

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 HOUSE BILL 3655

By: Sims

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5
6 AS INTRODUCED

7 An Act relating to motor vehicles; creating the Peer-
8 to-Peer Car Sharing Program Act; defining terms;
9 requiring assumption of liability for certain losses
10 or injuries; providing for actions resulting in
11 nonliability; providing for minimum compulsory
12 insurance coverage; stating certain parties charged
13 with maintaining insurance coverage; requiring
14 certain primary insurance coverage; requiring program
15 assume certain primary liability; providing for
16 indemnification; requiring certain coverage and duty
17 to defend; providing exceptions; requiring certain
18 nondependence on other insurers; disallowing certain
19 limits to liability and contracting; allowing for
20 certain indemnification; providing for certain
21 notice; making certain exclusions; allowing for
22 certain insurance policy exclusions; requiring
23 collection and verification of certain records;
24 requiring retention of records; exempting owner from
vicarious liability; providing for right to seek
contribution; requiring certain insurable interest;
providing for certain nonliability; allowing program
to maintain certain policy coverages; requiring
certain disclosures; stating certain requirements of
car sharing program agreement; requiring certain
recordkeeping; stating certain party responsibilities
and requirements; stating certain requirements of
programs and owners; requiring verification of safety
recalls; providing for certain nonuse of car;
requiring certain notice; specifying no affect to
certain taxability; providing for timeliness of
certain notice or disclosure; stating certain
requirements of certain agreement; providing for
certain valid forms of acceptance; specifying period
acceptance is valid; making certain notice
exemptions; requiring certain agreement; allowing for

1 certain injunction; requiring certain reasonable
2 applications; stating certain provider duties;
3 amending 47 O.S. 2011, Section 8-101, which relates
4 to owners of for-rent vehicles financial
5 responsibility; providing for nonapplicability to
6 peer-to-peer vehicles; amending 47 O.S. 2011, Section
7 8-102, which relates to owner of for-rent vehicle
8 liability; providing for nonapplicability to peer-to-
9 peer vehicles; amending 47 O.S. 2011, Section 8-103,
10 which relates to renting a motor vehicle to another;
11 providing for nonapplicability to peer-to-peer
12 vehicles; amending 47 O.S. 2011, Section 11-902b, as
13 amended by Section 1, Chapter 74, O.S.L. 2014 (47
14 O.S. Supp. 2019, Section 11-902b), which relates to
15 the forfeiture of a motor vehicle; providing for
16 nonapplicability to peer-to-peer vehicles; amending
17 Section 3, Chapter 208, O.S.L. 2018 (47 O.S. Supp.
18 2019, Section 1112.3), which relates to documentation
19 required in possession or in vehicle; requiring copy
20 of peer-to-peer car sharing program agreement be in
21 possession; amending 47 O.S. 2011, Section 1120.1,
22 which relates to entry into International
23 Registration Plan or other compacts; providing for
24 nonapplicability to peer-to-peer vehicles; amending
68 O.S. 2011, Section 2105, as last amended by
Section 11, Chapter 229, O.S.L. 2017 (68 O.S. Supp.
2019, Section 2105), which relates to exemptions;
providing for nonapplicability to peer-to-peer
vehicles; amending 68 O.S. 2011, Section 2110, as
amended by Section 5, Chapter 316, O.S.L. 2012 (68
O.S. Supp. 2019, Section 2110), which relates to
rental tax; providing for certain tax on peer-to-peer
car sharing program agreements; providing for
collection of tax; providing for codification; and
providing an effective date.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1050 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 Sections 1 through 20 of this act shall be known and may be
5 cited as the "Peer-to-Peer Car Sharing Program Act".

6 SECTION 2. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 1051 of Title 47, unless there
8 is created a duplication in numbering, reads as follows:

9 As used in the Peer-to-Peer Car Sharing Program Act:

10 1. "Peer-to-peer car sharing" or "sharing" means the authorized
11 use of a vehicle by an individual other than the vehicle's owner
12 through a peer-to-peer car sharing program;

13 2. "Peer-to-peer car sharing program" or "program" means a
14 business platform that connects vehicle owners with drivers to
15 enable the sharing of vehicles for financial consideration. A peer-
16 to-peer car sharing program shall not be considered a
17 "transportation network company" as defined in Section 1011 of Title
18 47 of the Oklahoma Statutes;

19 3. "Peer-to-peer car sharing program agreement" or "agreement"
20 means the terms and conditions applicable to a shared vehicle owner
21 and a shared vehicle driver that govern the use of a shared vehicle
22 through a peer-to-peer car sharing program;

23 4. "Shared vehicle" or "vehicle" means a vehicle that is
24 available for sharing through a peer-to-peer car sharing program;

1 5. "Shared vehicle driver" or "driver" means an individual who
2 has been authorized to drive the shared vehicle by the shared
3 vehicle owner under a car sharing program agreement;

4 6. "Shared vehicle owner" or "owner" means the registered owner,
5 or a person or entity designated by the registered owner, of a
6 vehicle made available for sharing to shared vehicle drivers through
7 a peer-to-peer car sharing program;

8 7. "Car sharing delivery period" or "delivery period" means the
9 period of time during which a shared vehicle is being delivered to
10 the location of the car sharing start time, if applicable, as
11 documented by the governing car sharing program agreement;

12 8. "Car sharing period" or "sharing period" means the period of
13 time that commences with the car sharing delivery period or, if
14 there is no car sharing delivery period, that commences with the car
15 sharing start time and, in either case, ends at the car sharing
16 termination time;

17 9. "Car sharing start time" or "start time" means the time when
18 the shared vehicle becomes subject to the control of the shared
19 vehicle driver, at or after the time the reservation of a shared
20 vehicle is scheduled to begin, as documented in the records of a
21 peer-to-peer car sharing program; and

22 10. "Car sharing termination time" or "termination time" means
23 the earliest of the following events:

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- 1 a. the expiration of the agreed-upon period of time
2 established for the use of a shared vehicle according
3 to the terms of the car sharing program agreement, if
4 the shared vehicle is delivered to the location agreed
5 upon in the car sharing program agreement,
- 6 b. when the shared vehicle is returned to a location as
7 alternatively agreed upon by the shared vehicle owner
8 and the shared vehicle driver as communicated through
9 a peer-to-peer car sharing program, or
- 10 c. when the shared vehicle owner, or the shared vehicle
11 owner's authorized designee, takes possession and
12 control of the shared vehicle.

13 SECTION 3. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 1052 of Title 47, unless there
15 is created a duplication in numbering, reads as follows:

16 A. A peer-to-peer car sharing program shall assume liability,
17 except as provided in subsection B of this section, of a shared
18 vehicle owner for bodily injury or property damage to third parties
19 or uninsured and underinsured motorist or personal injury protection
20 losses during the car sharing period, in an amount stated in the
21 peer-to-peer car sharing program agreement, which shall not be less
22 than those set forth in Section 7-600 et seq. of Title 47 of the
23 Oklahoma Statutes.

