

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 CONFERENCE COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 792

By: Johnson (Rob) of the Senate

and

Jackson, Sherrer and Hoskin  
of the House

8  
9 CONFERENCE COMMITTEE SUBSTITUTE

10 An Act relating to the Oklahoma Used Motor Vehicle  
11 and Parts Commission; creating the Oklahoma Crusher  
12 Act; defining terms; prohibiting operating business  
13 as a crusher without a license; providing exception  
14 for certain licensed scrap metal dealers; authorizing  
15 certain inspection of records of certain licensed  
16 dealers for certain purpose; stating eligibility for  
17 licensure; setting application requirements;  
18 requiring bond and service agent; providing for  
19 investigation and fees; allowing retention of  
20 investigative fee upon license denial; directing  
21 Commission to set fees by rule; describing contents  
22 of license; requiring display of license; prohibiting  
23 transfer of license; providing for license term and  
24 renewal; establishing procedure to acquire certain  
used vehicles; stating unauthorized sales of  
vehicles; directing report of vehicle purchases  
within certain time; providing for holding period  
following submission of the report; setting contents  
of the report; requiring submission of monthly report  
to certain national system; exempting certain  
licensed business; prohibiting reassignment of title;  
providing for rules; granting Commission rulemaking  
authority; criminalizing certain acts; setting  
penalties; providing for injunctive relief;  
authorizing denial, suspension, revocation, or  
imposition of fine under certain conditions;  
providing for codification; and providing an  
effective date.

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

2 SECTION 1. NEW LAW A new section of law to be codified  
3 in the Oklahoma Statutes as Section 592.1 of Title 47, unless there  
4 is created a duplication in numbering, reads as follows:

5 This act shall be known and may be cited as the "Oklahoma  
6 Crusher Act".

7 SECTION 2. NEW LAW A new section of law to be codified  
8 in the Oklahoma Statutes as Section 592.2 of Title 47, unless there  
9 is created a duplication in numbering, reads as follows:

10 As used in the Oklahoma Crusher Act:

11 1. "Commission" means the Oklahoma Used Motor Vehicle and Parts  
12 Commission;

13 2. "Crusher" means a person engaged in the business of crushing  
14 and/or shredding used motor vehicles, trailers, or nonmotorized  
15 recreational vehicles; and

16 3. "Person" means an individual, partnership, corporation,  
17 limited liability company, joint venture, trust, association, or any  
18 other legal entity however organized.

19 SECTION 3. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 592.3 of Title 47, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. No person shall engage in business as a crusher without  
23 first obtaining a license from the Oklahoma Used Motor Vehicle and  
24

1 Parts Commission specifically authorizing engagement in such  
2 business.

3 B. A person licensed as a scrap metal dealer in this state who  
4 is engaged primarily in the business of a scrap metal dealer and who  
5 crushes vehicles only at its licensed scrap metal dealer location  
6 shall be exempt from the licensing requirements of this act. A  
7 person licensed as a scrap metal dealer who fails to keep records of  
8 crushed vehicles as required by the Scrap Metal Dealers Act shall  
9 not be entitled to the exemption herein. Any crusher who is an  
10 independent contractor employed to crush vehicles for a scrap metal  
11 dealer shall not be exempt from the requirements of this act. Any  
12 law enforcement officer or employee of the Used Motor Vehicle and  
13 Parts Commission shall be authorized to inspect the records of any  
14 licensed scrap metal dealer pertaining to crushed vehicles to verify  
15 compliance with this provision.

16 SECTION 4. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 592.4 of Title 47, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. To be eligible for a crusher license, an applicant shall:

20 1. Be of good moral character;

21 2. Have net assets of at least Twenty-five Thousand Dollars  
22 (\$25,000.00); and

23 3. Show that the crusher operation will be operated lawfully  
24 and fairly within the purpose of the Oklahoma Crusher Act.

