

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1766

By: Enns

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5
6 AS INTRODUCED

7 An Act relating to motor vehicles; amending 47 O.S.
8 2011, Section 583, as last amended by Section 11,
9 Chapter 4, O.S.L. 2014 (47 O.S. Supp. 2014, Section
10 583), which relates to used motor vehicle and parts
11 dealers; eliminating maximum limit on certain fine;
12 modifying certain license renewal deadlines and years
13 of expiration; providing for two-year licenses, fees
14 and applications; modifying fee amounts; imposing
15 certain duty on persons involved in used motor
16 vehicle auctions; providing exemptions; amending 47
17 O.S. 2011, Sections 591.4, 591.5, 591.9, 591.10 and
18 591.11, which relate to the Automotive Dismantlers
19 and Parts Recycler Act; eliminating buyer's
20 identification cards; eliminating references to
21 buyer's identification cards; modifying fee amounts;
22 amending 47 O.S. 2011, Section 1137.1, which relates
23 to used dealer temporary license plates; specifying
24 when certain license plate is required; and providing
an effective date.

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

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

Section 583. A. 1. It shall be unlawful and constitute a
misdemeanor for any person to engage in business as, or serve in the

1 capacity of, or act as a used motor vehicle dealer, used motor
2 vehicle salesperson, wholesale used motor vehicle dealer,
3 manufactured home dealer, restricted manufactured home park dealer,
4 manufactured home salesperson, manufactured home installer, or
5 manufactured home manufacturer selling directly to a licensed
6 manufactured home dealer in this state without first obtaining a
7 license or following other requirements therefor as provided in this
8 section.

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

19 b. A used motor vehicle dealer's license shall authorize
20 one person to sell without a salesperson's license in
21 the event such person shall be the owner of a
22 proprietorship, or the person designated as principal
23 in the dealer's franchise or the managing officer or
24

1 one partner if no principal person is named in the
2 franchise.

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

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

21 3. Any person except persons penalized by administrative fine
22 violating the provisions of this section shall, upon conviction, be
23 fined not to exceed Five Hundred Dollars (\$500.00). A second or
24 subsequent conviction shall be punished by a fine not to exceed One

1 Thousand Dollars (\$1,000.00); provided, that each day such
2 unlicensed person violates this section shall constitute a separate
3 offense, and any vehicle involved in a violation of this subsection
4 shall be considered a separate offense.

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

- 15 a. the applicant's financial standing,
- 16 b. the applicant's business integrity,
- 17 c. whether the applicant has an established place of
18 business and is engaged in the pursuit, avocation, or
19 business for which a license, or licenses, is applied
20 for,
- 21 d. whether the applicant is able to properly conduct the
22 business for which a license, or licenses, is applied
23 for, and

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1 e. such other pertinent information consistent with the
2 safeguarding of the public interest and the public
3 welfare.

4 2. All applications for license or licenses shall be
5 accompanied by the appropriate fee or fees in accordance with the
6 schedule hereinafter provided. In the event any application is
7 denied and the license applied for is not issued, the entire license
8 fee shall be returned to the applicant.

9 3. All bonds and licenses issued under the provisions of this
10 act shall expire on December 31, following the date of issue and
11 shall be nontransferable. All applications for renewal of licenses
12 ~~should~~ shall be submitted by November 1 of each year of expiration,
13 and licenses for completed renewal received by November 1 shall be
14 issued by January 10. ~~If applications have not been made for~~
15 ~~renewal of licenses, such licenses shall expire on December 31 and~~
16 ~~it shall be illegal for any person to represent himself or herself~~
17 ~~and act as a dealer thereafter. Tag agents shall be notified not to~~
18 ~~accept dealers' titles until such time as licenses have been issued~~
19 All licenses issued before January 1, 2016, ending in an even number
20 shall expire December 31, 2016, and applications for renewal of such
21 licenses shall be for a period of two (2) years and the appropriate
22 fees for the two-year license shall be assessed. All licenses
23 issued before January 1, 2016, ending in an uneven or odd number
24 shall expire December 31, 2017, and applicants for renewal of such

1 licenses shall pay the appropriate fee for a two-year license.

