

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 1904

By: Johnson of the House

and

Barrington of the Senate

7 An Act relating to motor vehicles; amending 47 O.S.
2011, Section 1105, as amended by Section 1, Chapter
8 158, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1105),
which relates to certificates of title; placing
9 limitation on adding names to titles; requiring
certain notices; requiring certain affidavit;
10 authorizing the Tax Commission to provide affidavit
form; providing certain mailing; authorizing certain
11 mailing fee; and providing an effective date.

14 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
entire bill and insert

16 "An Act relating to motor vehicles; amending 47 O.S.
2011, Section 1105, as amended by Section 1, Chapter
17 158, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1105),
which relates to certificates of title; placing
18 requirements on adding names to titles; requiring
certain authorization and notice; requiring certain
19 documentation and affidavit; authorizing the Tax
Commission to provide form of documentation and
20 affidavit; authorizing certain mailing fee; and
providing an effective date.

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

1 SECTION 1. AMENDATORY 47 O.S. 2011, Section 1105, as
2 amended by Section 1, Chapter 158, O.S.L. 2012 (47 O.S. Supp. 2014,
3 Section 1105), is amended to read as follows:

4 Section 1105. A. As used in the Oklahoma Vehicle License and
5 Registration Act:

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

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

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

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

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

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

5 B. The owner of every vehicle in this state shall possess a
6 certificate of title as proof of ownership of such vehicle, except
7 those vehicles registered pursuant to Section 1120 of this title and
8 trailers registered pursuant to Section 1133 of this title,
9 previously titled by anyone in another state and engaged in
10 interstate commerce, and except as provided in subsection M of this
11 section. Except for owners that possess an agricultural exemption
12 permit pursuant to Section 1358.1 of Title 68 of the Oklahoma
13 Statutes, the owner of an all-terrain vehicle or a motorcycle used
14 exclusively off roads or highways in this state which is purchased
15 or the ownership of which is transferred on or after July 1, 2005,
16 and the owner of a utility vehicle used exclusively off roads and
17 highways in this state which is purchased or the ownership of which
18 is transferred on or after July 1, 2008, shall possess a certificate
19 of title as proof of ownership. Any person possessing an
20 agricultural exemption permit and owning an all-terrain vehicle or a
21 motorcycle used exclusively off roads or highways in this state
22 which is purchased or the ownership of which is transferred on or
23 after July 1, 2008, shall possess a certificate of title as proof of
24 ownership. Upon receipt of proper application information by such

1 owner, the Oklahoma Tax Commission shall issue an original or
2 transfer certificate of title. Until July 1, 2008, any security
3 interest in an all-terrain vehicle that attached and was perfected
4 before July 1, 2005, and that has not otherwise terminated shall
5 remain perfected, and shall take priority over any subsequently
6 perfected security interest in the same all-terrain vehicle,
7 notwithstanding that a certificate of title may have been issued
8 with respect to the same all-terrain vehicle on or after July 1,
9 2005, and that a lien may have been recorded on said certificate of
10 title. There shall be eight types of certificates of title:

11 1. Original title for any motor vehicle which is not a
12 remanufactured, salvage, unrecovered-theft, rebuilt, rebodied or
13 junked vehicle;

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

17 3. Rebuilt title for any motor vehicle which is a rebuilt
18 vehicle;

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

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

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1 6. Remanufactured title for any vehicle which is a
2 remanufactured vehicle;

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

5 8. Rebodied title for any motor vehicle which is a rebodied
6 vehicle.

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

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

- 3 a. a full description of the vehicle,
- 4 b. the manufacturer's serial or other identification
5 number,
- 6 c. the motor number and the date on which first sold by
7 the manufacturer or dealer to the owner,
- 8 d. any distinguishing marks,
- 9 e. a statement of the applicant's source of title,
- 10 f. any security interest upon the vehicle, and
- 11 g. such other information as the Tax Commission may
12 require.

