

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 55th Legislature (2015)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 592

By: Anderson and Pittman of the
Senate

and

Grau of the House

11 COMMITTEE SUBSTITUTE

12 An Act relating to motor vehicles; amending 47 O.S.
13 2011, Section 583, as last amended by Section 11,
14 Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014, Section
15 583), which relates to licenses, fees, fines, and
16 bonds; deleting certain maximum fine; modifying
17 license renewals; changing licenses to two-year term
18 on certain date; phasing in license term changes;
19 doubling certain fees; requiring certain auctions to
20 remit certain fee; stating procedure; setting fees;
21 exempting governmental entities; amending 47 O.S.
22 2011, Sections 591.4, 591.5, 591.9, 591.10, 591.11
23 and 1137.1, which relate to fees, bid identification
24 cards, salvage pools, and temporary licenses;
deleting buyer identification cards; increasing
certain fees; modifying language; amending 47 O.S.
2011, Section 12-506, which relates to violation and
penalty of the Odometer Setting Act; modifying charge
and penalty; and providing an effective date.

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

1 SECTION 1. AMENDATORY 47 O.S. 2011, Section 583, as last
2 amended by Section 11, Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014,
3 Section 583), is amended to read as follows:

4 Section 583. A. 1. It shall be unlawful and constitute a
5 misdemeanor for any person to engage in business as, or serve in the
6 capacity of, or act as a used motor vehicle dealer, used motor
7 vehicle salesperson, wholesale used motor vehicle dealer,
8 manufactured home dealer, restricted manufactured home park dealer,
9 manufactured home salesperson, manufactured home installer, or
10 manufactured home manufacturer selling directly to a licensed
11 manufactured home dealer in this state without first obtaining a
12 license or following other requirements therefor as provided in this
13 section.

14 2. a. Any person engaging, acting, or serving in the
15 capacity of a used motor vehicle dealer and/or a used
16 motor vehicle salesperson, a manufactured home dealer,
17 restricted manufactured home park dealer, manufactured
18 home salesperson, a manufactured home installer, or a
19 manufactured home manufacturer, or having more than
20 one place where any such business, or combination of
21 businesses, is carried on or conducted shall be
22 required to obtain and hold a current license for each
23 such business, in which engaged.

24

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

1 b. A used motor vehicle dealer's license shall authorize
2 one person to sell without a salesperson's license in
3 the event such person shall be the owner of a
4 proprietorship, or the person designated as principal
5 in the dealer's franchise or the managing officer or
6 one partner if no principal person is named in the
7 franchise.

8 c. If after a hearing in accordance with the provisions
9 of Section 585 of this title, the Oklahoma Used Motor
10 Vehicle and Parts Commission shall find any person
11 installing a mobile or manufactured home to be in
12 violation of any of the provisions of this act, such
13 person may be subject to an administrative fine of not
14 more than Five Hundred Dollars (\$500.00) for each
15 violation. Each day a person is in violation of this
16 act may constitute a separate violation. ~~The maximum~~
17 ~~fine shall not exceed One Thousand Dollars~~
18 ~~(\$1,000.00).~~ All administrative fines collected
19 pursuant to the provisions of this subparagraph shall
20 be deposited in the fund established in Section 582 of
21 this title. Administrative fines imposed pursuant to
22 this subparagraph may be enforceable in the district
23 courts of this state.

1 d. A salesperson's license may not be issued under a
2 wholesale used motor vehicle dealer's license.

3 3. Any person except persons penalized by administrative fine
4 violating the provisions of this section shall, upon conviction, be
5 fined not to exceed Five Hundred Dollars (\$500.00). A second or
6 subsequent conviction shall be punished by a fine not to exceed One
7 Thousand Dollars (\$1,000.00); provided that each day such unlicensed
8 person violates this section shall constitute a separate offense,
9 and any vehicle involved in a violation of this subsection shall be
10 considered a separate offense.

