An Act

ENROLLED SENATE
BILL NO. 753

By: Montgomery of the Senate

and

Pae of the House

An Act relating to certificates of title; amending 47 O.S. 2021, Section 1107, as last amended by Section 20, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1107), which relates to the holder of certificates in the event of sale or transfer of ownership; providing for certain documents to be transferred electronically; and providing an effective date.

SUBJECT: Certificates of title

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 1107, as last amended by Section 20, Chapter 107, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1107), is amended to read as follows:

Section 1107. A. In the event of the sale or transfer of the ownership of a vehicle for which a certificate of title has been issued as provided by Section 1105 of this title, the holder of such certificate shall endorse on the back of same a complete assignment thereof with warranty of title in form printed thereon with a statement of all liens or encumbrances on the vehicle, sworn to before a notary public or some other person authorized by law to take acknowledgments, and deliver same to the purchaser or transferee at the time of delivery to the purchaser or transferee of the vehicle; provided, a transfer of the ownership of a vehicle to an insurer resulting from the settlement of a total loss claim shall not require a notarized signature on the certificate of title. <u>In</u>

the event that any other documents used for a transfer of the ownership of a vehicle to an insurer resulting from the settlement of a total loss claim require a notarized signature, the documents shall be permitted to be signed electronically pursuant to Section 15-109 of Title 12A of the Oklahoma Statutes. These supporting documents shall include but are not limited to vehicle powers of attorney forms and an odometer statement. The purchaser or transferee, unless such person is a bona fide used motor vehicle dealer licensed by this state, a retail implement dealer in connection with the purchase or transfer of off-road vehicles or a charitable organization shall, within thirty (30) days from the time of delivery to the purchaser or transferee of the vehicle, present the assigned certificate of title and the insurance security verification to the vehicle to the Oklahoma Tax Commission, or one of its motor license agents, accompanied by a fee of Eleven Dollars ($11.00), together with any motor vehicle excise tax or license fee that may be due, whereupon a new certificate of title, shall be issued to the assignee. One Dollar ($1.00) of each fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. Any charitable organization utilizing the exemption authorized by this subsection shall receive training as prescribed by the Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing Commission.

B. A licensed dealer, a retail implement dealer in connection with the sale or disposal of off-road vehicles or a charitable organization shall, on selling or otherwise disposing of a vehicle, execute and deliver to the purchaser thereof the certificate of title properly and completely reassigned. Thereupon, the purchaser of the vehicle shall present the reassigned certificate to the Commission, or a motor license agent, accompanied by a fee of Eleven Dollars ($11.00), and any motor vehicle excise tax or license fee that may be due, whereupon a new certificate of title will be issued to the purchaser. One Dollar ($1.00) of each fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. The certificate, when so assigned and returned to the Commission, together with any subsequent assignment or reissue thereof, shall be appropriately filed and indexed so that at all times it will be possible to trace title to the vehicle designated therein. Provided, when the ownership of any motor vehicle shall pass by operation of law, the person owning the vehicle may, upon furnishing satisfactory proof to the Commission of ownership, procure a title to the motor vehicle, regardless of whether a certificate of title has ever been issued.

The dealer shall execute and deliver to the purchaser bills of sale on forms prescribed by the Commission for all new vehicles sold by the dealer. On presentation of a bill of sale executed on forms prescribed by the Commission, by a manufacturer or dealer for a new vehicle sold in this state, accompanied by remittance in the sum of Eleven Dollars ($11.00), together with any motor vehicle excise tax or license fee that may be due, a certificate of title shall be issued in accordance with the provisions of the Oklahoma Vehicle License and Registration Act. One Dollar ($1.00) of each fee shall be deposited in the Oklahoma Tax Commission Reimbursement Fund. For purposes of this subsection, "charitable organization" shall mean any organization which is exempt from taxation pursuant to the provisions of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3) and which is registered as a charitable organization with the Oklahoma Secretary of State and the Oklahoma Attorney General's office; "off-road vehicles" means all-terrain vehicles, utility vehicles, and motorcycles used exclusively for off-road use; "retail implement dealer" means a business engaged primarily in the sale of farm tractors as defined in Section 1-118 of this title or implements of husbandry as defined in Section 1-125 of this title or a combination thereof.

C. Any person violating the provisions of this section shall be guilty of a misdemeanor and upon the first conviction thereof shall be punished by a fine not to exceed Five Hundred Dollars ($500.00), with impoundment of the vehicle until all taxes and fees are paid. A second or subsequent conviction shall be punished by a fine not to exceed One Thousand Dollars ($1,000.00), with impoundment of the vehicle until all taxes and fees are paid. If a vehicle is impounded pursuant to the provisions of this section, the vehicle shall not be released to the owner until the owner provides proof of security or an affidavit that the vehicle will not be used on public highways or public streets, as required pursuant to Section 7-600 et seq. of this title. Each vehicle involved in a violation of this section shall be considered a separate offense.

SECTION 2. This act shall become effective November 1, 2023.

Passed the Senate the 21st day of February, 2023.

Brent Howard
Presiding Officer of the Senate

Passed the House of Representatives the 25th day of April, 2023.

Ryan Martin
Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 26th
day of April, 20 23, at 12:35 o'clock p. M.
By: Jamie Curry

Approved by the Governor of the State of Oklahoma this 2nd
day of May, 20 23, at 9:28 o'clock a. M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 2nd
day of May, 20 23, at 1:49 o'clock p M.
By: Brian Bingman