

ENGROSSED HOUSE
BILL NO. 2702

By: Hiett, Bengel, Calvey,
Claunch, Coleman, Dank,
Davis, Ferguson, Greenwood,
Hastings, Maddux, Morgan,
Nance, Phillips, Piatt,
Pope (Tim), Roggow, Smith
(Hopper), Winchester and
Wright of the House

and

Snyder of the Senate

(motor vehicles - amending 47 O.S., Sections 1104,
1132 and 1141.1 - motor vehicle registration fee -
retention of taxes and fees - motor license
agents -
effective date)

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 1104, as
last amended by Section 1, Chapter 294, O.S.L. 1997 (47 O.S. Supp.
1999, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees,
taxes and penalties collected or received pursuant to the Oklahoma
Vehicle License and Registration Act or Section 1-101 et seq. of
this title and the unapportioned monies in the Motor Vehicle Escrow
Account after the July 1985 apportionment shall be apportioned and
distributed monthly by the Oklahoma Tax Commission as follows:

1. For the fiscal year beginning July 1, 1997, and ending June
30, 1998:

a. the first One Hundred Forty-one Thousand Five Hundred
Dollars (\$141,500.00) collected shall be remitted to

the State Treasurer to be credited to the Tax Commission Reimbursement Fund created in Section 113 of Title 68 of the Oklahoma Statutes, and

- b. the next One Hundred Eighty-three Thousand Five Hundred Dollars (\$183,500.00) collected shall be remitted to the State Treasurer to be credited to the General Revenue Fund;

2. ~~Thirty-five percent (35%)~~ Forty-four and eight one-hundredths percent (44.08%) of ~~said~~ the monies shall be apportioned to the various school districts as follows:

- a. except as otherwise provided in this subparagraph, each district shall receive the same amount of funds as such district received from the taxes and fees provided in this title in the corresponding month of the preceding year. Any district eligible for funds pursuant to the provisions of this section that was not eligible the preceding year shall receive an amount equal to the average daily attendance of the applicable year multiplied by the average daily attendance apportionment within such county for each appropriate month. For fiscal year 1995 and thereafter, any district which received less than twenty-five percent (25%) of the average apportionment of ~~said~~ the monies made to school districts in this state based on average daily attendance in fiscal year 1995 shall receive an amount equal to the average daily attendance in the 1994-1995 school year multiplied by the average daily attendance apportionment within the county in which the district is located for each appropriate month, and
- b. any funds remaining unallocated following the allocation provided in subparagraph a of this

paragraph shall be apportioned to the various school districts so that each district shall first receive the cumulative total of the monthly apportionments for which it is otherwise eligible under subparagraph a of this paragraph and then an amount based upon the proportion that each district's average daily attendance bears to the total average daily attendance of those districts entitled to receive funds pursuant to this section as certified by the State Department of Education, and

- c. if, for any month, the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each district shall receive a proportionate share of the funds available based upon the proportion of the total revenues that such district received in the corresponding month of the preceding year.

Each district's allocation of funds shall be remitted to the county treasurer of the county wherein the administrative headquarters of the district are located.

No district shall be eligible for the funds herein provided unless ~~said~~ the district makes an ad valorem tax levy of fifteen (15) mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, are authorized to maintain ten (10) years of instruction;

3. ~~Forty-six and sixty-seven one-hundredths percent (46.67%)~~ Thirty-two and ninety-one one-hundredths percent (32.91%) of ~~said~~ the monies shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury. However, in the event that additional monies are necessary pursuant to subsection C of this section, such additional monies shall be deducted from the monies apportioned to the General Revenue Fund;

4. ~~Three-tenths of one percent (3/10 of 1%)~~ Thirty-eight one-hundredths percent (0.38%) of ~~said the~~ monies shall be remitted to the State Treasurer to be credited to the State Transportation Fund;