11 B. 1. Applications for licenses required to be obtained under
12 provisions of this act, Section 581 et seq. of this title, which
13 creates the Oklahoma Used Motor Vehicle and Parts Commission shall
14 be verified by the oath or affirmation of the applicant and shall be
15 on forms prescribed by the Commission and furnished to the
16 applicants, and shall contain such information as the Commission
17 deems necessary to enable it to fully determine the qualifications
18 and eligibility of the several applicants to receive the license or
19 licenses applied for. The Commission shall require in the
20 application, or otherwise, information relating to:

- 21 a. the applicant's financial standing,
- 22 b. the applicant's business integrity,
- 23 c. whether the applicant has an established place of
24 business and is engaged in the pursuit, avocation, or

1 business for which a license, or licenses, is applied
2 for,

3 d. whether the applicant is able to properly conduct the
4 business for which a license, or licenses, is applied
5 for, and

6 e. such other pertinent information consistent with the
7 safeguarding of the public interest and the public
8 welfare.

9 2. All applications for license or licenses shall be
10 accompanied by the appropriate fee or fees in accordance with the
11 schedule hereinafter provided. In the event any application is
12 denied and the license applied for is not issued, the entire license
13 fee shall be returned to the applicant.

14 3. All bonds and licenses issued under the provisions of this
15 act shall expire on December 31, following the date of issue and
16 shall be nontransferable. All applications for renewal of licenses
17 ~~should~~ shall be submitted by November 1 of each year of expiration,
18 and licenses for completed renewals received by November 1 shall be
19 issued by January 10. If applications have not been made for
20 renewal of licenses, such licenses shall expire on December 31 and
21 it shall be illegal for any person to represent himself or herself
22 and act as a dealer thereafter. Tag agents shall be notified not to
23 accept dealers' titles until such time as licenses have been issued.
24 Except as provided herein, beginning January 1, 2016, all licenses

1 shall be issued for a period of two (2) years and the appropriate
2 fees shall be assessed.

3 a. Any license issued before January 1, 2016, and ending
4 in an even number shall expire on December 31, 2016.
5 Application for renewal of such license shall be for a
6 period of two (2) years and the appropriate fee shall
7 be assessed.

8 b. Any license issued before January 1, 2016, and ending
9 in an uneven or odd number shall expire December 31,
10 2017. All applicants for renewal of such license
11 before January 1, 2016, shall pay the appropriate two-
12 year license fee.

13 4. A used motor vehicle salesperson's license shall permit the
14 licensee to engage in the activities of a used motor vehicle
15 salesperson. Salespersons shall not be allowed to sell vehicles
16 unless applications and fees are on file with the Commission and the
17 motor vehicle salesperson's or temporary salesperson's license
18 issued. A temporary salesperson's license, salesperson's renewal or
19 reissue of salesperson's license shall be deemed to have been issued
20 when the appropriate application and fee have been properly
21 addressed and mailed to the Commission.

22 Dealers' payrolls and other evidence will be checked to
23 ascertain that all salespersons for such dealers are licensed.

1 C. The schedule of license fees to be charged and received by
2 the Commission for the licenses issued hereunder shall be as
3 follows:

4 1. For each used motor vehicle dealer's license and each
5 wholesale used motor vehicle dealer's license, ~~Three Hundred Dollars~~
6 ~~(\$300.00)~~ Six Hundred Dollars (\$600.00). If a used motor vehicle
7 dealer or a wholesale used motor vehicle dealer has once been
8 licensed by the Commission in the classification for which he or she
9 applies for a renewal of the license, the fee for each subsequent
10 renewal shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three Hundred
11 Dollars (\$300.00); provided, if an applicant holds a license to
12 conduct business as an automotive dismantler and parts recycler
13 issued pursuant to Section 591.1 et seq. of this title, the initial
14 fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars
15 (\$200.00) and the renewal fee shall be ~~One Hundred Dollars (\$100.00)~~
16 Two Hundred Dollars (\$200.00). If an applicant is applying
17 simultaneously for a license under this paragraph and a license
18 under paragraph 1 of Section 591.5 of this title, the initial
19 application fee shall be ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
20 Dollars (\$400.00). For the reinstatement of a used motor vehicle
21 dealer's license after revocation for cancellation or expiration of
22 insurance pursuant to subsection F of this section, the fee shall be
23 ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

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1 2. For a used motor vehicle dealer's license, for each place of
2 business in addition to the principal place of business, ~~One Hundred~~
3 ~~Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

