HB2195 FULLPCS1 Dick Lowe-JBH 1/30/2024 2:17:29 pm

COMMITTEE AMENDMENT HOUSE OF REPRESENTATIVES State of Oklahoma

SPEAKER:

CHAIR:

I move to amend <u>HB2195</u> Of the printed Bill Page Section Lines Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Dick Lowe

Adopted: _____

Reading Clerk

1	STATE OF OKLAHOMA
2	2nd Session of the 59th Legislature (2024)
3	PROPOSED COMMITTEE SUBSTITUTE
4	FOR HOUSE BILL NO. 2195 By: Lowe (Dick)
5	Dy. Lowe (Dick)
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7	PROPOSED COMMITTEE SUBSTITUTE
8	An Act relating to motor vehicles; 47 O.S. 2021, Section 1107, as last amended by Section 2, Chapter
9 10	366, O.S.L. 2023 (47 O.S. Supp. 2023, Section 1107), which relates to sale or transfer of ownership of a vehicle; setting time limit on certain impoundment of
11	vehicles; allowing for dismissal of charges if certain conditions are met; amending 47 O.S. 2021, Continue 1127 1 are lest amended by Continue 1
12	Sections 1137.1, as last amended by Section 1, Chapter 262, O.S.L. 2023, and 1137.3, as last amended by Section 2, Chapter 262, O.S.L. 2023 (47 O.S. Supp.
13	2023, Sections 1137.1 and 1137.3), which relate to used dealer temporary plate and registration and
14	licensing of new motor vehicles; modifying description of certain length of time; and providing
15	an effective date.
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18	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
19	SECTION 1. AMENDATORY 47 O.S. 2021, Section 1107, as
20	last amended by Section 2, Chapter 366, O.S.L. 2023 (47 O.S. Supp.
21	2023, Section 1107), is amended to read as follows:
22	Section 1107. A. In the event of the sale or transfer of the
23	ownership of a vehicle for which a certificate of title has been
24	issued as provided by Section 1105 of this title, the holder of such

1 certificate shall endorse on the back of same a complete assignment 2 thereof with warranty of title in form printed thereon with a statement of all liens or encumbrances on the vehicle, sworn to 3 4 before a notary public or some other person authorized by law to 5 take acknowledgments, and deliver same to the purchaser or transferee at the time of delivery to the purchaser or transferee of 6 7 the vehicle; provided, a transfer of the ownership of a vehicle to an insurer resulting from the settlement of a total loss claim shall 8 9 not require a notarized signature on the certificate of title. The 10 purchaser or transferee, unless such person is a bona fide used 11 motor vehicle dealer licensed by this state, a retail implement 12 dealer in connection with the purchase or transfer of off-road 13 vehicles or a charitable organization shall, within thirty (30) days 14 from the time of delivery to the purchaser or transferee of the 15 vehicle, present the assigned certificate of title and the insurance 16 security verification to the vehicle to Service Oklahoma, or one of 17 its licensed operators, accompanied by a fee of Eleven Dollars 18 (\$11.00), together with any motor vehicle excise tax or license fee 19 that may be due, whereupon a new certificate of title, shall be 20 issued to the assignee. One Dollar (\$1.00) of each fee shall be 21 deposited in the Oklahoma Tax Commission Reimbursement Fund through 22 December 31, 2022, and beginning January 1, 2023, this fee shall be 23 deposited in the Service Oklahoma Reimbursement Fund. Any 24 charitable organization utilizing the exemption authorized by this

subsection shall receive training as prescribed by the Oklahoma Used
 Motor Vehicle and Parts Commission.

A licensed dealer, a retail implement dealer in connection 3 в. 4 with the sale or disposal of off-road vehicles or a charitable 5 organization shall, on selling or otherwise disposing of a vehicle, execute and deliver to the purchaser thereof the certificate of 6 7 title properly and completely reassigned. Thereupon, the purchaser of the vehicle shall present the reassigned certificate to Service 8 9 Oklahoma, or a licensed operator, accompanied by a fee of Eleven 10 Dollars (\$11.00), and any motor vehicle excise tax or license fee 11 that may be due, whereupon a new certificate of title will be issued to the purchaser. One Dollar (\$1.00) of each fee shall be deposited 12 13 in the Oklahoma Tax Commission Reimbursement Fund through December 14 31, 2022, and beginning January 1, 2023, this fee shall be deposited 15 in the Service Oklahoma Reimbursement Fund. The certificate, when 16 so assigned and returned to Service Oklahoma, together with any 17 subsequent assignment or reissue thereof, shall be appropriately 18 filed and indexed so that at all times it will be possible to trace 19 title to the vehicle designated therein. Provided, when the 20 ownership of any motor vehicle shall pass by operation of law, the 21 person owning the vehicle may, upon furnishing satisfactory proof to 22 Service Oklahoma of ownership, procure a title to the motor vehicle, 23 regardless of whether a certificate of title has ever been issued. 24 The dealer shall execute and deliver to the purchaser bills of sale

