## STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

HOUSE BILL 1144 By: Kannady

## AS INTRODUCED

An Act relating to registrations; authorizing consolidated vessel and motor registration; providing certain assumption of registration; amending 63 O.S. 2011, Sections 4009, 4015, 4021 and 4030, which relate to the Oklahoma Vessel and Motor Registration Act; exempting certain information from certain applications; exempting certain motors from decal requirements; establishing certain registration fee; providing exemption from certain penalties; amending 47 O.S. 2011, Section 1133.3, which relates to trailer registration; requiring registration; providing deadline for registration; authorizing registration decals; providing exemption; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4015A of Title 63, unless there is created a duplication in numbering, reads as follows:

The owner of a vessel possessing a certificate of title shall have the option to make application for a consolidated vessel and motor registration of such vessel with the Oklahoma Tax Commission or with a motor license agent within thirty (30) calendar days from the purchase date, from the expiration of registration or from the date the owner becomes a resident of this state. Any outboard motor

- attached to a vessel with a consolidated vessel and motor
  registration shall be considered registered for purposes of the

  Oklahoma Vessel and Motor Registration Act; provided the registrant
  possesses a proper certificate of title for such motor. The

  application shall contain such information as shall be required by
  the Commission pursuant to the provisions of the Oklahoma Vessel and
- 8 SECTION 2. AMENDATORY 63 O.S. 2011, Section 4009, is
  - Section 4009. A. The application for a certificate of title and registration for a vessel or an outboard motor shall be upon a form furnished by the Oklahoma Tax Commission and shall contain:
  - A full description of the vessel or outboard motor;
- 2. The manufacturer's serial and model number or other identification number:
  - 3. The length of the vessel;

Motor Registration Act.

amended to read as follows:

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- 4. The date on which first sold by the manufacturer or dealer to the owner;
  - Any distinguishing marks;
  - 6. A statement of the applicant's source of title;
- 7. Whether the vessel is a documented vessel and the number assigned to such vessel;
- 8. Any security interest upon said vessel or outboard motor, or vessel and motor; and

9. Such other information as the Commission may require.

Provided the application for a consolidated vessel and motor registration shall only require such information as it relates to the vessel. Every original or duplicate certificate of title and registration for a vessel or an outboard motor shall contain all items listed in this subsection.

- B. To obtain an original certificate of title for a vessel or outboard motor that is being registered for the first time in this state or for a vessel or outboard motor that has not been previously registered in any other state, the applicant shall be required to deliver, as evidence of ownership, a manufacturer's certificate of origin or at the discretion of the Commission a copy of the manufacturer's certificate of origin properly assigned by the manufacturer, distributor, or dealer licensed in this or any other state shown thereon to be the last transferee to the applicant upon a form to be prescribed and approved by the Commission. A manufacturer's certificate of origin shall contain:
  - 1. The manufacturer's serial or other identification number;
  - 2. Date on which first sold by the manufacturer to the dealer;
- 3. Any distinguishing marks including model and the year same was made;
- 4. A statement of any security interests upon said vessel or outboard motor, or vessel and motor; and
  - 5. Such other information as the Commission may require.

C. In the absence of a dealer's or manufacturer's number, the Commission may assign such identifying number to the vessel or outboard motor, which shall be permanently stamped, burned or pressed into or attached onto such vessel or outboard motor.

- D. Every dealer selling new or used vessels or outboard motors and every individual not licensed as a dealer who sells a new or used vessel or outboard motor shall verify the hull identification number or serial number is the same as the number on the current registration of the vessel or outboard motor. The seller of the vessel or outboard motor shall sign a notarized affidavit, under penalty of perjury, affirming the numbers are the same.
- E. 1. Before a homemade vessel is issued a hull identification number from the Commission, the vessel and the motor shall be inspected by a commissioned officer of the Oklahoma Highway Patrol Division of the Department of Public Safety or by any other employee of the Department or any other law enforcement officer of the state as the Commissioner of Public Safety may designate, pursuant to the rules promulgated by the Commissioner of Public Safety. For the purposes of this act, "homemade vessel" means any vessel not allotted a hull identification number (HIN) by a manufacturer, and specifically excludes any vessel upon which the hull identification number has been covered, altered, defaced, destroyed, or removed.
- 2. The Department of Public Safety is hereby granted authority and jurisdiction, pursuant to Article 1 of the Administrative

- Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma

  Statutes, to promulgate, administer and enforce all necessary rules

  deemed necessary to implement the provisions of this section.
  - 3. The Department of Public Safety shall prescribe all forms deemed necessary to implement the provisions of this section.
    - F. It shall be unlawful to:

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- 1. Improperly display or fail to display a vessel's hull identification number;
- 2. Operate or possess a vessel on which the hull identification number has been removed; or
- 3. Operate or possess a motor on which the serial number has been removed.
- G. When registering in this state a vessel which was titled in another state and which title contains the name of a secured party on the face of the other state certificate of title, the Oklahoma Tax Commission or the motor license agent shall complete a lien entry form as prescribed by said Commission. A statement of the lien or encumbrance shall be included on the Oklahoma certificate of title and the lien or encumbrance shall be deemed continuously perfected as though it had been perfected pursuant to Section 4013 of this title. For completing the lien entry form and recording the security interest on the certificate of title, the Commission or the motor license agent shall collect a fee of Three Dollars (\$3.00)

which shall be in addition to other fees provided by the Oklahoma Vessel and Motor Registration Act.

H. Upon payment of all fees and taxes, a certificate of title, a certificate of registration and, for a vessel, two registration decals or, for an outboard motor, one registration decal shall be delivered to the applicant; except that for consolidated vessel and motor registrations, no decal shall be required for an outboard motor. Provided, yearly decals shall be issued for vessels and motors titled and registered to the Department of Public Safety.

SECTION 3. AMENDATORY 63 O.S. 2011, Section 4015, is amended to read as follows:

Section 4015. Except as otherwise provided by Sections 4005 and 4024 of this title and Section 1 of this act, every owner of a vessel or motor possessing a certificate of title shall make an application for the registration of such vessel or motor with the Oklahoma Tax Commission or with a motor license agent within thirty (30) calendar days from the purchase date, or from the expiration of registration, or from the date the owner becomes a resident of this state. The application shall contain such information as shall be required by the Commission pursuant to the provisions of the Oklahoma Vessel and Motor Registration Act, Section 4002 et seq. of this title.

SECTION 4. AMENDATORY 63 O.S. 2011, Section 4021, is amended to read as follows:

Section 4021. A. The application required for the initial and subsequent registration of a vessel or a motor shall be accompanied by payment of the following fees:

- 1. Where the manufacturer's factory delivered price, or in the absence of such price being published in a recognized publication for the use of marine dealers and/or for purposes of insurance and financing firms, where the provable original or new cost of all materials, is One Hundred Fifty Dollars (\$150.00) or less, the registration and license fee for the first and for each succeeding year's registration shall be One Dollar (\$1.00);
- 2. Where the manufacturer's factory delivered price, or in the absence of such price being published as provided in paragraph 1 of this section, where the value of such vessel or motor is determined and fixed as above required and, is in excess of One Hundred Fifty Dollars (\$150.00), there shall be added to the fee of One Dollar (\$1.00), the sum of One Dollar (\$1.00) for each One Hundred Dollars (\$100.00) or any fraction thereof, in excess of One Hundred Fifty Dollars (\$150.00) provided such fee shall not exceed One Hundred Fifty Dollars (\$150.00);
- 3. After the first year's registration in this state under the Oklahoma Vessel and Motor Registration Act of any new vessel or new motor under paragraph 2 of this subsection, the registration for the second year shall be ninety percent (90%) of the fee computed and assessed hereunder for the first year, and thereafter, such fee

shall be computed and assessed at ninety percent (90%) of the previous year's fee and shall be so computed and assessed for the next nine (9) successive years provided such fee shall not exceed One Hundred Fifty Dollars (\$150.00);