5. ~~Seven percent (7%)~~ Eight and eighty-two one-hundredths percent (8.82%) of ~~said the~~ monies shall be apportioned to the various counties as follows: Forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. ~~Said~~ The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of said funds in the sinking fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such deposits to the sinking fund shall not exceed forty percent (40%) of the funds allocated to a county pursuant to this paragraph;

6. ~~Two and one-half percent (2.5%)~~ Three and fifteen one-hundredths percent (3.15%) of ~~said the~~ monies shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as

related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

Any unencumbered monies remaining in the County Road Fund on the effective date of this act shall be distributed to the various counties within thirty (30) days thereafter; provided, that the Department of Transportation is authorized to withhold from such distribution an amount not to exceed ten percent (10%) of the counties' share of the estimated construction cost of any uncompleted federally aided project utilizing county road funds for the local match. Such funds shall be used to cover any approved overruns on such projects which remain uncompleted on the effective date of this act. Upon completion and acceptance of said projects, any monies due the counties will be returned to them by the Department of Transportation within thirty (30) days of completion of final audit. In the event additional county monies are required to complete such projects, the Department of Transportation shall submit an invoice for payment to the counties and the affected counties shall pay such additional amount to the Department of Transportation. All claims against nonfederally aided project resolutions accepted by the Department of Transportation prior to July 1, 1989, must be presented to the Department of Transportation for payment prior to September 1, 1989. Any County Road Fund monies encumbered for nonfederally aided projects which remain under control of the Department of Transportation on September 30, 1989, shall be returned to the county which encumbered ~~said~~ the funds;

7. ~~Three and one-half percent (3.5%)~~ Four and forty-one one-hundredths percent (4.41%) of ~~said~~ the monies shall be transmitted by the Tax Commission to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution

of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. Said funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties;

8. ~~Eight-tenths of one percent (8/10 of 1%)~~ One and one one-hundredths percent (1.01%) of ~~said the~~ monies shall be apportioned to the various counties as follows:

- a. each county shall receive the same amount of funds as such county received from the taxes and fees provided for in the 1985 fiscal year,
- b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various counties based upon the proportion that each county's population bears to the total state population, and
- c. if the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each county shall receive a proportionate share of the funds available based upon the proportion of the total revenues that each such county received in the 1985 fiscal year.

Each county's allocation of funds shall be remitted to the various county treasurers to be deposited in the general fund of the county and used for the support of county government;

9. ~~Three percent (3%)~~ Five and twenty-nine one-hundredths percent (5.29%) of ~~said the~~ monies shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such

funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however, the governing board of any city or town may, with the approval of the county excise board, transfer any surplus funds to the general revenue fund of such city or town whenever an emergency requires such a transfer; and

~~10. One and two-tenths percent (1.2%) of said monies shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund; and~~

~~11. Three one-hundredths of one percent (3/100 of 1%)~~ Four one-hundredths percent (0.04%) of ~~said the~~ the monies shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of ~~said the~~ the funds shall be used for fish habitat restoration and twenty-five percent (25%) of ~~said the~~ the funds shall be used in the fish hatchery system for fish production.

B. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source, provided, not more than fifteen percent (15%) can be encumbered during any month.

C. In no event shall the monies apportioned pursuant to paragraphs 2, 5, 6, 7, 8 and 9 of subsection A of this section be less than the monies apportioned for the corresponding month in the previous fiscal year.

SECTION 2. AMENDATORY 47 O.S. 1991, Section 1132, as amended by Section 1, Chapter 10, O.S.L. 1995 (47 O.S. Supp. 1999, Section 1132), is amended to read as follows:

Section 1132. A. For all vehicles, unless otherwise specifically provided by ~~Section 1101 et seq. of this title,~~ the following vehicle registration fees shall be assessed:

1. ~~A~~ the Oklahoma Vehicle License and Registration Act, a registration fee ~~of Fifteen Dollars (\$15.00)~~ in the amount of Ten Dollars (\$10.00) shall be assessed at the time of initial registration by the owner and annually thereafter, for the use of the avenues of public access within this state; ~~and~~