1 B. Notwithstanding the definition of "car sharing termination
2 time" as set forth in Section 2 of this act, the assumption of
3 liability under subsection A of this section shall not apply to any
4 shared vehicle owner when a shared vehicle owner:

5 1. Makes an intentional or fraudulent material representation
6 or omission to the peer-to-peer car sharing program before the car
7 sharing period in which the loss occurred; or

8 2. Acts in concert with a shared vehicle driver who fails to
9 return the shared vehicle pursuant to the terms of the car sharing
10 program agreement.

11 C. Notwithstanding the definition of "car sharing termination
12 time" as set forth in Section 2 of this act, the assumption of
13 liability under subsection A of this section shall apply to bodily
14 injury, property damage, uninsured and underinsured motorist or
15 personal injury protection losses by damaged third parties required
16 by Section 7-600 et seq. of Title 47 of the Oklahoma Statutes.

17 SECTION 4. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1053 of Title 47, unless there
19 is created a duplication in numbering, reads as follows:

20 A. A peer-to-peer car sharing program shall ensure that, during
21 each car sharing period, the shared vehicle owner and the shared
22 vehicle driver are insured under a motor vehicle liability insurance
23 policy that provides insurance coverage in amounts no less than the
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1 minimum amounts set forth in Section 7-600 et seq. of Title 47 of
2 the Oklahoma Statutes, and:

3 1. Recognizes that the shared vehicle insured under the policy
4 is made available and used through a peer-to-peer car sharing
5 program; or

6 2. Does not exclude use of a shared vehicle by a shared vehicle
7 driver.

8 B. The insurance required under subsection A of this section
9 may be satisfied by motor vehicle liability insurance maintained by:

10 1. A shared vehicle owner;

11 2. A shared vehicle driver;

12 3. A peer-to-peer car sharing program; or

13 4. Any combination of a shared vehicle owner, a shared vehicle
14 driver and a peer-to-peer car sharing program.

15 C. The insurance required in subsection B of this section, that
16 is satisfying the requirement of subsection A of this section, shall
17 be primary during each car sharing period.

18 D. The peer-to-peer car sharing program shall assume primary
19 liability for a claim when it is in whole or in part providing the
20 insurance required under subsections A and B of this section and:

21 1. A dispute exists as to who was in control of the shared
22 motor vehicle at the time of the loss; and

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1 2. The peer-to-peer car sharing program does not have
2 available, did not retain or fails to provide the information
3 required by Section 7 of this act.

4 The shared motor vehicle's insurer shall indemnify the car
5 sharing program to the extent of its obligation, if any, under the
6 applicable insurance policy, if it is determined that the shared
7 motor vehicle's owner was in control of the shared motor vehicle at
8 the time of the loss.

9 E. If insurance maintained by a shared vehicle owner or shared
10 vehicle driver in accordance with subsection B of this section has
11 lapsed or does not provide the required coverage, insurance
12 maintained by a peer-to-peer car sharing program shall provide the
13 coverage required by subsection A of this section beginning with the
14 first dollar of a claim and shall have the duty to defend such claim
15 except under circumstances as set forth in subsection B of Section 3
16 of this act.

17 F. Coverage under an automobile insurance policy maintained by
18 the peer-to-peer car sharing program shall not be dependent on
19 another automobile insurer first denying a claim, nor shall another
20 automobile insurance policy be required to first deny a claim.

21 G. Nothing in the Peer-to-Peer Car Sharing Program Act shall:

22 1. Limit the liability of the peer-to-peer car sharing program
23 for any act or omission of the program itself that results in injury
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1 to any person as a result of the use of a shared vehicle through a
2 peer-to-peer car sharing program; or

3 2. Limit the ability of the peer-to-peer car sharing program
4 to, by contract, seek indemnification from the shared vehicle owner
5 or the shared vehicle driver for economic loss sustained by the
6 peer-to-peer car sharing program resulting from a breach of the
7 terms and conditions of the car sharing program agreement.

8 SECTION 5. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1054 of Title 47, unless there
10 is created a duplication in numbering, reads as follows:

11 At the time a vehicle owner registers as a shared vehicle owner
12 on a peer-to-peer car sharing program and prior to the time the
13 shared vehicle owner makes a shared vehicle available for car
14 sharing on the peer-to-peer car sharing program, the program shall
15 notify the shared vehicle owner that, if the shared vehicle has a
16 lien against it, the use of the shared vehicle through a peer-to-
17 peer car sharing program, including use without physical damage
18 coverage, may violate the terms of the contract with the lienholder.

19 SECTION 6. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1055 of Title 47, unless there
21 is created a duplication in numbering, reads as follows:

22 A. An authorized insurer that writes motor vehicle liability
23 insurance in this state may exclude any and all coverage and the
24 duty to defend or indemnify for any claim afforded under a shared

1 vehicle owner's motor vehicle liability insurance policy, including
2 but not limited to:

- 3 1. Liability coverage for bodily injury and property damage;
- 4 2. Personal injury protection coverage;
- 5 3. Uninsured and underinsured motorist coverage;
- 6 4. Medical payments coverage;
- 7 5. Comprehensive physical damage coverage; and
- 8 6. Collision physical damage coverage.

9 B. Nothing in the Peer-to-Peer Car Sharing Program Act shall
10 invalidate or limit an exclusion contained in a motor vehicle
11 liability insurance policy, including any insurance policy in use or
12 approved for use that excludes coverage for motor vehicles made
13 available for rent, sharing, hire or for any business use.

14 SECTION 7. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1056 of Title 47, unless there
16 is created a duplication in numbering, reads as follows:

17 A peer-to-peer car sharing program shall collect and verify
18 records pertaining to the use of a vehicle, including, but not
19 limited to, times used, fees paid by the shared vehicle driver and
20 revenues received by the shared vehicle owner, and provide that
21 information upon request to the shared vehicle owner, the shared
22 vehicle owner's insurer or the shared vehicle driver's insurer to
23 facilitate a claim coverage investigation. The peer-to-peer car
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1 sharing program shall retain the records for a time period not less
2 than the applicable personal injury statute of limitations.

3 SECTION 8. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1057 of Title 47, unless there
5 is created a duplication in numbering, reads as follows:

6 A peer-to-peer car sharing program and a shared vehicle owner
7 shall be exempt from vicarious liability in accordance with 49
8 U.S.C., Section 30106, and under any state or local law that imposes
9 liability solely based on vehicle ownership.