4 3. For each used motor vehicle salesperson's license and
5 renewal, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00), and
6 for a transfer, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00);

7 4. For each holder who possesses a valid new motor vehicle
8 dealer's license from the Oklahoma Motor Vehicle Commission, ~~One~~
9 ~~Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00) shall be the
10 initial fee for a used motor vehicle license and the fee for each
11 subsequent renewal shall be ~~One Hundred Dollars (\$100.00)~~ Two
12 Hundred Dollars (\$200.00);

13 5. a. For each manufactured home dealer's license or a
14 restricted manufactured home park dealer's license,
15 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars
16 (\$600.00), and for each place of business in addition
17 to the principal place of business, ~~Two Hundred~~
18 ~~Dollars (\$200.00)~~ Four Hundred Dollars (\$400.00), and

19 b. For each renewal of a manufactured home dealer's
20 license or a restricted manufactured home park
21 dealer's license, and renewal for each place of
22 business in addition to the principal place of
23 business, ~~One Hundred Fifty Dollars (\$150.00)~~ Three
24 Hundred Dollars (\$300.00);

- 1 6. a. For each manufactured home installer's license, ~~Two~~
2 ~~Hundred Dollars (\$200.00)~~ Four Hundred Dollars
3 (\$400.00), and
- 4 b. For each renewal of a manufactured home installer's
5 license, ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
6 Dollars (\$400.00);
- 7 7. a. For each manufactured home manufacturer selling
8 directly to a licensed manufactured home dealer in
9 this state, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
10 Thousand Five Hundred Dollars (\$1,500.00), and
- 11 b. For each renewal of a manufactured home manufacturer's
12 license, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
13 Thousand Five Hundred Dollars (\$1,500.00); and
- 14 8. For each manufactured home salesperson's license or renewal
15 thereof, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00), and
16 for each transfer, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars
17 (\$50.00).
- 18 D. 1. The license issued to each used motor vehicle dealer,
19 each wholesale used motor vehicle dealer, each restricted
20 manufactured home park dealer and each manufactured home dealer
21 shall specify the location of the place of business. If the
22 business location is changed, the Oklahoma Used Motor Vehicle and
23 Parts Commission shall be notified immediately of the change and the
24 Commission may endorse the change of location on the license. The

1 fee for a change of location shall be One Hundred Dollars (\$100.00),
2 and the fee for a change of name, Twenty-five Dollars (\$25.00). The
3 license of each licensee shall be posted in a conspicuous place in
4 the place or places of business of the licensee.

5 2. The license issued to each manufactured home installer, and
6 each manufactured home manufacturer shall specify the location of
7 the place of business. If the business location is changed, the
8 Oklahoma Used Motor Vehicle and Parts Commission shall be notified
9 immediately of the change and the Commission may endorse the change
10 of location on the license without charge. The license of each
11 licensee shall be posted in a conspicuous place in the place or
12 places of business of the licensee.

13 3. Every used motor vehicle salesperson shall have the license
14 upon his or her person when engaged in business, and shall display
15 same upon request. The name of the employer of the salesperson
16 shall be stated on the license and if there is a change of employer,
17 the license holder shall immediately mail the license to the
18 Commission for its endorsement of the change thereon. There shall
19 be no ~~charge for endorsement of change of employer on the license or~~
20 penalty for not having a license upon his or her person.

21 4. Every manufactured home installer shall have the license
22 available for inspection at the primary place of business of the
23 licensee. This license shall be valid for the licensee and all of
24 the employees of the licensee. Any person who is not an employee of

1 the licensee must obtain a separate manufactured home installer
2 license regardless of whether such person is acting in the capacity
3 of a contractor or subcontractor.

4 E. 1. a. Each applicant for a used motor vehicle dealer's
5 license shall procure and file with the Commission a
6 good and sufficient bond in the amount of Twenty-five
7 Thousand Dollars (\$25,000.00). Each new applicant for
8 a used motor vehicle dealer's license for the purpose
9 of conducting a used motor vehicle auction shall
10 procure and file with the Commission a good and
11 sufficient bond in the amount of Fifty Thousand
12 Dollars (\$50,000.00). An applicant who intends to
13 conduct a used motor vehicle auction who provides
14 proof that the applicant has check and title insurance
15 in an amount not less than Fifty Thousand Dollars
16 (\$50,000.00) shall only be required to have a bond in
17 the amount of Twenty-five Thousand Dollars
18 (\$25,000.00).

