

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 ~~29~~ 40 of
15 Section 1102 of this title, manufactured within the last ~~seven (7)~~
16 ten (10) 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 the

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

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

1 the vehicle, any holder of the certificate of title for the vehicle
2 shall return the certificate of title to the Tax Commission or a
3 motor license agent within thirty (30) days from receipt of payment
4 for the loss.

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

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

23 D. If a motor vehicle with a salvage title is placed in
24 operative condition, application shall be made to the Tax Commission

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

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

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

1 d. inspection of the odometer of the vehicle to detect
2 rollback or alteration.

3 2. All vehicle damage shall be repaired before the examination
4 is conducted. The following paperwork shall be presented to the
5 motor license agent: the salvage title and original receipts for
6 all parts placed on the vehicle. Components such as doors, motor,
7 and transmission shall indicate the serial number or the vehicle
8 identification number (VIN) of the auto the part was purchased from
9 or removed from.

10 F. The visual inspection and vehicle identification numbers
11 examination shall be performed by a motor license agent at the
12 location designated by the motor license agent. If the location of
13 the inspection is not the place of business of the rebuilder, the
14 motor license agent shall issue a permit authorizing the applicant
15 to operate the vehicle upon the public streets, roads, and highways
16 in route to and from the designated location for the inspection.
17 The inspection and examination shall be performed within ten (10)
18 working days after the owner of the vehicle requests the inspection
19 and examination. Requests shall be made by completing the request
20 form prescribed and provided by the Tax Commission.

21 G. Inspection and examination of a rebuilt vehicle shall be
22 performed by a person employed by a motor license agent.

23 H. The fee for the examination by the motor license agent shall
24 be Twenty-five Dollars (\$25.00), which shall be paid at the time of

1 issuance of the certificate of title for the rebuilt vehicle. The
2 motor license agent shall retain Five Dollars (\$5.00) and shall
3 remit Twenty Dollars (\$20.00) to the Tax Commission which shall
4 retain Ten Dollars (\$10.00) and transmit Ten Dollars (\$10.00) to the
5 State Treasurer for deposit in the Department of Public Safety
6 Revolving Fund. The motor license agent and its employees and
7 agents may not be sued for and shall not be liable for any damages
8 allegedly arising out of the inspection of a vehicle or any acts or
9 omissions in the performance of the inspection. The motor license
10 agent may be held liable for any damages to the vehicle caused by
11 the negligent acts or omissions in the performance of the
12 inspection. Any person may be liable for any damages to a vehicle
13 caused by the intentional acts or omissions in the performance of
14 the inspection.

15 I. The rebuilt title and any subsequent transfers of such title
16 shall also reflect that the vehicle was a salvage vehicle, flood-
17 damaged vehicle or recovered-theft vehicle, if applicable, and also
18 shall include the salvage date.

19 J. Any title for a motor vehicle issued pursuant to the laws of
20 any other state which reflects that such vehicle is a salvage
21 vehicle, a rebuilt vehicle or a junked vehicle or has any other
22 brand or classification notation by that state shall be retained on
23 the new title issued by the Tax Commission unless the actual
24 documented cost of repairing the vehicle for safe operation on the

1 highway does not exceed sixty percent (60%) of the fair market value
2 of the vehicle as provided by this section.

3 K. When the insurance company pays a loss on a vehicle which is
4 registered at the time of mishap, accident, burning, or flooding,
5 the appropriate certificate of title shall be issued without the
6 payment of additional registration fees or excise taxes, upon the
7 submission of a police report or insurance adjuster's report and a
8 declaration by the insurer that the vehicle is held for sale to a
9 dealer. If the owner of the vehicle or other insured retains
10 ownership of the damaged vehicle, the Tax Commission shall notify
11 the owner or insured of the requirements of this section.

12 L. Any insurance company that pays a claim for a loss where the
13 cost of repairing the vehicle for safe operation on the highway
14 exceeds sixty percent (60%) of the market value of the vehicle or
15 pays a claim for a flood-damaged vehicle as defined in Section 1105
16 of this title shall notify, in writing, the holder of the
17 certificate of title of the requirements of this section and shall
18 notify the Tax Commission of the payment of such claim. The notice
19 shall include the estimated total damage percentage determination of
20 the actual cash value made by the insurance company to repair the
21 vehicle for safe operation on the highway. The insurance company
22 shall also send a copy of the notification to the holder of the
23 title. The Tax Commission shall provide notice to the owner of the
24 vehicle in writing requiring the owner to surrender the title along

1 with the fee to the Tax Commission or one of its motor license
2 agents within thirty (30) days from the receipt of notice for the
3 issuance of the appropriate title based on the amount of loss. The
4 Tax Commission shall reissue the appropriate title with the words
5 "Flood Damaged" on the face of the title in the case of a flood-
6 damaged vehicle; provided, no insurance company shall pay a claim
7 for less than the amount to which the holder of the certificate of
8 title is rightfully entitled in order to avoid compliance with this
9 section.

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

16 N. Any owner of a titled vehicle who has knowledge that the
17 title is not the proper type for the vehicle and, with intent to
18 misrepresent the vehicle, fails to make the appropriate title
19 changes, shall be guilty of a misdemeanor. Any person who has
20 knowledge that the title is not the proper type for the vehicle, and
21 with intent to misrepresent the vehicle, buys or receives any
22 vehicle for which the appropriate title changes have not been made
23 as required by this act shall be guilty of a misdemeanor. Any
24 person found guilty in accordance with the provisions of this

1 subsection shall be punished by a fine of not more than One Thousand
2 Dollars (\$1,000.00) for the first offense or Five Thousand Dollars
3 (\$5,000.00) for the second or subsequent offense, or by imprisonment
4 in the county jail for a term not exceeding six (6) months, or by
5 both such fine and imprisonment.

6 O. Any owner of a salvage or junked vehicle shall submit the
7 certificate of title to the Tax Commission or motor license agent
8 for issuance of an appropriate title. Any holder of a certificate
9 of title issued by this state, to a vehicle which no longer exists,
10 shall surrender the certificate of title to the Tax Commission for
11 cancellation. The vehicle identification number on the canceled
12 certificate of title shall be preserved in the computer of the Tax
13 Commission for at least five (5) years.

14 Nothing in this section shall be construed to prevent the
15 transfer of ownership of a vehicle by assignment of the title to a
16 used car dealer, wholesale used car dealer, or a licensed automotive
17 dismantler or parts recycler.

18 SECTION 2. REPEALER 47 O.S. 2011, Section 1105.4, is
19 hereby repealed.

20 SECTION 3. This act shall become effective November 1, 2019.

21
22 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT EFFICIENCY, dated
23 03/27/2019 - DO PASS.
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