2. ~~A fee, to be paid annually in lieu of all other taxes both general and local, of one and one-quarter percent (1 1/4%) of the factory delivered price (F.D.P.). For this purpose the factory delivered price shall be rounded off to the nearest One Hundred Dollars (\$100.00).~~

~~After the first year's registration in this or any other state, the fee shall be assessed at ninety percent (90%) of the fee computed and assessed for the first year. Thereafter such fee shall be computed and assessed at ninety percent (90%) of the previous year's fee. The fee shall be so computed and assessed through the twelfth year of registration. The fee thereafter through the twentieth year of registration shall be the same as for the twelfth year of registration. The fee provided by this paragraph shall not be assessed after the twentieth year of registration. The fee provided by this paragraph shall be paid annually for the vehicle registered;~~

3. ~~Provided that in no event shall the fee for the registration of a vehicle imposed by this subsection exceed the fee paid to register said vehicle for the preceding year; and~~

4. ~~Provided further, there~~

The registration fee provided for in this subsection shall be in lieu of all other taxes, general or local, unless otherwise specifically provided.

B. There shall be a credit allowed with respect to the fee for registration of a new vehicle which is a replacement for:

~~a.~~—a

1. A new original vehicle which is stolen from the purchaser/registrant within ninety (90) days of the date of purchase of the original vehicle as certified by a police report or other documentation as required by the Oklahoma Tax Commission; or

~~b.~~—a

2. A defective new original vehicle returned by the purchaser/registrant to the seller within six (6) months of the date of purchase of the defective new original vehicle as certified by the manufacturer.

~~Said~~ The credit shall be in the amount of the fee for registration which was paid for the new original vehicle and shall be applied to the registration fee for the replacement vehicle. In no event will ~~said~~ the credit be refunded.

~~B.~~ C. Upon every transfer or change of ownership of a vehicle, the new owner shall obtain title for and, except in the case of salvage vehicles and manufactured homes, register the vehicle within thirty (30) days of change of ownership and pay ~~the~~ a transfer fee ~~provided in paragraph 1 of subsection A of this section~~ of Fifteen Dollars (\$15.00) in addition to any other fees provided for in this ~~subsection~~ act. No new decal shall be issued to the registrant. Thereafter, the owner shall register the vehicle annually on the anniversary date of its initial registration in this state and shall pay the fees provided in ~~paragraphs 1 and 2 of subsection A of this section~~ and receive a decal evidencing such payment. Provided, used motor vehicle dealers shall be exempt from the provisions of this section.

~~C.~~ D. In the event the vehicle is not registered, titled and tagged within thirty (30) days from the date of transfer of ownership, the penalty for the failure of the owner of the vehicle

to register ~~said~~ the vehicle within thirty (30) days shall be twenty-five cents (\$0.25) per day, provided that in no event shall the penalty exceed Twenty-five Dollars (\$25.00).

SECTION 3. AMENDATORY 47 O.S. 1991, Section 1141.1, as last amended by Section 1, Chapter 95, O.S.L. 1997 (47 O.S. Supp. 1999, Section 1141.1), is amended to read as follows:

Section 1141.1 A. Each motor license agent shall be entitled to retain the following amounts from the taxes and fees collected by such agent to be used to fund the operation of the office of such motor license agent subject to the provisions of Sections 1140 through 1147 of this title:

1. ~~For~~ Beginning July 1, 2000, for each vehicle registered and for each special license plate issued pursuant to the Oklahoma Vehicle License and Registration Act, ~~an amount determined pursuant to the provisions of subsection B of this section. However, until January 1, 1998,~~ each motor license agent shall be entitled to retain ~~Two Dollars and twenty-five cents (\$2.25)~~ Two Dollars and fifty-six cents (\$2.56) for each vehicle registered and for each special license plate issued;