19 b. Each new applicant for a used motor vehicle dealer
20 license for the purpose of conducting a used motor
21 vehicle business which will consist primarily of non-
22 auction consignment sales which are projected to equal
23 Five Hundred Thousand Dollars (\$500,000.00) or more in
24 gross annual sales shall procure and file with the

1 Commission a good and sufficient bond in the amount of
2 Fifty Thousand Dollars (\$50,000.00). The Commission
3 shall prescribe by rule the method of operation of the
4 non-auction consignment dealer in order to properly
5 protect the interests of all parties to the
6 transaction and to provide sanctions against dealers
7 who fail to comply with the rules.

8 c. Each applicant for a wholesale used motor vehicle
9 dealer's license shall procure and file with the
10 Commission a good and sufficient bond in the amount of
11 Twenty-five Thousand Dollars (\$25,000.00).

12 d. Any used motor vehicle dealer who, for the purpose of
13 being a rebuilder, applies for a rebuilder
14 certificate, as provided in Section 591.5 of this
15 title, whether as a new application or renewal, shall
16 procure and file with the Commission a good and
17 sufficient bond in the amount of Fifteen Thousand
18 Dollars (\$15,000.00), in addition to any other bonds
19 required.

20 e. Each applicant for a manufactured home dealer's
21 license or a restricted manufactured home park
22 dealer's license shall procure and file with the
23 Commission a good and sufficient bond in the amount of
24 Thirty Thousand Dollars (\$30,000.00).

1 f. Each manufactured home manufacturing facility selling
2 directly to a licensed manufactured home dealer in
3 this state shall procure and file with the Commission
4 a good and sufficient bond in the amount of Thirty
5 Thousand Dollars (\$30,000.00). In addition to all
6 other conditions and requirements set forth herein,
7 the bond shall require the availability of prompt and
8 full warranty service by the manufacturer to comply
9 with all warranties expressed or implied in connection
10 with each manufactured home which is manufactured for
11 resale in this state. A manufacturer may not sell,
12 exchange, or lease-purchase a manufactured home to a
13 person in this state who is not a licensed
14 manufactured home dealer.

15 g. The bond shall be approved as to form by the Attorney
16 General and conditioned that the applicant shall not
17 practice fraud, make any fraudulent representation, or
18 violate any of the provisions of this act in the
19 conduct of the business for which the applicant is
20 licensed. One of the purposes of the bond is to
21 provide reimbursement for any loss or damage suffered
22 by any person by reason of issuance of a certificate
23 of title by a used motor vehicle dealer, a wholesale
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1 used motor vehicle dealer, a restricted manufactured
2 home park dealer or a manufactured home dealer.

3 2. The bonds as required by this section shall be maintained
4 throughout the period of licensure. Should the bond be canceled for
5 any reason, the license shall be revoked as of the date of
6 cancellation unless a new bond is furnished prior to such date.

7 F. Any used motor vehicle dealer or wholesale used motor
8 vehicle dealer is required to furnish and keep in force a minimum of
9 Twenty-five Thousand Dollars (\$25,000.00) of single liability
10 insurance coverage on all vehicles offered for sale or used in any
11 other capacity in demonstrating or utilizing the streets and
12 roadways in accordance with the financial responsibility laws of
13 this state.

14 G. Any manufactured home dealer or restricted manufactured home
15 park dealer is required to furnish and keep in force a minimum of
16 One Hundred Thousand Dollars (\$100,000.00) of garage liability or
17 general liability with products and completed operations insurance
18 coverage.

19 H. Any manufactured home installer is required to furnish and
20 keep in force a minimum of Twenty-five Thousand Dollars (\$25,000.00)
21 of general liability with products and completed operations
22 insurance coverage.