13 2. The application for a certificate of title for a vehicle
14 which is within the last seven (7) model years shall require a
15 declaration as to whether the vehicle has been damaged by collision
16 or other occurrence and whether the vehicle has been recovered from
17 theft and the extent of the damage to the vehicle. The declaration
18 shall be made by the owner of a vehicle if:

- 19 a. the vehicle has been damaged or stolen,
- 20 b. the owner did or did not receive any payment for the
21 loss from an insurer, or
- 22 c. the vehicle is titled or registered in a state that
23 does not classify the vehicle or brand the title
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1 because of damage to or loss of the vehicle similar to
2 the classifications or brands utilized by this state.

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

17 3. The certificate of title shall have the following security
18 features:

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

1 f. color coding.

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

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

23 D. 1. To obtain an original certificate of title for a vehicle
24 that is being registered for the first time in this state which has

1 not been previously registered in any other state, the applicant
2 shall be required to deliver, as evidence of ownership, a
3 manufacturer's certificate of origin properly assigned by the
4 manufacturer, distributor, or dealer licensed in this or any other
5 state shown thereon to be the last transferee to the applicant upon
6 a form to be prescribed and approved by the Tax Commission. A
7 manufacturer's certificate of origin shall contain:

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

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

- 20 a. intaglio printing or security thread, with or without
21 watermark,
- 22 b. latent images,
- 23 c. fluorescent inks,
- 24 d. micro print, and

1 e. void background.

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

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

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

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

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

1 G. When registering in this state a vehicle which was titled in
2 another state and which title contains the name of a secured party
3 on the face of the other state certificate of title, or such state
4 certificate is being held by the secured party in that state or any
5 other state, the Tax Commission or the motor license agent shall
6 complete a lien entry form as prescribed by the Tax Commission. The
7 owner of such vehicle shall file an affidavit with the Tax
8 Commission or the motor license agent stating that title to the
9 vehicle ~~is~~ being held by a secured party has not been issued
10 pursuant to the laws of the state where titled, and that there is an
11 existing lien or encumbrance on the vehicle. The current name and
12 address of the secured party or lienholder shall also be stated in
13 the affidavit. The form of the affidavit shall be prescribed by the
14 Tax Commission and contain any other information deemed necessary by
15 the Tax Commission. A statement of the lien or encumbrance shall be
16 included on the Oklahoma certificate of title and the lien or
17 encumbrance shall be deemed continuously perfected as though it had
18 been perfected pursuant to Section 1110 of this title. For
19 completing the lien entry form and recording the security interest
20 on the certificate of title, the Tax Commission or the motor license
21 agent shall collect a fee of Three Dollars (\$3.00) which shall be in
22 addition to other fees provided by the Oklahoma Vehicle License and
23 Registration Act. The fee, if collected by the motor license agent
24

1 pursuant to this subsection, shall be retained by the motor license
2 agent.

3 H. The charge for each certificate of title issued, except for
4 junked titles as defined in paragraph 4 of subsection B of this
5 section, shall be Eleven Dollars (\$11.00), which charge shall be in
6 addition to any other fees or taxes imposed by law for such vehicle.
7 One Dollar (\$1.00) of each such charge shall be deposited in the
8 Oklahoma Tax Commission Reimbursement Fund. However, the charge
9 shall not apply to any vehicle which is to be registered in this
10 state pursuant to the provisions of Section 1120 or 1133 of this
11 title and which was registered in another state at least sixty (60)
12 days prior to the time it is required to be registered in this
13 state. When an insurer requests a salvage or junk title in the name
14 of the insurer resulting from the settlement of a total loss claim
15 and upon presentation of appropriate proof of loss documentation as
16 required by the Commission, such transfer may be processed as one
17 title transaction, without first requiring issuance of a replacement
18 certificate of title in the name of the vehicle owner. The fee
19 shall be Twenty-two Dollars (\$22.00). Two Dollars (\$2.00) of this
20 fee shall be deposited in the Oklahoma Tax Commission Reimbursement
21 Fund.

22 I. The vehicle identification number of a junked vehicle shall
23 be preserved in the computer files of the Tax Commission for a
24 period of not less than five (5) years. The charge ~~of~~ for junked

1 titles as defined in paragraph 4 of subsection B of this section
2 shall be Four Dollars (\$4.00). The fee remitted to the Tax
3 Commission shall be deposited in the Oklahoma Tax Commission
4 Reimbursement Fund.

