

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2882 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Adopted: \_\_\_\_\_

Amendment submitted by: Mark Chapman \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 PROPOSED POLICY  
4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2882

By: Chapman

7  
8 PROPOSED POLICY COMMITTEE SUBSTITUTE

9 An Act relating to motor vehicles; amending 47 O.S.  
10 2021, Section 1111, as amended by Section 123,  
11 Chapter 282, O.S.L. 2022 (47 O.S. Supp. 2024, Section  
12 1111), which relates to salvaged titles; requiring  
13 filing of certain affidavit; requiring certain form  
14 be prescribed; requiring collection of certain  
15 information; requiring the posting of certain sign;  
16 authorizing the promulgation of certain rules; and  
17 providing an effective date.

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

19 SECTION 1. AMENDATORY 47 O.S. 2021, Section 1111, as  
20 amended by Section 123, Chapter 282, O.S.L. 2022 (47 O.S. Supp.  
21 2024, Section 1111), is amended to read as follows:

22 Section 1111. A. As used in this section:

23 1. "Loss" means the cost, in dollars, to repair or replace a  
24 vehicle which has been damaged by collision or other occurrence.  
The amount paid by an insurer to a holder of the certificate of  
title for repair of a damaged vehicle shall be prima facie evidence

1 of the amount of the loss. The amount paid by an insurer to a  
2 holder of the certificate of title for replacement of a damaged  
3 vehicle less the resale value of the damaged vehicle shall be prima  
4 facie evidence of the amount of the loss;

5 2. "Fair market value" means the value of a vehicle as listed  
6 in the current National Auto Dealers Association guidebook or other  
7 similar guidebook or the actual cash value, whichever is greater;

8 3. "Resale value" means the amount, in dollars, paid to the  
9 holder of a certificate of title by a willing buyer for a vehicle  
10 damaged by collision or other occurrence or recovered from theft;

11 4. "Total loss" means a loss which is equal to the fair market  
12 value of the vehicle immediately prior to the damage to or theft of  
13 the vehicle; and

14 5. "Vehicle" means a vehicle, as defined in paragraph 40 of  
15 Section 1102 of this title, manufactured within the last ten (10)  
16 model years.

17 B. Any insurance company that pays a total loss on a claim for  
18 any vehicle including, but not limited to, a flood-damaged vehicle  
19 or recovered-theft vehicle, any junk dealer who receives a motor  
20 vehicle which is to be used for junk or for parts, or any other  
21 person permanently dismantling or junking a vehicle shall receive  
22 the certificate of title from the current holder of the certificate  
23 of title, shall detach the license plate from the vehicle, and shall  
24 return the license plate and the certificate of title to Service

1 Oklahoma or a licensed operator within thirty (30) days from receipt  
2 of the certificate, or insurance companies may provide alternate  
3 documentation within thirty (30) days pursuant to subsection P of  
4 Section 1105 of this title. Service Oklahoma shall cancel the  
5 certificate of title to the vehicle used for junk or parts and shall  
6 preserve the vehicle identification numbers on the certificate of  
7 title in the computer files for at least five (5) years. No  
8 certificate of title may be reissued on a junked vehicle as defined  
9 in Section 1105 of this title, unless reissued pursuant to paragraph  
10 3 of subsection C of this section. Service Oklahoma shall transfer  
11 ownership of a stolen vehicle, not recovered from theft at the time  
12 of transfer, by salvage or unrecovered-theft title to the insurer.  
13 Service Oklahoma shall transfer ownership of a vehicle damaged by  
14 flooding or other occurrence to the insurer by an original title,  
15 salvage title, or junked title, as may be appropriate, based upon an  
16 estimate of the amount of loss submitted by the insurer. All  
17 license plates surrendered to Service Oklahoma shall be destroyed.

18 C. 1. If an insurance company pays a claim for a loss which is  
19 less than a total loss but the cost of repairing the vehicle for  
20 safe operation on the highway exceeds sixty percent (60%) of the  
21 fair market value of the vehicle, or if any vehicle not insured is  
22 damaged to the extent that the cost of repair for safe operation on  
23 the highway exceeds sixty percent (60%) of the fair market value of  
24 the vehicle, any holder of the certificate of title for the vehicle

1 shall return the certificate of title to Service Oklahoma or a  
2 licensed operator within thirty (30) days from receipt of payment  
3 for the loss.

4 2. Upon receipt of the certificate, Service Oklahoma or the  
5 licensed operator shall issue a salvage title for the vehicle. The  
6 title for any vehicle damaged by flooding shall be stamped with the  
7 words "Flood Damaged", and for any such vehicle which was recovered  
8 from a theft, the salvage title or rebuilt title shall be stamped  
9 with the words "Recovered Theft". A licensed dealer subject to the  
10 provisions of the Automotive Dismantlers and Parts Recycler Act,  
11 Section 591.1 et seq. of this title, shall not be required to pay  
12 registration fees, excise taxes, back taxes, or penalties on a  
13 vehicle as a prerequisite to obtaining a salvage title.