23 SECTION 2. AMENDATORY 47 O.S. 2011, Section 591.4, is
24 amended to read as follows:

1 Section 591.4 A. Every person, firm or corporation desiring to
2 engage in the business of an automotive dismantler and parts
3 recycler shall apply in writing, on a form to be prescribed by the
4 Oklahoma Used Motor Vehicle and Parts Commission, which form shall
5 contain:

6 1. The name of the applicant;

7 2. The street address of the applicant's principal place of
8 business;

9 3. The type of business organization of the applicant;

10 4. The applicant's financial statement;

11 5. The legal description of the proposed place of business,
12 together with written verification from the appropriate local
13 authorities that the place of business meets the licensing and
14 zoning requirements of the municipality or county where located; and

15 6. Such additional information as may be required by the
16 Commission.

17 B. Notwithstanding subsection A of this section, the Commission
18 may decline to issue an original license ~~or buyer's identification~~
19 ~~card (B.I.D.)~~ to any person, firm or corporation that does not, in
20 good faith, meet the requirements of the Automotive Dismantlers and
21 Parts Recycler Act; or whose proposed place of business does not
22 meet the applicable zoning requirements; or whose proposed use is
23 deemed inappropriate by the Commission due to surrounding property
24 uses or objections from the immediate surrounding neighbors, such

1 that the place of business would be deemed to be a private or public
2 nuisance; or whose place of business is not properly screened by
3 natural objects, plantings, opaque fences of a height not less than
4 six (6) nor more than eight (8) feet or other appropriate
5 sightproofing, so as to screen where possible vehicles and parts
6 stored outside of buildings from view from immediately adjacent
7 property.

8 SECTION 3. AMENDATORY 47 O.S. 2011, Section 591.5, is
9 amended to read as follows:

10 Section 591.5 An application for a license shall be accompanied
11 by the following fees:

12 1. ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars
13 (\$600.00) for an initial license for an applicant's established
14 principal place of business, ~~One Hundred Fifty Dollars (\$150.00)~~
15 Three Hundred Dollars (\$300.00) for a renewal license for an
16 applicant's established place of business and ~~One Hundred Dollars~~
17 ~~(\$100.00)~~ Two Hundred Dollars (\$200.00) for each additional place of
18 business, if any, to which the application pertains; provided, if an
19 applicant holds a used motor vehicle dealer's license issued
20 pursuant to paragraph 1 of subsection C of Section 583 of this
21 title, for an applicant's established place of business the initial
22 license fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred
23 Dollars (\$200.00) and the renewal fee shall be ~~One Hundred Dollars~~
24 ~~(\$100.00)~~ Two Hundred Dollars (\$200.00); provided further, if an

1 applicant is applying simultaneously for a license under this
2 paragraph and under paragraph 1 of subsection C of Section 583 of
3 this title, the initial application fee shall be ~~Two Hundred Dollars~~
4 ~~(\$200.00)~~ Four Hundred Dollars (\$400.00). If an applicant for or
5 holder of a used motor vehicle dealer's license also applies for a
6 rebuilder certificate, the initial fee for the certificate shall be
7 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars (\$600.00) and
8 the renewal fee shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three
9 Hundred Dollars (\$300.00). ~~The Oklahoma Used Motor Vehicle and~~
10 ~~Parts Commission shall issue a buyer's identification card (B.I.D.)~~
11 ~~with each certificate issued.~~ License fees shall be returnable only
12 in the event that the application is denied by the Commission.

13 2. Any change which renders no longer accurate any information
14 contained in an application for a license filed with the Commission
15 shall be amended within thirty (30) days after the occurrence of the
16 change on a form prescribed by the Commission by rule, accompanied
17 by a fee of One Hundred Dollars (\$100.00), provided, the fee for a
18 change of name shall be Fifty Dollars (\$50.00).

19 3. Every license issued to an automobile dismantler and parts
20 recycler shall expire on December 31 of each year and shall be
21 renewed on or before January 1 of the following year.