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

11 K. If a vehicle is stolen, the owner shall immediately notify
12 the appropriate law enforcement agency. Immediately after receiving
13 such notification, the law enforcement agency shall notify the Tax
14 Commission.

15 L. Except for all-terrain vehicles, utility vehicles and
16 motorcycles used exclusively for off-road use, no title for an out-
17 of-state vehicle, except any commercial truck or truck-tractor
18 registered pursuant to Section 1120 of this title, which is engaged
19 in interstate commerce or any trailer or semitrailer registered
20 pursuant to Section 1133 of this title which is engaged in
21 interstate commerce, shall be issued without an inspection of such
22 vehicle and payment of a fee of Four Dollars (\$4.00) for such
23 inspection; provided, the Tax Commission may enter into reciprocal
24

1 agreements with other states for such inspections to be performed at
2 locations outside the boundaries of this state for vehicles which:

3 1. Are offered for sale at auction;

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

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

9 The inspection shall include a comparison of the vehicle
10 identification number on the vehicle with the number recorded on the
11 ownership records and the recording of the actual odometer reading
12 on the vehicle. The four-dollar fee shall be collected by the motor
13 license agent or Tax Commission when the title is issued. The motor
14 license agent shall retain Two Dollars (\$2.00). The remaining Two
15 Dollars (\$2.00) shall be deposited in the Oklahoma Tax Commission
16 Reimbursement Fund.

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

20 M. No title for any out-of-state vehicle offered for sale at
21 salvage pools, salvage disposal sales, or an auction, or by a dealer
22 or a licensed automotive dismantler and parts recycler, shall be
23 issued without an inspection to compare the vehicle identification
24 number on the vehicle with the number recorded on the ownership

1 record and to record the actual odometer reading on the vehicle.
2 Upon request of the seller, person or entity conducting an auction,
3 dealer or licensed dismantler, the inspection shall be conducted at
4 the location or place of business of the sale, auction, dealer, or
5 the dismantler. The inspection shall be conducted by any motor
6 license agent or a duly authorized employee thereof; provided, if
7 the vehicle identification number on the vehicle offered for sale at
8 salvage pools, salvage disposal sales or a classic or antique
9 auction does not match the number recorded on the ownership record,
10 the inspection may be conducted at the location of or place of
11 business of such sale or auction by any state, county or city law
12 enforcement officer. The Tax Commission may enter into reciprocal
13 agreements with other states for such inspections to be performed at
14 locations outside the boundaries of this state for vehicles which:

- 15 1. Are offered for sale at auction;
- 16 2. Have been solely used as vehicles for rent under the
17 ownership of a licensed motor vehicle dealer or a person engaged in
18 the business of renting motor vehicles; or
- 19 3. Have not been registered in this or any other state for more
20 than one (1) year.

21 The inspection shall be certified upon forms prescribed by the Tax
22 Commission. The name and other identification of the authorized
23 person conducting the inspection shall be legibly printed or typed
24 on the form. Prior to any inspection by any employee of a motor

1 license agent, the motor license agent shall notify the Tax
2 Commission of the name and any other identification information
3 requested by the Tax Commission of the authorized person. A
4 signature specimen of the authorized person shall be submitted to
5 the Tax Commission by the employing motor license agent. If the
6 authorization to inspect vehicles is withdrawn or the employer-
7 employee relationship is terminated, the motor license agent,
8 immediately, shall notify the Tax Commission and return any
9 remaining inspection forms to the Tax Commission. The fee for the
10 inspection shall be Four Dollars (\$4.00). The motor license agent
11 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
12 motor license agent or an authorized employee thereof shall be
13 handled and accounted for in the manner as prescribed by law for any
14 other fees paid to or received by a motor license agent. Out-of-
15 state vehicles brought into this state by a person licensed in
16 another state to sell new or used vehicles to be sold within this
17 state at a motor vehicle auction which is limited to dealer-to-
18 dealer transactions shall not be required to be inspected, unless
19 the vehicle is purchased by an Oklahoma dealer. Any person licensed
20 in another state to sell new or used motor vehicles, who offers a
21 motor vehicle for sale within this state at a motor vehicle auction
22 which is limited to dealer-to-dealer transactions, shall not be
23 within the definition of "owner" in Section 1102 of this title, for
24 purposes of Section 1101 et seq. of this title.

