

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 HOUSE BILL 3886

By: Ford

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5  
6 AS INTRODUCED

7 An Act relating to motor vehicles; requiring the  
8 development, management, and maintenance of certain  
9 license plate database; allowing for certain use by  
10 law enforcement; requiring dealers enter certain  
11 information into database; requiring completion of  
12 certain form; requiring dealers maintain Internet  
13 access; requiring completion of certain form by  
14 certain time; requiring certain forms contain notice;  
15 requiring buyers retain certain form in vehicle;  
16 authorizing Service Oklahoma to promulgate rules;  
17 allowing for the promulgation of rules regarding  
18 issuance of certain license plates; providing  
19 criteria for issuance of certain license plates;  
20 allowing certain additional license plates be issued;  
21 allowing certain evidence be presented; requiring  
22 certain notice; providing for certain denial of  
23 access to database; providing for certain hearing;  
24 amending 47 O.S. 2021, Sections 1137.1, as last  
amended by Section 1, Chapter 262, O.S.L. 2023, and  
1137.3, as last amended by Section 2, Chapter 262,  
O.S.L. 2023 (47 O.S. Supp. 2023, Sections 1137.1 and  
1137.3), which relate to new and used dealer  
temporary license plates; requiring the completion of  
certain form; modifying description of certain  
license plate; requiring certain approval of design;  
stating requirements for certain license plate;  
authorizing development of additional design  
requirements; providing for manner to obtain certain  
license plates; providing for distribution; providing  
for certain fees; providing for deposit of fee;  
requiring distribution of sufficient number of  
certain license plates; providing for certain  
emergency procedure for issuance; authorizing the  
promulgation of certain rules; providing for  
codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1137.4 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Service Oklahoma shall develop, manage, and maintain a secure, real-time database of information on buyers to whom motor vehicle dealers issue a temporary license plate pursuant to Sections 1137.1 and 1137.3 of Title 47 of the Oklahoma Statutes. The database shall be used by a law enforcement agency in the same manner that the agency uses vehicle registration information. The database shall allow law enforcement agencies to obtain information from the database about the person and vehicle to whom the temporary license plate was issued.

B. Except as provided by subsection C of this section, before a temporary license plate is issued pursuant to Section 1137.1 or 1137.3 of Title 47 of the Oklahoma Statutes may be displayed on a vehicle, a dealer shall, as prescribed by Service Oklahoma:

1. Enter information into the database through the Internet about the buyer of the vehicle for which the temporary license plate was issued. The information entered into the database shall include, but may not be limited to, buyer's identifying information,

1 the dealer's license number which is issued to him or her each year  
2 by Service Oklahoma, the unique number of the temporary license  
3 plate, the date the new or used motor vehicle was purchased, the  
4 type of motor vehicle, and the company name of the selling dealer;  
5 and

6 2. Complete and sign a form prescribed by Service Oklahoma  
7 stating that the dealer entered the buyer's information into the  
8 database as required by paragraph 1 of this subsection. A copy of  
9 this form shall be provided to the buyer.

10 C. A dealer shall obtain twenty-four-hour Internet access at  
11 its place of business, but if the dealer is unable to access the  
12 Internet at the time of the sale of a vehicle, the dealer shall  
13 complete and sign a form, as prescribed by Service Oklahoma, that  
14 states the dealer has Internet access, but was unable to access the  
15 Internet at the time of sale to enter the buyer's information into  
16 the database as required by subsection B of this section. The  
17 dealer shall submit the information required by subsection B of this  
18 section no later than the next business day after the time of sale.  
19 A copy of this form shall be provided to the buyer.

20 D. 1. The forms prescribed by Service Oklahoma under  
21 subsections B and C of this section shall contain a notice to the  
22 buyer describing the procedure by which the buyer shall register the  
23 vehicle.

1           2. Until a vehicle displaying a temporary license plate issued  
2 under Section 1137.1 or 1137.3 of Title 47 of the Oklahoma Statutes  
3 is registered to the buyer, the buyer shall keep in the vehicle the  
4 original copy of the form provided by the dealer as required by, as  
5 applicable, subsection B or C of this section.