1 B. The Commission shall find ineligible an applicant who:

2 1. Has a felony conviction which relates to the duties and  
3 responsibilities of the occupation of crusher, or has any felony  
4 conviction less than five (5) years before the date of application  
5 for a license;

6 2. Is unfit to conduct the business of a crusher as determined  
7 by the Commission, taking into consideration the business integrity,  
8 financial standing, moral character, and/or ability to conduct the  
9 business of a crusher of the applicant; and

10 3. Fails to provide any information requested by the Commission  
11 in any initial or renewal application for license.

12 SECTION 5. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 592.5 of Title 47, unless there  
14 is created a duplication in numbering, reads as follows:

15 A. Applications for a crusher license shall be under oath and  
16 shall state the full name and place of residence of the applicant.  
17 If the applicant has more than one member, the full name and  
18 residence of each member shall be stated. The application shall  
19 give the location of the business headquarters, and shall contain  
20 such relevant information as the Commission shall require.

21 B. Each applicant for a crusher license at the time of filing  
22 the application shall file with the Commission a bond in the amount  
23 of Twenty-five Thousand Dollars (\$25,000.00) for each license with a  
24 surety company qualified to do business in this state. The bond

1 shall be approved as to form by the Attorney General and conditioned  
2 that the applicant shall not practice fraud, make any fraudulent  
3 representation, or violate any of the provisions of the Oklahoma  
4 Crusher Act or any of the rules made by the Commission hereunder in  
5 the conduct of the business for which the applicant is licensed and  
6 will pay to the state and to any person or persons any and all  
7 amounts of money that may become due or owing to the state or to  
8 such person or persons from the obligor under and by virtue of the  
9 provisions of the Oklahoma Crusher Act during the time such bond is  
10 in effect. The bond shall run to the benefit of the state and of  
11 any person or persons who may have cause of action against the  
12 obligor of the bond under the provisions of the Oklahoma Crusher Act  
13 up to the maximum amount of the bond.

14 C. Each licensee shall maintain on file with the Commission a  
15 written appointment of a resident of this state as his or her agent  
16 for service of all judicial or other process or legal notice, unless  
17 the licensee has appointed an agent under another statute of this  
18 state. In case of noncompliance, such service may be made on the  
19 Commission.

20 SECTION 6. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 592.6 of Title 47, unless there  
22 is created a duplication in numbering, reads as follows:

23 A. Upon the filing of an application and bond and payment of  
24 the annual fee and an investigation fee, the Commission shall

1 conduct an investigation. If the Commission finds that the  
2 financial responsibility, experience, character and general fitness  
3 of the applicant are such as to warrant belief that the business  
4 will be operated lawfully and fairly, within the purposes of this  
5 act, and the applicant meets the eligibility requirements of this  
6 act and the rules of the Commission, the Commission shall grant the  
7 application and issue to the applicant a license which will evidence  
8 the applicant's authority to do business pursuant to the Oklahoma  
9 Crusher Act.

10 B. If the Commission does not find facts sufficient to warrant  
11 issuance of a license, the Commission may deny the application. In  
12 the event of denial of the application, the investigation fee shall  
13 be retained by the Commission, but the annual license fee shall be  
14 returned to the applicant.

15 C. The Commission shall prescribe by rule a fee for each  
16 initial application, investigation fee, renewal application, late  
17 fee for renewals not received by June 1, and fee for each license  
18 change, duplicate license or returned check.

19 SECTION 7. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 592.7 of Title 47, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. Each license shall state the name of the licensee and the  
23 address at which the business office is located and where the  
24 records of the business are to be permanently maintained. The

1 license shall be displayed at the business location. The license  
2 shall not be transferable.

3 B. Each license shall remain in full force and effect until  
4 relinquished, suspended, revoked or expired. Every licensee, on or  
5 before June 1, shall pay the Commission an annual fee for the  
6 succeeding one-year licensing period, July 1 through June 30. If  
7 the annual fee remains unpaid by June 15, the license shall  
8 thereupon expire on June 30. If the renewal application is received  
9 after June 15, a late fee shall be charged.