1 N. A licensed motor vehicle dealer, upon payment of a fee of
2 Fifteen Dollars (\$15.00), may reassign an out-of-state certificate
3 of title to a used motor vehicle provided such dealer obtains the
4 appropriate inspection form required by either subsection L or M of
5 this section and attaches the form to the out-of-state certificate
6 of title. Motor license agents shall be allowed to retain Two
7 Dollars and twenty-five cents (\$2.25) of the fee plus an additional
8 Two Dollars (\$2.00) or Three Dollars (\$3.00) as provided in
9 subsections L and M of this section for performance of the
10 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
11 the Tax Commission Reimbursement Fund. An out-of-state vehicle
12 which has been rebuilt shall be inspected pursuant to the provisions
13 of Section 1111 of this title. The Tax Commission shall train motor
14 license agents in interpreting vehicle identification numbers to
15 assure that it accurately describes the vehicle and to detect
16 rollback or alteration of the odometer. Failure of a motor license
17 agent to inspect the vehicle and make the required notations shall
18 be a misdemeanor punishable by a fine of not more than One Thousand
19 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
20 (\$5,000.00) for the second offense or subsequent offense, or by
21 imprisonment in the county jail for not more than six (6) months, or
22 by both such fine and imprisonment.

23 O. The ownership of any unrecovered vehicle which has been
24 declared a total loss by an insurer because of theft shall be

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

12 P. When an insurance company makes a total loss settlement on a
13 total loss vehicle and the insurance company or a salvage pool
14 authorized by the insurance company is unable to obtain the properly
15 endorsed certificate of ownership or other evidence of ownership
16 acceptable to the Oklahoma Tax Commission within thirty (30) days
17 following acceptance by the owner of an offer of an amount in
18 settlement of a total loss, that insurance company or salvage pool,
19 on a form provided by the Oklahoma Tax Commission and signed under
20 penalty of perjury, may request the Oklahoma Tax Commission to issue
21 the applicable salvage title for the vehicle. The request shall
22 include information declaring that the requester has made at least
23 two written attempts to obtain the certificate of ownership or other
24 acceptable evidence of title.

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

18 R. The owner of a vehicle which is not within the last ten (10)
19 model years, not roadworthy and not capable of repair for operation
20 or use on the roads and highways shall transfer the vehicle only
21 upon a certificate of ownership prescribed by the Tax Commission, if
22 the certificate of title to the vehicle is lost, has been canceled,
23 or otherwise not available. The prescribed ownership form shall
24 include the names and addresses of the buyer and seller, the driver

1 license number or social security number of the seller, the make and
2 model of the vehicle, and the public vehicle identification number.
3 If there is no public vehicle identification number, the vehicle
4 shall be inspected by a law enforcement officer to verify the
5 absence of the number on the vehicle and the prescribed ownership
6 form shall include a signed statement, by such officer, verifying
7 the absence of the number.

8 The certificate of ownership shall be completed in triplicate.
9 The buyer and seller shall each retain a copy. Within thirty (30)
10 days of the transaction, the seller shall submit one copy to the Tax
11 Commission or a motor license agent accompanied with a fee of Four
12 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
13 license agent and Three Dollars (\$3.00) shall be deposited in the
14 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

15 Upon receipt of the certificate, the Tax Commission shall verify
16 that any perfected lien upon the vehicle has been released. If the
17 lien is not released, the Tax Commission shall mail notice of the
18 transfer to the lienholder at the lienholder's last-known address.
19 If a certificate of title has been issued, it shall be canceled and
20 the vehicle identification number shall be preserved in the computer
21 of the Tax Commission for at least five (5) years. The buyer of the
22 vehicle may not be sued and shall not be liable for monetary damages
23 to the lienholder, ri however, the vehicle shall be subject to a valid
24 repossession by a lienholder.

