STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

HOUSE BILL 2736 By: Kerbs

AS INTRODUCED

An Act relating to vehicle registration; defining and limiting term; amending 47 O.S. 2011, Section 1113, as last amended by Section 1, Chapter 331, O.S.L. 2017 (47 O.S. Supp. 2017, Section 1113), which relates to registrations, license plates and decals; expanding exemption from certain license plate requirement; providing for additional initial and renewal registration decals for certain types of trailers; specifying acceptable decal attachments; amending 47 O.S. 2011, Section 1115.3, which relates to registration of all-terrain vehicles, utility vehicles and motorcycles; requiring registration of certain types of trailers within certain period; amending 47 O.S. 2011, Section 1132, as amended by Section 2, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2017, Section 1132), which relates to vehicle registration fees; establishing certain initial and renewal registration fee; providing for apportionment of fee; providing exemption to certain fee; requiring titling of certain types of trailer; providing for penalty for failure to register; amending 47 O.S. 2011, Section 1134, which relates to farm vehicles; requiring certain trailers be registered as noncommercial trailers; repealing 47 O.S. 2011, Section 1133.3, which relates to the optional registration of noncommercial trailers; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-136.4 of Title 47, unless there is created a duplication in numbering, reads as follows:

"Noncommercial trailer" means a trailer as defined in Section 1-180 of Title 47 of the Oklahoma Statutes, except that its meaning:

1. Shall include implements of husbandry as defined in Section 1-125 of Title 47 of the Oklahoma Statutes that would otherwise meet the definition of a trailer; but

2. Shall not include frac tanks, construction machinery, rental trailers, commercial trailers or semitrailers subject to registration under Section 1133 of Title 47 of the Oklahoma Statutes.

SECTION 2. AMENDATORY 47 O.S. 2011, Section 1113, as last amended by Section 1, Chapter 331, O.S.L. 2017 (47 O.S. Supp. 2017, Section 1113), is amended to read as follows:

Section 1113. A. 1. Except for all-terrain vehicles, utility vehicles and motorcycles used exclusively off roads and highways<u>, and noncommercial trailers</u>, upon the filing of a registration application and the payment of the fees provided for in the Oklahoma Vehicle License and Registration Act, the Oklahoma Tax Commission or Corporation Commission, as applicable, shall assign to the vehicle described in the application a distinctive number, and issue to the owner of the vehicle a certificate of registration, one license plate and a yearly decal. The Oklahoma Tax Commission shall assign an all-terrain vehicle, utility vehicle or motorcycle used exclusively off roads and highways, and noncommercial trailers, a distinctive number and issue to the owner a certificate of registration and a decal but not a license plate. For each subsequent registration year, the Tax Commission shall issue a yearly decal to be affixed to the license plate, except for an all-terrain vehicle, utility vehicle or motorcycle used exclusively off roads and highways, and noncommercial trailers. The initial decal for an all-terrain vehicle, utility vehicle or motorcycle shall be attached to the front of the vehicle and shall be in clear view. The decal shall be on the front or on the front fork of the motorcycle used exclusively off roads and highways and the decal shall be in clear view. The initial decal or renewal decal for a noncommercial trailer shall be attached to the rear of the trailer and shall be in clear view. The yearly decal shall have an identification number and the last two numbers of the registration year for which it shall expire. Except as provided by Section 1113A of this title, the license plate shall be affixed to the exterior of the vehicle until a replacement license plate is applied for. If the owner applies for a replacement license plate, the Tax Commission shall charge the fee provided for in Section 1114 of this title. The yearly decal will validate the license plate for each registration period other than the year the license plate is issued. The license plate and decal shall be of such size, color, design and numbering as the Tax Commission may direct. However, yearly decals issued to the owner of a vehicle who has filed an affidavit with the appropriate motor license agent in accordance with Section 7-607 of this title shall be a separate and distinct color from all other decals issued under this section. Before the effective date of this act, the Tax Commission shall also issue a monthly decal which shall include a two-letter abbreviation corresponding to the county in which the vehicle is registered. The Tax Commission shall issue all decals in the possession of the Tax Commission on the effective date of this act before issuing any decals which do not contain the county abbreviation.