14 3. If the actual documented cost of repairing the vehicle for  
15 safe operation on the highway does not exceed sixty percent (60%) of  
16 the fair market value of the vehicle as defined in this section, the  
17 certificate of title shall be reissued to the holder and the vehicle  
18 shall not be subject to inspection as required under this section.  
19 The actual documented cost of repairing the vehicle pursuant to this  
20 paragraph shall be certified by the insurance company paying the  
21 loss.

22 D. If a motor vehicle with a salvage title is placed in  
23 operative condition, application shall be made to Service Oklahoma  
24 or a licensed operator for a rebuilt title. A visual inspection of

1 the vehicle and examination of the vehicle identification numbers  
2 shall be conducted prior to the issuance of a rebuilt title. At the  
3 time of issuance, the salvage title shall be returned to Service  
4 Oklahoma by the owner, or by the licensed operator if the licensed  
5 operator issues the rebuilt title. A visual inspection shall also  
6 be made of any out-of-state vehicle to be registered and titled in  
7 this state if the vehicle is within the class of vehicles for which  
8 a rebuilt title is required and a similar inspection has not been  
9 conducted by another state. The certificate of title for the  
10 rebuilt vehicle shall be stamped with the words, "This Rebuilt  
11 Vehicle Has Been Inspected by the Appropriate State Official."

12 E. 1. The visual inspections and examination of vehicle  
13 identification numbers shall include, but not be limited to:

- 14 a. comparison of the vehicle identification numbers with  
15 the number recorded on the ownership records,
- 16 b. inspection of the vehicle identification numbers and  
17 the VIN plate to detect possible alteration or other  
18 fraud,
- 19 c. interpretation of the vehicle identification number  
20 recorded on the ownership documents to assure that it  
21 accurately describes the motor vehicle in question,  
22 and
- 23 d. inspection of the odometer of the vehicle to detect  
24 rollback or alteration.

1           2. All vehicle damage shall be repaired before the examination  
2 is conducted. The following paperwork shall be presented to the  
3 licensed operator: the salvage title and original receipts  
4 substantiating proof of repair for all parts placed on the vehicle.  
5 When applying for a rebuilt title, the owner of such vehicle shall  
6 file an affidavit with Service Oklahoma or the licensed operator  
7 stating that all repairs of damage have been performed and provide  
8 corresponding receipts. The form of the affidavit shall be  
9 prescribed by Service Oklahoma. The licensed operator shall collect  
10 the affidavit and documentation and include it in the documentation  
11 maintained by Service Oklahoma for the vehicle to qualify for a  
12 rebuilt title. Licensed operators shall conspicuously post a sign  
13 that states the penalties related to knowingly falsifying statements  
14 in an affidavit pursuant to Section 85 of Title 16 of the Oklahoma  
15 Statutes. Components such as doors, motor, and transmission shall  
16 indicate the serial number or the vehicle identification number  
17 (VIN) of the auto the part was purchased from or removed from.  
18 Service Oklahoma is authorized to promulgate any necessary rules to  
19 develop training for its employees or licensed operators to ensure  
20 accurate interpretation.

21           F. The visual inspection and vehicle identification numbers  
22 examination shall be performed by a licensed operator at the  
23 location designated by the licensed operator. If the location of  
24 the inspection is not the place of business of the rebuilder, the

1 licensed operator shall issue a permit authorizing the applicant to  
2 operate the vehicle upon the public streets, roads, and highways in  
3 route to and from the designated location for the inspection. The  
4 inspection and examination shall be performed within ten (10)  
5 working days after the owner of the vehicle requests the inspection  
6 and examination. Requests shall be made by completing the request  
7 form prescribed and provided by Service Oklahoma.

8 G. Inspection and examination of a rebuilt vehicle shall be  
9 performed by a person employed by a licensed operator.

10 H. The fee for the examination by the licensed operator shall  
11 be Twenty-five Dollars (\$25.00), which shall be paid at the time of  
12 issuance of the certificate of title for the rebuilt vehicle. The  
13 licensed operator shall retain Five Dollars (\$5.00) and shall remit  
14 Twenty Dollars (\$20.00) to the Tax Commission which shall retain Ten  
15 Dollars (\$10.00) and transmit Ten Dollars (\$10.00) to the State  
16 Treasurer for deposit in the Department of Public Safety Revolving  
17 Fund through December 31, 2022. Beginning January 1, 2023, the  
18 licensed operator shall retain Five Dollars (\$5.00) and shall remit  
19 Twenty Dollars (\$20.00) to the Tax Commission which shall retain Ten  
20 Dollars (\$10.00) and transmit Ten Dollars (\$10.00) to the State  
21 Treasurer for deposit in the Service Oklahoma Revolving Fund. The  
22 licensed operator and its employees and agents may not be sued for  
23 and shall not be liable for any damages allegedly arising out of the  
24 inspection of a vehicle or any acts or omissions in the performance



1 of the inspection. The licensed operator may be held liable for any  
2 damages to the vehicle caused by the negligent acts or omissions in  
3 the performance of the inspection. Any person may be liable for any  
4 damages to a vehicle caused by the intentional acts or omissions in  
5 the performance of the inspection.