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

6 T. When registering for the first time in this state a
7 remanufactured vehicle which has not been registered in any other
8 state since its remanufacture, before issuing a certificate of
9 title, the Tax Commission shall require the applicant to deliver a
10 statement of origin from the remanufacturer.

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

21 V. The Tax Commission shall not be considered a necessary party
22 to any lawsuit which is instigated for the purpose of determining
23 ownership of a vehicle, wherein the Tax Commission's only
24 involvement would be to issue title, and the court shall issue an

1 order dismissing the Tax Commission from the pending action. In the
2 event no other party or lienholder can be identified as to ownership
3 or claim, the Tax Commission shall accept an affidavit of ownership
4 from the party claiming ownership and issue proper title thereon.

5 W. No additional name shall be added to a title and no title
6 shall be reissued which includes additional names unless:

7 1. The holder of a lien or encumbrance has authorized the
8 addition of an additional name or names; and

9 2. The owner of the vehicle has notified the issuer of the
10 motor vehicle's compulsory insurance policy.

11 The owner of the vehicle shall file with the Tax Commission or
12 the motor license agent documentation of the authorization required
13 by paragraph 1 of this subsection and an affidavit stating that the
14 notification required by paragraph 2 of this subsection has been
15 made. The current name and address of any entity covered by
16 paragraph 2 of this subsection shall be stated in the affidavit.
17 The form of the documentation and affidavit shall be prescribed by
18 the Tax Commission. Upon payment of a two-dollar fee per required
19 mailing, a copy of the affidavit shall be mailed by the Tax
20 Commission or the motor license agent to the address listed in the
21 affidavit.

22 SECTION 2. This act shall become effective November 1, 2015."
23
24

1 Passed the Senate the 21st day of April, 2015.

2
3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2015.

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

1 ENGROSSED HOUSE
2 BILL NO. 1904

By: Johnson of the House

3 and

4 Barrington of the Senate

5
6
7 An Act relating to motor vehicles; amending 47 O.S.
8 2011, Section 1105, as amended by Section 1, Chapter
9 158, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1105),
10 which relates to certificates of title; placing
11 limitation on adding names to titles; requiring
12 certain notices; requiring certain affidavit;
13 authorizing the Tax Commission to provide affidavit
14 form; providing certain mailing; authorizing certain
15 mailing fee; and providing an effective date.

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

17 SECTION 3. AMENDATORY 47 O.S. 2011, Section 1105, as
18 amended by Section 1, Chapter 158, O.S.L. 2012 (47 O.S. Supp. 2014,
19 Section 1105), is amended to read as follows:

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

22 1. "Salvage vehicle" means any vehicle which is within the last
23 ten (10) model years and which has been damaged by collision or
24 other occurrence to the extent that the cost of repairing the
vehicle for safe operation on the highway exceeds sixty percent
(60%) of its fair market value, as defined by Section 1111 of this

1 title, immediately prior to the damage. For purposes of this
2 section, actual repair costs shall only include labor and parts for
3 actual damage to the suspension, motor, transmission, frame or
4 unibody and designated structural components;

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

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

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

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

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

19 B. The owner of every vehicle in this state shall possess a
20 certificate of title as proof of ownership of such vehicle, except
21 those vehicles registered pursuant to Section 1120 of this title and
22 trailers registered pursuant to Section 1133 of this title,
23 previously titled by anyone in another state and engaged in
24 interstate commerce, and except as provided in subsection M of this

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

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

20 Application for a certificate of title, whether the initial
21 certificate of title or a duplicate, may be made to the Tax
22 Commission or any motor license agent. When application is made
23 with a motor license agent, the application information shall be
24 transmitted either electronically or by mail to the Tax Commission

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

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

- 16 a. a full description of the vehicle,
- 17 b. the manufacturer's serial or other identification
18 number,
- 19 c. the motor number and the date on which first sold by
20 the manufacturer or dealer to the owner,
- 21 d. any distinguishing marks,
- 22 e. a statement of the applicant's source of title,
- 23 f. any security interest upon the vehicle, and

24

1 g. such other information as the Tax Commission may
2 require.