6           E. Service Oklahoma is authorized to promulgate rules to  
7 effectuate the provisions of this section.

8           SECTION 2.           NEW LAW           A new section of law to be codified  
9 in the Oklahoma Statutes as Section 1137.5 of Title 47, unless there  
10 is created a duplication in numbering, reads as follows:

11           A. Service Oklahoma, in consultation with the Oklahoma New  
12 Motor Vehicle Commission or the Oklahoma Used Motor Vehicle and  
13 Parts Commission, as applicable, may establish by administrative  
14 rule the maximum number of temporary license plates that a dealer  
15 may obtain in a calendar year under Sections 1137.1 and 1137.3 of  
16 this title. The number of temporary license plates a dealer  
17 receives shall be monitored.

18           B. The maximum number of temporary license plates a dealer may  
19 obtain pursuant to this section shall be based on the dealer's  
20 anticipated need for temporary license plates, taking into  
21 consideration:

- 22           1. The dealer's:
- 23               a. time in operation,
  - 24               b. sales data, and
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1 c. expected growth;

2 2. Expected changes in the dealer's market;

3 3. Temporary conditions that may affect sales by the dealer;

4 and

5 4. Any other information determined to be relevant.

6 C. At the request of a dealer, additional temporary license  
7 plates may be authorized for the dealer if the dealer demonstrates a  
8 need for additional temporary license plates resulting from business  
9 operations, including anticipated need.

10 D. A denial of a request pursuant to subsection C of this  
11 section may be overturned if a dealer shows by a preponderance of  
12 evidence the need for additional temporary license plates.

13 E. Service Oklahoma, the Oklahoma New Motor Vehicle Commission,  
14 or the Oklahoma Used Motor Vehicle and Parts Commission may deny a  
15 dealer access to the database of temporary license plates if it is  
16 determined that a dealer is fraudulently obtaining temporary license  
17 plates or fraudulently using the database of temporary license  
18 plates. After sending notice electronically and by certified mail  
19 to the dealer, the dealer may be denied access to the database of  
20 temporary license plates to the dealer. A dealer denied access to  
21 the database of temporary license plates under this subsection may  
22 request a hearing on the denial.

1 SECTION 3. AMENDATORY 47 O.S. 2021, Section 1137.1, as  
2 last amended by Section 1, Chapter 262, O.S.L. 2023 (47 O.S. Supp.  
3 2023, Section 1137.1), is amended to read as follows:

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

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

21 C. Upon sale or transfer of ownership of the used motor vehicle  
22 or travel trailer, the dealer shall place upon the reassignment  
23 portion of the certificate of title a tax stamp issued by the county  
24 treasurer of the county in which the dealer has his or her primary  
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1 place of business. The tax stamp shall be issued upon payment of a  
2 fee of Three Dollars and fifty cents (\$3.50) and shall be in lieu of  
3 the dealer's ad valorem tax on the inventories of used motor  
4 vehicles or travel trailers but shall not relieve any other property  
5 of the dealer from ad valorem taxation.