2. The license plate shall be securely attached to the rear of the vehicle, except truck-tractor plates which shall be attached to the front of the vehicle. The Tax Commission may, with the concurrence of the Department of Public Safety, by Joint Rule, change and direct the manner, place and location of display of any vehicle license plate when such action is deemed in the public interest. The license plate, decal and all letters and numbers shall be clearly visible at all times. The operation of a vehicle in this state, regardless of where such vehicle is registered, upon which the license plate is covered, overlaid or otherwise screened with any material, whether such material be clear, translucent, tinted or opaque, shall be a violation of this paragraph.

3. Upon payment of the annual registration fee provided in Section 1133 of this title, the Tax Commission or Corporation Commission, as applicable, or a motor license agent may issue a permanent nonexpiring license plate to an owner of one hundred or more commercial motor vehicles and for vehicles registered under the provisions of Section 1120 of this title. Upon payment of the annual registration fee, the Tax Commission or Corporation Commission shall issue a certificate of registration that shall be carried at all times in the vehicle for which it is issued. Provided, if the registrant submits its application through electronic means, such qualified owners of one hundred or more commercial motor vehicles, properly registered pursuant to the provisions of Section 1133 of this title, may elect to receive a permanent certificate of registration that shall be carried at all times in the vehicle for which it is issued.

4. Every vehicle owned by an agency of this state shall be exempt from the payment of registration fees required by this title. Provided, such vehicle shall be registered and shall otherwise comply with the provisions of the Oklahoma Vehicle License and Registration Act.

B. The license plates required under the provisions of this title shall conform to the requirements and specifications listed hereinafter:

1. Each license plate shall have a space for the placement of the yearly decals for each succeeding year of registration after the initial issue;

2. The provisions of the Oklahoma Vehicle License and Registration Act regarding the issuance of yearly decals shall not apply to the issuance of apportioned license plates, including license plates for state vehicles, and exempt plates for governmental entities and fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes;

3. All license plates and decals shall be made with reflectorized material as a background to the letters, numbers and characters displayed thereon. The reflectorized material shall be of such a nature as to provide effective and dependable brightness during the service period for which the license plate or decal is issued;

4. Except as otherwise provided in this subsection, the Tax Commission shall design appropriate official license plates for all state vehicles. Such license plates shall be permanent in nature and designed in such manner as to remain with the vehicle for the duration of the vehicle's life span or until the title is transferred to a nongovernmental owner;

5. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Highway Patrol. The license plates shall

have the legend "Oklahoma OK" and shall contain the letters "OHP" followed by the state seal and the badge number of the Highway Patrol officer to whom the vehicle is assigned. The words "Oklahoma Highway Patrol" shall also be included on such license plates;

6. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Military Department. Such license plates shall have the legend "Oklahoma OK" and shall contain the letters "OMD" followed by the state seal and three numbers or letters as designated by the Adjutant General. The words "Oklahoma Military Department" shall also be included on such license plates;

7. Within the limits prescribed in this section, the Tax Commission shall design appropriate official license plates for vehicles of the Oklahoma Department of Corrections. Such license plates shall contain the letters "DOC" followed by the Department of Corrections badge and three numbers or letters or combination of both as designated by the Director of the agency. The words "Department of Corrections" shall also be included on such license plates; and

8. Within the limits prescribed in this section, the Oklahoma Tourism and Recreation Department shall design any license plates required by the initiation of a license plate reissuance by the Oklahoma Tax Commission at the request of the Department of Public Safety pursuant to the provisions of Section 1113.2 of this title.

Any such new designs shall be submitted by the Oklahoma Tourism and Recreation Department to the Department of Public Safety for its approval prior to being issued by the Oklahoma Tax Commission.

C. Where the applicant has satisfactorily shown that the applicant owns the vehicle sought to be registered but is unable to produce documentary evidence of the ownership, a license plate may be issued upon approval by the Tax Commission or Corporation Commission, as applicable. In such instances the reason for not issuing a certificate of title shall be indicated on the receipt given to the applicant. It shall still be the duty of the applicant to immediately take all necessary steps to obtain the Oklahoma certificate of title and it shall be unlawful for the applicant to sell the vehicle until the certificate has been obtained in the applicant's name.