10 SECTION 9. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1058 of Title 47, unless there
12 is created a duplication in numbering, reads as follows:

13 A motor vehicle insurer that defends or indemnifies a claim
14 against a shared vehicle that is excluded under the terms of its
15 policy shall have the right to seek contribution against the motor
16 vehicle insurer of the peer-to-peer car sharing program if the claim
17 is:

- 18 1. Made against the shared vehicle owner or the shared vehicle
19 driver for loss or injury that occurs during the car sharing period;
20 and
- 21 2. Excluded under the terms of its policy.

22 SECTION 10. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1059 of Title 47, unless there
24 is created a duplication in numbering, reads as follows:

1 A. Notwithstanding any other law, statute, rule or regulation
2 to the contrary, a peer-to-peer car sharing program shall have an
3 insurable interest in a shared vehicle during the car sharing
4 period.

5 B. Nothing in this section shall create liability on a peer-to-
6 peer car sharing program to maintain the coverage mandated by
7 Section 4 of this act.

8 C. A peer-to-peer car sharing program may own and maintain as
9 the named insured one or more policies of motor vehicle liability
10 insurance that provide coverage for:

- 11 1. Liabilities assumed by the peer-to-peer car sharing program
12 under a peer-to-peer car sharing program agreement;
- 13 2. Liability of the shared vehicle owner;
- 14 3. Damage or loss to the shared motor vehicle; or
- 15 4. Liability of the shared vehicle driver.

16 SECTION 11. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1060 of Title 47, unless there
18 is created a duplication in numbering, reads as follows:

19 Each car sharing program agreement made in this state shall
20 disclose to the shared vehicle owner and the shared vehicle driver:

- 21 1. Any right of the peer-to-peer car sharing program to seek
22 indemnification from the shared vehicle owner or the shared vehicle
23 driver for economic loss sustained by the peer-to-peer car sharing
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1 program resulting from a breach of the terms and conditions of the
2 car sharing program agreement;

3 2. That a motor vehicle liability insurance policy issued to
4 the shared vehicle owner for the shared vehicle, or to the shared
5 vehicle driver, does not provide a defense or indemnification for
6 any claim asserted by the peer-to-peer car sharing program;

7 3. That the peer-to-peer car sharing program's insurance
8 coverage on the shared vehicle owner and the shared vehicle driver
9 is in effect only during each car sharing period and that, for any
10 use of the shared vehicle by the shared vehicle driver after the car
11 sharing termination time, the shared vehicle driver and the shared
12 vehicle owner may not have insurance coverage;

13 4. The daily rate, fees and, if applicable, any insurance or
14 protection package costs that are charged to the shared vehicle
15 owner or the shared vehicle driver;

16 5. That the shared vehicle owner's motor vehicle liability
17 insurance may not provide coverage for a shared vehicle;

18 6. An emergency telephone number to personnel capable of
19 fielding roadside assistance and other customer service inquiries;
20 and

21 7. If there are conditions under which a shared vehicle driver
22 must maintain a personal automobile insurance policy with certain
23 applicable coverage limits on a primary basis in order to book a
24 shared motor vehicle.

1 SECTION 12. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1061 of Title 47, unless there
3 is created a duplication in numbering, reads as follows:

4 A. A peer-to-peer car sharing program may not enter into a
5 peer-to-peer car sharing program agreement with a driver unless the
6 driver who will operate the shared vehicle:

7 1. Holds a driver license issued under Section 6-101 et seq. of
8 Title 47 of the Oklahoma Statutes that authorizes the driver to
9 operate vehicles of the class of the shared vehicle; or

10 2. Is a nonresident who:

11 a. has a driver license issued by the state or country of
12 the driver's residence that authorizes the driver in
13 that state or country to drive vehicles of the class
14 of the shared vehicle, and

15 b. is at least the same age as that required of a
16 resident to drive; or

17 3. Otherwise is specifically authorized by Section 6-101 et
18 seq. of Title 47 of the Oklahoma Statutes to drive vehicles of the
19 class of the shared vehicle.

20 B. A peer-to-peer car sharing program shall keep a record of:

21 1. The name and address of the shared vehicle driver;

22 2. The number of the driver license of the shared vehicle
23 driver and each other person, if any, who will operate the shared
24 vehicle; and

1 3. The place of issuance of the driver license.

2 SECTION 13. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 1062 of Title 47, unless there
4 is created a duplication in numbering, reads as follows:

5 A peer-to-peer car sharing program shall have sole
6 responsibility for any equipment, such as a global positioning
7 system or other special equipment, that is put in or on the vehicle
8 to monitor or facilitate the car sharing transaction, and shall
9 agree to indemnify and hold harmless the vehicle owner for any
10 damage to or theft of such equipment during the sharing period not
11 caused by the vehicle owner. The peer-to-peer car sharing program
12 has the right to seek indemnity from the shared vehicle driver for
13 any loss or damage to such equipment that occurs during the sharing
14 period.

15 SECTION 14. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1063 of Title 47, unless there
17 is created a duplication in numbering, reads as follows:

18 A. At the time a vehicle owner registers as a shared vehicle
19 owner on a peer-to-peer car sharing program, and prior to the time
20 when the shared vehicle owner makes a shared vehicle available for
21 car sharing on the peer-to-peer car sharing program, the peer-to-
22 peer car sharing program shall:

23 1. Verify that the shared vehicle does not have any safety
24 recalls on the vehicle for which the repairs have not been made; and

1 2. Notify the shared vehicle owner of the requirements under
2 subsection B of this section.

3 B. 1. If the shared vehicle owner has received an actual
4 notice of a safety recall on the vehicle, a shared vehicle owner may
5 not make a vehicle available as a shared vehicle on a peer-to-peer
6 car sharing program until the safety recall repair has been made.

7 2. If a shared vehicle owner receives an actual notice of a
8 safety recall on a shared vehicle while the shared vehicle is made
9 available on the peer-to-peer car sharing program, the shared
10 vehicle owner shall remove the shared vehicle as available on the
11 peer-to-peer car sharing program, as soon as practicably possible
12 after receiving the notice of the safety recall and until the safety
13 recall repair has been made.

14 3. If a shared vehicle owner receives an actual notice of a
15 safety recall while the shared vehicle is being used in the
16 possession of a shared vehicle driver, as soon as practicably
17 possible after receiving the notice of the safety recall, the shared
18 vehicle owner shall notify the peer-to-peer car sharing program
19 about the safety recall so that the shared vehicle owner may address
20 the safety recall repair.

21 SECTION 15. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1064 of Title 47, unless there
23 is created a duplication in numbering, reads as follows:

1 Nothing in the Peer-to-Peer Car Sharing Program Act shall be
2 construed to affect the taxability of peer-to-peer car sharing
3 pursuant to the provisions of Title 47 or Title 68 of the Oklahoma
4 Statutes.

5 SECTION 16. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 1065 of Title 47, unless there
7 is created a duplication in numbering, reads as follows:

8 A. A notice or disclosure required to be provided, delivered,
9 posted or otherwise made available by a motor vehicle rental company
10 or a peer-to-peer car sharing program shall be deemed timely and
11 effectively made if the notice or disclosure is provided or
12 delivered electronically at or before the time required or included
13 in a master or member agreement in effect at the time of the vehicle
14 rental transaction or peer-to-peer car sharing program agreement.