1 on forms prescribed by Service Oklahoma for all new vehicles sold by the dealer. On presentation of a bill of sale executed on forms 2 prescribed by Service Oklahoma, by a manufacturer or dealer for a 3 new vehicle sold in this state, accompanied by remittance in the sum 4 5 of Eleven Dollars (\$11.00), together with any motor vehicle excise tax or license fee that may be due, a certificate of title shall be 6 7 issued in accordance with the provisions of the Oklahoma Vehicle License and Registration Act. One Dollar (\$1.00) of each fee shall 8 9 be deposited in the Oklahoma Tax Commission Reimbursement Fund 10 through December 31, 2022, and beginning January 1, 2023, this fee 11 shall be deposited in the Service Oklahoma Reimbursement Fund. For 12 purposes of this subsection, "charitable organization" shall mean 13 any organization which is exempt from taxation pursuant to the 14 provisions of the Internal Revenue Code, 26 U.S.C., Section 15 501(c)(3) and which is registered as a charitable organization with 16 the Oklahoma Secretary of State and the Oklahoma Attorney General's 17 office; "off-road vehicles" means all-terrain vehicles, utility 18 vehicles, and motorcycles used exclusively for off-road use; "retail 19 implement dealer" means a business engaged primarily in the sale of 20 farm tractors as defined in Section 1-118 of this title or 21 implements of husbandry as defined in Section 1-125 of this title or 22 a combination thereof.

C. Any person violating the provisions of this section shall be
 guilty of a misdemeanor and upon the first conviction thereof shall

1 be punished by a fine not to exceed Five Hundred Dollars (\$500.00), 2 with impoundment of the vehicle until all taxes and fees are paid. A second or subsequent conviction shall be punished by a fine not to 3 exceed One Thousand Dollars (\$1,000.00), with impoundment of the 4 5 vehicle until all taxes and fees are paid. If a vehicle is impounded pursuant to the provisions of this section, the vehicle 6 7 shall not be released to the owner until the owner provides proof of security or an affidavit that the vehicle will not be used on public 8 9 highways or public streets, as required pursuant to Section 7-600 et 10 seq. of this title. Each vehicle involved in a violation of this 11 section shall be considered a separate offense.

12 D. Impoundment of vehicles as provided in subsection C of this 13 section shall not occur until the expiration of sixty (60) days from 14 the date any excise taxes and fees are due related to the transfer 15 of the registration of the vehicle. After issuance of a citation as 16 provided in subsection C of this section, if proof of payment of all 17 required excise taxes and fees, and transfer of the registration, is 18 provided within seventy-two (72) hours to the clerk of the court 19 where the charge is filed, the charge shall be dismissed upon the 20 payment of court costs. 21 47 O.S. 2021, Section 1137.1, as SECTION 2. AMENDATORY 22 last amended by Section 1, Chapter 262, O.S.L. 2023 (47 O.S. Supp.

23 2023, Section 1137.1), is amended to read as follows:

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1 Section 1137.1 A. Except for vehicles, travel trailers or 2 commercial trailers which display a current Oklahoma license tag, upon the purchase or transfer of ownership of a used motor vehicle, 3 4 travel trailer or commercial trailer, including an out-of-state 5 purchase or transfer of the same, to a licensed used motor vehicle dealer, wholesale used motor vehicle dealer, used travel trailer 6 7 dealer or used commercial trailer dealer, subsequently referred to in this section as "dealer", the dealer shall affix a used dealer's 8 9 plate visible from the rear of the vehicle, travel trailer or 10 commercial trailer. Such license plate shall expire on December 31 11 of each year. When the vehicle, travel trailer or commercial trailer is parked on the dealer's licensed place of business, it 12 13 shall not be required to have a license plate of any kind affixed. 14 A dealer shall obtain from Service Oklahoma at a cost of Ten Dollars 15 (\$10.00) a dealer license plate for demonstrating, transporting or 16 any other normal business of a dealer including use by an individual 17 holding a valid salesperson's license issued by the Oklahoma Used 18 Motor Vehicle and Parts Commission. Any dealer who operates a 19 wrecker or towing service licensed pursuant to Sections 951 through 20 957 of this title shall register each wrecker vehicle and display a 21 wrecker license plate on each vehicle as required by Section 1134.3 22 of this title. A dealer may obtain as many additional license 23 plates as may be desired upon the payment of Ten Dollars (\$10.00) 24 for each additional license plate. Use of the used dealer license

