

**TITLE 765. OKLAHOMA USED MOTOR VEHICLE DISMANTLER, AND  
MANUFACTURED HOUSING COMMISSION  
CHAPTER 25. AUTOMOTIVE DISMANTLER AND PARTS RECYCLERS**

**RULEMAKING ACTION:**

Notice of proposed PERMANENT rulemaking

**PROPOSED RULES:**

Subchapter 1. Licensing Qualifications, Procedures and Fees

765:25-1-4 [AMENDED]

765:25-1-5 [AMENDED]

Subchapter 3. Operation

765:25-3-2 [AMENDED]

**SUMMARY:**

The rule amendments change the present rules to conform to HB 3271, modifying the agency name to Oklahoma Used Motor, Dismantler, and Manufactured Housing Commission, and changing licensee numbers from a four-digit number to five-digit number.

**AUTHORITY:**

Oklahoma Used Motor Vehicle, Dismantler, and Manufactured Housing Commission;

47 O.S. Section 582(E)(1);

75 O.S. Section 583 B.3.;

75 O.S. Section 302 et.seq

**COMMENT PERIOD:**

Persons wishing to present their views regarding this action may do so by delivering or mailing their written comments to the Used Motor Vehicle Dismantler, and Manufactured Housing Commission, 421 NW 13<sup>th</sup>, Suite 330, Oklahoma City, Oklahoma 73103, by February 17<sup>th</sup>, 2023.

**PUBLIC HEARING:**

The public hearing will be held on Tuesday, March 14<sup>th</sup>, 2023, at 10:30 AM, at the office of the Used Motor Vehicle Dismantler, and Manufactured Housing Commission, 421 NW 13<sup>th</sup>, Suite 100, Oklahoma City, Oklahoma.

**REQUEST FOR COMMENTS FROM BUSINESS ENTITIES:**

The Used Motor Vehicle Dismantler, and Manufactured Housing Commission requests that business entities affected by these proposed rules provide the Commission, within the comment period, in dollar amounts, if possible, the increase in the level of direct costs, indirect costs, or other costs expected to be incurred by the business entity due to compliance with the proposed rules. Business entities may submit this information in writing to John W. Maile, at the above address, before the close of the comment period on February 17<sup>th</sup>, 2023.

**COPIES OF PROPOSED RULES:**

Copies of the proposed rules may be obtained for review at the office of the Used Motor Vehicle Dismantler, and Manufactured Housing Commission, 421 NW 13<sup>th</sup>, Suite 330, Oklahoma City, Oklahoma.

**RULE IMPACT STATEMENT:**

A rule impact statement will be prepared and be available after February 1<sup>st</sup>, 2023, at the office of the Used Motor Vehicle Dismantler, and Manufactured Housing Commission.

**CONTACT PERSON:**

John W. Maile, Director, Used Motor Vehicle Dismantler, and Manufactured Housing Commission, 421, NW 13<sup>th</sup>, Suite 330, Oklahoma City, Oklahoma 73103 (405)521-3600.

## CHAPTER 25. AUTOMOTIVE DISMANTLER AND PARTS RECYCLERS

### SUBCHAPTER 1. LICENSING QUALIFICATIONS, PROCEDURES AND FEES

#### 765:25-1-3. Place of business

(a) **Location.** Place of business means that place owned, leased, or rented, and regularly occupied by a person, firm, or corporation, licensed under the provisions of 47 O.S. Section 591.1 et seq., for the principal purpose of engaging in the business of an automotive dismantler and parts recycler, where the products for sale are displayed and offered for sale, and where the books and records required for the conduct of the business are maintained and kept. Place of business shall include the entire real property described in the legal description contained in the automotive dismantler's application for license, or in the absence of a legal description, all of the real property used for the business.

#### (b) **Requirements.**

(1) **Original license.** All original licenses for locations not previously licensed as an automotive dismantling and parts recycling business issued on and after November 1, 1986, will be subject to the following requirements:

(A) The applicant shall provide evidence that he/she has available through ownership, rental, or lease agreement, a place of business as defined in 47 O.S. Section 591.1 et seq., and as further stated in (a) of this section;

(B) That said place of business satisfies all local zoning, code, and land use requirements;

(C) That said place of business is equipped with an office, that at a minimum is capable of satisfying the intent of 47 O.S. Section 591.1 et seq., for serving as a place where the books and records required for the conduct of the business are maintained and kept;

(D) That said place of business is equipped with an operational telephone capable of sending and receiving calls through existing telephonic circuits;

(E) That said place of business is identified with a sign not less than three feet (3') by four feet (4') in size, which displays, at a minimum the name of the business clearly legible from the nearest roadway;

(F) That the proposed business is deemed by the Commission to be appropriate for the surrounding land use, in those instances where there are no local land use regulations, and that the proposed business would not be considered to be a private or public nuisance in the proposed location;

(G) That the proposed place of business is or will be properly screened where vehicles are to be stored or dismantled prior to opening the business, by natural object, plantings, opaque fences of a height not less than six feet (6') nor more than eight feet (8'), or other appropriate sightproofing, so as to screen, where possible, vehicles and parts stored outside of buildings from view from immediately adjacent property.