D. The certificate of registration provided for in this section shall be in convenient form, and the certificate of registration, or a certified copy or photostatic copy thereof, duly authenticated by the Tax Commission or Corporation Commission, as applicable, shall be carried at all times in or upon commercial vehicles so registered, in such manner as to permit a ready examination thereof upon demand by any peace officer of the state or duly authorized employee of the Department of Public Safety. Any such officer or agent may seize and hold such commercial vehicle when the operator of the same does not have the registration certificate in the operator's possession or when any such officer or agent determines that the registration certificate has been obtained by misrepresentation of any essential or material fact or when any number or identifying information appearing on such certificate has been changed, altered, obliterated or concealed in any way, until the proper registration or identification of such vehicle has been made or produced by the owner thereof.

E. The purchaser of a new or used manufactured home shall, within thirty (30) days of the date of purchase, register the home with the Tax Commission or a motor license agent pursuant to the provisions of Section 1117 of this title. For a new manufactured home, it shall be the responsibility of the dealer selling the home to place a temporary license plate on the home in the same manner as provided in Section 1128 of this title for other new motor vehicles. For the first year that any manufactured home is registered in this state, the Tax Commission shall issue a metal license plate which shall be affixed to the manufactured home. The temporary dealer license plate or the metal license plate shall be displayed on the manufactured home at all times when upon a public roadway; provided, a repossession affidavit issued pursuant to Sections 1110 and 1126 of this title shall be permissible in lieu of a current license plate and decal for the purposes of removing a repossessed manufactured home to a secure location. Manufactured homes previously registered and subject to ad valorem taxation as provided by law shall have a decal affixed at the time ad valorem taxes are paid for such manufactured home; provided, for a manufactured home permanently affixed to real estate, no decal or license plate shall be required to be affixed and the owner thereof shall be given a receipt upon payment of ad valorem taxes due on the home. The Tax Commission shall make sufficient plates and decals available to the various motor license agents of the state in order for an owner of a manufactured home to acquire the plate or decal. A one-dollar fee shall be charged for issuance of any plate or decal. The fee shall be apportioned each month to the General Revenue Fund of the State Treasury.

F. The decal shall be easily visible for purposes of verification by a county assessor that the manufactured home is properly assessed for ad valorem taxation. In the first year of registration, a decal shall be issued for placement on the license plate indicating payment of applicable registration fees and excise taxes. A duplicate manufactured home registration decal shall be affixed inside the window nearest the front door of the manufactured home. In the second and all subsequent years for which the manufactured home is subject to ad valorem taxation, an annual decal shall be affixed inside the window nearest the front door as evidence of payment of ad valorem taxes. The Tax Commission shall issue decals to the various county treasurers of the state in order for a manufactured home owner to obtain such decal each year. Upon presentation of a valid ad valorem tax receipt, the manufactured home owner shall be issued the annual decal.

G. Upon the registration of a manufactured home in this state for the first time or upon discovery of a manufactured home previously registered within this state for which the information required by this subsection is not known, the Tax Commission shall obtain:

1. The name of the owner of the manufactured home;

2. The serial number or identification number of the manufactured home;

3. A legal description or address of the location for the home;

4. The actual retail selling price of the manufactured home excluding Oklahoma taxes;

5. The certificate of title number for the home; and

6. Any other information which the Tax Commission deems to be necessary.

The application for registration shall also include the school district in which the manufactured home is located or is to be located. The information shall be entered into a computer data system which shall be used by the Tax Commission to provide information to county assessors upon request by the assessor. The assessor may request any information from the system in order to properly assess a manufactured home for ad valorem taxation.

SECTION 3. AMENDATORY 47 O.S. 2011, Section 1115.3, is amended to read as follows:

Section 1115.3 A. Except as otherwise provided by this section, all-terrain vehicles, utility vehicles and motorcycles used exclusively off roads or highways shall be registered once with the Oklahoma Tax Commission within thirty (30) days after purchase.

B. For all-terrain vehicles or motorcycles used exclusively off roads or highways purchased prior to July 1, 2005, registration, as otherwise required by Section 1115 of this title, shall not be required, but shall be allowed at the option of the owner of the all-terrain vehicle or motorcycle used exclusively off roads or highways.