- 4. The initial and subsequent registration fee for any vessel which is a part of a fleet used for lodging and for which a rental fee and sales tax are collected shall be Forty Dollars (\$40.00) in lieu of the fees required by paragraphs 1 through 3 of this subsection. For the purpose of this paragraph, "fleet" means twenty or more vessels operated by a business organization from a single anchorage. The fee provided for in this paragraph may be reduced annually to zero until the total reduction equals the difference between the sum of the fees paid pursuant to paragraphs 1 through 3 of this subsection for the two registration years preceding January 1, 1990, and the fee provided for in this paragraph;
- 5. For any vessel or motor owned and numbered, registered or licensed prior to January 1, 1990, in this or any other state, or in the absence of such registration upon proof of the year, model and age of same, the registration fee shall be computed and assessed at the rate hereinabove provided for a new vessel or motor based on the value thereof determined as provided in this subsection, but reduced as though same had been registered for each prior year of its existence. Except as provided in paragraph 1 of this subsection, the registration fee for the eleventh year computed in accordance

with the provisions of this subsection shall be the amount of the fee to be assessed for such eleventh year and shall be the minimum annual registration fee for such vessel or motor for any subsequent year; and

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- 6. The initial and subsequent registration fee for any vessel or motor which is not being used in a trade or business or for any commercial purpose and is owned by:
  - a. a nonresident member of the Armed Forces of the United

    States assigned to duty in this state in compliance

    with official military or naval orders,
  - b. a resident member of the Armed Forces of the United States assigned to duty in this state in compliance with official military or naval orders,
  - c. the spouse, who resides in Oklahoma, of a resident or nonresident member of the Armed Forces of the United States serving in a foreign country, or
  - d. any Oklahoma resident who is stationed out of state due to an official assignment of the Armed Forces of the United States,
- shall be the lesser of either a Fifteen Dollar (\$15.00) registration fee or the fee computed and assessed for vessels or motors of similar age and model pursuant to this section; and
- 7. For consolidated vessel and motor registrations as provided by Section 1 of this act, the initial and subsequent registration

fee shall be the greater of Twenty-five Dollars (\$25.00) or one

hundred twenty-five percent (125%) of the registration fee which

would otherwise be owed for the vessel alone, under paragraphs 1, 2,

and 3 of this subsection.

B. As used in this section, the term "manufacturer's factory delivered price" shall represent the recommended retail selling price and shall not mean the wholesale price to a dealer.

- C. The Oklahoma Tax Commission shall assess the registration fees and penalties for the year or years a vessel or motor was not registered as provided in the Oklahoma Vessel and Motor Registration Act. For vessels or motors not registered for two (2) or more years, the registration fees and penalties shall be due only for the current year and one (1) previous year. No penalty shall be assessed under this subsection against the owner of an outboard motor that was not individually registered in prior years if the owner or a prior owner of the outboard motor possessed a consolidated vessel and motor registration during each year the motor was not individually registered.
- D. Upon each vessel or motor repossessed by a mortgagee, a fee of Forty-six Dollars (\$46.00) shall be assessed. This fee shall be in lieu of any applicable vessel or motor excise tax and registration fees. Each motor license agent accepting applications for certificates of title for such vessel or motors shall receive

- Seven Dollars (\$7.00) to be deducted from the license fee specified in this paragraph for each application accepted.
- E. All vessels or motors owned by the State of Oklahoma, its agencies or departments, or political subdivisions thereof, or which under the law would be exempt from direct ad valorem taxation, shall be registered pursuant to the provisions of the Oklahoma Vessel and Motor Registration Act for an annual fee of Two Dollars and twenty-five cents (\$2.25) irrespective of whether registered by a motor license agent or the Tax Commission.
  - F. All vessels and motors owned:

- 1. By the Boy Scouts of America, the Girl Scouts of U.S.A., and the Camp Fire USA, devoted exclusively to youth programs emphasizing physical fitness, character development and citizenship training;
  - 2. By the Department of Public Safety; and
- 3. By organizations which are exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, 26 U.S.C., Section 501(c)(3), and which are primarily devoted to the establishment, development, operation, promotion, and participation in, alone or in conjunction with others, educational and training programs and competitive events to provide knowledge, information, or comprehensive skills related to the sports of sailing, fishing, boating, and other aquatic related activities; are hereby exempt from the payment of registration fees required by this section. Provided all of such vessels or motors shall be

registered and shall otherwise comply with the provisions of the Oklahoma Vessel and Motor Registration Act.

- G. A credit shall be allowed with respect to the fee for registration of any new vessel or new motor, when such new vessel or motor is a replacement for:
- 1. A new original vessel or new original motor which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vessel or new original motor as certified by a police report or other documentation as required by the Tax Commission; or
- 2. A defective new original vessel or new original motor returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vessel or new original motor as certified by the manufacturer.

Such credit shall be in the amount of the fee for registration which was paid for the new original vessel or new original motor and shall be applied to the registration fee for the replacement vessel or motor. In no event will said credit be refunded.

H. Upon proper proof of a lost certificate of registration being made to the Tax Commission or one of its motor license agents, accompanied by an application therefor and payment of the fees required by the Oklahoma Vessel and Motor Registration Act, a duplicate certificate of registration shall be issued to the applicant. The charge for such duplicate certificate of

registration shall be Two Dollars and twenty-five cents (\$2.25),
which charge shall be in addition to any other fees imposed by
Section 4022 of this title for any such vessel or motor.

I. In addition to any other fees levied by the Oklahoma Vessel and Motor Registration Act, there is levied and there shall be paid to the Tax Commission, for each year a vessel or motor is registered, a fee of One Dollar (\$1.00) for each vessel or motor for which a registration or license fee is required pursuant to the provisions of this section. The fee shall accrue and shall be collected upon each vessel or motor under the same circumstances and shall be payable in the same manner and times as apply to vessel and motor licenses and registrations under the provisions of the Oklahoma Vessel and Motor Registration Act; provided, the fee shall be paid in full for the then current year at the time any vehicle is first registered in a calendar year.

Monies collected pursuant to this subsection shall be apportioned by the Tax Commission to the State Treasurer for deposit in the Trauma Care Assistance Revolving Fund created in Section 330.97 of this title.

The collection and payment of the fee shall be a prerequisite to license or registration of any vessel or motor.

J. If a vessel or motor is donated to a nonprofit charitable organization, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax,

transfer fees, and penalties and interest; provided, subsequent to such donation, if the person, entity or party acting on another's behalf who donated the vessel or motor, purchases the same vessel or motor from the nonprofit charitable organization receiving the original donation, such person, entity or party acting on another's behalf shall be liable for all current and past due registration fees, excise tax, transfer fees, and penalties and interest on such vehicle.

SECTION 5. AMENDATORY 63 O.S. 2011, Section 4030, is amended to read as follows:

Section 4030. A. 1. The Oklahoma Tax Commission shall, and each federally recognized Indian tribe of this state may, develop and implement a permanent number system for vessels which is consistent with United States Coast Guard statutes and regulations. The system shall be effective upon the effective date of this act.

- 2. Except as otherwise provided by this section, every vessel on the waters of this state shall display the permanent number assigned to it by the Tax Commission or by a federally recognized Indian tribe of this state, which number shall not be obliterated, erased, mutilated, removed or missing.
  - 3. In order to ensure that:

a. a permanent number issued by a federally recognized Indian tribe of this state conforms to federal

statutory and regulatory requirements of the United

States Coast Guard, and

b. the rights prescribed in paragraph 2 of this subsection are extended to every federally recognized Indian tribe of this state,

every vessel on the waters of this state assigned a permanent number by a federally recognized Indian tribe of this state which issues permanent numbers shall be recorded and maintained by the Tax Commission in the same manner as the Tax Commission records and maintains the permanent number of vessels on the waters of this state which are assigned by the Tax Commission.