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

21 E. 1. The purchaser of every used motor vehicle, travel  
22 trailer or commercial trailer, except as otherwise provided by law,  
23 shall obtain registration and title for the vehicle or trailer  
24 within two (2) months from the date of purchase of same. It shall  
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1 be the responsibility of the selling dealer to obtain a completed  
2 and signed form required by subsection B or C, as applicable, of  
3 Section 1 of this act and to place a temporary license plate, in  
4 ~~size similar to the permanent Oklahoma license plate but of a~~  
5 ~~weatherproof plastic impregnated substance approved by the Oklahoma~~  
6 ~~Used Motor Vehicle and Parts Commission,~~ in consultation with  
7 Service Oklahoma, upon a used motor vehicle, travel trailer or  
8 commercial trailer when a transaction is completed for the sale of  
9 said vehicle. The temporary license plate under this subsection  
10 shall be made of metal and shall be of the same size as a permanent  
11 motor vehicle license plate, but its design shall clearly indicate  
12 its temporary nature. The temporary license plate shall be placed  
13 at the location provided for the permanent motor vehicle license  
14 plate. The temporary license plate shall ~~show the license number~~  
15 ~~which is issued to the dealer each year by Service Oklahoma or the~~  
16 ~~Used Motor Vehicle and Parts Commission, the date the used motor~~  
17 ~~vehicle, travel trailer or commercial trailer was purchased and the~~  
18 ~~company name of the selling dealer~~ contain a unique combination of  
19 letters and numbers. The Oklahoma Used Motor Vehicle and Parts  
20 Commission, in consultation with Service Oklahoma, is hereby  
21 directed to develop the temporary license plate design to  
22 incorporate ~~these~~ the requirements of this subsection in a manner  
23 that will permit law enforcement personnel to readily identify the  
24 ~~dealer license number and date of the vehicle purchase~~ plate as a

1 temporary license plate and search the plate in the database created  
2 in Section 1 of this act. The Used Motor Vehicle and Parts  
3 Commission ~~is~~ and Service Oklahoma are hereby authorized to develop  
4 additional requirements and parameters as deemed appropriate to  
5 discourage or prevent illegal duplication and use of the temporary  
6 license plate. Such temporary license plate shall be valid for a  
7 period of two (2) months from the date of purchase. Use of the  
8 temporary license plate by a dealer for other than the purposes set  
9 forth herein shall constitute grounds for revocation of the dealer's  
10 license to conduct business. Purchasers of a commercial trailer  
11 shall affix the temporary license plate to the rear of the  
12 commercial trailer. The purchaser shall display the temporary  
13 license plate for a period not to exceed two (2) months or until  
14 registration and title are obtained as provided in this section.

15 The provisions of this subsection regarding temporary ~~licenses~~  
16 license plates shall apply to nonresidents who purchase a used motor  
17 vehicle, travel trailer or commercial trailer within this state that  
18 is to be licensed in another state. The nonresident purchaser shall  
19 be allowed to operate the vehicle or trailer within the state with a  
20 temporary license plate for a period not to exceed two (2) months  
21 from date of purchase. Any nonresident purchaser found to be  
22 operating a used motor vehicle, travel trailer or commercial trailer  
23 within this state after two (2) months shall be subject to the  
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1 registration fees of this state upon the same terms and conditions  
2 applying to residents of this state.

3 2. A selling dealer shall obtain each temporary license plate  
4 from Service Oklahoma in a manner provided by Service Oklahoma and  
5 the Oklahoma Used Motor Vehicle and Parts Commission rules. Service  
6 Oklahoma shall distribute the temporary license plates to a dealer  
7 for a fee no more than the cost to produce the plate. The fee  
8 received shall be deposited in the Service Oklahoma Revolving Fund  
9 established pursuant to Section 3-106 of this title. The Oklahoma  
10 Used Motor Vehicle and Parts Commission and Service Oklahoma shall  
11 ensure that a dealer may obtain, in advance, a sufficient amount of  
12 temporary license plates in order to continue selling vehicles  
13 without an unreasonable disruption of business due to the  
14 unavailability of temporary license plates. The Commission and  
15 Service Oklahoma shall establish an expedited procedure to allow a  
16 dealer to obtain additional temporary license plates so the dealer  
17 may remain in business.

18 3. A dealer shall charge a motor vehicle buyer a fee equal to  
19 the fee of which Service Oklahoma issued the plate to the selling  
20 dealer.

21 4. Service Oklahoma and the Commission are authorized to  
22 promulgate rules to effectuate the provisions of this subsection.

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

6 G. Dealers following the procedure set forth herein shall not  
7 be required to register vehicles, travel trailers or commercial  
8 trailers to which this section applies, nor will the registration  
9 fee otherwise required be assessed. Provided, dealers shall not  
10 purchase or trade for a used motor vehicle, travel trailer or  
11 commercial trailer on which the registration therefor has been  
12 expired for a period exceeding two (2) months without obtaining  
13 current registration therefor.