2 Thereafter, all licenses shall be for a period of two (2) years and
3 the appropriate fees for two-year licenses shall be assessed.

4 4. A used motor vehicle salesperson's license shall permit the
5 licensee to engage in the activities of a used motor vehicle
6 salesperson. Salespersons shall not be allowed to sell vehicles
7 unless applications and fees are on file with the Commission and the
8 motor vehicle salesperson's or temporary salesperson's license
9 issued. A temporary salesperson's license, salesperson's renewal or
10 reissue of salesperson's license shall be deemed to have been issued
11 when the appropriate application and fee have been properly
12 addressed and mailed to the Commission.

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

15 C. The schedule of license fees to be charged and received by
16 the Commission for the licenses issued hereunder shall be as
17 follows:

18 1. For each used motor vehicle dealer's license and each
19 wholesale used motor vehicle dealer's license, ~~Three Hundred Dollars~~
20 ~~(\$300.00)~~ Six Hundred Dollars (\$600.00). If a used motor vehicle
21 dealer or a wholesale used motor vehicle dealer has once been
22 licensed by the Commission in the classification for which he or she
23 applies for a renewal of the license, the fee for each subsequent
24 renewal shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three Hundred

1 Dollars (\$300.00); provided, if an applicant holds a license to
2 conduct business as an automotive dismantler and parts recycler
3 issued pursuant to Section 591.1 et seq. of this title, the initial
4 fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars
5 (\$200.00) and the renewal fee shall be ~~One Hundred Dollars (\$100.00)~~
6 Two Hundred Dollars (\$200.00). If an applicant is applying
7 simultaneously for a license under this paragraph and a license
8 under paragraph 1 of Section 591.5 of this title, the initial
9 application fee shall be ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
10 Dollars (\$400.00). For the reinstatement of a used motor vehicle
11 dealer's license after revocation for cancellation or expiration of
12 insurance pursuant to subsection F of this section, the fee shall be
13 ~~One Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00);

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

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

20 4. For each holder who possesses a valid new motor vehicle
21 dealer's license from the Oklahoma Motor Vehicle Commission, ~~One~~
22 ~~Hundred Dollars (\$100.00)~~ Two Hundred Dollars (\$200.00) shall be the
23 initial fee for a used motor vehicle license and the fee for each
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1 subsequent renewal shall be ~~One Hundred Dollars (\$100.00)~~ Two
2 Hundred Dollars (\$200.00);

3 5. a. For each manufactured home dealer's license or a
4 restricted manufactured home park dealer's license,
5 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars
6 (\$600.00), and for each place of business in addition
7 to the principal place of business, ~~Two Hundred~~
8 ~~Dollars (\$200.00)~~ Four Hundred Dollars (\$400.00), and

9 b. For each renewal of a manufactured home dealer's
10 license or a restricted manufactured home park
11 dealer's license, and renewal for each place of
12 business in addition to the principal place of
13 business, ~~One Hundred Fifty Dollars (\$150.00)~~ Three
14 Hundred Dollars (\$300.00);

15 6. a. For each manufactured home installer's license, ~~Two~~
16 ~~Hundred Dollars (\$200.00)~~ Four Hundred Dollars
17 (\$400.00), and

18 b. For each renewal of a manufactured home installer's
19 license, ~~Two Hundred Dollars (\$200.00)~~ Four Hundred
20 Dollars (\$400.00);

21 7. a. For each manufactured home manufacturer selling
22 directly to a licensed manufactured home dealer in
23 this state, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
24 Thousand Five Hundred Dollars (\$1,500.00), and

1 b. For each renewal of a manufactured home manufacturer's
2 license, ~~Seven Hundred Fifty Dollars (\$750.00)~~ One
3 Thousand Five Hundred Dollars (\$1,500.00); and

4 8. For each manufactured home salesperson's license or renewal
5 thereof, ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00), and
6 for each transfer, Twenty-five Dollars (\$25.00).