15 B. For purposes of the Peer-to-Peer Car Sharing Program Act, a
16 master or member agreement shall include, but not be limited to, a
17 service:

18 1. Which is offered by a motor vehicle rental company or a
19 peer-to-peer car sharing program that permits customers to bypass a
20 retail service location and obtain a product or service directly;

21 2. Where a motor vehicle rental company or a peer-to-peer car
22 sharing program does not require customers to execute an agreement
23 at the time of service; or
24

1 3. Where the customer does not receive the terms and conditions
2 at the time of service.

3 SECTION 17. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1066 of Title 47, unless there
5 is created a duplication in numbering, reads as follows:

6 A. Electronic or written acceptance shall be deemed a valid
7 form of acceptance of a notice or disclosure.

8 B. Acceptance shall remain effective until such time as the
9 acceptance is affirmatively withdrawn by the customer.

10 SECTION 18. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1067 of Title 47, unless there
12 is created a duplication in numbering, reads as follows:

13 A notice or disclosure made pursuant to the Peer-to-Peer Car
14 Sharing Program Act shall be exempt from placement or stylistic
15 display requirements, including but not limited to location, font
16 size, typeset or other specifically stated description, if the
17 notice or disclosure is generally consistent in appearance with the
18 entirety of the communication in which it is contained.

19 SECTION 19. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1068 of Title 47, unless there
21 is created a duplication in numbering, reads as follows:

22 A. A peer-to-peer car sharing program, a shared vehicle owner
23 using a program or a motor vehicle rental company shall, upon
24 request of an airport, including but not limited to any entity

1 operating an airport pursuant to Section 65.5 of Title 3 of the
2 Oklahoma Statutes within this state, enter into an agreement, which
3 agreement may be a concession agreement, prior to:

4 1. Listing, publishing or advertising shared vehicles or other
5 motor vehicles parked on airport property or at airport facilities;

6 2. Facilitating the use of shared vehicles or other motor
7 vehicles to transport airport customers to or from airport property
8 or airport facilities, regardless of whether that use is to be
9 initiated or has a start time which occurs on or off airport
10 property or airport facilities; or

11 3. Promoting or marketing shared vehicles or other motor
12 vehicles to transport airport customers to or from airport property
13 or airport facilities, regardless of whether that transportation is
14 to be initiated or has a start time which occurs on or off airport
15 property or airport facilities.

16 B. The agreement specified in subsection A of this section
17 shall set forth the same or reasonably similar standards,
18 regulations, procedures and fees applicable to peer-to-peer car
19 sharing programs and motor vehicle rental companies.

20 C. If the car sharing program, shared vehicle owner, or motor
21 vehicle rental company:

22 1. Fails or refuses to enter into an agreement described in
23 subsection A of this section after request by an airport; or

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1 2. Performs, participates in, or undertakes any of the actions
2 set forth in paragraph 1, 2 or 3 of subsection A of this section
3 before entering into an agreement described in subsection A of this
4 section after request by an airport,
5 the affected airport may seek an injunction prohibiting operations
6 at the airport and may also seek damages against the car sharing
7 program, shared vehicle owner or motor vehicle rental company.

8 SECTION 20. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 1069 of Title 47, unless there
10 is created a duplication in numbering, reads as follows:

11 In the event a motor vehicle rental company or a peer-to-peer
12 car sharing program facilitates rental or sharing via digital,
13 electronic or other means that allow customers to obtain possession
14 of a shared vehicle or other motor vehicle, as applicable, without
15 in-person contact with an agent or employee of the motor vehicle
16 rental company or peer-to-peer car sharing program, or where the
17 customer does not execute a contract at the time of the transaction,
18 the motor vehicle rental company or peer-to-peer car sharing program
19 shall be deemed to have met all obligations to physically inspect
20 and compare the customer's driver license when such provider:

21 1. At the time the customer enrolls, or any time thereafter, in
22 a membership program, master agreement or other means of
23 establishing use of the provider's services, requires verification
24 that the customer is a licensed driver; or

1 2. Prior to the customer taking possession of the shared
2 vehicle or other motor vehicle, as applicable, requires
3 documentation that verifies the customer's identity.

4 SECTION 21. AMENDATORY 47 O.S. 2011, Section 8-101, is
5 amended to read as follows:

6 Section 8-101. ~~(a)~~ A. It shall be unlawful for the owner of
7 any motor vehicle engaged in the business of renting motor vehicles
8 without drivers to rent a motor vehicle without a driver otherwise
9 than as a part of a bona fide transaction involving the sale of such
10 motor vehicle, unless ~~he~~ the owner has previously notified the
11 Department of Public Safety of the intention to so rent such vehicle
12 and has given proof of financial responsibility, and the Oklahoma
13 Tax Commission shall not register any such vehicle unless and until
14 the owner gives proof of financial responsibility either as provided
15 in this section or, in the alternative, as provided in Section 8-102
16 of this title. The Department shall cancel the registration of any
17 motor vehicle rented without a driver whenever the Department
18 ascertains that the owner has failed or is unable to give and
19 maintain such proof of financial responsibility. The provisions of
20 this section shall not apply to a shared vehicle as defined in and
21 operated in compliance with the Peer-to-Peer Car Sharing Program
22 Act.

23 ~~(b)~~ B. Such owner shall submit to the Commissioner of Public
24 Safety evidence that there has been issued to him or her by an

1 insurance carrier authorized to do business in this state, a public
2 liability insurance policy or policies covering each such motor
3 vehicle so rented in the amounts as hereinafter stated and insuring
4 every person operating such vehicle under a rental agreement or
5 operating the vehicle with the express or implied permission of the
6 owner against loss from the liability imposed by law upon such
7 person arising out of the operation of said vehicle in the amount of
8 Twenty-five Thousand Dollars (\$25,000.00) for bodily injury to or
9 death of one person and, subject to said limit as respects bodily
10 injury to or death of any one person, the amount of Fifty Thousand
11 Dollars (\$50,000.00) on account of bodily injury to or death of more
12 than one person in any one accident and Twenty-five Thousand Dollars
13 (\$25,000.00) for damage to property of others in any one accident.
14 Provided, that the Commissioner is authorized to accept, in lieu of
15 such public liability insurance policy covering specific vehicles,
16 proof by evidence satisfactory to the Commissioner of a valid and
17 binding lease contract between the owner and a renter wherein it is
18 agreed between such owner and the lessee-renter that such lessee-
19 renter accepts responsibility for loss from any liability imposed by
20 law upon any person arising out of the operation, either by express
21 or implied permission of the lessee-renter, of any vehicle covered
22 by such lease in amounts not less than the minimum amounts before
23 set out in this subsection, together with satisfactory evidence of
24 issuance to such lessee-renter, by an insurance carrier authorized

1 to do business in this state, proper public liability insurance
2 policies in amounts of not less than the minimum amounts before set
3 out in this subsection or sufficient showing of financial
4 responsibility of such lessee-renter as is required of owners by the
5 provisions of Section 8-102 of this title.

