

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 58th Legislature (2022)

4 ENGROSSED SENATE
5 BILL NO. 1243

By: Quinn of the Senate

and

Sneed of the House

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7
8
9 An Act relating to motor vehicles; amending 47 O.S.
10 2021, Section 1105, which relates to certificates of
11 title; exempting certain vehicle title transfers from
12 certain requirements; amending 47 O.S. 2021, Section
13 1107, which relates to the sale or transfer of
14 ownership of a vehicle; authorizing the use of an
15 electronic signature on documents required for the
16 transfer of ownership of a vehicle resulting from the
17 settlement of a total loss claim; and providing an
18 effective date.

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

20 SECTION 1. AMENDATORY 47 O.S. 2021, Section 1105, is
21 amended to read as follows:

22 Section 1105. A. As used in the Oklahoma Vehicle License and
23 Registration Act:

24 1. "Salvage vehicle" means any vehicle which is within the last
ten (10) model years and which has been damaged by collision or
other occurrence to the extent that the cost of repairing the
vehicle for safe operation on the highway exceeds sixty percent

1 (60%) of its fair market value, as defined by Section 1111 of this
2 title, immediately prior to the damage. For purposes of this
3 section, actual repair costs shall only include labor and parts for
4 actual damage to the suspension, motor, transmission, frame or
5 unibody and designated structural components;

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

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

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

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

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

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

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

24

1 2005, and that a lien may have been recorded on said certificate of
2 title. There shall be eight types of certificates of title:

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

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

9 3. Rebuilt title for any motor vehicle which is a rebuilt
10 vehicle;

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

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

16 6. Remanufactured title for any vehicle which is a
17 remanufactured vehicle;

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

20 8. Rebodied title for any motor vehicle which is a rebodied
21 vehicle.

22 Application for a certificate of title, whether the initial
23 certificate of title or a duplicate, may be made to the Tax
24 Commission or any motor license agent. When application is made

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

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

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

- 1 f. any security interest upon the vehicle, and
2 g. such other information as the Tax Commission may
3 require.

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

- 10 a. the vehicle has been damaged or stolen,
11 b. the owner did or did not receive any payment for the
12 loss from an insurer, or
13 c. the vehicle is titled or registered in a state that
14 does not classify the vehicle or brand the title
15 because of damage to or loss of the vehicle similar to
16 the classifications or brands utilized by this state.

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

1 applicant with notice that the title may not be issued without the
2 required declaration. Nothing in this paragraph shall prohibit the
3 Tax Commission from recognizing the type of or brand on a title or
4 other ownership document issued by another state or the inspection
5 conducted in another state and issuing the appropriate certificate
6 of title for the vehicle.

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

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

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

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

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

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

22 a. the manufacturer's serial or other identification
23 number,
24

- b. date on which first sold by the manufacturer to the dealer,
- c. any distinguishing marks including model and the year same was made,
- d. a statement of any security interests upon the vehicle, and
- e. such other information as the Tax Commission may require.

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

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

E. In the absence of a dealer's or manufacturer's number, the Tax Commission may assign such identifying number to the vehicle, which shall be permanently stamped, burned or pressed or attached into the vehicle, and a certificate of title shall be delivered to the applicant upon payment of all fees and taxes, and the remaining copies shall be permanently filed and indexed by the Tax Commission. The Tax Commission shall assign an identifying number to any rebuilt vehicle if the vehicle identification number displayed on the

1 rebuilt vehicle does not accurately describe the vehicle as rebuilt.
2 The motor license agent, at the time of inspection of the rebuilt
3 vehicle pursuant to Section 1111 of this title, shall identify the
4 make, model, and year for the body to accurately describe the
5 rebuilt vehicle. At the time of the inspection, an appropriate
6 identifying number shall be permanently stamped, burned, pressed, or
7 attached on the rebuilt vehicle. The assigned identifying number
8 shall be recorded on the certificate of title for the rebuilt
9 vehicle. The dealer's or manufacturer's vehicle identification
10 number on the rebuilt vehicle shall be preserved in the computer
11 files of the Tax Commission for at least five (5) years.