7 D. It shall be the duty of the owner, manager, or person in
8 charge of any used motor vehicle auction which sells used motor
9 vehicles to the public to remit payments to the Oklahoma Used Motor
10 Vehicle and Parts Commission of Five Dollars (\$5.00) for each
11 vehicle sold to any person not licensed as a used motor vehicle
12 dealer in the State of Oklahoma. The first payment shall not be
13 calculated on any sales transaction prior to November 1, 2015. The
14 payments shall be made at a minimum of one payment each month. The
15 payments shall be transmitted to the Commission at any time during
16 the thirty (30) days immediately following the period for which the
17 payment is calculated. Auction sales conducted by and on behalf of
18 any governmental entity shall be exempt from assessing and paying
19 said payment.

20 E. 1. The license issued to each used motor vehicle dealer,
21 each wholesale used motor vehicle dealer, each restricted
22 manufactured home park dealer and each manufactured home dealer
23 shall specify the location of the place of business. If the
24 business location is changed, the Oklahoma Used Motor Vehicle and

1 Parts Commission shall be notified immediately of the change and the
2 Commission may endorse the change of location on the license. The
3 fee for a change of location shall be ~~One Hundred Dollars (\$100.00)~~
4 Two Hundred Dollars (\$200.00), and the fee for a change of name,
5 ~~Twenty-five Dollars (\$25.00)~~ Fifty Dollars (\$50.00). The license of
6 each licensee shall be posted in a conspicuous place in the place or
7 places of business of the licensee.

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

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

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1 4. Every manufactured home installer shall have the license
2 available for inspection at the primary place of business of the
3 licensee. This license shall be valid for the licensee and all of
4 the employees of the licensee. Any person who is not an employee of
5 the licensee must obtain a separate manufactured home installer
6 license regardless of whether such person is acting in the capacity
7 of a contractor or subcontractor.

8 ~~E.~~ F. 1. a. Each applicant for a used motor vehicle dealer's
9 license shall procure and file with the Commission a
10 good and sufficient bond in the amount of Twenty-five
11 Thousand Dollars (\$25,000.00). Each new applicant for
12 a used motor vehicle dealer's license for the purpose
13 of conducting a used motor vehicle auction shall
14 procure and file with the Commission a good and
15 sufficient bond in the amount of Fifty Thousand
16 Dollars (\$50,000.00). An applicant who intends to
17 conduct a used motor vehicle auction who provides
18 proof that the applicant has check and title insurance
19 in an amount not less than Fifty Thousand Dollars
20 (\$50,000.00) shall only be required to have a bond in
21 the amount of Twenty-five Thousand Dollars
22 (\$25,000.00).

23 b. Each new applicant for a used motor vehicle dealer
24 license for the purpose of conducting a used motor

1 vehicle business which will consist primarily of non-
2 auction consignment sales which are projected to equal
3 Five Hundred Thousand Dollars (\$500,000.00) or more in
4 gross annual sales shall procure and file with the
5 Commission a good and sufficient bond in the amount of
6 Fifty Thousand Dollars (\$50,000.00). The Commission
7 shall prescribe by rule the method of operation of the
8 non-auction consignment dealer in order to properly
9 protect the interests of all parties to the
10 transaction and to provide sanctions against dealers
11 who fail to comply with the rules.

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

16 d. Any used motor vehicle dealer who, for the purpose of
17 being a rebuilder, applies for a rebuilder
18 certificate, as provided in Section 591.5 of this
19 title, whether as a new application or renewal, shall
20 procure and file with the Commission a good and
21 sufficient bond in the amount of Fifteen Thousand
22 Dollars (\$15,000.00), in addition to any other bonds
23 required.
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1 e. Each applicant for a manufactured home dealer's
2 license or a restricted manufactured home park
3 dealer's license shall procure and file with the
4 Commission a good and sufficient bond in the amount of
5 Thirty Thousand Dollars (\$30,000.00).

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

20 g. The bond shall be approved as to form by the Attorney
21 General and conditioned that the applicant shall not
22 practice fraud, make any fraudulent representation, or
23 violate any of the provisions of this act in the
24 conduct of the business for which the applicant is

1 licensed. One of the purposes of the bond is to
2 provide reimbursement for any loss or damage suffered
3 by any person by reason of issuance of a certificate
4 of title by a used motor vehicle dealer, a wholesale
5 used motor vehicle dealer, a restricted manufactured
6 home park dealer or a manufactured home dealer.