(2) **Prior license.** Dismantlers licensed prior to November 1, 1986, shall not be required to meet the provisions of (F) and (G) of paragraph (1) of this subsection.

#### 765:25-1-4. Applicant

Every person, firm or corporation desiring to apply for an original license for the purpose of engaging in the business of an automotive dismantler and parts recycler shall apply in writing on a form to be prescribed by the Oklahoma Used Motor Vehicle, Dismantler, and ~~Parts~~ Manufactured Housing Commission, which form shall include:

- (1) the name of the applicant,
- (2) the business name of the proposed business,
- (3) the street address of the applicant's principal place of business,
- (4) the type of business organization of the applicant whether a sole proprietorship, partnership, or corporation,
- (5) the applicant and/or business organization's financial standing,
- (6) the legal description of the proposed place of business, together with written verification from the appropriate local authorities that the place of business meets the licensing and zoning requirements of the municipality or county where located,
- (7) sales tax permit number issued by the Oklahoma Tax Commission,
- (8) authorization by the applicant for the Commission or its agent to inspect the register of purchases and sales of motor vehicles or parts thereof required to be kept by the applicant and authorization to inspect all vehicles or parts thereof on the register of purchases and sales wherever located and all vehicles or parts thereof located on applicant's property,
- (9) storm water multi-sector general permit from the Department of Environmental Quality,
- (10) National Motor Vehicle Title Information System number, and
- (11) such additional information as may be required by the Commission.

#### **765:25-1-5. Issuance of license**

- (a) **Name.** An automotive dismantler's license will be issued in the legal name of the individual proprietorship, partnership, or corporation as identified on the application for dismantler license.
- (b) **Certificate.** An automotive dismantler's license shall consist of a signed certificate bearing the official seal of the Commission, the name and address of the business, and shall bear a unique dismantler license number. Said license shall be posted in a conspicuous place in the dismantler's place or places of business. The automotive dismantler's license number will be prefixed with "AD", followed by a ~~four~~ five digit number, then the current license year (AD-00000-00).

#### **765:25-1-6. Renewal of license**

- (a) **Term.** Every license issued to an automotive dismantler and parts recycler hereunder shall be valid until December 31st of the odd numbered year following the issuance of the license and shall be renewed on or before January 1st of each even numbered year.
- (b) **Sales tax number.** All applications for renewal of license shall include the sales tax number issued to the applicant by the Oklahoma Tax Commission.
- (c) **DEQ permit.** All applications for renewal of license shall include the authorization or permit number from the Department of Environmental Quality.
- (d) **Renewal period.** Except as may otherwise be determined by the Commission

licensees who do not renew on or before January 1st of each even numbered year shall be required to meet all of the standards and requirements applicable to an original application for license in effect at that time, regardless of whether the standards and requirements when the applicant first licensed were more or less restrictive than current standards.

(e) **Date for submission.** A properly executed application for renewal of license, accompanied by the appropriate fee or fees, on forms supplied by the Commission, shall be submitted by December 1st of each odd numbered year. All licenses shall expire on December 31st of each odd numbered year.

(f) **Requirements.** Effective on and after November 1, 1987, for a renewal application, the Commission in considering the continued eligibility of any licensee whose original license was issued on or after November 1, 1986, shall base its determinations on the following factors:

(1) whether the licensee has maintained substantial compliance with 47 O.S. Section 591.1 et.seq.

(A) Substantial compliance with 47 O.S. Section 591.2, paragraph 1, shall be determined from data supplied by the applicant in a sworn statement on a form supplied by the Commission that reports the number of vehicles acquired since approval of the prior license that have been or are being:

- (i) dismantled for the purpose of selling the parts thereof,
- (ii) held for resale as is, and
- (iii) rebuilt for resale as roadworthy vehicles.

(B) From the information supplied for this item, the Commission shall determine whether the licensee's business is principally that of acquiring vehicles for the purpose of dismantling and selling the parts thereof.