plate by a licensed dealer for other than the purposes as set forth herein shall constitute grounds for revocation of the dealer's license. Service Oklahoma shall design the official used dealer license plate to include the used dealer's license number issued to him or her each year by Service Oklahoma or the Used Motor Vehicle and Parts Commission.

7 Upon the purchase or transfer of ownership of an out-of-Β. state used motor vehicle, travel trailer or commercial trailer to a 8 9 licensed dealer, the dealer shall make application for an Oklahoma 10 certificate of title pursuant to the Oklahoma Vehicle License and 11 Registration Act, Section 1101 et seq. of this title. Upon receipt 12 of the Oklahoma certificate of title, the dealer shall follow the 13 procedure as set forth in subsection A of this section. Provided, 14 nothing in this title shall be construed as requiring a dealer to 15 register a used motor vehicle, travel trailer or commercial trailer 16 purchased in another state which will not be operated or sold in 17 this state.

C. Upon sale or transfer of ownership of the used motor vehicle or travel trailer, the dealer shall place upon the reassignment portion of the certificate of title a tax stamp issued by the county treasurer of the county in which the dealer has his or her primary place of business. The tax stamp shall be issued upon payment of a fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of the dealer's ad valorem tax on the inventories of used motor

vehicles or travel trailers but shall not relieve any other property
 of the dealer from ad valorem taxation.

Upon sale of a used motor vehicle or travel trailer to 3 D. 4 another licensed dealer, the selling dealer shall place the tax 5 stamp required in subsection C of this section upon the certificate The used dealer license plate or wholesale dealer license 6 of title. 7 plate shall be removed by the selling dealer. The purchasing dealer shall, at time of purchase, place his or her dealer license plate on 8 9 the used motor vehicle, travel trailer or commercial trailer as provided in subsection A of this section; provided, for vehicles, 10 11 travel trailers or commercial trailers purchased by a licensed used 12 dealer at an auction, in lieu of such placement of the dealer 13 license plate, the auction may provide temporary documentation as 14 approved by the Director of the Motor Vehicle Division of Service 15 Oklahoma for the purpose of transporting such vehicle to the 16 purchaser's point of destination. Such temporary documentation 17 shall be valid for two (2) days following the date of sale.

18 The purchaser of every used motor vehicle, travel trailer or Ε. 19 commercial trailer, except as otherwise provided by law, shall 20 obtain registration and title for the vehicle or trailer within two 21 (2) months sixty (60) days from the date of purchase of same. Ιt 22 shall be the responsibility of the selling dealer to place a 23 temporary license plate, in size similar to the permanent Oklahoma 24 license plate but of a weatherproof plastic-impregnated substance

1 approved by the Used Motor Vehicle and Parts Commission, upon a used motor vehicle, travel trailer or commercial trailer when a 2 transaction is completed for the sale of said vehicle. 3 The 4 temporary license plate under this subsection shall be placed at the 5 location provided for the permanent motor vehicle license plate. The temporary license plate shall show the license number which is 6 7 issued to the dealer each year by Service Oklahoma or the Used Motor Vehicle and Parts Commission, the date the used motor vehicle, 8 9 travel trailer or commercial trailer was purchased and the company 10 name of the selling dealer. The Used Motor Vehicle and Parts 11 Commission is hereby directed to develop the temporary license plate 12 design to incorporate these requirements in a manner that will 13 permit law enforcement personnel to readily identify the dealer 14 license number and date of the vehicle purchase. The Used Motor 15 Vehicle and Parts Commission is hereby authorized to develop 16 additional requirements and parameters as deemed appropriate to 17 discourage or prevent illegal duplication and use of the temporary 18 license plate. Such temporary license plate shall be valid for a 19 period of two (2) months sixty (60) days from the date of purchase. 20 Use of the temporary license by a dealer for other than the purposes 21 set forth herein shall constitute grounds for revocation of the 22 dealer's license to conduct business. Purchasers of a commercial 23 trailer shall affix the temporary license plate to the rear of the 24 commercial trailer. The purchaser shall display the temporary

1 license plate for a period not to exceed two (2) months sixty (60)
2 days or until registration and title are obtained as provided in
3 this section.