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

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

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

23 ~~H.~~ I. Any manufactured home installer is required to furnish
24 and keep in force a minimum of Twenty-five Thousand Dollars

1 (\$25,000.00) of general liability with products and completed
2 operations insurance coverage.

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

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

- 10 1. The name of the applicant;
- 11 2. The street address of the applicant's principal place of
12 business;
- 13 3. The type of business organization of the applicant;
- 14 4. The applicant's financial statement;
- 15 5. The legal description of the proposed place of business,
16 together with written verification from the appropriate local
17 authorities that the place of business meets the licensing and
18 zoning requirements of the municipality or county where located; and
19 6. Such additional information as may be required by the
20 Commission.

21 B. Notwithstanding subsection A of this section, the Commission
22 may decline to issue an original license ~~or buyer's identification~~
23 ~~card (B.I.D.)~~ to any person, firm or corporation that does not, in
24 good faith, meet the requirements of the Automotive Dismantlers and

1 Parts Recycler Act; or whose proposed place of business does not
2 meet the applicable zoning requirements; or whose proposed use is
3 deemed inappropriate by the Commission due to surrounding property
4 uses or objections from the immediate surrounding neighbors, such
5 that the place of business would be deemed to be a private or public
6 nuisance; or whose place of business is not properly screened by
7 natural objects, plantings, opaque fences of a height not less than
8 six (6) nor more than eight (8) feet or other appropriate
9 sightproofing, so as to screen where possible vehicles and parts
10 stored outside of buildings from view from immediately adjacent
11 property.

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

14 Section 591.5 An application for a license shall be accompanied
15 by the following fees:

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

1 title, for an applicant's established place of business the initial
2 license fee shall be ~~One Hundred Dollars (\$100.00)~~ Two Hundred
3 Dollars (\$200.00) and the renewal fee shall be ~~One Hundred Dollars~~
4 ~~(\$100.00)~~ Two Hundred Dollars (\$200.00); provided further, if an
5 applicant is applying simultaneously for a license under this
6 paragraph and under paragraph 1 of subsection C of Section 583 of
7 this title, the initial application fee shall be ~~Two Hundred Dollars~~
8 ~~(\$200.00)~~ Four Hundred Dollars (\$400.00). If an applicant for or
9 holder of a used motor vehicle dealer's license also applies for a
10 rebuilder certificate, the initial fee for the certificate shall be
11 ~~Three Hundred Dollars (\$300.00)~~ Six Hundred Dollars (\$600.00) and
12 the renewal fee shall be ~~One Hundred Fifty Dollars (\$150.00)~~ Three
13 Hundred Dollars (\$300.00). ~~The Oklahoma Used Motor Vehicle and~~
14 ~~Parts Commission shall issue a buyer's identification card (B.I.D.)~~
15 ~~with each certificate issued.~~ License fees shall be returnable only
16 in the event that the application is denied by the Commission.

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

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

4 SECTION 4. AMENDATORY 47 O.S. 2011, Section 591.9, is
5 amended to read as follows:

6 Section 591.9 The Oklahoma Used Motor Vehicle and Parts
7 Commission is authorized to refuse, cancel, suspend or revoke a
8 license ~~or buyer's identification card (B.I.D.)~~ to any person, firm
9 or corporation for the following reasons:

10 1. Failure to meet the requirements of the Automotive
11 Dismantlers and Parts Recycler Act;

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

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

18 4. For the felony conviction of a state or federal law by an
19 applicant, licensee, partner of an applicant or licensee, director,
20 officer, or stockholder in the case of a corporate applicant or
21 licensee, or an employee, manager, or any person having a pecuniary
22 interest in the business involving:

23 a. theft,

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- 1 b. violation of the Oklahoma certificate of title law or
2 similar laws of other states,
3 c. alteration, obliteration, or removal of a vehicle
4 identification number, or
5 d. any other act directly relating to the ability of the
6 applicant or licensee to conduct an automotive
7 dismantler and parts recycling business;

