

1 ENGROSSED SENATE
2 BILL NO. 576

By: Montgomery of the Senate

3 and

4 Boatman of the House

5
6 [motor vehicles - tax exemptions - foreign export
7 title - certificates - form - fee - exception -
effective date -

emergency]

8
9
10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2105, is
12 amended to read as follows:

13 Section 2105. An original or a transfer certificate of title or
14 a foreign export certificate of title, as provided for in Section
15 1105 of Title 47 of the Oklahoma Statutes, shall be issued without
16 the payment of the excise tax levied by Section 2101 et seq. of this
17 title for:

18 1. Any vehicle owned by a nonresident person who operates
19 principally in some other state but who is in Oklahoma only
20 occasionally;

21 2. Any vehicle brought into this state by a person formerly
22 living in another state, who has owned and registered the vehicle in
23 such other state of residence at least sixty (60) days prior to the
24 time it is required to be registered in this state; provided,

1 however, this paragraph shall not apply to businesses engaged in
2 renting cars without a driver;

3 3. Any vehicle registered by the State of Oklahoma, by any of
4 the political subdivisions thereof, or by a fire department
5 organized pursuant to Section 592 of Title 18 of the Oklahoma
6 Statutes to be used for the purposes of the fire department, or a
7 vehicle which is the subject of a lease or lease-purchase agreement
8 executed between the person seeking an original or transfer
9 certificate of title for the vehicle and a municipality, county,
10 school district, or fire protection district. The person seeking an
11 original or transfer certificate of title shall provide adequate
12 proof that the vehicle is subject to a lease or lease-purchase
13 agreement with a municipality, county, school district, or fire
14 protection district at the time the excise tax levied would
15 otherwise be payable. The Oklahoma Tax Commission shall have the
16 authority to determine what constitutes adequate proof as required
17 by this section;

18 4. Any vehicle, the legal ownership of which is obtained by the
19 applicant for a certificate of title by inheritance;

20 5. Any used motor vehicle, travel trailer, or commercial
21 trailer which is owned and being offered for sale by a person
22 licensed as a dealer to sell the same, under the provisions of the
23 Oklahoma Vehicle License and Registration Act:
24

1 a. if such vehicle, travel trailer, or commercial trailer
2 has been registered in Oklahoma and the excise tax
3 paid thereon, or

4 b. when such vehicle, travel trailer, or commercial
5 trailer has been registered in some other state but is
6 not the latest manufactured model.

7 Provided, the provisions of this paragraph shall not be
8 construed as allowing an exemption to any person not licensed as a
9 dealer of used motor vehicles, travel trailers, or commercial
10 trailers, or as an automotive dismantler and parts recycler in this
11 state;

12 6. Any vehicle which was purchased by a person licensed to sell
13 new or used motor vehicles in another state:

14 a. if such vehicle is not purchased for operation or
15 resale in this state, and

16 b. the state from which the dealer is licensed offers
17 reciprocal privileges to a dealer licensed in this
18 state, pursuant to a reciprocal agreement between the
19 duly authorized agent of the Tax Commission and the
20 licensing state;

21 7. Any vehicle, the ownership of which was obtained by the
22 lienholder or mortgagee under or by foreclosure of a lien or
23 mortgage in the manner provided by law or to the insurer under
24

1 subrogated rights arising by reason of loss under an insurance
2 contract;

3 8. Any vehicle which is taxed on an ad valorem basis;

4 9. Any vehicle or motor vehicle, the legal ownership of which
5 is obtained by transfers:

6 a. from one corporation to another corporation pursuant
7 to a reorganization. As used in this subsection the
8 term "reorganization" means:

9 (1) a statutory merger or consolidation, or

10 (2) the acquisition by a corporation of substantially
11 all of the properties of another corporation when
12 the consideration is solely all or a part of the
13 voting stock of the acquiring corporation, or of
14 its parent or subsidiary corporation,

15 b. in connection with the winding up, dissolution, or
16 liquidation of a corporation only when there is a
17 distribution in kind to the shareholders of the
18 property of such corporation,

19 c. to a corporation where the former owners of the
20 vehicle or motor vehicle transferred are, immediately
21 after the transfer, in control of the corporation, and
22 the stock or securities received by each is
23 substantially in proportion to the interest in the
24 vehicle or motor vehicle prior to the transfer,