C. For utility vehicles used exclusively off roads or highways purchased prior to July 1, 2008, registration, as otherwise required by Section 1115 of this title, shall not be required but shall be allowed at the option of the owner of the utility vehicle used exclusively off roads or highways.

D. All-terrain vehicles, utility vehicles or motorcycles used exclusively off roads or highways owned or purchased by a person that possesses an agricultural exemption pursuant to Section 1358.1 of Title 68 of the Oklahoma Statutes may be registered as provided by this section, but shall not require registration.

E. Noncommercial trailers shall be registered with the Oklahoma Tax Commission within thirty (30) days of purchase.

SECTION 4. AMENDATORY 47 O.S. 2011, Section 1132, as amended by Section 2, Chapter 337, O.S.L. 2012 (47 O.S. Supp. 2017, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by the Oklahoma Vehicle License and Registration Act, a registration fee shall be assessed at the time of initial registration by the owner and annually thereafter, for the use of the avenues of public access within this state in the following amounts:

1. For the first through the fourth year of registration in this state or any other state, Eighty-five Dollars ($85.00);

2. For the fifth through the eighth year of registration in this state or any other state, Seventy-five Dollars ($75.00);

3. For the ninth through the twelfth year of registration in this state or any other state, Fifty-five Dollars ($55.00);

4. For the thirteenth through the sixteenth year of registration in this state or any other state, Thirty-five Dollars ($35.00); and

5. For the seventeenth and any following year of registration in this state or any other state, Fifteen Dollars ($15.00).

The registration fee provided for in this subsection shall be in lieu of all other taxes, general or local, unless otherwise specifically provided.

B. For all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased on or after July 1, 2005, and for all-terrain vehicles and motorcycles used exclusively for use off roads or highways purchased prior to July 1, 2005, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars ($11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars ($9.00) of the registration fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars ($2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for all-terrain vehicles or motorcycles used exclusively off roads and highways.

C. For utility vehicles used exclusively for use off roads or highways purchased on or after July 1, 2008, and for utility vehicles used exclusively for use off roads or highways purchased prior to July 1, 2008, which the owner chooses to register pursuant to the provisions of Section 1115.3 of this title, an initial and nonrecurring registration fee of Eleven Dollars ($11.00) shall be assessed at the time of initial registration by the owner. Nine Dollars ($9.00) of the registration fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Two Dollars ($2.00) of the registration fee shall be retained by the motor license agent. The fees required by subsection A of this section shall not be required for utility vehicles used exclusively off roads and highways.

D. <u>For noncommercial trailers an initial and recurring registration fee of Fifteen Dollars ($15.00) shall be assessed at the time of registration by the owner and every third year thereafter. Nine Dollars ($9.00) of each registration fee shall be deposited in the General Revenue Fund of the State Treasury. Two Dollars ($2.00) of the registration fee shall be retained by the motor license agent. Two Dollars ($2.00) of the registration fee shall be deposited in the Firearms Instructors Revolving Fund created in Section 1290.14 of Title 21 of the Oklahoma Statutes. Two Dollars ($2.00) of the registration fee shall be deposited in the Oklahoma State University-Agricultural Extension Division-Educational and General Operations Revolving Fund established by Section 3901 of Title 70 of the Oklahoma Statutes. The fees required by subsection A of this section shall not be required for such noncommercial trailers.</u>

<u>E.</u> There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

1. A new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Oklahoma Tax Commission; or

2. A defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will the credit be refunded.

~~E.~~ F. Upon every transfer or change of ownership of a vehicle or noncommercial trailer, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay a transfer fee of Fifteen Dollars ($15.00) in addition to any other fees provided for in this act. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually, or for noncommercial trailers triannually, on the anniversary date of its initial registration in this state and shall pay the fees provided in subsection A of this section or subsection D of this section when applicable and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

~~F.~~ G. In the event a new or used vehicle or noncommercial trailer is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, and for noncommercial