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

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

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

16 Section 591.10 A. Any person, firm or corporation who is
17 refused a license or whose license ~~or B.I.D. card~~ is canceled,
18 suspended or revoked shall be notified in person or by mail with
19 return receipt requested to the address given on the application of
20 the applicant or licensee and, upon written request within fifteen
21 (15) days of receipt of such notice, shall be given a hearing upon
22 the proposed action. The hearing may be conducted by the Commission
23 and shall be held no more than thirty (30) days from receipt of the
24 written request for a hearing. The hearing may be informal and the

1 rules of evidence of the courts of Oklahoma shall not be required.
2 Appeals from the decision of the Commission shall be governed by the
3 Administrative Procedures Act.

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

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

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

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

21 B. It shall be the duty of the owner, manager or person in
22 charge of any salvage pool or salvage disposal sale to prohibit the
23 bidding by any person who is not qualified to purchase salvage
24 vehicles as provided in subsection A of this section and, further,

1 to refuse to sell to any person any wrecked or repairable motor
2 vehicle if such person is not qualified to purchase salvage vehicles
3 as provided in subsection A of this section.

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

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

13 E. It shall be the duty of the owner, manager or person in
14 charge of any salvage pool or salvage disposal sale to remit
15 payments to the Oklahoma Used Motor Vehicle and Parts Commission.
16 Such payments shall be calculated by multiplying the total number of
17 salvage vehicle sales transactions during a certain period times ~~Two~~
18 ~~Dollars (\$2.00)~~ Five Dollars (\$5.00). The first payment shall not
19 be calculated on any sales transactions prior to November 1, 2007.
20 The payments shall not be made more often than one payment each
21 month. The payments shall be transmitted to the Oklahoma Used Motor
22 Vehicle and Parts Commission at any time during the thirty (30) days
23 immediately following the period for which the payment was
24 calculated.

1 F. Every salvage pool shall keep a register of all sales of
2 salvage vehicles showing the make, model, year, style, vehicle
3 identification number, and names and addresses of the purchaser and
4 seller of the motor vehicle. Such registers shall be submitted to
5 the Oklahoma Used Motor Vehicle and Parts Commission on a regular
6 basis.

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

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

16 Section 1137.1 A. Except for vehicles, travel trailers or
17 commercial trailers which display a current Oklahoma license tag,
18 upon the purchase or transfer of ownership of a used motor vehicle,
19 travel trailer or commercial trailer, including an out-of-state
20 purchase or transfer of the same, to a licensed used motor vehicle
21 dealer, wholesale used motor vehicle dealer, used travel trailer
22 dealer or used commercial trailer dealer, subsequently referred to
23 in this section as "dealer", the dealer shall affix a used dealer's
24 plate visible from the rear of the vehicle, travel trailer or

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

23 B. Upon the purchase or transfer of ownership of an out-of-
24 state used motor vehicle, travel trailer or commercial trailer to a

1 licensed dealer, the dealer shall make application for an Oklahoma
2 certificate of title pursuant to the Oklahoma Vehicle License and
3 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
4 Statutes. Upon receipt of the Oklahoma certificate of title, the
5 dealer shall follow the procedure as set forth in subsection A of
6 this section. Provided, nothing in this title shall be construed as
7 requiring a dealer to register a used motor vehicle, travel trailer
8 or commercial trailer purchased in another state which will not be
9 operated or sold in this state.

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

19 D. Upon sale of a used motor vehicle or travel trailer to
20 another licensed dealer, the selling dealer shall place the tax
21 stamp required in subsection C of this section upon the certificate
22 of title. The used dealer license plate or wholesale dealer license
23 plate shall be removed by the selling dealer. The purchasing dealer
24 shall, at time of purchase, place his or her dealer license plate on

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

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

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

20 The provisions of this subsection on temporary licenses shall
21 apply to nonresidents who purchase a used motor vehicle, travel
22 trailer or commercial trailer within this state that is to be
23 licensed in another state. The nonresident purchaser shall be
24 allowed to operate the vehicle or trailer within the state with a

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

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

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

22 SECTION 8. This act shall become effective November 1, 2015.

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