3 2. The application for a certificate of title for a vehicle
4 which is within the last seven (7) model years shall require a
5 declaration as to whether the vehicle has been damaged by collision
6 or other occurrence and whether the vehicle has been recovered from
7 theft and the extent of the damage to the vehicle. The declaration
8 shall be made by the owner of a vehicle if:

9 a. the vehicle has been damaged or stolen,

10 b. the owner did or did not receive any payment for the
11 loss from an insurer, or

12 c. the vehicle is titled or registered in a state that
13 does not classify the vehicle or brand the title
14 because of damage to or loss of the vehicle similar to
15 the classifications or brands utilized by this state.

16 The declaration shall be based upon the best information and
17 knowledge of the owner and shall be in addition to the requirements
18 specified in paragraph 1 of this subsection. The Tax Commission
19 shall not issue a certificate of title for a vehicle which is
20 subject to the provisions of this paragraph without the required
21 declaration, completed and signed by the owner of the vehicle. Upon
22 receipt of an application without the properly completed
23 declaration, the Tax Commission shall return the application to the
24 applicant with notice that the title may not be issued without the

1 required declaration. Nothing in this paragraph shall prohibit the
2 Tax Commission from recognizing the type of or brand on a title or
3 other ownership document issued by another state or the inspection
4 conducted in another state and issuing the appropriate certificate
5 of title for the vehicle.

6 3. The certificate of title shall have the following security
7 features:

- 8 a. intaglio printing or security thread, with or without
9 watermark,
- 10 b. latent images,
- 11 c. fluorescent inks,
- 12 d. micro print,
- 13 e. void background, and
- 14 f. color coding.

15 4. Each title issued pursuant to the provisions of the Oklahoma
16 Vehicle License and Registration Act shall be color coded as
17 determined by the Tax Commission.

18 5. The certificate of title shall be of such size and design
19 and color as the Tax Commission may direct pursuant to the
20 provisions of this section. The title shall be on colored paper or
21 other material as designated by the Tax Commission and be of such
22 intensity or hue as will allow easy identification as to whether the
23 title is an original title, a salvage title, a rebuilt title,
24 remanufactured title, rebodied title or a junked title. The type of

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

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

- 21 a. the manufacturer's serial or other identification
22 number,
23 b. date on which first sold by the manufacturer to the
24 dealer,

- c. any distinguishing marks including model and the year same was made,
- d. a statement of any security interests upon the vehicle, and
- e. such other information as the Tax Commission may require.

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

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

E. In the absence of a dealer's or manufacturer's number, the Tax Commission may assign such identifying number to the vehicle, which shall be permanently stamped, burned or pressed or attached into the vehicle, and a certificate of title shall be delivered to the applicant upon payment of all fees and taxes, and the remaining copies shall be permanently filed and indexed by the Tax Commission. The Tax Commission shall assign an identifying number to any rebuilt vehicle if the vehicle identification number displayed on the rebuilt vehicle does not accurately describe the vehicle as rebuilt. The motor license agent, at the time of inspection of the rebuilt

1 vehicle pursuant to Section 1111 of this title, shall identify the
2 make, model, and year for the body to accurately describe the
3 rebuilt vehicle. At the time of the inspection, an appropriate
4 identifying number shall be permanently stamped, burned, pressed, or
5 attached on the rebuilt vehicle. The assigned identifying number
6 shall be recorded on the certificate of title for the rebuilt
7 vehicle. The dealer's or manufacturer's vehicle identification
8 number on the rebuilt vehicle shall be preserved in the computer
9 files of the Tax Commission for at least five (5) years.

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

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

19 2. As evidence of compliance with federal law, copies of the
20 bond release letters for the vehicle issued by the United States
21 Environmental Protection Agency and the United States Department of
22 Transportation, together with a receipt issued by the Internal
23 Revenue Service indicating that the applicable federal gas guzzler
24 tax has been paid.

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

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

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

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

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

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

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

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

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

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

- 14 1. Are offered for sale at auction;
- 15 2. Have been solely used as vehicles for rent under the
16 ownership of a licensed motor vehicle dealer or a person engaged in
17 the business of renting motor vehicles; or
- 18 3. Have not been registered in this or any other state for more
19 than one (1) year.