<u>trailers within thirty (30) days of the effective date of this act</u>, the penalty for the failure of the owner of the vehicle <u>or noncommercial trailer</u> to register the vehicle within thirty (30) days shall be One Dollar ($1.00) per day, provided that in no event shall the penalty exceed One Hundred Dollars ($100.00). No penalty shall be waived by the Oklahoma Tax Commission or any motor license agent except as provided in subsection C of Section 1127 of this title. Of each dollar penalty collected pursuant to this subsection:

1. Twenty-one cents ($0.21) shall be apportioned as provided in Section 1104 of this title;

2. Twenty-one cents ($0.21) shall be retained by the motor license agent; and

3. Fifty-eight cents ($0.58) shall be deposited in the General Revenue Fund.

SECTION 5. AMENDATORY 47 O.S. 2011, Section 1134, is amended to read as follows:

Section 1134. A. Upon each pickup, truck or truck-tractor owned and operated by one or more farmers and used primarily for farm use, and not for commercial or industrial purposes, the license fee shall be Thirty Dollars ($30.00). As used in this section, the term "pickup" shall mean a small, light truck with an open back or box used for hauling and designed primarily for the carrying of property rather than people. The term "truck" shall mean a motor vehicle designed or converted primarily for carrying or hauling farm commodities, property, livestock, or equipment, rather than people.

B. The fees assessed pursuant to this section shall not apply to trailers or semitrailers or combinations thereof used primarily for farm use and for the transportation of products of the farm by the producer thereof. Such fee shall not apply to any trailer or semitrailer or combinations thereof when used primarily for the transportation of any article or articles owned by the operator of the trailer or semitrailer or combinations thereof and not used in the furtherance of or incident to any commercial or industrial enterprise. The provisions of Section 1134.2 of this title shall apply to any trailers or semitrailers when used primarily for the transportation of logs, ties, stave bolts and posts, direct from forest to sawmill.

C. For the purpose of this section, a trailer or semitrailer or combination thereof owned by a farmer and used primarily for the purpose of transporting farm products to market or for the purpose of transporting to the farm material or things to be used thereon, and not for commercial or industrial purposes, ~~may~~ shall be registered ~~for One Dollar ($1.00)~~ as a noncommercial trailer under the provisions of the Oklahoma Vehicle License and Registration Act; provided, any such trailer used by the holder of a certificate of convenience and necessity issued by the Oklahoma Corporation Commission or the Interstate Commerce Commission shall be conclusively presumed to be used in and for a commercial use, and must be licensed as such, paying the license fees provided in Section 1133 of this title.

D. Before a party shall be allowed to purchase a license plate or claim an exception or exemption under this section, the party shall:

1. Show an income tax Schedule F for the preceding year; or

2. Present a valid exemption card issued pursuant to the provisions of Section 1358.1 of Title 68 of the Oklahoma Statutes.

A violation shall be grounds for revocation of ~~driver's~~ driver license. Any person who signs the affidavit as required by this section when the person does not believe that the information in the affidavit is true or knows it is not true, upon conviction, shall be guilty of perjury and shall be punished as provided for by law.

E. Any person owning a truck upon which the farm truck license fee has been paid in Oklahoma for the current year and whose truck may be needed during grain harvests or other seasonal farming activities for hauling farm products other than his or her own, or for hauling gravel, shale or other road materials for rural roads, may make application with the Oklahoma Tax Commission for a short term commercial license for such truck for a period of time not to exceed ninety (90) days as provided for in subsection F of this section, or may make application in accordance with the Motor Carrier Harvest Permit Act of 2006 if applicable.

F. Upon such application, the Tax Commission shall issue a temporary commercial truck license and register the truck upon payment of the following fees:

1. For thirty (30) days a fee equal to one-eighth (1/8) of the annual commercial license fee required for such truck.

2. For sixty (60) days a fee equal to one-fourth (1/4) of the annual commercial license fee required for such truck.

3. For ninety (90) days a fee equal to three-eighths (3/8) of the annual commercial license fee required for such truck.

G. Provided, however, the provisions of this section shall not apply to the transportation of persons or property for hire.

SECTION 6. REPEALER 47 O.S. 2011, Section 1133.3, is hereby repealed.

SECTION 7. This act shall become effective November 1, 2018.

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