- B. The vessels authorized to display a number other than that required by the provisions of the Oklahoma Vessel and Motor Registration Act are:
- 1. A documented vessel, provided that such vessel is currently registered, is displaying both current registration decals, and the name, hailing port and official federal documentation number assigned to it are displayed on the vessel according to federal law or federal rules and regulations;
- 2. A vessel from a country other than the United States temporarily using the waters of this state;
- 3. A vessel from another state owned by an out-of-state resident using the waters of this state;

4. A vessel whose owner is the United States, a state or a subdivision thereof; provided, however, if such vessel is used for recreational or rental purposes on the public waters of this state, that vessel shall display the permanent number assigned to it by the Tax Commission;

- 5. A vessel that is used exclusively and solely for racing purposes;
- 6. A vessel that is used exclusively and solely as a lifeboat; and
- 7. A commercial flotation device which is assigned a permit by the Scenic Rivers Commission pursuant to the provisions of Sections 1461 et seq. of Title 82 of the Oklahoma Statutes.
- C. Except as otherwise provided for in this section, every vessel and every outboard motor on the waters of this state shall display the current registration decals or decal assigned to it by the Tax Commission. The outboard motor registration decal shall be affixed to the upper portion of the motor cowling in such a manner that approximately one-half (1/2) of the decal is displayed on the left side of the motor cowling extending toward the rear of the motor cowling. No decal is required to be displayed by an outboard motor attached to a vessel with a consolidated vessel and motor registration. Vessel registration decals shall be:
  - 1. Affixed on each side of the forward half of the vessel; and

- 2. In line with and within six (6) inches aft of the permanent number.
  - D. The owner of any vessel issued a permanent number pursuant to the provisions of the Oklahoma Vessel and Motor Registration Act, Section 4002 et seq. of this title, shall place on or attach to the vessel the permanent number in such manner that it may be clearly visible. The permanent number shall:
    - 1. Be maintained in legible condition;
  - 2. Be painted, applied as a decal, or otherwise affixed to each side of the forward half of the vessel in contrasting color to the background, as high above the waterline as is practical;
    - 3. Read from left to right;
  - 4. Be comprised of numbers and letters printed in block style of at least three (3) inches in height and one-half (1/2) inch in stroke width; and
    - 5. Have spaces or hyphens that are equal to the width of a letter other than "I" or a number other than "1" between the letter and number groupings.
    - No other similar numbers shall be displayed on either side of the forward half of the vessel.
- E. The provisions of this section shall not apply to sailboards or fishing tubes.

F. The Tax Commission shall adopt rules for the placement of the registration decal in an alternate location for antique boats.

In this subsection, "antique boat" means a boat that:

- 1. Is used primarily for recreational purposes; and
- 2. Was manufactured before 1968.

Such rules shall allow vessels registered as antique boats to display the registration decal on the left portion of the windshield. In the absence of a windshield, the rules shall allow operators of antique boats to attach the registration decal to the certificate of registration and make such decal and certificate available for inspection when the boat is operated on public water.

SECTION 6. AMENDATORY 47 O.S. 2011, Section 1133.3, is amended to read as follows:

Section 1133.3 At the option of the owner, the A. The Oklahoma Tax Commission is authorized to shall register boat trailers and utility-type trailers, which are not being utilized in a commercial capacity, on an annual basis for a fee of One Dollar (\$1.00).

Purchasers of such trailers shall file a registration application and the payment of the fee provided within thirty (30) days from the date of purchase. The Tax Commission shall assign a distinctive number and issue to the owner a certificate of registration and a decal but not a license plate. The decal shall be attached to the front fork or front attachment of the trailer and the decal shall be in clear view.

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B. Trailers or semitrailers or combinations thereof used
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    primarily for farm use and for the transportation of products of the
    farm by the producer thereof are exempt from the provisions of this
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    section.
        SECTION 7. This act shall become effective November 1, 2015.
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