required to furnish and keep in force a minimum of One Hundred Thousand Dollars ($100,000.00) of garage liability or general liability with products and completed operations insurance coverage.

H. Any manufactured home installer is required to furnish and keep in force a minimum of Twenty-five Thousand Dollars ($25,000.00) of general liability with products and completed operations insurance coverage.

SECTION 2. AMENDATORY 47 O.S. 2011, Section 591.4, is amended to read as follows:

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Section 591.4 A. Every person, firm or corporation desiring to engage in the business of an automotive dismantler and parts recycler shall apply in writing, on a form to be prescribed by the Oklahoma Used Motor Vehicle and Parts Commission, which form shall contain:

1. The name of the applicant;

2. The street address of the applicant's principal place of business;

3. The type of business organization of the applicant;

4. The applicant's financial statement;

5. The legal description of the proposed place of business, together with written verification from the appropriate local authorities that the place of business meets the licensing and zoning requirements of the municipality or county where located; and

6. Such additional information as may be required by the Commission.

B. Notwithstanding subsection A of this section, the Commission may decline to issue an original license ~~or buyer's identification card (B.I.D.)~~ to any person, firm or corporation that does not, in good faith, meet the requirements of the Automotive Dismantlers and Parts Recycler Act; or whose proposed place of business does not meet the applicable zoning requirements; or whose proposed use is deemed inappropriate by the Commission due to surrounding property uses or objections from the immediate surrounding neighbors, such

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that the place of business would be deemed to be a private or public nuisance; or whose place of business is not properly screened by natural objects, plantings, opaque fences of a height not less than six (6) nor more than eight (8) feet or other appropriate sightproofing, so as to screen where possible vehicles and parts stored outside of buildings from view from immediately adjacent property.

SECTION 3. AMENDATORY 47 O.S. 2011, Section 591.5, is amended to read as follows:

Section 591.5 An application for a license shall be accompanied by the following fees:

1. ~~Three Hundred Dollars ($300.00)~~ Six Hundred Dollars ($600.00) for an initial license for an applicant's established principal place of business, ~~One Hundred Fifty Dollars ($150.00)~~ Three Hundred Dollars ($300.00) for a renewal license for an applicant's established place of business and ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00) for each additional place of business, if any, to which the application pertains; provided, if an applicant holds a used motor vehicle dealer's license issued pursuant to paragraph 1 of subsection C of Section 583 of this title, for an applicant's established place of business the initial license fee shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00) and the renewal fee shall be ~~One Hundred Dollars ($100.00)~~ Two Hundred Dollars ($200.00); provided further, if an

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applicant is applying simultaneously for a license under this paragraph and under paragraph 1 of subsection C of Section 583 of this title, the initial application fee shall be ~~Two Hundred Dollars ($200.00)~~ Four Hundred Dollars ($400.00). If an applicant for or holder of a used motor vehicle dealer's license also applies for a rebuilder certificate, the initial fee for the certificate shall be ~~Three Hundred Dollars ($300.00)~~ Six Hundred Dollars ($600.00) and the renewal fee shall be ~~One Hundred Fifty Dollars ($150.00)~~ Three Hundred Dollars ($300.00). ~~The Oklahoma Used Motor Vehicle and Parts Commission shall issue a buyer's identification card (B.I.D.) with each certificate issued.~~ License fees shall be returnable only in the event that the application is denied by the Commission.

2. Any change which renders no longer accurate any information contained in an application for a license filed with the Commission shall be amended within thirty (30) days after the occurrence of the change on a form prescribed by the Commission by rule, accompanied by a fee of One Hundred Dollars ($100.00), provided, the fee for a change of name shall be Fifty Dollars ($50.00).

3. Every license issued to an automobile dismantler and parts recycler shall expire on December 31 of each year and shall be renewed on or before January 1 of the following year.