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

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

8 SECTION 4. AMENDATORY 47 O.S. 2021, Section 1137.3, as  
9 last amended by Section 2, Chapter 262, O.S.L. 2023 (47 O.S. Supp.  
10 2023, Section 1137.3), is amended to read as follows:

11 Section 1137.3 A. The purchaser of every new motor vehicle,  
12 travel trailer or commercial trailer shall register or license the  
13 same within two (2) months from the date of purchase. It shall be  
14 the responsibility of the selling dealer to obtain a completed and  
15 signed form required by subsection B or C, as applicable, of Section  
16 1 of this act and to place a temporary license plate, in size  
17 ~~similar to the permanent Oklahoma license plate but of a~~  
18 ~~weatherproof plastic-impregnated substance approved by the Oklahoma~~  
19 New Motor Vehicle Commission, in consultation with Service Oklahoma,  
20 upon a new motor vehicle, travel trailer or commercial trailer when  
21 a transaction is completed for the sale of said vehicle or trailer.  
22 The temporary license plate shall be made of metal and shall be of  
23 the same size as a permanent motor vehicle license plate, and its  
24 design shall clearly indicate its temporary nature. Except for cab  
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1 and chassis trucks, the temporary license plate under this section  
2 shall be placed at the location provided for the permanent motor  
3 vehicle license plate. The purchaser of a new cab and chassis truck  
4 may place the temporary license plate under this section in the rear  
5 window. Said temporary license plate shall ~~show the dealer's~~  
6 ~~license number which is issued to him or her each year by Service~~  
7 ~~Oklahoma, the date the new motor vehicle, travel trailer or~~  
8 ~~commercial trailer was purchased and the company name of the selling~~  
9 ~~dealer~~ contain a unique combination of letters and numbers. The  
10 Oklahoma New Motor Vehicle Commission, in consultation with Service  
11 Oklahoma, is hereby directed to develop a temporary license plate  
12 design to incorporate these requirements in a manner that will  
13 permit law enforcement personnel to readily identify ~~the dealer~~  
14 ~~license number and date of the vehicle purchase~~ the plate as a  
15 temporary license plate and search the plate in the database created  
16 in Section 1 of this act. The Motor Vehicle Commission, in  
17 consultation with Service Oklahoma, is further authorized to develop  
18 additional requirements and parameters designed to discourage or  
19 prevent illegal duplication and use of the temporary license plate.  
20 On or before two (2) months from the date of purchase of a new motor  
21 vehicle, travel trailer or commercial trailer, said temporary  
22 license plate shall be removed and replaced with a permanent,  
23 current Oklahoma license plate. Use of said temporary license plate  
24 by a licensed dealer for other than the purpose of normally doing

1 business shall constitute grounds for revocation of the dealer's  
2 license.

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

11 B. 1. A dealer shall obtain each temporary license plate from  
12 Service Oklahoma in a manner provided by Service Oklahoma and the  
13 Oklahoma New Motor Vehicle Commission rules. Service Oklahoma shall  
14 distribute the temporary license plates to a dealer for a fee no  
15 more than the cost to produce the plate. The fee received shall be  
16 deposited in the Service Oklahoma Revolving Fund established  
17 pursuant to Section 3-106 of this title. The Oklahoma New Motor  
18 Vehicle Commission and Service Oklahoma shall ensure that a dealer  
19 may obtain, in advance, a sufficient amount of temporary license  
20 plates in order to continue selling vehicles without an unreasonable  
21 disruption of business due to the unavailability of license plates.  
22 The Commission and Service Oklahoma shall establish an expedited  
23 procedure to allow a dealer to obtain additional temporary license  
24 plates so the dealer may remain in business.

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2. A dealer shall charge a motor vehicle buyer a fee equal to the fee of which Service Oklahoma issued the plate to the dealer.

3. The Commission and Service Oklahoma are authorized to promulgate rules to effectuate the provisions of this subsection.

SECTION 5. This act shall become effective July 1, 2026.

59-2-8436            JBH            01/10/24