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

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

21 2. As evidence of compliance with federal law, copies of the
22 bond release letters for the vehicle issued by the United States
23 Environmental Protection Agency and the United States Department of
24 Transportation, together with a receipt issued by the Internal

1 Revenue Service indicating that the applicable federal gas guzzler
2 tax has been paid.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 M. No title for any out-of-state vehicle offered for sale at
8 salvage pools, salvage disposal sales, or an auction, or by a dealer
9 or a licensed automotive dismantler and parts recycler, shall be
10 issued without an inspection to compare the vehicle identification
11 number on the vehicle with the number recorded on the ownership
12 record and to record the actual odometer reading on the vehicle. On
13 or after the effective date of this act, vehicles that require a
14 transfer to a salvage title or junked title resulting from an
15 insurance claim that utilizes an out-of-state or tribal title shall
16 be exempt from the requirements of this subsection. Upon request of
17 the seller, person or entity conducting an auction, dealer or
18 licensed dismantler, the inspection shall be conducted at the
19 location or place of business of the sale, auction, dealer, or the
20 dismantler. The inspection shall be conducted by any motor license
21 agent or a duly authorized employee thereof; provided, if the
22 vehicle identification number on the vehicle offered for sale at
23 salvage pools, salvage disposal sales or a classic or antique
24 auction does not match the number recorded on the ownership record,

1 the inspection may be conducted at the location of or place of
2 business of such sale or auction by any state, county or city law
3 enforcement officer. The Tax Commission may enter into reciprocal
4 agreements with other states for such inspections to be performed at
5 locations outside the boundaries of this state for vehicles which:

6 1. Are offered for sale at auction;

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

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

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

1 inspection shall be Four Dollars (\$4.00). The motor license agent
2 shall retain Three Dollars (\$3.00) of the fee. Fees received by a
3 motor license agent or an authorized employee thereof shall be
4 handled and accounted for in the manner as prescribed by law for any
5 other fees paid to or received by a motor license agent. Out-of-
6 state vehicles brought into this state by a person licensed in
7 another state to sell new or used vehicles to be sold within this
8 state at a motor vehicle auction which is limited to dealer-to-
9 dealer transactions shall not be required to be inspected, unless
10 the vehicle is purchased by an Oklahoma dealer. Any person licensed
11 in another state to sell new or used motor vehicles, who offers a
12 motor vehicle for sale within this state at a motor vehicle auction
13 which is limited to dealer-to-dealer transactions, shall not be
14 within the definition of "owner" in Section 1102 of this title, for
15 purposes of Section 1101 et seq. of this title.

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

1 inspection. Two Dollars (\$2.00) of the fee shall be deposited in
2 the Tax Commission Reimbursement Fund. An out-of-state vehicle
3 which has been rebuilt shall be inspected pursuant to the provisions
4 of Section 1111 of this title. The Tax Commission shall train motor
5 license agents in interpreting vehicle identification numbers to
6 assure that it accurately describes the vehicle and to detect
7 rollback or alteration of the odometer. Failure of a motor license
8 agent to inspect the vehicle and make the required notations shall
9 be a misdemeanor punishable by a fine ~~of~~ not more than One Thousand
10 Dollars (\$1,000.00) for the first offense and Five Thousand Dollars
11 (\$5,000.00) for the second offense or subsequent offense, or by
12 imprisonment in the county jail for not more than six (6) months, or
13 by both such fine and imprisonment.

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

1 title, as may be appropriate based upon an estimate of the amount of
2 loss submitted by the insurer.

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

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

1 cancellation of the certificate of title. The Tax Commission shall
2 prescribe and provide an affidavit form to be completed by the owner
3 of any vehicle for which the certificate of title is canceled. No
4 title or registration shall subsequently be issued for a vehicle for
5 which the certificate of title has been surrendered pursuant to this
6 subsection. The Tax Commission shall prescribe a form for the
7 transfer of ownership of a vehicle for which the certificate of
8 title has been canceled.