SECTION 4. AMENDATORY 47 O.S. 2011, Section 591.9, is amended to read as follows:

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Section 591.9 The Oklahoma Used Motor Vehicle and Parts Commission is authorized to refuse, cancel, suspend or revoke a license ~~or buyer's identification card (B.I.D.)~~ to any person, firm or corporation for the following reasons:

1. Failure to meet the requirements of the Automotive Dismantlers and Parts Recycler Act;

2. Failure to continue to meet the requirements of this act or of the rules promulgated by the Commission pursuant to the provisions of the Automotive Dismantlers and Parts Recycler Act;

3. Upon satisfactory proof of unfitness of the applicant or the licensee, as the case may be, under the standards established by the Automotive Dismantlers and Parts Recycler Act;

4. For the felony conviction of a state or federal law by an applicant, licensee, partner of an applicant or licensee, director, officer, or stockholder in the case of a corporate applicant or licensee, or an employee, manager, or any person having a pecuniary interest in the business involving:

a. theft,

b. violation of the Oklahoma certificate of title law or similar laws of other states,

c. alteration, obliteration, or removal of a vehicle identification number, or

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d. any other act directly relating to the ability of the applicant or licensee to conduct an automotive dismantler and parts recycling business;

5. Commission of any unlawful act which resulted in the revocation of any similar license in another state; or

6. Engaging in business under a past or present license issued pursuant to the Automotive Dismantlers and Parts Recycler Act in such a manner as to cause injury to the public or to those with whom the licensee has dealt.

SECTION 5. AMENDATORY 47 O.S. 2011, Section 591.10, is amended to read as follows:

Section 591.10 A. Any person, firm or corporation who is refused a license or whose license ~~or B.I.D. card~~ is canceled, suspended or revoked shall be notified in person or by mail with return receipt requested to the address given on the application of the applicant or licensee and, upon written request within fifteen (15) days of receipt of such notice, shall be given a hearing upon the proposed action. The hearing may be conducted by the Commission and shall be held no more than thirty (30) days from receipt of the written request for a hearing. The hearing may be informal and the rules of evidence of the courts of Oklahoma shall not be required. Appeals from the decision of the Commission shall be governed by the Administrative Procedures Act.

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B. In addition to the cancellation, suspension, revocation or refusal to issue or renew a license ~~or buyer's identification~~ or the imposition of any other penalty by the Commission, the Commission is hereby authorized to impose administrative fines for violations of the Automotive Dismantlers and Parts Recycler Act in the amounts not to exceed Five Hundred Dollars ($500.00) for a first violation, One Thousand Dollars ($1,000.00) for a second violation and Five Thousand Dollars ($5,000.00) for a third violation.

SECTION 6. AMENDATORY 47 O.S. 2011, Section 591.11, is amended to read as follows:

Section 591.11 A. Sales at a salvage pool or salvage disposal sale may be opened only to:

1. A person who is a resident of this state;

2. A company representative of a business that is based in this state; or

3. A person who may legally purchase salvage vehicles in his or her home state or country.

B. It shall be the duty of the owner, manager or person in charge of any salvage pool or salvage disposal sale to prohibit the bidding by any person who is not qualified to purchase salvage vehicles as provided in subsection A of this section and, further, to refuse to sell to any person any wrecked or repairable motor vehicle if such person is not qualified to purchase salvage vehicles as provided in subsection A of this section.

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C. Any salvage pool or salvage disposal sale that is facilitating in the sale of a motor vehicle for an insurance company must provide on its ~~web site~~ website the full seventeen-digit vehicle identification number (VIN) and the name of the insurance company that is selling the motor vehicle.

D. The salvage pool or salvage disposal sale shall show the buyer's identification number of the winning bidder on any sale that takes place on the Internet or by ~~on-line~~ online bidding for all salvage motor vehicles being sold for an insurance company.

E. It shall be the duty of the owner, manager or person in charge of any salvage pool or salvage disposal sale to remit payments to the Oklahoma Used Motor Vehicle and Parts Commission. Such payments shall be calculated by multiplying the total number of salvage vehicle sales transactions during a certain period times Two Dollars ($2.00). The first payment shall not be calculated on any sales transactions prior to November 1, 2007. The payments shall not be made more often than one payment each month. The payments shall be transmitted to the Oklahoma Used Motor Vehicle and Parts Commission at any time during the thirty (30) days immediately following the period for which the payment was calculated.