- d. to a partnership if the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, members of such partnership and the interest in the partnership received by each is substantially in proportion to the interest in the vehicle or motor vehicle prior to the transfer,
- e. from a partnership to the members thereof when made in the dissolution of such partnership,
- f. to a limited liability company if the former owners of the vehicle or motor vehicle transferred are, immediately after the transfer, members of the limited liability company and the interest in the limited liability company received by each is substantially in proportion to the interest in the vehicle or motor vehicle prior to the transfer, or
- g. from a limited liability company to the members thereof when made in the dissolution of such partnership;

10. Any vehicle which is purchased by a person to be used by a business engaged in renting motor vehicles without a driver, provided:

- a. the vehicle shall not be rented to the same person for a period exceeding ninety (90) days,

1 b. any such vehicle exempted from the excise tax by these
2 provisions shall not be placed under any type of lease
3 agreement,

4 c. on any such vehicle exempted from the excise tax by
5 this subsection that is reregistered in this state,
6 without a prior sale or transfer to the persons
7 specified in divisions (1) and (2) of this
8 subparagraph, at any time prior to the expiration of
9 twelve (12) months from the date of issuance of the
10 original title, the seller shall pay immediately the
11 amount of excise tax which would have been due had
12 this exemption not been granted plus a penalty of
13 twenty percent (20%). No such excise tax or penalty
14 shall become due and payable if the vehicle is sold or
15 transferred in a condition either physical or
16 mechanical which would render it eligible for a
17 salvage title pursuant to law or if the vehicle is
18 sold and transferred in this state at any time prior
19 to the expiration of twelve (12) months:

20 (1) to the manufacturer of the vehicle or its
21 controlled financing arm, or

22 (2) to a factory authorized franchised new motor
23 vehicle dealer which holds a franchise of the
24 same line-make of the vehicle being purchased, or

d. when this exemption is claimed, the Tax Commission shall issue a special title which shall restrict the transfer of the title only within this state prior to the expiration of twelve (12) months unless:

(1) payment of the excise tax plus penalty as provided in this section is made,

(2) the sale is made to a person specified in division (1) or (2) of subparagraph c of this paragraph, or

(3) the vehicle is eligible for a salvage title.

For all other tax purposes vehicles herein exempted shall be treated as though the excise tax has been paid;

11. Any vehicle of the latest manufactured model, registered from a title in the name of the original manufacturer or assigned to the original manufacturer and issued by any state and transferred to a licensed, franchised Oklahoma motor vehicle dealer, as defined by Section 1102 of Title 47 of the Oklahoma Statutes, which holds a franchise of the same line-make as the vehicle being registered;

12. Any new motor vehicle, registered in the name of a manufacturer or dealer of new motor vehicles, for which a license plate has been issued pursuant to Section 1116.1 of Title 47 of the Oklahoma Statutes, if such vehicle is authorized by the manufacturer or dealer for personal use by an individual. The authorization for such use shall not exceed four (4) months which shall not be renewed

1 or the exemption provided by this subsection shall not be
2 applicable. The exemption provided by this subsection shall not be
3 applicable to a transfer of ownership or registration subsequent to
4 the first registration of the vehicle by a manufacturer or dealer;

5 13. Any vehicle, travel trailer, or commercial trailer of the
6 latest manufacturer model purchased by a franchised Oklahoma dealer
7 licensed to sell the same which holds a franchise of the same line-
8 make as the vehicle, travel trailer, or commercial trailer being
9 registered;

10 14. Any vehicle which is the subject of a lease or lease-
11 purchase agreement and which the ownership of such vehicle is being
12 obtained by the lessee, if the vehicle excise tax was paid at the
13 time of the initial lease or lease-purchase agreement;

14 15. Any vehicle which:

15 a. is purchased by a private, nonprofit organization
16 which is exempt from taxation pursuant to the
17 provisions of Section 501(c)(3) of the Internal
18 Revenue Code, 26 U.S.C., Section 501(c)(3), and which
19 is primarily funded by a fraternal or civic service
20 organization with at least one hundred local chapters
21 or clubs, and