6 ~~(c)~~ C. The owner shall maintain such policy or policies in full
7 force and effect during all times that he or she is engaged in the
8 business of renting any motor vehicle without a driver unless said
9 owner shall have given proof of financial responsibility as provided
10 in Section 8-102 of this title.

11 ~~(d)~~ D. Said policy or policies need not cover any liability
12 incurred by the renter of any vehicle to any passenger in such
13 vehicle.

14 ~~(e)~~ E. When any suit or action is brought against the owner of
15 a for-rent motor vehicle upon a liability under this title, it shall
16 be the duty of the judge of the court before whom the case is
17 pending to cause a preliminary hearing to be had, in the absence of
18 the jury, for the purpose of determining whether the owner has
19 obtained and there is in full force and effect, a policy or policies
20 of insurance covering the person operating the vehicle under a
21 rental agreement, in the limits above mentioned. When it appears
22 that the owner has obtained such policy or policies and that the
23 same are in full force and effect, the judge or magistrate before
24

1 whom such action is pending shall dismiss the action as to the owner
2 of the motor vehicle.

3 ~~(f)~~ F. Whenever the owner of a motor vehicle rents such vehicle
4 without a driver to another, it shall be unlawful for the latter to
5 permit any other person to operate such vehicle without the
6 permission of the owner.

7 ~~(g)~~ G. Any person who violates any of the provisions of this
8 section shall be guilty of a misdemeanor, and upon conviction
9 thereof, shall be punished by a fine of not more than Five Hundred
10 Dollars (\$500.00) or by imprisonment in the county jail for not more
11 than six (6) months, or by both such fine and imprisonment.

12 SECTION 22. AMENDATORY 47 O.S. 2011, Section 8-102, is
13 amended to read as follows:

14 Section 8-102. ~~(a)~~ A. In the event the owner of a for-rent
15 motor vehicle has not given proof of financial responsibility as
16 provided in Section 8-101 of this title, then the Oklahoma Tax
17 Commission shall not register any motor vehicle owned by such person
18 and rented, or intended to be rented, to another unless such owner
19 shall demonstrate, to the satisfaction of the Commissioner of Public
20 Safety, his or her financial ability to respond in damages as
21 follows:

22 1. If he or she applies for registration of one motor vehicle,
23 in the sum of at least Twenty Thousand Dollars (\$20,000.00) for any
24 one person injured or killed and in the sum of Forty Thousand

1 Dollars (\$40,000.00) for any number more than one injured or killed
2 in any one accident.

3 2. If he or she applies for the registration of more than one
4 motor vehicle, then in the foregoing sums for one motor vehicle, and
5 Twenty Thousand Dollars (\$20,000.00) additional for each motor
6 vehicle in excess of one, but it shall be sufficient for the owner
7 to demonstrate ability to respond in damages in the sum of Two
8 Hundred Thousand Dollars (\$200,000.00) for any number of motor
9 vehicles.

10 ~~(b)~~ B. The Department of Public Safety shall cancel the
11 registration of any motor vehicle rented without a driver whenever
12 the Department ascertains that the owner has failed or is unable to
13 comply with the requirements of this section.

14 ~~(c)~~ C. Any owner of a for-rent motor vehicle who has given
15 proof of financial responsibility under this section or who in
16 violation of ~~this act~~ Section 8-101 et seq. of this title, has
17 failed to give proof of financial responsibility shall be jointly
18 and severally liable with any person operating such vehicle for any
19 damages caused by the negligence of any person operating the vehicle
20 by or with the permission of the owner, except that the foregoing
21 provision shall not confer any right of action upon any passenger in
22 any such rented vehicle as against the owner.

23 ~~(d)~~ D. Nothing in this section shall be construed to prevent an
24 owner from making defense in any such action upon the ground of

1 comparative or contributory negligence to the extent to which such
2 defense is allowed in other cases.

3 E. The provisions of this section shall not apply to a shared
4 vehicle as defined in and operated in compliance with the Peer-to-
5 Peer Car Sharing Program Act.

6 SECTION 23. AMENDATORY 47 O.S. 2011, Section 8-103, is
7 amended to read as follows:

8 Section 8-103. A. No person shall rent a motor vehicle to any
9 other person unless the person to whom the vehicle is to be rented
10 is duly licensed to operate a motor vehicle as required under this
11 ~~act~~ title or, in the case of a nonresident, then duly licensed under
12 the laws of the state or country of his or her residence.

13 B. No person shall rent a motor vehicle to another until he or
14 she has inspected the driver license of the person to whom the
15 vehicle is to be rented and compared and verified the signature
16 thereon with the signature of such person written in his or her
17 presence.

18 C. Every person renting a motor vehicle to another shall keep a
19 record of the registration number of the motor vehicle so rented,
20 the name and address and driver license number of the person to whom
21 the vehicle is rented, the expiration date of said license and place
22 where said license was issued. Such record shall be open to
23 inspection by any police officer or officer or employee of the
24 Department.

1 D. The provisions of this section shall not apply to a shared
2 vehicle as defined in and operated in compliance with the Peer-to-
3 Peer Car Sharing Program Act.

4 SECTION 24. AMENDATORY 47 O.S. 2011, Section 11-902b, as
5 amended by Section 1, Chapter 74, O.S.L. 2014 (47 O.S. Supp. 2019,
6 Section 11-902b), is amended to read as follows:

7 Section 11-902b. A. The district attorney may file a motion
8 requesting forfeiture of the motor vehicle involved in the
9 commission of an eligible offense as provided in this section. The
10 provisions of this section shall apply to:

11 1. Any person who has been previously convicted of an offense
12 under Section 11-902, 11-903, or 11-904 of this title and who on or
13 after July 1, 1999, is convicted of an offense under Section 11-902,
14 11-903, or 11-904 of this title within ten (10) years of any prior
15 conviction under Section 11-902, 11-903, or 11-904 of this title and
16 where at least one of the offenses, current or prior, involved the
17 death of or serious bodily injury to another person; or

18 2. Any person who has been convicted of a third or subsequent
19 felony offense under Section 11-902 of this title.