22 SECTION 4. AMENDATORY 47 O.S. 2011, Section 591.9, is
23 amended to read as follows:
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1 Section 591.9 The Oklahoma Used Motor Vehicle and Parts
2 Commission is authorized to refuse, cancel, suspend or revoke a
3 license ~~or buyer's identification card (B.I.D.)~~ to any person, firm
4 or corporation for the following reasons:

5 1. Failure to meet the requirements of the Automotive
6 Dismantlers and Parts Recycler Act;

7 2. Failure to continue to meet the requirements of this act or
8 of the rules promulgated by the Commission pursuant to the
9 provisions of the Automotive Dismantlers and Parts Recycler Act;

10 3. Upon satisfactory proof of unfitness of the applicant or the
11 licensee, as the case may be, under the standards established by the
12 Automotive Dismantlers and Parts Recycler Act;

13 4. For the felony conviction of a state or federal law by an
14 applicant, licensee, partner of an applicant or licensee, director,
15 officer, or stockholder in the case of a corporate applicant or
16 licensee, or an employee, manager, or any person having a pecuniary
17 interest in the business involving:

18 a. theft,

19 b. violation of the Oklahoma certificate of title law or
20 similar laws of other states,

21 c. alteration, obliteration, or removal of a vehicle
22 identification number, or

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1 d. any other act directly relating to the ability of the
2 applicant or licensee to conduct an automotive
3 dismantler and parts recycling business;

4 5. Commission of any unlawful act which resulted in the
5 revocation of any similar license in another state; or

6 6. Engaging in business under a past or present license issued
7 pursuant to the Automotive Dismantlers and Parts Recycler Act in
8 such a manner as to cause injury to the public or to those with whom
9 the licensee has dealt.

10 SECTION 5. AMENDATORY 47 O.S. 2011, Section 591.10, is
11 amended to read as follows:

12 Section 591.10 A. Any person, firm or corporation who is
13 refused a license or whose license ~~or B.I.D. card~~ is canceled,
14 suspended or revoked shall be notified in person or by mail with
15 return receipt requested to the address given on the application of
16 the applicant or licensee and, upon written request within fifteen
17 (15) days of receipt of such notice, shall be given a hearing upon
18 the proposed action. The hearing may be conducted by the Commission
19 and shall be held no more than thirty (30) days from receipt of the
20 written request for a hearing. The hearing may be informal and the
21 rules of evidence of the courts of Oklahoma shall not be required.
22 Appeals from the decision of the Commission shall be governed by the
23 Administrative Procedures Act.

1 B. In addition to the cancellation, suspension, revocation or
2 refusal to issue or renew a license ~~or buyer's identification~~ or the
3 imposition of any other penalty by the Commission, the Commission is
4 hereby authorized to impose administrative fines for violations of
5 the Automotive Dismantlers and Parts Recycler Act in the amounts not
6 to exceed Five Hundred Dollars (\$500.00) for a first violation, One
7 Thousand Dollars (\$1,000.00) for a second violation and Five
8 Thousand Dollars (\$5,000.00) for a third violation.

9 SECTION 6. AMENDATORY 47 O.S. 2011, Section 591.11, is
10 amended to read as follows:

11 Section 591.11 A. Sales at a salvage pool or salvage disposal
12 sale may be opened only to:

- 13 1. A person who is a resident of this state;
- 14 2. A company representative of a business that is based in this
15 state; or
- 16 3. A person who may legally purchase salvage vehicles in his or
17 her home state or country.

18 B. It shall be the duty of the owner, manager or person in
19 charge of any salvage pool or salvage disposal sale to prohibit the
20 bidding by any person who is not qualified to purchase salvage
21 vehicles as provided in subsection A of this section and, further,
22 to refuse to sell to any person any wrecked or repairable motor
23 vehicle if such person is not qualified to purchase salvage vehicles
24 as provided in subsection A of this section.

1 C. Any salvage pool or salvage disposal sale that is
2 facilitating in the sale of a motor vehicle for an insurance company
3 must provide on its ~~web-site~~ website the full seventeen-digit
4 vehicle identification number (VIN) and the name of the insurance
5 company that is selling the motor vehicle.

6 D. The salvage pool or salvage disposal sale shall show the
7 buyer's identification number of the winning bidder on any sale that
8 takes place on the Internet or by ~~on-line~~ online bidding for all
9 salvage motor vehicles being sold for an insurance company.