22 b. is designed and used to provide mobile health
23 screening services to the general public at no cost to
24 the recipient, and for which no reimbursement of any

1 kind is received from any health insurance provider,
2 health maintenance organization, or governmental
3 program;

4 16. Any vehicle which is purchased by an individual who has
5 been honorably discharged from active service in any branch of the
6 Armed Forces of the United States or Oklahoma National Guard and who
7 has been certified by the United States Department of Veterans
8 Affairs, its successor, or the Armed Forces of the United States to
9 be a disabled veteran in receipt of compensation at the one-hundred-
10 percent rate for a permanent disability sustained through military
11 action or accident resulting from disease contracted while in such
12 active service and registered with the veterans registry created by
13 the Oklahoma Department of Veterans Affairs; provided, that if the
14 veteran has previously received exemption pursuant to this
15 paragraph, no registration with the veterans registry shall be
16 required. This exemption may not be claimed by an individual for
17 more than one vehicle in a consecutive three-year period, unless the
18 vehicle is a replacement for a vehicle which was destroyed and
19 declared by the insurer to be a total loss claim. The Tax
20 Commission shall promulgate any rules necessary to implement the
21 provisions of this section; ~~or~~

22 17. Any vehicle on which ownership is transferred by a
23 reposessor directly back to the owner or owners from whom the
24 vehicle was repossessed; provided, ownership shall be assigned by

1 the reposessor within thirty (30) days of issuance of the
2 repossession title and shall be identical to that reflected in the
3 vehicle title record immediately prior to the repossession; or

4 18. Any vehicle approved by the Oklahoma Tax Commission for the
5 issuance of a foreign export certificate of title, as provided in
6 Section 1105 of Title 47 of the Oklahoma Statutes.

7 SECTION 2. AMENDATORY 47 O.S. 2021, Section 1105, as
8 last amended by Section 110, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
9 2022, Section 1105), is amended to read as follows:

10 Section 1105. A. As used in the Oklahoma Vehicle License and
11 Registration Act:

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

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

23 3. "Flood-damaged vehicle" means a salvage or rebuilt vehicle
24 which was damaged by flooding or a vehicle which was submerged at a

1 level to or above the dashboard of the vehicle and on which an
2 amount of loss was paid by the insurer;

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

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

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

11 7. "Foreign export vehicle" means any motor vehicle purchased
12 by an individual or entity doing business in this state if the
13 vehicle is contracted to be shipped to a destination outside of the
14 United States or its territories or its tribal lands, as defined in
15 25 U.S.C., Section 3001(15), within one hundred twenty (120) days of
16 purchase.

17 B. The owner of every vehicle in this state shall possess a
18 certificate of title as proof of ownership of such vehicle, except
19 those vehicles registered pursuant to Section 1120 of this title and
20 trailers registered pursuant to Section 1133 of this title,
21 previously titled by anyone in another state and engaged in
22 interstate commerce, and except as provided in subsection M of this
23 section. Except for owners that possess an agricultural exemption
24 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma

1 Statutes, the owner of an all-terrain vehicle or a motorcycle used
2 exclusively off roads or highways in this state which is purchased
3 or the ownership of which is transferred on or after July 1, 2005,
4 and the owner of a utility vehicle used exclusively off roads and
5 highways in this state which is purchased or the ownership of which
6 is transferred on or after July 1, 2008, shall possess a certificate
7 of title as proof of ownership. Any person possessing an
8 agricultural exemption permit and owning an all-terrain vehicle or a
9 motorcycle used exclusively off roads or highways in this state
10 which is purchased or the ownership of which is transferred on or
11 after July 1, 2008, shall possess a certificate of title as proof of
12 ownership. Upon receipt of proper application information by such
13 owner, Service Oklahoma shall issue an original or transfer
14 certificate of title. Until July 1, 2008, any security interest in
15 an all-terrain vehicle that attached and was perfected before July
16 1, 2005, and that has not otherwise terminated shall remain
17 perfected, and shall take priority over any subsequently perfected
18 security interest in the same all-terrain vehicle, notwithstanding
19 that a certificate of title may have been issued with respect to the
20 same all-terrain vehicle on or after July 1, 2005, and that a lien
21 may have been recorded on ~~said~~ the certificate of title. There
22 shall be ~~eight~~ nine types of certificates of title:

1 1. Original title for any motor vehicle which is not a
2 remanufactured, salvage, unrecovered-theft, rebuilt, rebodied,
3 foreign export, or junked vehicle;

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

7 3. Rebuilt title for any motor vehicle which is a rebuilt
8 vehicle;

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

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

14 6. Remanufactured title for any vehicle which is a
15 remanufactured vehicle;

16 7. Unrecovered-theft title for any motor vehicle which has been
17 stolen and not recovered; ~~and~~

18 8. Rebodied title for any motor vehicle which is a rebodied
19 vehicle; and

20 9. Foreign export title for any foreign export vehicle. The
21 Oklahoma Tax Commission shall prescribe a form to be completed and
22 submitted under oath together with the purchase contract for the
23 vehicle and proof of commitment to ship the vehicle by common
24 carrier vessel, air, rail, or any other common carrier for hire.

1 Upon approval by the Commission and payment of the required
2 certificate of title fee, the Commission shall issue a foreign
3 export certificate of title.

4 Application for a certificate of title, whether the initial
5 certificate of title or a duplicate, may be made to Service Oklahoma
6 or any licensed operator. When application is made with a licensed
7 operator, the application information shall be transmitted either
8 electronically or by mail to Service Oklahoma by the licensed
9 operator. If the application information is transmitted
10 electronically, the licensed operator shall forward the required
11 application along with evidence of ownership, where required, by
12 mail. Where the transmission of application information cannot be
13 performed electronically, Service Oklahoma is authorized to provide
14 postage paid envelopes to licensed operators for the purpose of
15 mailing the application along with evidence of ownership, where
16 required. Service Oklahoma shall upon receipt of proper application
17 information issue an Oklahoma certificate of title. The
18 certificates may be mailed to the applicant. Upon issuance of a
19 certificate of title, Service Oklahoma shall provide the appropriate
20 licensed operator with confirmation of such issuance.

21 C. 1. The application for certificate of title shall be upon a
22 blank form furnished by Service Oklahoma, containing:

23 a. a full description of the vehicle,
24

- b. the manufacturer's serial or other identification number,
- c. the motor number and the date on which first sold by the manufacturer or dealer to the owner,
- 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 Service Oklahoma 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

1 specified in paragraph 1 of this subsection. Service Oklahoma shall
2 not issue a certificate of title for a vehicle which is subject to
3 the provisions of this paragraph without the required declaration,
4 completed and signed by the owner of the vehicle. Upon receipt of
5 an application without the properly completed declaration, Service
6 Oklahoma shall return the application to the applicant with notice
7 that the title may not be issued without the required declaration.
8 Nothing in this paragraph shall prohibit Service Oklahoma from
9 recognizing the type of or brand on a title or other ownership
10 document issued by another state or the inspection conducted in
11 another state and issuing the appropriate certificate of title for
12 the vehicle.

13 3. The certificate of title shall have the following security
14 features:

- 15 a. intaglio printing or security thread, with or without
- 16 watermark,
- 17 b. latent images,
- 18 c. fluorescent inks,
- 19 d. micro print,
- 20 e. void background, and
- 21 f. color coding.

22 4. Each title issued pursuant to the provisions of the Oklahoma
23 Vehicle License and Registration Act shall be color coded as
24 determined by Service Oklahoma.

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

20 D. 1. To obtain an original certificate of title for a vehicle
21 that is being registered for the first time in this state which has
22 not been previously registered in any other state, the applicant
23 shall be required to deliver, as evidence of ownership, a
24 manufacturer's certificate of origin properly assigned by the

1 manufacturer, distributor, or dealer licensed in this or any other
2 state shown thereon to be the last transferee to the applicant upon
3 a form to be prescribed and approved by Service Oklahoma. A
4 manufacturer's certificate of origin shall contain:

- 5 a. the manufacturer's serial or other identification
6 number,
- 7 b. date on which first sold by the manufacturer to the
8 dealer,
- 9 c. any distinguishing marks including model and the year
10 same was made,
- 11 d. a statement of any security interests upon the
12 vehicle, and
- 13 e. such other information as Service Oklahoma may
14 require.