6 I. The rebuilt title and any subsequent transfers of such title  
7 shall also reflect that the vehicle was a salvage vehicle, flood-  
8 damaged vehicle or recovered-theft vehicle, if applicable, and also  
9 shall include the salvage date.

10 J. Any title for a motor vehicle issued pursuant to the laws of  
11 any other state which reflects that such vehicle is a salvage  
12 vehicle, a rebuilt vehicle or a junked vehicle or has any other  
13 brand or classification notation by that state shall be retained on  
14 the new title issued by Service Oklahoma unless the actual  
15 documented cost of repairing the vehicle for safe operation on the  
16 highway does not exceed sixty percent (60%) of the fair market value  
17 of the vehicle as provided by this section.

18 K. When the insurance company pays a loss on a vehicle which is  
19 registered at the time of mishap, accident, burning, or flooding,  
20 the appropriate certificate of title shall be issued without the  
21 payment of additional registration fees or excise taxes, upon the  
22 submission of a police report or insurance adjuster's report and a  
23 declaration by the insurer that the vehicle is held for sale to a  
24 dealer. If the owner of the vehicle or other insured retains

1 ownership of the damaged vehicle, Service Oklahoma shall notify the  
2 owner or insured of the requirements of this section.

3 L. Any insurance company that pays a claim for a loss where the  
4 cost of repairing the vehicle for safe operation on the highway  
5 exceeds sixty percent (60%) of the market value of the vehicle or  
6 pays a claim for a flood-damaged vehicle as defined in Section 1105  
7 of this title shall notify, in writing, the holder of the  
8 certificate of title of the requirements of this section and shall  
9 notify Service Oklahoma of the payment of such claim. The notice  
10 shall include the estimated total damage percentage determination of  
11 the actual cash value made by the insurance company to repair the  
12 vehicle for safe operation on the highway. The insurance company  
13 shall also send a copy of the notification to the holder of the  
14 title. Service Oklahoma shall provide notice to the owner of the  
15 vehicle in writing requiring the owner to surrender the title along  
16 with the fee to Service Oklahoma or one of its licensed operators  
17 within thirty (30) days from the receipt of notice for the issuance  
18 of the appropriate title based on the amount of loss. Service  
19 Oklahoma shall reissue the appropriate title with the words "Flood  
20 Damaged" on the face of the title in the case of a flood-damaged  
21 vehicle; provided, no insurance company shall pay a claim for less  
22 than the amount to which the holder of the certificate of title is  
23 rightfully entitled in order to avoid compliance with this section.

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1 M. Except as provided for in subsection N of this section, any  
2 person, firm, corporation, or other legal entity convicted of  
3 violating any provision of this section shall be guilty of a  
4 misdemeanor and shall be punished by a fine of not less than Three  
5 Hundred Dollars (\$300.00) or by incarceration in the county jail for  
6 not more than six (6) months, or by both the fine and incarceration.

7 N. Any owner of a titled vehicle who has knowledge that the  
8 title is not the proper type for the vehicle and, with intent to  
9 misrepresent the vehicle, fails to make the appropriate title  
10 changes, shall be guilty of a misdemeanor. Any person who has  
11 knowledge that the title is not the proper type for the vehicle, and  
12 with intent to misrepresent the vehicle, buys or receives any  
13 vehicle for which the appropriate title changes have not been made  
14 as required by this act shall be guilty of a misdemeanor. Any  
15 person found guilty in accordance with the provisions of this  
16 subsection shall be punished by a fine of not more than One Thousand  
17 Dollars (\$1,000.00) for the first offense or Five Thousand Dollars  
18 (\$5,000.00) for the second or subsequent offense, or by imprisonment  
19 in the county jail for a term not exceeding six (6) months, or by  
20 both such fine and imprisonment.

21 O. Any owner of a salvage or junked vehicle shall submit the  
22 certificate of title to Service Oklahoma or the licensed operator  
23 for issuance of an appropriate title. Any holder of a certificate  
24 of title issued by this state, to a vehicle which no longer exists,

1 shall surrender the certificate of title to Service Oklahoma for  
2 cancellation. The vehicle identification number on the canceled  
3 certificate of title shall be preserved in the computer of Service  
4 Oklahoma for at least five (5) years.

5 Nothing in this section shall be construed to prevent the  
6 transfer of ownership of a vehicle by assignment of the title to a  
7 used car dealer, wholesale used car dealer, or a licensed automotive  
8 dismantler or parts recycler.

9 SECTION 2. This act shall become effective November 1, 2025.

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11 60-1-12634 JBH 02/19/25

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