F. Every salvage pool shall keep a register of all sales of salvage vehicles showing the make, model, year, style, vehicle identification number, and names and addresses of the purchaser and seller of the motor vehicle. Such registers shall be submitted to

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the Oklahoma Used Motor Vehicle and Parts Commission on a regular basis.

G. The provisions of this section shall not apply to a regularly scheduled vehicle consignment auction conducted by a used motor vehicle dealer which sells salvage vehicles, damaged vehicles, wrecked vehicles or repairable vehicles for someone other than a public insurance company. Such auction may sell these vehicles as an incident to the sale of operable vehicles, but shall not constitute a primary part of the business.

SECTION 7. AMENDATORY 47 O.S. 2011, Section 1137.1, is amended to read as follows:

Section 1137.1 A. Except for vehicles, travel trailers or commercial trailers which display a current Oklahoma license tag, upon the purchase or transfer of ownership of a used motor vehicle, travel trailer or commercial trailer, including an out-of-state purchase or transfer of the same, to a licensed used motor vehicle dealer, wholesale used motor vehicle dealer, used travel trailer dealer or used commercial trailer dealer, subsequently referred to in this section as "dealer", the dealer shall affix a used dealer's plate visible from the rear of the vehicle, travel trailer or commercial trailer. Such license plate shall expire on December 31 of each year. When the vehicle, travel trailer or commercial trailer is parked on the dealer's licensed place of business, it shall not be required to have a license plate of any kind affixed.

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A dealer shall obtain from the Oklahoma Tax Commission at a cost of Ten Dollars ($10.00) a dealer license plate for demonstrating, transporting or any other normal business of a dealer~~; provided, any~~ including use by an individual holding a valid salesperson's license issued by the Oklahoma Used Motor Vehicle and Parts Commission. Any dealer who operates a wrecker or towing service licensed pursuant to Sections 951 through 957 of this title shall register each wrecker vehicle and display a wrecker license plate on each vehicle as required by Section 1134.3 of this title. A dealer may obtain as many additional license plates as may be desired upon the payment of Ten Dollars ($10.00) for each additional license plate. Use of the used dealer license plate by a licensed dealer for other than the purposes as set forth herein shall constitute grounds for revocation of the dealer's license. The Oklahoma Tax Commission shall design the official used dealer license plate to include the used dealer's license number issued to him or her each year by the Commission or the Used Motor Vehicle and Parts Commission.

B. Upon the purchase or transfer of ownership of an out-of-state used motor vehicle, travel trailer or commercial trailer to a licensed dealer, the dealer shall make application for an Oklahoma certificate of title pursuant to the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma Statutes. Upon receipt of the Oklahoma certificate of title, the dealer shall follow the procedure as set forth in subsection A of

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this section. Provided, nothing in this title shall be construed as requiring a dealer to register a used motor vehicle, travel trailer or commercial trailer purchased in another state which will not be operated or sold in this state.

C. Upon sale or transfer of ownership of the used motor vehicle or travel trailer, the dealer shall place upon the reassignment portion of the certificate of title a tax stamp issued by the county treasurer of the county in which the dealer has his or her primary place of business. The tax stamp shall be issued upon payment of a fee of Three Dollars and fifty cents ($3.50) and shall be in lieu of the dealer's ad valorem tax on the inventories of used motor vehicles or travel trailers but shall not relieve any other property of the dealer from ad valorem taxation.

D. Upon sale of a used motor vehicle or travel trailer to another licensed dealer, the selling dealer shall place the tax stamp required in subsection C of this section upon the certificate of title. The used dealer license plate or wholesale dealer license plate shall be removed by the selling dealer. The purchasing dealer shall, at time of purchase, place his or her dealer license plate on the used motor vehicle, travel trailer or commercial trailer as provided in subsection A of this section; provided, for vehicles, travel trailers or commercial trailers purchased by a licensed used dealer at an auction, in lieu of such placement of the dealer license plate, the auction may provide temporary documentation as

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approved by the Director of the Motor Vehicle Division of the Oklahoma Tax Commission for the purpose of transporting such vehicle to the purchaser's point of destination. Such temporary documentation shall be valid for two (2) days following the date of sale.