10 E. It shall be the duty of the owner, manager or person in
11 charge of any salvage pool or salvage disposal sale to remit
12 payments to the Oklahoma Used Motor Vehicle and Parts Commission.
13 Such payments shall be calculated by multiplying the total number of
14 salvage vehicle sales transactions during a certain period times Two
15 Dollars (\$2.00). The first payment shall not be calculated on any
16 sales transactions prior to November 1, 2007. The payments shall
17 not be made more often than one payment each month. The payments
18 shall be transmitted to the Oklahoma Used Motor Vehicle and Parts
19 Commission at any time during the thirty (30) days immediately
20 following the period for which the payment was calculated.

21 F. Every salvage pool shall keep a register of all sales of
22 salvage vehicles showing the make, model, year, style, vehicle
23 identification number, and names and addresses of the purchaser and
24 seller of the motor vehicle. Such registers shall be submitted to

1 the Oklahoma Used Motor Vehicle and Parts Commission on a regular
2 basis.

3 G. The provisions of this section shall not apply to a
4 regularly scheduled vehicle consignment auction conducted by a used
5 motor vehicle dealer which sells salvage vehicles, damaged vehicles,
6 wrecked vehicles or repairable vehicles for someone other than a
7 public insurance company. Such auction may sell these vehicles as
8 an incident to the sale of operable vehicles, but shall not
9 constitute a primary part of the business.

10 SECTION 7. AMENDATORY 47 O.S. 2011, Section 1137.1, is
11 amended to read as follows:

12 Section 1137.1 A. Except for vehicles, travel trailers or
13 commercial trailers which display a current Oklahoma license tag,
14 upon the purchase or transfer of ownership of a used motor vehicle,
15 travel trailer or commercial trailer, including an out-of-state
16 purchase or transfer of the same, to a licensed used motor vehicle
17 dealer, wholesale used motor vehicle dealer, used travel trailer
18 dealer or used commercial trailer dealer, subsequently referred to
19 in this section as "dealer", the dealer shall affix a used dealer's
20 plate visible from the rear of the vehicle, travel trailer or
21 commercial trailer. Such license plate shall expire on December 31
22 of each year. When the vehicle, travel trailer or commercial
23 trailer is parked on the dealer's licensed place of business, it
24 shall not be required to have a license plate of any kind affixed.

1 A dealer shall obtain from the Oklahoma Tax Commission at a cost of
2 Ten Dollars (\$10.00) a dealer license plate for demonstrating,
3 transporting or any other normal business of a dealer; ~~provided, any~~
4 including use by an individual holding a valid salesperson's license
5 issued by the Oklahoma Used Motor Vehicle and Parts Commission. Any
6 dealer who operates a wrecker or towing service licensed pursuant to
7 Sections 951 through 957 of this title shall register each wrecker
8 vehicle and display a wrecker license plate on each vehicle as
9 required by Section 1134.3 of this title. A dealer may obtain as
10 many additional license plates as may be desired upon the payment of
11 Ten Dollars (\$10.00) for each additional license plate. Use of the
12 used dealer license plate by a licensed dealer for other than the
13 purposes as set forth herein shall constitute grounds for revocation
14 of the dealer's license. The Oklahoma Tax Commission shall design
15 the official used dealer license plate to include the used dealer's
16 license number issued to him or her each year by the Commission or
17 the Used Motor Vehicle and Parts Commission.

18 B. Upon the purchase or transfer of ownership of an out-of-
19 state used motor vehicle, travel trailer or commercial trailer to a
20 licensed dealer, the dealer shall make application for an Oklahoma
21 certificate of title pursuant to the Oklahoma Vehicle License and
22 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
23 Statutes. Upon receipt of the Oklahoma certificate of title, the
24 dealer shall follow the procedure as set forth in subsection A of

1 this section. Provided, nothing in this title shall be construed as
2 requiring a dealer to register a used motor vehicle, travel trailer
3 or commercial trailer purchased in another state which will not be
4 operated or sold in this state.

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

14 D. Upon sale of a used motor vehicle or travel trailer to
15 another licensed dealer, the selling dealer shall place the tax
16 stamp required in subsection C of this section upon the certificate
17 of title. The used dealer license plate or wholesale dealer license
18 plate shall be removed by the selling dealer. The purchasing dealer
19 shall, at time of purchase, place his or her dealer license plate on
20 the used motor vehicle, travel trailer or commercial trailer as
21 provided in subsection A of this section; provided, for vehicles,
22 travel trailers or commercial trailers purchased by a licensed used
23 dealer at an auction, in lieu of such placement of the dealer
24 license plate, the auction may provide temporary documentation as

1 approved by the Director of the Motor Vehicle Division of the
2 Oklahoma Tax Commission for the purpose of transporting such vehicle
3 to the purchaser's point of destination. Such temporary
4 documentation shall be valid for two (2) days following the date of
5 sale.