(C) Substantial compliance with 47 O.S. Section 591.4, paragraph B shall be determined from any objections that may have been supplied by surrounding neighbors related to public or private nuisance complaints, and if requested by the Commission, evidence that the screening and/or fencing requirements are being met.

(2) whether the licensee has maintained substantial compliance with the regulations of this chapter.

### **765:25-1-7. Changes**

(a) **Ownership.** A change of ownership, including a change in a primary stockholder in the case of a corporation, or membership in the case of a limited liability company, shall require a new application and approval by the Commission before the business may begin operation.

(b) **Notification.** A change of ownership or any other change, such as change of name or address, which would render no longer accurate any information contained in an application for a license filed with the Commission shall be amended before the occurrence of the change on a form as the Commission may prescribe by rule or regulation.

## **SUBCHAPTER 3. OPERATION**

### **765:25-3-1. Form required**

A register of vehicles shall be on a form prescribed by the Commission or maintained as part of the computer records of the business and shall contain the date of purchase and/or sale of the motor vehicles, the make, model, year, style, vehicle identification number, and name and address of the purchaser or seller of the motor vehicle.

### **765:25-3-2. Records**

Every automotive dismantler and parts recycler shall keep a register of all purchases and sales of motor vehicles for three (3) years from the date of purchase or sale, showing the make, model, year, style, vehicle identification number, and name and address of the purchaser or seller of the motor vehicle. Such registers shall be made available for inspection by properly identified agents or employees of the Oklahoma Used Motor Vehicle, Dismantler, and Parts Manufactured Housing Commission or identified law enforcement officers of the state, county and/or municipality where the business of the automotive dismantler and parts recycler is located, during reasonable business hours on business days. The inspection authority shall include the right to inspect any motor vehicle or parts thereof owned by or stored at the automotive dismantler and parts recycler's place of business. For purposes of inspection, place of business shall include the location of all vehicles used in the business of dismantling, disassembling, storing and selling of salvage motor vehicles or parts thereof, whether or not said vehicles are located on the property which legal description is contained on the automotive dismantler's application for license. If it is determined that a licensee has knowingly provided false or misleading information when requested to provide records, the licensee may be subject to any appropriate sanction authorized by rule or statute.

### **765:25-3-3. Authority**

An automotive dismantler and parts recycler, duly licensed by this act, shall have the authority to transfer the certificate of title to a motor vehicle as a dealer. Salvage vehicles sold at salvage pools or salvage disposal sales as defined in 47 O.S. Sections 581 et seq. and 591.13 et seq., must be issued salvage titles prior to the sale of said vehicles. The salvage title shall remain as the valid title for the life of the vehicle and all subsequent transfers of title shall be on salvage title as prescribed by the Oklahoma Tax Commission.

### **765:25-3-4. Other licenses**

(a) **Not required.** An automotive dismantler and parts recycler need not obtain a separate license as:

- (1) a scrap processor or junk dealer, where, as an end result of his business, he accumulates nonrecyclable hulks which must be disposed of, or
- (2) an automobile dealer, automobile accessory dealer, automobile garage or shop, or a storage yard or garage, as a prerequisite to engaging in the business of a dismantler or recycler.

(b) **Required.** If the salvage vehicle is rebuilt by the dismantler and is retitled and tagged as a roadworthy vehicle and is offered for sale as a used motor vehicle, the dismantler shall

be operating as a used motor vehicle dealer and is subject to the licensing requirements and used motor vehicle dealer rules and regulations thereof.

## **SUBCHAPTER 5. ASSESSMENT OF FINE OR DENIAL, SUSPENSION, OR REVOCATION OF LICENSE**

### **765:25-5-1. Grounds**

The Commission is authorized to refuse a license to any person, firm, or corporation who does not meet the requirements of the original license; to assess fines, to cancel the license of a licensee for willful failure to continue to meet the requirements of 47 O.S. Section 591.1 et seq.; and is authorized to refuse, cancel, or revoke a license upon a felony conviction being rendered for violation of a state or federal law involving theft or for violation of the Oklahoma Certificate of Title Law or similar laws of other states, by an applicant, a licensee, a partner of an applicant or licensee, or director or manager in the case of a corporate applicant or licensee, or for any other grounds authorized by Oklahoma Statutes.

### **765:25-5-2. Procedure**

If the Commission assesses a fine or cancels or revokes any license, the holder of such license shall be given notice and an opportunity to be heard in an individual proceeding in accordance with the procedures set out in 47 O.S. Section 591.1 et seq. or in these rules and regulations. Where there is a conflict between the applicable law and the Rules of this Commission, the applicable law shall prevail. Appeals from the decision of the Commission shall be governed by the Oklahoma Administrative Procedures Act.