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April 4, 2023

ENGROSSED HOUSE
BILL NO. 1390

By: Bashore and Alonso-Sandoval
of the House

and

Hall of the Senate

An Act relating to motor vehicles; amending 47 O.S. 2021, Sections 1137.1, as amended by Section 170, Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1137.1) and 1137.3, as amended by Section 172, Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1137.3), which relate to motor vehicle registration and licensing after purchase; extending expiration date of temporary license plate; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 1137.1, as amended by Section 170, Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1137.1), is amended to read as follows:

Section 1137.1 A. Except for vehicles, travel trailers or commercial trailers which display a current Oklahoma license tag, upon the purchase or transfer of ownership of a used motor vehicle, travel trailer or commercial trailer, including an out-of-state purchase or transfer of the same, to a licensed used motor vehicle dealer, wholesale used motor vehicle dealer, used travel trailer

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

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

12 C. Upon sale or transfer of ownership of the used motor vehicle
13 or travel trailer, the dealer shall place upon the reassignment
14 portion of the certificate of title a tax stamp issued by the county
15 treasurer of the county in which the dealer has his or her primary
16 place of business. The tax stamp shall be issued upon payment of a
17 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of
18 the dealer's ad valorem tax on the inventories of used motor
19 vehicles or travel trailers but shall not relieve any other property
20 of the dealer from ad valorem taxation.

21 D. Upon sale of a used motor vehicle or travel trailer to
22 another licensed dealer, the selling dealer shall place the tax
23 stamp required in subsection C of this section upon the certificate
24 of title. The used dealer license plate or wholesale dealer license

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

12 E. The purchaser of every used motor vehicle, travel trailer or
13 commercial trailer, except as otherwise provided by law, shall
14 obtain registration and title for the vehicle or trailer within
15 ~~thirty (30)~~ sixty (60) days from the date of purchase of same. It
16 shall be the responsibility of the selling dealer to place a
17 temporary license plate, in size similar to the permanent Oklahoma
18 license plate but of a weatherproof plastic-impregnated substance
19 approved by the Used Motor Vehicle and Parts Commission, upon a used
20 motor vehicle, travel trailer or commercial trailer when a
21 transaction is completed for the sale of said vehicle. The
22 temporary license plate under this subsection shall be placed at the
23 location provided for the permanent motor vehicle license plate.
24 The temporary license plate shall show the license number which is

1 issued to the dealer each year by Service Oklahoma or the Used Motor
2 Vehicle and Parts Commission, the date the used motor vehicle,
3 travel trailer or commercial trailer was purchased and the company
4 name of the selling dealer. The Used Motor Vehicle and Parts
5 Commission is hereby directed to develop the temporary license plate
6 design to incorporate these requirements in a manner that will
7 permit law enforcement personnel to readily identify the dealer
8 license number and date of the vehicle purchase. The Used Motor
9 Vehicle and Parts Commission is hereby authorized to develop
10 additional requirements and parameters as deemed appropriate to
11 discourage or prevent illegal duplication and use of the temporary
12 license plate. Such temporary license plate shall be valid for a
13 period of ~~thirty (30)~~ sixty (60) days from the date of purchase.
14 Use of the temporary license by a dealer for other than the purposes
15 set forth herein shall constitute grounds for revocation of the
16 dealer's license to conduct business. Purchasers of a commercial
17 trailer shall affix the temporary license plate to the rear of the
18 commercial trailer. The purchaser shall display the temporary
19 license plate for a period not to exceed ~~thirty (30)~~ sixty (60) days
20 or until registration and title are obtained as provided in this
21 section.

22 The provisions of this subsection on temporary licenses shall
23 apply to nonresidents who purchase a used motor vehicle, travel
24 trailer or commercial trailer within this state that is to be

1 licensed in another state. The nonresident purchaser shall be
2 allowed to operate the vehicle or trailer within the state with a
3 temporary license plate for a period not to exceed ~~thirty (30)~~ sixty
4 (60) days from date of purchase. Any nonresident purchaser found to
5 be operating a used motor vehicle, travel trailer or commercial
6 trailer within this state after ~~thirty (30)~~ sixty (60) days shall be
7 subject to the registration fees of this state upon the same terms
8 and conditions applying to residents of this state.

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

16 G. Dealers following the procedure set forth herein shall not
17 be required to register vehicles, travel trailers or commercial
18 trailers to which this section applies, nor will the registration
19 fee otherwise required be assessed. Provided, dealers shall not
20 purchase or trade for a used motor vehicle, travel trailer or
21 commercial trailer on which the registration therefor has been
22 expired for a period exceeding ~~thirty (30)~~ sixty (60) days without
23 obtaining current registration therefor.

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

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

19 SECTION 2. AMENDATORY 47 O.S. 2021, Section 1137.3, as
20 amended by Section 172, Chapter 282, O.S.L. 2022 (47 O.S. Supp.
21 2022, Section 1137.3), is amended to read as follows:

22 Section 1137.3 The purchaser of every new motor vehicle, travel
23 trailer or commercial trailer shall register or license the same
24 within ~~thirty (30)~~ sixty (60) days from the date of purchase. It

1 shall be the responsibility of the selling dealer to place a
2 temporary license plate, in size similar to the permanent Oklahoma
3 license plate but of a weatherproof plastic-impregnated substance
4 approved by the Oklahoma Motor Vehicle Commission, upon a new motor
5 vehicle, travel trailer or commercial trailer when a transaction is
6 completed for the sale of said vehicle or trailer. Except for cab
7 and chassis trucks, the temporary license plate under this section
8 shall be placed at the location provided for the permanent motor
9 vehicle license plate. The purchaser of a new cab and chassis truck
10 may place the temporary license plate under this section in the rear
11 window. Said temporary license plate shall show the dealer's
12 license number which is issued to him or her each year by Service
13 Oklahoma, the date the new motor vehicle, travel trailer or
14 commercial trailer was purchased and the company name of the selling
15 dealer. The Oklahoma Motor Vehicle Commission is hereby directed to
16 develop a temporary license plate design to incorporate these
17 requirements in a manner that will permit law enforcement personnel
18 to readily identify the dealer license number and date of the
19 vehicle purchase. The Motor Vehicle Commission is further
20 authorized to develop additional requirements and parameters
21 designed to discourage or prevent illegal duplication and use of the
22 temporary license plate. On or before ~~thirty (30)~~ sixty (60) days
23 from the date of purchase of a new motor vehicle, travel trailer or
24 commercial trailer, said temporary license plate shall be removed

1 and replaced with a permanent, current Oklahoma license plate. Use
2 of said temporary license plate by a licensed dealer for other than
3 the purpose of normally doing business shall constitute grounds for
4 revocation of the dealer's license.

5 It shall be unlawful for any licensed dealer of new motor
6 vehicles, travel trailers or commercial trailers to procure the
7 registration and licensing of any new motor vehicle, travel trailer
8 or commercial trailer sold by such licensed dealer or to act as the
9 agent for such purchaser in the procurement of said registration and
10 licensing. The license of any licensed dealer of new motor
11 vehicles, travel trailers or commercial trailers violating the
12 provisions of this section shall be revoked.

13 SECTION 3. This act shall become effective November 1, 2023.
14 COMMITTEE REPORT BY: COMMITTEE ON AERONAUTICS AND TRANSPORTATION
15 April 4, 2023 - DO PASS
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