

ENROLLED SENATE
BILL NO. 234

By: Reynolds of the Senate

and

Calvey of the House

An Act relating to motor vehicles; amending 47 O.S. 2001, Sections 1104 and 1115, which relate to the Oklahoma Vehicle License and Registration Act; modifying apportionment of certain revenues; authorizing motorcycles and mopeds to be registered on a staggered basis; deleting obsolete language; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2001, 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 shall be apportioned and distributed monthly by the Oklahoma Tax Commission in accordance with this section.

B. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various school districts in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%), and
- c. for the year beginning July 1, 2002, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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 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.

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 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, is authorized to maintain ten (10) years of instruction.

C. 1. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury:

- a. from October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%), and
- c. for the year beginning July 1, 2002, and all subsequent years, forty-four and eighty-four one-hundredths percent (44.84%).

2. In the event that additional monies are necessary pursuant to subsection M of this section, such additional monies shall be deducted from the monies apportioned to the General Revenue Fund.

D. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund:

1. From October 1, 2000, until June 30, 2001, thirty one-hundredths percent (0.30%); and

2. For the year beginning July 1, 2001, and all subsequent years, thirty-one one-hundredths percent (0.31%).

E. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this section:

- a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%), and
- c. for the year beginning July 1, 2002, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned 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. The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of the 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.

F. 1. The following percentages of the monies referred to in subsection A of this section 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 in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),

- b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%), and
- c. for the year beginning July 1, 2002, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be used 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.

G. 1. The following percentages of the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%), and
- c. for the year beginning July 1, 2002, and all subsequent years, three and sixty-two one-hundredths percent (3.62%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be transmitted 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. The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties.

H. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),

- b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%), and
- c. for the year beginning July 1, 2002, and all subsequent years, eighty-three one-hundredths percent (0.83%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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, and
- 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.

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.

I. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various cities and incorporated towns as set forth in this paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%), and
- c. for the year beginning July 1, 2002, and all subsequent years, three and ten one-hundredths percent (3.10%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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.

J. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund:

1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%).

K. Three one-hundredths of one percent (3/100 of 1%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of the funds shall be used for fish habitat restoration and twenty-five percent (25%) of the funds shall be used in the fish hatchery system for fish production.

L. 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.

M. In no event shall the monies apportioned pursuant to subsections B, E, F, G, H and I of this section be less than the monies apportioned in the previous fiscal year.

N. Notwithstanding any other provisions of this section, for the fiscal year beginning July 1, 2003, the first One Hundred Thousand Dollars (\$100,000.00) of the monies collected or received by the Tax Commission pursuant to the registration of motorcycles and mopeds in this state shall be placed to the credit of the Oklahoma Tax Commission Revolving Fund.

SECTION 2. AMENDATORY 47 O.S. 2001, Section 1115, is amended to read as follows:

Section 1115. A. Unless provided otherwise by statute, the following vehicles shall be registered annually: manufactured homes, ~~mopeds, motorcycles,~~ vehicles registered with a permanent nonexpiring license plate pursuant to Section 1113 of this title, commercial vehicles registered pursuant to the provisions of the International Registration Plan and commercial vehicles registered pursuant to the installment plan provided in subsection H of Section 1133 of this title. The following schedule shall apply for such vehicle purchased in this state or brought into this state by residents of this state:

1. Between January 1 and March 31, the payment of the full annual fee shall be required;

2. Between April 1 and June 30, the payment of three-fourths (3/4) the annual fee shall be required;

3. Between July 1 and September 30, the payment of one-half (1/2) the annual fee shall be required; and

4. Between October 1 and November 30, one-fourth (1/4) the annual fee shall be required.

License plates or decals for each year shall be made available on December 1 of each preceding year for such vehicles. Any person who purchases such vehicle, ~~or~~ or manufactured home ~~or motorcycle~~ between December 1 and December 31 of any year shall register it within thirty (30) days from date of purchase and obtain a license plate or Manufactured Home License Registration Decal, as appropriate, for the following calendar year upon payment of the full annual fee. Unless provided otherwise by statute, all annual license, registration and other fees for such vehicles shall be due and payable on January 1 of each year and if not paid by February 1 shall be deemed delinquent.

B. 1. All vehicles, other than those required to be registered pursuant to the provisions of subsection A of this section, shall be registered on a staggered system of registration and licensing on a monthly series basis to distribute the work of registering such vehicles as uniformly and expeditiously as practicable throughout the calendar year. After the end of the month following the expiration date, the license and registration fees for the new registration period shall become delinquent.

2. ~~Effective December 1, 2000, all~~ All fleet vehicles registered pursuant to new applications approved pursuant to the provisions of Section 1120 of this title shall be registered on a staggered system monthly basis. ~~The Oklahoma Tax Commission shall notify in writing, prior to the 2001 renewal period, all registrants with established accounts, who will have the option of changing their registration expiration date or remaining with their existing registration expiration date.~~

3. Applicants seeking to establish Oklahoma as the base jurisdiction for registering apportioned fleet vehicles ~~after December 1, 2000, and registrants converting an established account to the staggered registration system~~ shall have a one-time option of registering for a period of not less than four (4) nor greater than fifteen (15) months. Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided herein. In addition, registrants with multiple fleets may designate a different registration month of expiration for each fleet.