6 E. The purchaser of every used motor vehicle, travel trailer or
7 commercial trailer, except as otherwise provided by law, shall
8 obtain registration and title for the vehicle or trailer within
9 thirty (30) days from the date of purchase of same. It shall be the
10 responsibility of the selling dealer to place a temporary license
11 plate, in size similar to the permanent Oklahoma license plate but
12 of a weatherproof plastic-impregnated substance approved by the Used
13 Motor Vehicle and Parts Commission, upon a used motor vehicle,
14 travel trailer or commercial trailer when a transaction is completed
15 for the sale of said vehicle. The temporary license plate under
16 this subsection shall be placed at the location provided for the
17 permanent motor vehicle license plate. The temporary license plate
18 shall show the license number which is issued to the dealer each
19 year by the Oklahoma Tax Commission or the Used Motor Vehicle and
20 Parts Commission, the date the used motor vehicle, travel trailer or
21 commercial trailer was purchased and the company name of the selling
22 dealer. The Used Motor Vehicle and Parts Commission is hereby
23 directed to develop the temporary license plate design to
24 incorporate these requirements in a manner that will permit law

1 enforcement personnel to readily identify the dealer license number
2 and date of the vehicle purchase. The Used Motor Vehicle and Parts
3 Commission is hereby authorized to develop additional requirements
4 and parameters as deemed appropriate to discourage or prevent
5 illegal duplication and use of the temporary license plate. Such
6 temporary license plate shall be valid for a period of thirty (30)
7 days from the date of purchase. Use of the temporary license by a
8 dealer for other than the purposes set forth herein shall constitute
9 grounds for revocation of the dealer's license to conduct business.
10 Purchasers of a commercial trailer shall affix the temporary license
11 plate to the rear of the commercial trailer. The purchaser shall
12 display the temporary license plate for a period not to exceed
13 thirty (30) days or until registration and title are obtained as
14 provided in this section.

15 The provisions of this subsection on temporary licenses shall
16 apply to nonresidents who purchase a used motor vehicle, travel
17 trailer or commercial trailer within this state that is to be
18 licensed in another state. The nonresident purchaser shall be
19 allowed to operate the vehicle or trailer within the state with a
20 temporary license plate for a period not to exceed thirty (30) days
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 thirty (30) days shall be subject to the
24

1 registration fees of this state upon the same terms and conditions
2 applying to residents of this state.

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

10 G. Dealers following the procedure set forth herein shall not
11 be required to register vehicles, travel trailers or commercial
12 trailers to which this section applies, nor will the registration
13 fee otherwise required be assessed. Provided, dealers shall not
14 purchase or trade for a used motor vehicle, travel trailer or
15 commercial trailer on which the registration therefor has been
16 expired for a period exceeding thirty (30) days without obtaining
17 current registration therefor.

18 SECTION 8. AMENDATORY 47 O.S. 2011, Section 12-506, is
19 amended to read as follows:

20 Section 12-506. Any person convicted of violating any of the
21 provisions of the Odometer Setting Act with intent to misrepresent
22 the true mileage driven of a motor vehicle shall be guilty ~~of a~~ as
23 follows:

24

1 1. For a first offense, of a misdemeanor and shall be punished
2 by a fine of not more than Ten Thousand Dollars (\$10,000.00) or
3 imprisonment for not more than one (1) year, or by both fine and
4 imprisonment.

5 2. For a second or subsequent offense, of a felony and shall be
6 punished by a fine of not more than Fifteen Thousand Dollars
7 (\$15,000.00) or imprisonment for not more than one (1) year, or by
8 both fine and imprisonment.

9 SECTION 9. This act shall become effective November 1, 2015.

10
11 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
12 04/09/2015 - DO PASS, As Amended.

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UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.