20 B. A motion for forfeiture may be filed at the time of charging
21 but not later than thirty (30) days after the verdict or plea of
22 guilty or nolo contendere. If a motion of intent to forfeit is
23 filed prior to the verdict or plea of guilty or nolo contendere, the
24 proceedings shall be stayed until the disposition of the criminal

1 case. Notice shall be required even though the proceedings are
2 stayed. If the motion is filed prior to the disposition on the
3 criminal case, the district attorney shall notify the Oklahoma Tax
4 Commission and the Tax Commission shall place a lien upon the
5 vehicle title. No person shall sell, damage, destroy, transfer or
6 perfect a security interest on any vehicle subject to forfeiture.
7 Prior to filing a motion for forfeiture, the district attorney shall
8 verify whether the vehicle was sold during any period of impoundment
9 as provided by law. Any vehicle sold in an impound sale to pay
10 towing, wrecker services or storage expenses shall not be subject to
11 forfeiture as provided in this section.

12 C. Upon filing a motion for forfeiture, except when the
13 proceedings are stayed pursuant to subsection B of this section, the
14 court shall schedule a hearing on the matter. The hearing shall be
15 not less than twenty (20) days nor more than forty-five (45) days
16 from the date the motion is filed. The district attorney within
17 three (3) days of filing a motion of intent to forfeit shall notify
18 the convicted person, lienholders of record, and any person
19 appearing to have an ownership or security interest in the vehicle.
20 The notice shall contain the date, time and place of the hearing.
21 When a motion for forfeiture has been stayed pending disposition of
22 the criminal case and a verdict or plea of guilty or nolo contendere
23 has been entered, the district attorney shall give notice of the
24 forfeiture hearing not less than ten (10) days prior to the hearing.

1 The notice of persons specified in this subsection shall be by
2 certified mail to the address shown upon the records of the Oklahoma
3 Tax Commission. For owners or interested parties, other than
4 lienholders of record, whose addresses are unknown, but who are
5 believed to have an interest in the vehicle, notice shall be by one
6 publication in a newspaper of general circulation in the county
7 where the motion is filed. The written notice shall include:

8 1. A full description of the motor vehicle;

9 2. The date, time and place of the forfeiture hearing;

10 3. The legal authority under which the motor vehicle may be
11 forfeited; and

12 4. Notice of the right to intervene to protect an interest in
13 the motor vehicle.

14 D. A forfeiture proceeding shall not extinguish any security
15 interest of a lienholder of record; provided, however, the court may
16 order the sale of the motor vehicle and the satisfaction of that
17 security interest from the proceeds of sale as provided in
18 subsection K of this section.

19 For purposes of a forfeiture proceeding, an affidavit obtained
20 from the lienholder of record, in the absence of evidence of bad
21 faith, shall be prima facie evidence of the amount of secured
22 indebtedness owed to that lienholder. It shall be the
23 responsibility of the district attorney to obtain such affidavit
24 prior to the forfeiture proceeding.

1 In the absence of evidence of bad faith, no lienholder of record
2 shall be required to attend the forfeiture proceeding to protect its
3 interest in the motor vehicle. However, each lienholder of record
4 shall be given notice of the forfeiture hearing as provided in
5 subsection C of this section. The district attorney shall notify
6 each lienholder of record at least ten (10) days before the sale of
7 the motor vehicle ordered forfeited pursuant to this section;
8 provided, the lienholder was not represented at the forfeiture
9 proceeding.

10 E. Any person having an ownership or security interest in a
11 vehicle subject to forfeiture which is not perfected by a lien of
12 record may file a written objection to the motion to forfeit within
13 ten (10) days of the mailing of the notice of intent to forfeit.

14 F. At the hearing, any person who claims an ownership or
15 security interest in the motor vehicle which is not perfected by a
16 lien of record shall be required to establish by a preponderance of
17 the evidence that:

18 1. The person has an interest in the motor vehicle and such
19 interest was acquired in good faith;

20 2. The person is not the person convicted of the offense that
21 resulted in the forfeiture proceeding; and

22 3. The person did not know or have reasonable cause to believe
23 that the vehicle would be used in the commission of a felony
24 offense.

1 G. If a person satisfies the requirements of subsection F of
2 this section, or if there is a lienholder of record that has
3 provided an affidavit pursuant to subsection D of this section, the
4 court shall order either an amount equal to the value of the
5 interest of that person in the motor vehicle to be paid to that
6 person upon sale of the motor vehicle after payment of costs and
7 expenses or release the vehicle from the forfeiture proceedings if
8 either the lienholder described in subsection D of this section or
9 the person intervening in accordance with subsection F of this
10 section has full right, title and interest in the vehicle.

11 H. At the hearing, the court may order the forfeiture of the
12 motor vehicle if it is determined by a preponderance of the evidence
13 that the forfeiture of the motor vehicle will serve one or more of
14 the following purposes:

15 1. Incapacitation of the convicted person from the commission
16 of any future offense under Section 11-902, 11-903, or 11-904 of
17 this title;

18 2. Protection of the safety and welfare of the public;

19 3. Deterrence of other persons who are potential offenders
20 under Section 11-902, 11-903, or 11-904 of this title;

21 4. Expression of public condemnation of the serious or
22 aggravated nature of the conduct of the convicted person; or

23 5. Satisfaction of monetary amounts for criminal penalties.
24

1 I. Upon forfeiture of a motor vehicle pursuant to this act, the
2 court shall require the owner to surrender the motor vehicle, the
3 certificate of title, and the registration of the motor vehicle.
4 The vehicle, the certificate of title, and the registration shall be
5 delivered to the Department of Public Safety within three (3) days
6 of the forfeiture order. The expense of delivering the vehicle
7 shall be paid by the district attorney. Costs of delivering the
8 vehicle to the Department shall be reimbursable as costs of
9 conducting the sale. A motor vehicle forfeited pursuant to this ~~act~~
10 section, shall be sold by the Department of Public Safety as
11 provided by law for the sale of other forfeited property, except as
12 otherwise provided in this section.

13 J. If a vehicle was impounded at the time of delivery to the
14 Department and a forfeiture order is subsequently issued, all
15 towing, wrecker services, and storage expenses shall be satisfied
16 from the sale of the vehicle. If a vehicle is released from
17 forfeiture and the vehicle has been delivered to the Department with
18 impound expenses still owing, all impound expenses, including
19 towing, wrecker service and storage expenses, shall be paid by the
20 person prevailing on the dismissal of the forfeiture proceeding and
21 the release of the vehicle to such person. If a notice for sale of
22 the vehicle was filed for satisfaction of impound expenses prior to
23 the filing of a motion for forfeiture, the vehicle shall be sold as
24 provided by law for unpaid towing, wrecker services, and storage

1 expenses and shall not be subject to forfeiture. If the convicted
2 person redeems his or her interest in the vehicle at a sale for
3 impound expenses, a forfeiture proceeding may thereafter proceed as
4 authorized by this ~~act~~ section. Neither the notice of sale for
5 towing, wrecker services, and storage expenses nor the sale of such
6 vehicle for impound expenses shall serve to extend the requirement
7 for filing a motion to forfeit as provided in subsection B of this
8 section.