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

- 17 a. intaglio printing or security thread, with or without
18 watermark,
- 19 b. latent images,
- 20 c. fluorescent inks,
- 21 d. micro print, and
- 22 e. void background.

23 E. In the absence of a dealer's or manufacturer's number,
24 Service Oklahoma may assign such identifying number to the vehicle,

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

18 F. When registering for the first time in this state a vehicle
19 which was not originally manufactured for sale in the United States,
20 to obtain a certificate of title, Service Oklahoma shall require the
21 applicant to deliver:

22 1. As evidence of ownership, if the vehicle has not previously
23 been titled in the United States, the documents constituting valid
24 proof of ownership in the country in which the vehicle was

1 originally purchased, together with a notarized translation of any
2 such documents; and

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

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

21 G. When registering in this state a vehicle which was titled in
22 another state and which title contains the name of a secured party
23 on the face of the other state certificate of title, or such state
24 certificate is being held by the secured party in that state or any

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

22 H. The charge for each certificate of title issued, except for
23 junked titles and foreign export titles ~~as defined in paragraph 4 of~~
24 ~~subsection B of this section~~, shall be Eleven Dollars (\$11.00),

1 which charge shall be in addition to any other fees or taxes imposed
2 by law for such vehicle. One Dollar (\$1.00) of each such charge
3 shall be deposited in the ~~Oklahoma~~ Tax Commission Reimbursement Fund
4 through December 31, 2022, and beginning January 1, 2023, it shall
5 be deposited in the Service Oklahoma Reimbursement Fund. However,
6 the charge shall not apply to any vehicle which is to be registered
7 in this state pursuant to the provisions of Section 1120 or 1133 of
8 this title and which was registered in another state at least sixty
9 (60) days prior to the time it is required to be registered in this
10 state. When an insurer requests a salvage or junk title in the name
11 of the insurer resulting from the settlement of a total loss claim
12 and upon presentation of appropriate proof of loss documentation as
13 required by Service Oklahoma, such transfer may be processed as one
14 title transaction, without first requiring issuance of a replacement
15 certificate of title in the name of the vehicle owner. The fee
16 shall be Twenty-two Dollars (\$22.00). Two Dollars (\$2.00) of this
17 fee shall be deposited in the ~~Oklahoma~~ Tax Commission Reimbursement
18 Fund. The charge for a foreign export title shall be One Hundred
19 Dollars (\$100.00), which charge shall be in addition to any other
20 fees or taxes imposed by law for such vehicle. One Dollar (\$1.00)
21 of this fee shall be deposited in the Tax Commission Reimbursement
22 Fund.

23 I. The vehicle identification number of a junked vehicle shall
24 be preserved in the computer files of Service Oklahoma for a period

1 of not less than five (5) years. The charge of junked titles as
2 defined in paragraph 4 of subsection B of this section shall be Four
3 Dollars (\$4.00). The fee remitted to the Tax Commission shall be
4 deposited in the ~~Oklahoma~~ Tax Commission Reimbursement Fund through
5 December 31, 2022, and beginning January 1, 2023, this fee shall be
6 deposited in the Service Oklahoma Reimbursement Fund.

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

13 K. If a vehicle is stolen, the owner shall immediately notify
14 the appropriate law enforcement agency. Immediately after receiving
15 such notification, the law enforcement agency shall notify Service
16 Oklahoma.

17 L. Except for all-terrain vehicles, utility vehicles and
18 motorcycles used exclusively for off-road use, no title for an out-
19 of-state vehicle, except for foreign export titles or any commercial
20 truck or truck-tractor registered pursuant to Section 1120 of this
21 title which is engaged in interstate commerce or any trailer or
22 semitrailer registered pursuant to Section 1133 of this title which
23 is engaged in interstate commerce, shall be issued without an
24 inspection of such vehicle and payment of a fee of Four Dollars

1 (\$4.00) for such inspection; provided, Service Oklahoma may enter
2 into reciprocal agreements with other states for such inspections to
3 be performed at locations outside the boundaries of this state for
4 vehicles which:

5 1. Are offered for sale at auction;

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

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

11 The inspection shall include a comparison of the vehicle
12 identification number on the vehicle with the number recorded on the
13 ownership records and the recording of the actual odometer reading
14 on the vehicle. The four-dollar fee shall be collected by the
15 licensed operator or Service Oklahoma when the title is issued. The
16 licensed operator shall retain Two Dollars (\$2.00). The remaining
17 Two Dollars (\$2.00) shall be deposited in the ~~Oklahoma~~ Tax
18 Commission Reimbursement Fund through December 31, 2022, and
19 beginning January 1, 2023, this fee shall be deposited in the
20 Service Oklahoma Reimbursement Fund.