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

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

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

7 M. No title for any out-of-state vehicle offered for sale at
8 salvage pools, salvage disposal sales, or an auction, or by a dealer
9 or a licensed automotive dismantler and parts recycler, shall be
10 issued without an inspection to compare the vehicle identification
11 number on the vehicle with the number recorded on the ownership
12 record and to record the actual odometer reading on the vehicle.
13 Upon request of the seller, person or entity conducting an auction,
14 dealer or licensed dismantler, the inspection shall be conducted at
15 the location or place of business of the sale, auction, dealer, or
16 the dismantler. The inspection shall be conducted by any motor
17 license agent or a duly authorized employee thereof; provided, if
18 the vehicle identification number on the vehicle offered for sale at
19 salvage pools, salvage disposal sales or a classic or antique
20 auction does not match the number recorded on the ownership record,
21 the inspection may be conducted at the location of or place of
22 business of such sale or auction by any state, county or city law
23 enforcement officer. The Tax Commission may enter into reciprocal
24

1 agreements with other states for such inspections to be performed at
2 locations outside the boundaries of this state for vehicles which:

- 3 1. Are offered for sale at auction;
- 4 2. Have been solely used as vehicles for rent under the
5 ownership of a licensed motor vehicle dealer or a person engaged in
6 the business of renting motor vehicles; or
- 7 3. Have not been registered in this or any other state for more
8 than one (1) year.

9 The inspection shall be certified upon forms prescribed by the Tax
10 Commission. The name and other identification of the authorized
11 person conducting the inspection shall be legibly printed or typed
12 on the form. Prior to any inspection by any employee of a motor
13 license agent, the motor license agent shall notify the Tax
14 Commission of the name and any other identification information
15 requested by the Tax Commission of the authorized person. A
16 signature specimen of the authorized person shall be submitted to
17 the Tax Commission by the employing motor license agent. If the
18 authorization to inspect vehicles is withdrawn or the employer-
19 employee relationship is terminated, the motor license agent,
20 immediately, shall notify the Tax Commission and return any
21 remaining inspection forms to the Tax Commission. The fee for the
22 inspection shall be Four Dollars (\$4.00). The motor license agent
23 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
24 motor license agent or an authorized employee thereof shall be

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

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

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

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

24

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

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

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

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

21 The certificate of ownership shall be completed in triplicate.
22 The buyer and seller shall each retain a copy. Within thirty (30)
23 days of the transaction, the seller shall submit one copy to the Tax
24 Commission or a motor license agent accompanied with a fee of Four

1 Dollars (\$4.00). One Dollar (\$1.00) shall be retained by the motor
2 license agent and Three Dollars (\$3.00) shall be deposited in the
3 Oklahoma Tax Commission Reimbursement Fund in the State Treasury.

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

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

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

24

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

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

19 W. No additional name shall be added to a title and no title
20 shall be reissued which includes additional names unless the
21 following have been notified by the owner of the vehicle:

22 1. The issuer of the motor vehicle's compulsory insurance
23 policy; and
24

1 2. Any holder of a lien or encumbrance against the motor
2 vehicle.

3 The owner of the vehicle shall file an affidavit with the Tax
4 Commission or the motor license agent stating that all notifications
5 required by this subsection have been made. The current name and
6 address of any entity covered by paragraphs 1 and 2 of this
7 subsection shall be stated in the affidavit. The form of the
8 affidavit shall be prescribed by the Tax Commission and contain any
9 other information deemed necessary by the Tax Commission. Upon
10 payment of a two-dollar fee per required mailing, a copy of the
11 affidavit shall be mailed by the Tax Commission or the motor license
12 agent to all addresses listed in the affidavit.

13 SECTION 4. This act shall become effective November 1, 2015.

14 Passed the House of Representatives the 3rd day of March, 2015.

15

16

Presiding Officer of the House
of Representatives

17

18

Passed the Senate the ____ day of _____, 2015.

19

20

21

Presiding Officer of the Senate

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