10 SECTION 8. NEW LAW A new section of law to be codified  
11 in the Oklahoma Statutes as Section 592.8 of Title 47, unless there  
12 is created a duplication in numbering, reads as follows:

13 A. Prior to the purchase of a used motor vehicle, trailer, or  
14 nonmotorized recreational vehicle, the crusher shall require the  
15 following proof of ownership from the person selling the used motor  
16 vehicle, trailer, or nonmotorized recreational vehicle:

17 1. A certificate of title in the name of the seller that shows  
18 no outstanding liens;

19 2. A notarized power of attorney from the individual on the  
20 certificate of title authorizing the seller to dispose of the  
21 vehicle on behalf of the owner;

22 3. A bill of sale from the owner as identified by the  
23 certificate of title to the person presenting the vehicle to be  
24 crushed or shredded;

1 4. A statement of ownership from the seller stating that the  
2 vehicle to be crushed was purchased from the lawful owner,  
3 accompanied by a bill of sale from the lawful owner including a  
4 statement that there are no outstanding liens on the vehicle, and a  
5 statement that the vehicle is inoperable or incapable of operation  
6 or use on the highway and has no resale value except as scrap; or

7 5. Paperwork from a licensed wrecker operator showing that the  
8 wrecker operator has properly foreclosed its lien on the used motor  
9 vehicle, trailer or nonmotorized recreational vehicle to be crushed  
10 or shredded, and that the person selling the vehicle is the owner of  
11 the vehicle as shown on the return of sale in the foreclosure form.  
12 Provided, if the paperwork is subsequently proven to be fraudulent  
13 or falsified by the wrecker operator, the wrecker operator's license  
14 may be suspended or revoked.

15 B. A crusher shall not:

16 1. Accept any vehicle to be crushed or shredded from a person  
17 under the age of eighteen (18) years;

18 2. Buy a vehicle from a person unable to supply verification of  
19 identity by photo I.D. by either a state-issued identification card,  
20 driver license or federal-government-issued identification card or  
21 by readable fingerprint of right or left index finger on the  
22 purchase document to be retained in the crusher's records; or

23 3. Crush or shred any vehicle purchased until making the report  
24 and waiting the time period required herein.

1 C. A crusher shall:

2 1. Make available a copy or report within three days (3) days  
3 of any purchase of a vehicle to the local law enforcement agency of  
4 the municipality or other political subdivision in which the crusher  
5 is located or temporarily operating. Such copy or report shall be  
6 shown upon request to the Commission's representative or to any  
7 authorized peace officer;

8 2. Hold the vehicle in the state and condition in which it was  
9 purchased for a period of three (3) days after submitting the report  
10 required in paragraph 1 of this subsection;

11 3. Include in the report:

- 12 a. the name, address and telephone number of the crusher  
13 whereby the crusher may be immediately contacted,  
14 b. the name, address, race, sex, weight, height, date of  
15 birth and identifying number of the seller as verified  
16 by either a state-issued identification card, driver  
17 license or federal-government-issued identification  
18 card or by readable fingerprint of right or left index  
19 finger on the purchase document to be retained in the  
20 crusher's record, and  
21 c. a description of the vehicle, the manufacturer of the  
22 vehicle, the vehicle identification numbers of the  
23 vehicle, and the date and time of the purchase of the  
24 vehicle; and

1 4. Submit a report monthly to the National Motor Vehicle Title  
2 Information System (NMVTIS) of the disposition of each vehicle  
3 crushed.

4 D. A licensed automotive dismantler engaging the services of a  
5 crusher shall not be required to produce proof of ownership to the  
6 crusher before selling to the crusher vehicles or other property  
7 purchased by the automotive dismantler in the ordinary course of  
8 business.

9 E. A crusher shall not have the right of reassignment of a  
10 certificate of title.

11 SECTION 9. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 592.9 of Title 47, unless there  
13 is created a duplication in numbering, reads as follows:

14 A. Rulemaking Power. The Oklahoma Used Motor Vehicle and Parts  
15 Commission may adopt, amend and repeal such rules as are necessary  
16 for the enforcement of the provisions of the Oklahoma Crusher Act  
17 and consistent with its provisions.