9 K. Except as provided in subsection J of this section, proceeds
10 from the sale of any vehicle forfeited pursuant to this ~~act~~ section
11 shall be paid in the following order:

12 1. To satisfy the interest of any lienholder of record;

13 2. To the Department of Public Safety for the cost of
14 conducting the sale, including expense of delivery, court filing
15 fees, and publication expense;

16 3. To satisfy impound expenses, including any towing, wrecker
17 service and storage expenses incurred prior to delivery to the
18 Department of Public Safety;

19 4. To satisfy the interest of any person making proof as
20 provided in subsection F of this section;

21 5. To satisfy criminal penalties, costs and assessments
22 pursuant to paragraph 5 of subsection H of this section if so
23 ordered by the court;

24

1 6. To the office of the district attorney who filed the
2 forfeiture proceeding not exceeding twenty-five percent (25%) of any
3 remaining proceeds. Such payment shall be deposited in a special
4 fund for such purpose as determined by the district attorney's
5 office; and

6 7. The balance of the proceeds to be deposited in the Drug
7 Abuse Education and Treatment Revolving Fund established pursuant to
8 Section 2-503.2 of Title 63 of the Oklahoma Statutes for the benefit
9 of drug court treatment as provided by law.

10 L. If a motor vehicle subject to forfeiture as provided by this
11 act is a vehicle leased pursuant to a commercial rental agreement
12 for a period of ninety (90) days or less or a shared vehicle as
13 defined in and operated in compliance with the Peer-to-Peer Car
14 Sharing Program Act, then the vehicle shall not be subject to the
15 forfeiture proceedings provided by this ~~act~~ section.

16 M. Upon the court dismissing a forfeiture proceeding, any lien
17 placed upon the vehicle title by the Oklahoma Tax Commission
18 pursuant to subsection B of this section shall be released.

19 SECTION 25. AMENDATORY Section 3, Chapter 208, O.S.L.
20 2018 (47 O.S. Supp. 2019, Section 1112.3), is amended to read as
21 follows:

22 Section 1112.3 A. Except as otherwise provided in subsection B
23 of this section, at all times while a vehicle is being used or
24 operated on the roads of this state, the operator of the vehicle

1 shall have in his or her possession or carry in the vehicle and
2 exhibit upon demand to any peace officer of the state or duly
3 authorized employee of the Department of Public Safety, either a:

4 1. Registration certificate or an official copy thereof;

5 2. True copy of rental or lease documentation issued for a
6 motor vehicle;

7 3. True copy of a peer-to-peer car sharing program agreement
8 for a shared vehicle;

9 4. Registration certificate or an official copy thereof issued
10 for a replacement vehicle in the same registration period;

11 ~~4.~~ 5. Temporary receipt printed upon self-initiated electronic
12 renewal of a registration via the Internet; or

13 ~~5.~~ 6. Cab card issued for a vehicle registered under the
14 International Registration Plan.

15 B. The provisions of subsection A of this section shall not
16 apply to the first thirty (30) days after purchase of a replacement
17 vehicle.

18 SECTION 26. AMENDATORY 47 O.S. 2011, Section 1120.1, is
19 amended to read as follows:

20 Section 1120.1 A. The Corporation Commission, when in the
21 interest of the State of Oklahoma and its residents, may enter into
22 the International Registration Plan or other compacts or agreements
23 with other states to permit motor vehicle registration and license
24

1 taxes on any motor vehicle to be used as a rental motor vehicle as
2 defined in the International Registration Plan.

3 B. The Tax Commission or Corporation Commission, as applicable,
4 shall require that each rental motor vehicle be assessed the
5 following registration fees in lieu of the fee schedule set forth in
6 Section 1132 of this title:

7 1. A fee of Fifteen Dollars (\$15.00) shall be assessed for the
8 first year of registration in this or any other state; and

9 2. A fee of Ten Dollars (\$10.00) shall be assessed in the first
10 year and each subsequent year of registration in this or any other
11 state.

12 C. Upon registration and payment of the fees required by this
13 section, the owner shall receive a license plate which shall be
14 valid until the vehicle is permanently withdrawn from the rental
15 fleet of the owner.

16 D. The provisions of this section shall not apply to a shared
17 vehicle as defined in and operated in compliance with the Peer-to-
18 Peer Car Sharing Program Act.

19 SECTION 27. AMENDATORY 68 O.S. 2011, Section 2105, as
20 last amended by Section 11, Chapter 229, O.S.L. 2017 (68 O.S. Supp.
21 2019, Section 2105), is amended to read as follows:

22 Section 2105. An original or a transfer certificate of title
23 shall be issued without the payment of the excise tax levied by
24 Section 2101 et seq. of this title for:

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

4 2. Any vehicle brought into this state by a person formerly
5 living in another state, who has owned and registered the vehicle in
6 such other state of residence at least sixty (60) days prior to the
7 time it is required to be registered in this state; provided,
8 however, this paragraph shall not apply to businesses engaged in
9 renting cars without a driver;

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

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

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

7 a. if such vehicle, travel trailer, or commercial trailer
8 has been registered in Oklahoma and the excise tax
9 paid thereon, or

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

13 Provided, the provisions of this paragraph shall not be
14 construed as allowing an exemption to any person not licensed as a
15 dealer of used motor vehicles, travel trailers, or commercial
16 trailers, or as an automotive dismantler and parts recycler in this
17 state;

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

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

22 b. the state from which the dealer is licensed offers
23 reciprocal privileges to a dealer licensed in this
24 state, pursuant to a reciprocal agreement between the

1 duly authorized agent of the Tax Commission and the
2 licensing state;

3 7. Any vehicle, the ownership of which was obtained by the
4 lienholder or mortgagee under or by foreclosure of a lien or
5 mortgage in the manner provided by law or to the insurer under
6 subrogated rights arising by reason of loss under an insurance
7 contract;

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

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

11 a. from one corporation to another corporation pursuant
12 to a reorganization. As used in this subsection the
13 term "reorganization" means:

14 (1) a statutory merger or consolidation, or

15 (2) the acquisition by a corporation of substantially
16 all of the properties of another corporation when
17 the consideration is solely all or a part of the
18 voting stock of the acquiring corporation, or of
19 its parent or subsidiary corporation,

20 b. in connection with the winding up, dissolution, or
21 liquidation of a corporation only when there is a
22 distribution in kind to the shareholders of the
23 property of such corporation,
24