4 The provisions of this subsection on temporary licenses shall 5 apply to nonresidents who purchase a used motor vehicle, travel trailer or commercial trailer within this state that is to be 6 7 licensed in another state. The nonresident purchaser shall be allowed to operate the vehicle or trailer within the state with a 8 9 temporary license plate for a period not to exceed two (2) months 10 sixty (60) days from date of purchase. Any nonresident purchaser 11 found to be operating a used motor vehicle, travel trailer or 12 commercial trailer within this state after two (2) months sixty (60) 13 days shall be subject to the registration fees of this state upon 14 the same terms and conditions applying to residents of this state.

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

G. Dealers following the procedure set forth herein shall not be required to register vehicles, travel trailers or commercial trailers to which this section applies, nor will the registration 1 fee otherwise required be assessed. Provided, dealers shall not 2 purchase or trade for a used motor vehicle, travel trailer or 3 commercial trailer on which the registration therefor has been 4 expired for a period exceeding two (2) months sixty (60) days 5 without obtaining current registration therefor.

6 A nonprofit charitable organization which is exempt from н. 7 taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which accepts donations of used motor 8 9 vehicles previously titled in Oklahoma to be subsequently 10 transferred to another owner, upon the qualifying organization 11 providing sufficient documentation of its tax-exempt status, may obtain from Service Oklahoma charitable nonprofit organization 12 13 license plates for demonstrating, transporting or test-driving 14 donated vehicles, provided that no organization shall possess or use 15 at any one time more than eight such plates. Service Oklahoma shall 16 design distinctive license plates for that purpose. The cost for 17 said plates shall be the same as provided in subsection A of this 18 section for dealer plates.

I. The transfer of ownership from the vehicle donor to the qualifying nonprofit organization described in subsection H of this section shall be made without the payment of motor vehicle excise tax levied pursuant to Section 2103 of Title 68 of the Oklahoma Statutes.

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1SECTION 3.AMENDATORY47 O.S. 2021, Section 1137.3, as2last amended by Section 2, Chapter 262, O.S.L. 2023 (47 O.S. Supp.)32023, Section 1137.3), is amended to read as follows:

4 Section 1137.3 The purchaser of every new motor vehicle, travel 5 trailer or commercial trailer shall register or license the same within two (2) months sixty (60) days from the date of purchase. 6 Ιt 7 shall be the responsibility of the selling dealer to place a temporary license plate, in size similar to the permanent Oklahoma 8 9 license plate but of a weatherproof plastic-impregnated substance 10 approved by the Oklahoma Motor Vehicle Commission, upon a new motor 11 vehicle, travel trailer or commercial trailer when a transaction is 12 completed for the sale of said vehicle or trailer. Except for cab 13 and chassis trucks, the temporary license plate under this section 14 shall be placed at the location provided for the permanent motor 15 vehicle license plate. The purchaser of a new cab and chassis truck 16 may place the temporary license plate under this section in the rear 17 window. Said temporary license plate shall show the dealer's 18 license number which is issued to him or her each year by Service 19 Oklahoma, the date the new motor vehicle, travel trailer or 20 commercial trailer was purchased and the company name of the selling 21 dealer. The Oklahoma Motor Vehicle Commission is hereby directed to 22 develop a temporary license plate design to incorporate these 23 requirements in a manner that will permit law enforcement personnel 24 to readily identify the dealer license number and date of the

1 vehicle purchase. The Motor Vehicle Commission is further 2 authorized to develop additional requirements and parameters designed to discourage or prevent illegal duplication and use of the 3 4 temporary license plate. On or before two (2) months sixty (60) 5 days from the date of purchase of a new motor vehicle, travel trailer or commercial trailer, said temporary license plate shall be 6 7 removed and replaced with a permanent, current Oklahoma license plate. Use of said temporary license plate by a licensed dealer for 8 9 other than the purpose of normally doing business shall constitute 10 grounds for revocation of the dealer's license.

11 It shall be unlawful for any licensed dealer of new motor 12 vehicles, travel trailers or commercial trailers to procure the 13 registration and licensing of any new motor vehicle, travel trailer 14 or commercial trailer sold by such licensed dealer or to act as the 15 agent for such purchaser in the procurement of said registration and 16 licensing. The license of any licensed dealer of new motor 17 vehicles, travel trailers or commercial trailers violating the 18 provisions of this section shall be revoked.

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 SECTION 4. This act shall become effective November 1, 2024.

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