18 B. Criminal Penalties.

19 1. Any person who engages in the business of operating a  
20 crusher without first obtaining the license prescribed in the  
21 Oklahoma Crusher Act or any person who receives, obtains or  
22 possesses and crushes any vehicle or other property which the person  
23 knows to be subject to an outstanding lien shall be guilty of a  
24 misdemeanor and upon conviction thereof shall be punished by a fine

1 not in excess of One Thousand Dollars (\$1,000.00), by confinement in  
2 the county jail for not more than six (6) months, or by both.

3 2. Any person who engages in the business of operating a  
4 crusher without first obtaining the license prescribed in the  
5 Oklahoma Crusher Act and who receives, obtains or possesses any  
6 vehicle or other property which he knows to be stolen, shall be  
7 guilty of a felony offense of receiving, obtaining or possessing  
8 stolen property and, upon conviction, shall be subject to the  
9 penalties which may be imposed for such crime.

10 3. Any person selling a vehicle or other property to a crusher  
11 who uses false or altered identification or makes a false  
12 declaration of ownership or lien status as related to the provisions  
13 of the Oklahoma Crusher Act shall be guilty of a felony, and upon  
14 conviction shall be punished by imprisonment in the custody of the  
15 Department of Corrections for a term of not more than five (5)  
16 years, or in the county jail for a term of not more than one (1)  
17 year, or by a fine not exceeding One Thousand Dollars (\$1,000.00),  
18 or by both such fine and imprisonment.

19 4. Any person who fails to repay a crusher the full amount  
20 received from the sale of a vehicle or other property after being  
21 officially notified by a peace officer or the Commission that the  
22 vehicle or other property the person sold to the crusher was stolen  
23 shall be guilty of a misdemeanor and upon conviction shall be  
24 punished by imprisonment in the county jail for a term of not to

1 exceed six (6) months, or a fine not to exceed One Thousand Dollars  
2 (\$1,000.00), or by both such fine and imprisonment.

3 C. Injunctive Action. The Commission may institute, in the  
4 name of the State of Oklahoma ex rel. Oklahoma Used Motor Vehicle  
5 and Parts Commission, any necessary action to enjoin any person,  
6 firm, or corporation from engaging in the business of a crusher  
7 without a license, or for any violations of this act. An injunction  
8 shall issue without the requirement of a bond of any kind from the  
9 state. The venue of any action authorized by this section shall be  
10 in the county wherein the business activity complained of is  
11 conducted.

12 SECTION 10. NEW LAW A new section of law to be codified  
13 in the Oklahoma Statutes as Section 592.10 of Title 47, unless there  
14 is created a duplication in numbering, reads as follows:

15 The Used Motor Vehicle and Parts Commission may deny an  
16 application for a license, impose a fine not to exceed One Thousand  
17 Dollars (\$1,000.00) per occurrence, or revoke or suspend a license  
18 after it has been granted, when any provision of this act is  
19 violated or for any of the following reasons:

- 20 1. On satisfactory proof of unfitness of the applicant or  
21 licensee, as the case may be;
- 22 2. For fraud practices or any material misstatement made by an  
23 applicant in any application for licensure pursuant to this act;

24

1           3. For willful failure to comply with any provisions of this  
2 act or with any rule promulgated by the Commission pursuant to this  
3 act;

4           4. Change of condition after license is granted resulting in  
5 failure to maintain the qualifications for license;

6           5. Continued or flagrant violation of any of the rules of the  
7 Commission promulgated pursuant to this act; or

8           6. Being a crusher or shredder who:

9           a. has committed any unlawful act which resulted in the  
10 revocation of any similar license in this state or  
11 another state,

12           b. has been convicted of a crime involving moral  
13 turpitude,

14           c. has committed a fraudulent act in buying, selling or  
15 otherwise dealing in used motor vehicles, trailers, or  
16 nonmotorized vehicles to be crushed or shredded, or  
17 disposed of as crushed or shredded,

18           d. has engaged in business under a part or present  
19 license, in such a manner as to cause injury to the  
20 public or to those which whom the licensee is dealing,  
21 or

22           e. has failed to meet or maintain the conditions and  
23 requirements necessary to qualify for the issuance of  
24 a license.

1 SECTION 11. This act shall become effective November 1, 2013.

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