- 1 c. to a corporation where the former owners of the
2 vehicle or motor vehicle transferred are, immediately
3 after the transfer, in control of the corporation, and
4 the stock or securities received by each is
5 substantially in proportion to the interest in the
6 vehicle or motor vehicle prior to the transfer,
- 7 d. to a partnership if the former owners of the vehicle
8 or motor vehicle transferred are, immediately after
9 the transfer, members of such partnership and the
10 interest in the partnership received by each is
11 substantially in proportion to the interest in the
12 vehicle or motor vehicle prior to the transfer,
- 13 e. from a partnership to the members thereof when made in
14 the dissolution of such partnership,
- 15 f. to a limited liability company if the former owners of
16 the vehicle or motor vehicle transferred are,
17 immediately after the transfer, members of the limited
18 liability company and the interest in the limited
19 liability company received by each is substantially in
20 proportion to the interest in the vehicle or motor
21 vehicle prior to the transfer, or
- 22 g. from a limited liability company to the members
23 thereof when made in the dissolution of such
24 partnership;

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

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

6 b. any such vehicle exempted from the excise tax by these
7 provisions shall not be placed under any type of lease
8 agreement,

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

- 1 (1) to the manufacturer of the vehicle or its
2 controlled financing arm, or
3 (2) to a factory authorized franchised new motor
4 vehicle dealer which holds a franchise of the
5 same line-make of the vehicle being purchased, or

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

- 10 (1) payment of the excise tax plus penalty as
11 provided in this section is made,
12 (2) the sale is made to a person specified in
13 division (1) or (2) of subparagraph c of this
14 paragraph, or
15 (3) the vehicle is eligible for a salvage title.

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

18 Provided, the provisions of this paragraph shall not apply to a
19 shared vehicle as defined in the Peer-to-Peer Car Sharing Program
20 Act;

21 11. Any vehicle of the latest manufactured model, registered
22 from a title in the name of the original manufacturer or assigned to
23 the original manufacturer and issued by any state and transferred to
24 a licensed, franchised Oklahoma motor vehicle dealer, as defined by

1 Section 1102 of Title 47 of the Oklahoma Statutes, which holds a
2 franchise of the same line-make as the vehicle being registered;

3 12. Any new motor vehicle, registered in the name of a
4 manufacturer or dealer of new motor vehicles, for which a license
5 plate has been issued pursuant to Section 1116.1 of Title 47 of the
6 Oklahoma Statutes, if such vehicle is authorized by the manufacturer
7 or dealer for personal use by an individual. The authorization for
8 such use shall not exceed four (4) months which shall not be renewed
9 or the exemption provided by this subsection shall not be
10 applicable. The exemption provided by this subsection shall not be
11 applicable to a transfer of ownership or registration subsequent to
12 the first registration of the vehicle by a manufacturer or dealer;

13 13. Any vehicle, travel trailer, or commercial trailer of the
14 latest manufacturer model purchased by a franchised Oklahoma dealer
15 licensed to sell the same which holds a franchise of the same line-
16 make as the vehicle, travel trailer, or commercial trailer being
17 registered;

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

22 15. Any vehicle which:

23 a. is purchased by a private, nonprofit organization
24 which is exempt from taxation pursuant to the

1 provisions of Section 501(c)(3) of the Internal
2 Revenue Code, 26 U.S.C., Section 501(c)(3), and which
3 is primarily funded by a fraternal or civic service
4 organization with at least one hundred local chapters
5 or clubs, and

6 b. is designed and used to provide mobile health
7 screening services to the general public at no cost to
8 the recipient, and for which no reimbursement of any
9 kind is received from any health insurance provider,
10 health maintenance organization, or governmental
11 program;

12 16. Any vehicle which is purchased by an individual who has
13 been honorably discharged from active service in any branch of the
14 Armed Forces of the United States or Oklahoma National Guard and who
15 has been certified by the United States Department of Veterans
16 Affairs, its successor, or the Armed Forces of the United States to
17 be a disabled veteran in receipt of compensation at the one-hundred-
18 percent rate for a permanent disability sustained through military
19 action or accident resulting from disease contracted while in such
20 active service and registered with the veterans registry created by
21 the Oklahoma Department of Veterans Affairs; provided, that if the
22 veteran has previously received exemption pursuant to this
23 paragraph, no registration with the veterans registry shall be
24 required. This exemption may not be claimed by an individual for

1 more than one vehicle in a consecutive three-year period, unless the
2 vehicle is a replacement for a vehicle which was destroyed and
3 declared by the insurer to be a total loss claim. The Tax
4 Commission shall promulgate any rules necessary to implement the
5 provisions of this section; or

6 17. Any vehicle on which ownership is transferred by a
7 reposessor directly back to the owner or owners from whom the
8 vehicle was repossessed; provided, ownership shall be assigned by
9 the reposessor within thirty (30) days of issuance of the
10 repossession title and shall be identical to that reflected in the
11 vehicle title record immediately prior to the repossession.

12 SECTION 28. AMENDATORY 68 O.S. 2011, Section 2110, as
13 amended by Section 5, Chapter 316, O.S.L. 2012 (68 O.S. Supp. 2019,
14 Section 2110), is amended to read as follows:

15 Section 2110. A. There is hereby levied a rental tax of six
16 percent (6%) on the gross receipts of all motor vehicle rental
17 agreements and peer-to-peer car sharing program agreements as
18 provided in this section. This tax shall be levied on any ~~rental~~
19 such agreement of ninety (90) days or less duration on any motor
20 vehicle that is rented to a person by a business engaged in renting
21 motor vehicles without a driver in Oklahoma, irrespective of the
22 state in which the vehicle is registered. This rental tax shall not
23 apply to the following:

24 1. Any lease agreements;

1 2. Any truck or truck-tractor registered pursuant to the
2 provisions of Section 1120 or Section 1133 of Title 47 of the
3 Oklahoma Statutes having a laden weight or a combined laden weight
4 of eight thousand (8,000) pounds or more; or

5 3. Any trailer or semitrailer registered pursuant to the
6 provisions of Section 1133 of Title 47 of the Oklahoma Statutes.
7 For purposes of this section, "vehicle" and "person" shall have the
8 same meanings as defined in Section 2101 of this title.

9 B. The rental tax specified in subsection A of this section
10 shall be apportioned in the manner as provided in Section 2102 of
11 this title.

12 C. A deduction from gross receipts for bad debts shall be
13 allowed for the rental tax specified in subsection A of this
14 section. For purposes of this section, "bad debts" shall have the
15 same meaning as defined in Section 1366 of this title.

16 D. The tax hereby levied shall be collected at the time of the
17 payment of the rental agreement or peer-to-peer car sharing program
18 agreement and shall be due and payable to the Oklahoma Tax
19 Commission by the business engaged in renting these vehicles or
20 peer-to-peer car sharing program on the twentieth day of each month
21 following the month in which payments for ~~rental~~ agreements subject
22 to tax are made. The Tax Commission shall implement such rules and
23 regulations and devise such forms as it deems necessary for the
24

1 orderly collection of this tax and the excise tax and penalty
2 provided for in paragraph 9 of Section 2105 of this title.

3 E. The provisions of this section shall not apply to state
4 government entities.

5 SECTION 29. This act shall become effective November 1, 2020.

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