9 R. The owner of a vehicle which is not within the last ten (10)
10 model years, not roadworthy and not capable of repair for operation
11 or use on the roads and highways, or a vehicle which is being sold
12 to a scrap metal dealer pursuant to Section 11-92 of Title 2 of the
13 Oklahoma Statutes, shall transfer the vehicle only upon a
14 certificate of ownership prescribed by the Tax Commission, if the
15 certificate of title to the vehicle is lost, has been canceled, or
16 otherwise not available. The prescribed ownership form shall
17 include the names and addresses of the buyer and seller, the driver
18 license number or social security number of the seller, the make and
19 model of the vehicle, and the public vehicle identification number.
20 If there is no public vehicle identification number, the vehicle
21 shall be inspected by a law enforcement officer to verify the
22 absence of the number on the vehicle and the prescribed ownership
23 form shall include a signed statement, by such officer, verifying
24 the absence of the number.

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

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

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

23 T. When registering for the first time in this state a
24 remanufactured vehicle which has not been registered in any other

1 state since its remanufacture, before issuing a certificate of
2 title, the Tax Commission shall require the applicant to deliver a
3 statement of origin from the remanufacturer.

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

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

22 SECTION 2. AMENDATORY 47 O.S. 2021, Section 1107, is
23 amended to read as follows:

24

1 Section 1107. A. In the event of the sale or transfer of the
2 ownership of a vehicle for which a certificate of title has been
3 issued as provided by Section 1105 of this title, the holder of such
4 certificate shall endorse on the back of same a complete assignment
5 thereof with warranty of title in form printed thereon with a
6 statement of all liens or encumbrances on the vehicle, sworn to
7 before a notary public or some other person authorized by law to
8 take acknowledgments, and deliver same to the purchaser or
9 transferee at the time of delivery to the purchaser or transferee of
10 the vehicle; provided, a transfer of the ownership of a vehicle to
11 an insurer resulting from the settlement of a total loss claim shall
12 not require a notarized signature on the certificate of title. In
13 the event that any other documents required for a transfer of the
14 ownership of a vehicle to an insurer resulting from the settlement
15 of a total loss claim require a notarized signature, such documents
16 shall be permitted to be signed electronically pursuant to Section
17 15-109 of Title 12A of the Oklahoma Statutes in lieu of such
18 requirement. The purchaser or transferee, unless such person is a
19 bona fide used motor vehicle dealer licensed by this state, a retail
20 implement dealer in connection with the purchase or transfer of off-
21 road vehicles or a charitable organization shall, within thirty (30)
22 days from the time of delivery to the purchaser or transferee of the
23 vehicle, present the assigned certificate of title and the insurance
24 security verification to the vehicle to the Oklahoma Tax Commission,

1 or one of its motor license agents, accompanied by a fee of Eleven
2 Dollars (\$11.00), together with any motor vehicle excise tax or
3 license fee that may be due, whereupon a new certificate of title,
4 shall be issued to the assignee. One Dollar (\$1.00) of each fee
5 shall be deposited in the Oklahoma Tax Commission Reimbursement
6 Fund. Any charitable organization utilizing the exemption
7 authorized by this subsection shall receive training as prescribed
8 by the Oklahoma Used Motor Vehicle and Parts Commission.

9 B. A licensed dealer, a retail implement dealer in connection
10 with the sale or disposal of off-road vehicles or a charitable
11 organization shall, on selling or otherwise disposing of a vehicle,
12 execute and deliver to the purchaser thereof the certificate of
13 title properly and completely reassigned. Thereupon, the purchaser
14 of the vehicle shall present the reassigned certificate to the
15 Commission, or a motor license agent, accompanied by a fee of Eleven
16 Dollars (\$11.00), and any motor vehicle excise tax or license fee
17 that may be due, whereupon a new certificate of title will be issued
18 to the purchaser. One Dollar (\$1.00) of each fee shall be deposited
19 in the Oklahoma Tax Commission Reimbursement Fund. The certificate,
20 when so assigned and returned to the Commission, together with any
21 subsequent assignment or reissue thereof, shall be appropriately
22 filed and indexed so that at all times it will be possible to trace
23 title to the vehicle designated therein. Provided, when the
24 ownership of any motor vehicle shall pass by operation of law, the

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

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

14 SECTION 3. This act shall become effective November 1, 2022.

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16 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 04/06/2022 - DO
17 PASS.

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