21 Service Oklahoma may allow the inspection to be performed at a
22 location out-of-state by another state's department of motor
23 vehicles or state police.

1 M. No title for any out-of-state vehicle offered for sale at
2 salvage pools, salvage disposal sales, or an auction, or by a dealer
3 or a licensed automotive dismantler and parts recycler, shall be
4 issued without an inspection to compare the vehicle identification
5 number on the vehicle with the number recorded on the ownership
6 record and to record the actual odometer reading on the vehicle.
7 Upon request of the seller, person or entity conducting an auction,
8 dealer or licensed dismantler, the inspection shall be conducted at
9 the location or place of business of the sale, auction, dealer, or
10 the dismantler. The inspection shall be conducted by any licensed
11 operator or a duly authorized employee thereof; provided, if the
12 vehicle identification number on the vehicle offered for sale at
13 salvage pools, salvage disposal sales or a classic or antique
14 auction does not match the number recorded on the ownership record,
15 the inspection may be conducted at the location of or place of
16 business of such sale or auction by any state, county or city law
17 enforcement officer. Service Oklahoma may enter into reciprocal
18 agreements with other states for such inspections to be performed at
19 locations outside the boundaries of this state for vehicles which:
20 1. Are offered for sale at auction;
21 2. Have been solely used as vehicles for rent under the
22 ownership of a licensed motor vehicle dealer or a person engaged in
23 the business of renting motor vehicles; or
24

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

3 The inspection shall be certified upon forms prescribed by Service
4 Oklahoma. The name and other identification of the authorized
5 person conducting the inspection shall be legibly printed or typed
6 on the form. Prior to any inspection by any employee of a licensed
7 operator, the licensed operator shall notify Service Oklahoma of the
8 name and any other identification information requested by Service
9 Oklahoma of the authorized person. A signature specimen of the
10 authorized person shall be submitted to Service Oklahoma by the
11 employing licensed operator. If the authorization to inspect
12 vehicles is withdrawn or the employer-employee relationship is
13 terminated, the licensed operator, immediately, shall notify Service
14 Oklahoma and return any remaining inspection forms to Service
15 Oklahoma. The fee for the inspection shall be Four Dollars (\$4.00).
16 The licensed operator shall retain Three Dollars (\$3.00) of the fee.
17 Fees received by a licensed operator or an authorized employee
18 thereof shall be handled and accounted for in the manner as
19 prescribed by law for any other fees paid to or received by a
20 licensed operator. Out-of-state vehicles brought into this state by
21 a person licensed in another state to sell new or used vehicles to
22 be sold within this state at a motor vehicle auction which is
23 limited to dealer-to-dealer transactions shall not be required to be
24 inspected, unless the vehicle is purchased by an Oklahoma dealer.

1 Any person licensed in another state to sell new or used motor
2 vehicles, who offers a motor vehicle for sale within this state at a
3 motor vehicle auction which is limited to dealer-to-dealer
4 transactions, shall not be within the definition of "owner" in
5 Section 1102 of this title, for purposes of Section 1101 et seq. of
6 this title.

