An Act

ENROLLED SENATE BILL NO. 263

By: Daniels of the Senate

and

Stearman of the House

An Act relating to motor vehicle registration; amending Section 2, Chapter 208, O.S.L. 2018, as amended by Section 1, Chapter 29, O.S.L. 2020 (47 O.S. Supp. 2020, Section 1112.2), which relates to transferability of license plates; providing exception to certain requirement to return license plate; establishing status of certain license plate under specified circumstances; authorizing issuance of certain temporary license plate under specified circumstances and subject to the promulgation of rules by the Oklahoma Tax Commission; and providing an effective date.

SUBJECT: Motor vehicle registration

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

SECTION 1. AMENDATORY Section 2, Chapter 208, O.S.L. 2018, as amended by Section 1, Chapter 29, O.S.L. 2020 (47 O.S. Supp. 2020, Section 1112.2), is amended to read as follows:

Section 1112.2. A. Effective July 1, 2019, the license plate and certificate of registration shall be issued to, and remain in the name of, the owner of the vehicle registered and the license plates shall not be transferable between motor vehicle owners. When a vehicle is sold or transferred in the state, the following registration procedures shall apply: 1. When a current and valid Oklahoma motor vehicle license plate has been obtained for use on a motor vehicle and the vehicle has been sold or otherwise transferred to a new owner, the license plate shall be removed from the vehicle and retained by the original plate owner;

2. In the event an owner purchases, trades, exchanges, or otherwise acquires another vehicle of the same license registration classification, the Oklahoma Tax Commission shall authorize the transfer of the current and valid license plate previously obtained by the owner to the replacement vehicle for the remainder of the current registration period. In the event the owner acquires a vehicle requiring payment of additional registration fees, the owner shall request a transfer of the license plate to the newly acquired vehicle and pay the difference in registration fees. The fee shall be calculated on a monthly prorated basis. The owner shall not be entitled to a refund:

- a. when the registration fee for the vehicle to which the plate(s) is to be assigned is less than the registration fee for that vehicle to which the license plate(s) was last assigned, or
- b. if the owner does not have or does not acquire another vehicle to which the license plate may be transferred;

3. In Except as provided in paragraph 4 of this subsection, in the event the owner of a license plate purchases, trades, exchanges or otherwise acquires a vehicle for which a license plate has been issued during the current registration period, and the license plate has not been removed by the previous owner in accordance with this section, the new owner of the vehicle shall remove and return the license plate to the Tax Commission or a motor license agent. However, if the license plate has expired, the new owner shall not be required to surrender the license plate; and

4. When a lender or lender's agent repossesses a vehicle and the license plate has not been removed in accordance with this section, the lender or lender's agent shall not be subject to the provisions of this section and the license plate shall be considered

removable personal property and may be reclaimed from the repossessed vehicle; and

<u>5.</u> If a person purchases a motor vehicle from which the number plates have been removed pursuant to this section, the person may operate the motor vehicle for fifteen (15) calendar days from the date of purchase without number plates if a dated, notarized bill of sale is carried in the motor vehicle. If the vehicle is subject to a lien, the person may obtain a thirty-day temporary plate issued by a motor license agent pursuant to the promulgation of rules by the Oklahoma Tax Commission to implement a motor license agent-issued temporary plate pursuant to this paragraph.

B. 1. The new owner of a motor vehicle shall, within thirty (30) calendar days from the date of vehicle purchase or acquisition, make application to record the registration of the vehicle by the transfer to, or purchase of, a license plate for the newly acquired vehicle with the Tax Commission or motor license agent and shall pay all taxes and fees provided by law.

2. Any person failing to register a motor vehicle by timely transferring the license plate as provided by this section shall pay the penalty levied in Section 1132 of this title.

C. A surviving spouse, desiring to operate a vehicle devolving from a deceased spouse, shall present an application for certificate of title to the Tax Commission or motor license agent in his or her name within thirty (30) days of obtaining ownership. The Tax Commission or motor license agent shall then transfer the license plate to the surviving spouse.

D. The Oklahoma Tax Commission shall be authorized to promulgate such rules as may be required to implement the license plate transfers authorized by this section, including, but not limited to, such rules as may be required for a system under which the license plate is registered to an individual and not a vehicle for all license plates issued on or after July 1, 2019.

SECTION 2. This act shall become effective November 1, 2021.

Passed the Senate the 2nd day of March, 2021.

Presiding Officer of the Senate

Passed the House of Representatives the 6th day of April, 2021.

Presiding Officer of the House of Representatives

OFFICE OF THE GOVERNOR

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