2. One Dollar and twenty-five cents (\$1.25) for each certificate of title issued for boats and motors pursuant to the Oklahoma Statutes;

3. ~~For~~ each certificate of registration issued for boats and motors pursuant to the Oklahoma Statutes, an amount determined pursuant to the provisions of subsection ~~C~~ B of this section. However, until January 1, 1998, each motor license agent shall be entitled to retain One Dollar and twenty-five cents (\$1.25) for each certificate of registration issued for boats and motors;

4. Two Dollars and twenty-five cents (\$2.25) for each certificate of title issued pursuant to the Oklahoma Vehicle License and Registration Act;

5. Four percent (4%) of the excise tax collected pursuant to Section 2102 of Title 68 of the Oklahoma Statutes;

6. Four percent (4%) of the excise tax collected on the transfer of boats and motors pursuant to the Oklahoma Statutes;

7. Two Dollars (\$2.00) for each driver's license, endorsement, identification license, or renewal or duplicate issued pursuant to Section 6-101 et seq. of this title;

8. Two Dollars (\$2.00) for the recording of security interests as provided in Section 1110 of this title;

9. Two Dollars (\$2.00) for each inspection conducted pursuant to subsection L of Section 1105 of this title;

10. Fifty cents (\$0.50) for each inspection conducted pursuant to paragraph 7 of Section 1102 of this title;

11. Three Dollars (\$3.00) for each inspection conducted pursuant to subsection M of Section 1105 of this title;

12. One Dollar (\$1.00) for each certificate of ownership filed pursuant to subsection Q of Section 1105 of this title;

13. One Dollar (\$1.00) for each temporary permit issued pursuant to Section 1124 of this title;

14. One Dollar and fifty cents (\$1.50) for processing each proof of financial responsibility, ~~driver's~~ driver license information, insurance verification information, and other additional information as provided in Section 7-602 of this title;

15. The mailing fees and registration fees provided in Sections 1131 and 1140 of this title;

16. The notary fee provided in Section 1143 of this title;

17. Three Dollars (\$3.00) for each lien entry form completed and recorded on a certificate of title pursuant to subsection G of Section 1105 of this title;

18. Seven Dollars (\$7.00) for each certificate of title or each certificate of registration issued for repossessed vehicles pursuant to Section 1126 of this title; and

19. Any amount specifically authorized by law to be retained by the motor license agent for the furnishing of a summary of a traffic record.

The balance of the funds collected shall be remitted to the Commission as provided in Section 1142 of this title to be apportioned pursuant to Section 1104 of this title.

~~B. For each vehicle registered and for each special license plate issued pursuant to the provisions of the Oklahoma Vehicle License and Registration Act, each motor license agent shall be entitled to retain the greater of Two Dollars and twenty-five cents (\$2.25) or an amount to be determined by the Oklahoma Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all vehicles registered and special license plates issued in this state during the fiscal year and shall multiply the result by two and thirty-nine one-hundredths percent (2.39%). The resulting product shall be the amount which may be retained by each motor license agent for each vehicle registered and each special license plate issued during the following calendar year. For purposes of this subsection, the average amount of registration fees for all vehicles registered and special license plates issued shall include, but not be limited to, commercial vehicles and noncommercial vehicles.~~

~~C.~~ For each certificate of registration issued for boats and motors, each motor license agent shall be entitled to retain the greater of One Dollar and twenty-five cents (\$1.25) or an amount to be determined by the Oklahoma Tax Commission according to the provisions of this subsection. At the end of fiscal year 1997 and each fiscal year thereafter, the Tax Commission shall compute the average amount of registration fees for all boats and motors registered in this state during the fiscal year and shall multiply the result by six and twenty-two one-hundredths percent (6.22%).

The resulting product shall be the amount which may be retained by each motor license agent for each certificate of registration for boats and motors issued during the following calendar year.

SECTION 4. This act shall become effective January 1, 2000.

Passed the House of Representatives the 2nd day of March, 2000.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 2000.

President of the Senate