E. The purchaser of every used motor vehicle, travel trailer or commercial trailer, except as otherwise provided by law, shall obtain registration and title for the vehicle or trailer within thirty (30) days from the date of purchase of same. It shall be the responsibility of the selling dealer to place a temporary license plate, in size similar to the permanent Oklahoma license plate but of a weatherproof plastic-impregnated substance approved by the Used Motor Vehicle and Parts Commission, upon a used motor vehicle, travel trailer or commercial trailer when a transaction is completed for the sale of said vehicle. The temporary license plate under this subsection shall be placed at the location provided for the permanent motor vehicle license plate. The temporary license plate shall show the license number which is issued to the dealer each year by the Oklahoma Tax Commission or the Used Motor Vehicle and Parts Commission, the date the used motor vehicle, travel trailer or commercial trailer was purchased and the company name of the selling dealer. The Used Motor Vehicle and Parts Commission is hereby directed to develop the temporary license plate design to incorporate these requirements in a manner that will permit law

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enforcement personnel to readily identify the dealer license number and date of the vehicle purchase. The Used Motor Vehicle and Parts Commission is hereby authorized to develop additional requirements and parameters as deemed appropriate to discourage or prevent illegal duplication and use of the temporary license plate. Such temporary license plate shall be valid for a period of thirty (30) days from the date of purchase. Use of the temporary license by a dealer for other than the purposes set forth herein shall constitute grounds for revocation of the dealer's license to conduct business. Purchasers of a commercial trailer shall affix the temporary license plate to the rear of the commercial trailer. The purchaser shall display the temporary license plate for a period not to exceed thirty (30) days or until registration and title are obtained as provided in this section.

The provisions of this subsection on temporary licenses shall apply to nonresidents who purchase a used motor vehicle, travel trailer or commercial trailer within this state that is to be licensed in another state. The nonresident purchaser shall be allowed to operate the vehicle or trailer within the state with a temporary license plate for a period not to exceed thirty (30) days from date of purchase. Any nonresident purchaser found to be operating a used motor vehicle, travel trailer or commercial trailer within this state after thirty (30) days shall be subject to the

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registration fees of this state upon the same terms and conditions applying to residents of this state.

F. It shall be unlawful for any dealer to procure the registration and licensing of any used motor vehicle, travel trailer or commercial trailer sold by the dealer or to act as the agent for the purchaser in the procurement of the registration and licensing of the purchaser's used vehicle, travel trailer or commercial trailer. A license of any dealer violating the provision of this section may be revoked.

G. Dealers following the procedure set forth herein shall not be required to register vehicles, travel trailers or commercial trailers to which this section applies, nor will the registration fee otherwise required be assessed. Provided, dealers shall not purchase or trade for a used motor vehicle, travel trailer or commercial trailer on which the registration therefor has been expired for a period exceeding thirty (30) days without obtaining current registration therefor.

SECTION 8. AMENDATORY 47 O.S. 2011, Section 12-506, is amended to read as follows:

Section 12-506. Any person convicted of violating any of the provisions of the Odometer Setting Act with intent to misrepresent the true mileage driven of a motor vehicle shall be guilty ~~of a~~ <u>as follows:</u>

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1. For a first offense, of a misdemeanor and shall be punished by a fine of not more than Ten Thousand Dollars ($10,000.00) or imprisonment for not more than one (1) year, or by both fine and imprisonment.

2. For a second or subsequent offense, of a felony and shall be punished by a fine of not more than Fifteen Thousand Dollars ($15,000.00) or imprisonment for not more than one (1) year, or by both fine and imprisonment.

SECTION 9. This act shall become effective November 1, 2015.

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated 04/09/2015 - DO PASS, As Amended.

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