7 N. A licensed motor vehicle dealer, upon payment of a fee of
8 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
9 of title to a used motor vehicle provided such dealer obtains the
10 appropriate inspection form required by either subsection L or M of
11 this section and attaches the form to the out-of-state certificate
12 of title. Licensed operators shall be allowed to retain Two Dollars
13 and twenty-five cents (\$2.25) of the fee plus an additional Two
14 Dollars (\$2.00) or Three Dollars (\$3.00) as provided in subsections
15 L and M of this section for performance of the inspection. Two
16 Dollars (\$2.00) of the fee shall be deposited in the Service
17 Oklahoma Reimbursement Fund. An out-of-state vehicle which has been
18 rebuilt shall be inspected pursuant to the provisions of Section
19 1111 of this title. Service Oklahoma shall train licensed operators
20 in interpreting vehicle identification numbers to assure that it
21 accurately describes the vehicle and to detect rollback or
22 alteration of the odometer. Failure of a licensed operator to
23 inspect the vehicle and make the required notations shall be a
24 misdemeanor punishable by a fine ~~of~~ not more than One Thousand

1 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
2 (\$5,000.00) for the second offense or subsequent offense, or by
3 imprisonment in the county jail for not more than six (6) months, or
4 by both such fine and imprisonment.

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

18 P. When an insurance company makes a total loss settlement on a
19 total loss vehicle and the insurance company or a salvage pool
20 authorized by the insurance company is unable to obtain the properly
21 endorsed certificate of ownership or other evidence of ownership
22 acceptable to Service Oklahoma within thirty (30) days following
23 acceptance by the owner of an offer of an amount in settlement of a
24 total loss, that insurance company or salvage pool, on a form

1 provided by Service Oklahoma and signed under penalty of perjury,
2 may request Service Oklahoma to issue the applicable salvage title
3 for the vehicle. The request shall include information declaring
4 that the requester has made at least two written attempts to obtain
5 the certificate of ownership or other acceptable evidence of title.

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

23 R. The owner of a vehicle which is not within the last ten (10)
24 model years, not roadworthy and not capable of repair for operation

1 or use on the roads and highways, or a vehicle which is being sold
2 to a scrap metal dealer pursuant to Section 11-92 of Title 2 of the
3 Oklahoma Statutes, shall transfer the vehicle only upon a
4 certificate of ownership prescribed by Service Oklahoma, if the
5 certificate of title to the vehicle is lost, has been canceled, or
6 otherwise not available. The prescribed ownership form shall
7 include the names and addresses of the buyer and seller, the driver
8 license number or Social Security number of the seller, the make and
9 model of the vehicle, and the public vehicle identification number.
10 If there is no public vehicle identification number, the vehicle
11 shall be inspected by a law enforcement officer to verify the
12 absence of the number on the vehicle and the prescribed ownership
13 form shall include a signed statement, by such officer, verifying
14 the absence of the number.

15 The certificate of ownership shall be completed in triplicate.
16 The buyer and seller shall each retain a copy. Within thirty (30)
17 days of the transaction, the seller shall submit one copy to Service
18 Oklahoma or a licensed operator accompanied with a fee of Four
19 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the
20 licensed operator and Three Dollars (\$3.00) shall be deposited in
21 the ~~Oklahoma~~ Tax Commission Reimbursement Fund in the State Treasury
22 through December 31, 2022, and beginning January 1, 2023, this fee
23 shall be deposited in the Service Oklahoma Reimbursement Fund.

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

11 S. Service Oklahoma shall notify the chief administrative
12 officer of the agency or department responsible for issuing motor
13 vehicle certificates of title in each state in the United States of
14 the types of motor vehicle certificate of title effective in
15 Oklahoma on and after January 1, 1989.

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

21 U. If a vehicle is sold to a foreign buyer pursuant to the
22 provisions of the Automotive Dismantlers and Parts Recycler Act, the
23 licensed seller shall stamp the title with: "EXPORT ONLY.
24 NONTRANSFERABLE IN THE UNITED STATES." The licensed seller shall

1 supply Service Oklahoma the title number, the vehicle identification
2 number and the foreign buyer's bid identification number on a form
3 prescribed by Service Oklahoma. Service Oklahoma shall cancel the
4 title, and the vehicle identification number shall be preserved in
5 the computer files of Service Oklahoma for a period of not less than
6 five (5) years.

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

15 SECTION 3. This act shall become effective July 1, 2023.

16 SECTION 4. It being immediately necessary for the preservation
17 of the public peace, health or safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.
20
21
22
23
24

1 Passed the Senate the 8th day of March, 2023.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2023.

7
8 _____
9 Presiding Officer of the House
10 of Representatives