

ENROLLED HOUSE
BILL NO. 1816

By: Hamilton and Steidley of
the House

and

Haney and Hobson of the
Senate

An Act relating to central service entities;
amending 47 O.S. 1991, Section 1143.1, as amended
by Section 11, Chapter 329, O.S.L. 1994 (47 O.S.
Supp. 1995, Section 1143.1), which relates to the
Oklahoma Motor License Agent Indemnity Fund;
stating attributes of certain fund; authorizing
expenditures from certain fund by the Department of
Central Services; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 1143.1, as
amended by Section 11, Chapter 329, O.S.L. 1994 (47 O.S. Supp. 1995,
Section 1143.1), is amended to read as follows:

Section 1143.1 A. There is hereby created the Oklahoma Motor
License Agent Indemnity Fund. The fund shall be a continuing fund,
not subject to fiscal year limitations, and shall consist of annual
assessments levied on motor license agencies. All monies accruing
to the credit of the funds are hereby appropriated and may be
expended, in amounts and as authorized by the Legislature, by the
Department of Central Services. The purpose of the fund shall be
established is to ensure that the Oklahoma Tax Commission recovers
tax revenue not remitted to the Commission because of negligence,
malfeasance or fraud by a motor license agent. ~~The Department of
Central Services shall administer the fund.~~ Upon final
determination by the Oklahoma Tax Commission of a tax revenue
shortage or liability of a motor license agent whose agency has been
closed, a claim in the amount of such liability may be made by the
Commission against the fund. The claim shall be paid out of the
fund by the Department of Central Services. At least sixty (60)
days' written notice shall be given to the delinquent motor license
agent before any such claim is paid. The Department of Central
Services shall have the power to seek restitution to the fund from
any motor license agent whose liability was paid out of the fund.
The monies in the fund shall be invested by the State Treasurer and
the interest shall be deposited in the fund.

B. Each fiscal year, the Department of Central Services shall
collect and deposit into the fund an annual assessment from all
motor license agencies that have been operating for a period of not
less than one (1) year. Such assessments shall be payable by each
motor license agency on a quarterly basis. The amount on which the
assessment shall be based shall be determined annually for each
motor license agency by the Oklahoma Tax Commission by dividing the
volume of tax monies collected each fiscal year by the agency by the

number of reporting periods required by the Commission. The assessments shall be in the following amounts:

1. Each motor license agency which has been in operation for more than three (3) years and subject to the assessment pursuant to this subsection shall pay such assessment as follows:
 - a. when the fund contains less than Five Hundred Thousand Dollars (\$500,000.00) on June 30 of any year, the assessment shall be one percent (1%) of the amount determined for the motor license agency by the Oklahoma Tax Commission, and
 - b. when the fund contains Five Hundred Thousand Dollars (\$500,000.00) or more on June 30 of any year, the Oklahoma Tax Commission shall reduce or suspend the assessment for such agencies if the Commission determines that the fund is fiscally sound and meets the needs for which the fund is established.

Provided, however, if the fund contains less than Five Hundred Thousand Dollars (\$500,000.00) at any time during the fiscal year for which the Tax Commission has reduced or suspended the assessment hereunder, the Tax Commission shall immediately issue an assessment pursuant to subparagraph a of this paragraph in an amount equal to the amount which would have been paid during the remaining quarters of the fiscal year; and

2. Each motor license agency which has been in operation for less than three (3) years but more than one (1) year shall pay the assessment in an amount equal to one percent (1%) of the amount determined for the motor license agency by the Oklahoma Tax Commission until the agency reaches the end of its third year of operation. At such time, such agency shall be subject to the assessment specified in subparagraph a of paragraph 1 of this subsection.

C. Any assessments required by subsection B of this section, shall be paid in quarterly amounts and due on September 30, December 30, March 30 and June 30 of each year. Such payments shall be deemed delinquent after October 15, January 15, April 15 and July 15 of each year. Motor license agents who are delinquent in remitting any quarterly payment for their operating agencies in excess of fifteen (15) days after the date of the delinquency shall be subject to dismissal.

D. No annual assessment shall exceed One Thousand Two Hundred Dollars (\$1,200.00).

SECTION 2. This act shall become effective September 1, 1996.

Passed the House of Representatives the 30th day of May, 1996.

Speaker of the House of
Representatives

Passed the Senate the 30th day of May, 1996.

President of the Senate