As used in this section, "fleet" shall have the same meaning as set forth in the International Registration Plan.

4. Effective January 1, 2004, all motorcycles and mopeds shall be registered on a staggered system of registration. The Oklahoma Tax Commission shall notify in writing, prior to December 1, 2003, all owners of motorcycles or mopeds registered as of such date, who shall have a one-time option of registering for a period of not less than three (3) months nor greater than fifteen (15) months.

Subsequent renewals for these registrants will be for twelve (12) months, expiring on the last day of the month chosen by the registrant under the one-time option as provided herein. All motorcycles and mopeds registered pursuant to new applications received on or after December 1, 2003, shall also be registered pursuant to the provisions of this paragraph.

C. The following penalties shall apply for delinquent registration fees:

1. For fleet vehicles required to be registered pursuant to the provisions of Section 1120 of this title for which a properly completed application for registration has not been received by the Tax Commission by the last day of the month following the registration expiration date, a penalty of thirty percent (30%) of the Oklahoma portion of the annual registration fee, or Two Hundred Dollars (\$200.00), whichever is greater, shall be assessed. The license and registration cards issued by the Tax Commission for each fleet vehicle shall be valid until two (2) months after the registration expiration date;

2. For commercial vehicles registered under the provisions of subsection B of this section, except those vehicles registered pursuant to Section 1133.1 of this title, a penalty shall be assessed after the last day of the month following the registration expiration date. A penalty of twenty-five cents (\$0.25) per day shall be added to the license fee of such vehicle and shall accrue for one (1) month. Thereafter, the penalty shall be thirty percent (30%) of the annual registration fee, or Two Hundred Dollars (\$200.00), whichever is greater;

3. For new or used manufactured homes, not registered within thirty (30) days from date of purchase or date such manufactured home was brought into this state, a penalty equal to the registration fee shall be assessed; or

4. Except as provided in subsection H of Section 1133 of this title, for all other vehicles a penalty shall be assessed after the last day of the month following the expiration date. A penalty of twenty-five cents (\$0.25) per day shall be added to the license fee of such vehicle and shall accrue for three (3) months. Thereafter, the penalty shall be Twenty-five Dollars (\$25.00), provided that the penalty shall not exceed the amount equal to the license fee of such vehicle.

D. In addition to all other penalties provided in the Oklahoma Vehicle License and Registration Act, Section 1101 et seq. of this title, the following penalties shall be imposed and collected by any Revenue Enforcement Officer of the Tax Commission upon finding any commercial vehicle being operated in violation of the provisions of the Oklahoma Vehicle License and Registration Act.

The penalties shall apply to any commercial vehicle found to be operating in violation of the following provisions:

1. A penalty in the amount of Fifty Dollars (\$50.00) shall be imposed upon any person found to be operating a commercial vehicle

sixty (60) days after the end of the month in which the license plate or registration credentials expire without the current year license plate or registration credential displayed;

2. A penalty in the amount of Fifty Dollars (\$50.00) shall be imposed for any person operating a commercial vehicle subject to the provisions of Section 1120 or Section 1133 of this title without the proper display of, or, carrying in such commercial vehicle, the identification credentials issued by the Tax Commission as evidence of payment of the fee or tax as provided in Section 1120 or Section 1133 of this title; and

3. A penalty in the amount of One Hundred Dollars (\$100.00) shall be imposed for any person that fails to register any commercial vehicle subject to the Oklahoma Vehicle License and Registration Act.

E. The Tax Commission shall assess the registration fees and penalties for the year or years a vehicle was not registered. For vehicles not registered for two or more years, the registration fees and penalties shall be due only for the current year and one (1) previous year. The Tax Commission shall waive road user fees and penalties for failure to register a vehicle, provided road user fees shall not be waived for the current registration year in cases where the vehicle is proven to have been inoperable during the registration period. Proof of inoperability may be by, but is not limited to, submission of parts or repair receipts or such other evidence deemed appropriate by the Tax Commission.

F. In addition to any other penalty prescribed by law, there shall be a penalty in the amount of Twenty Dollars (\$20.00) upon a finding by a revenue enforcement officer that:

1. The registration of a vehicle registered pursuant to Section 1132 of this title is expired and it is sixty (60) or more days after the end of the month of expiration; or

2. The registration fees for a vehicle that is subject to the registration fees pursuant to Section 1132 of this title have not been paid.

G. If a vehicle is donated to a nonprofit charitable organization which organization will transfer such donated vehicle to a current or potential recipient of Temporary Assistance to Needy Families as determined by the Department of Human Services and which vehicle will be used primarily for transportation for job-related or work-related activities by such recipient, the nonprofit charitable organization shall be exempt from paying any current or past due registration fees, excise tax, title or transfer fees, and penalties and interest.

H. If a vehicle is donated to a nonprofit charitable organization other than as provided in subsection G of this section, the person donating the vehicle and the nonprofit charitable organization receiving the donated vehicle shall be exempt from paying any registration fees, excise tax, title or transfer fees, and penalties and interest due from previous years if such fees,

taxes, penalties and interest are more than one (1) year past due and the vehicle is not currently registered. However, after the donation, if the person donating the vehicle, or someone on behalf of such person, purchases the same vehicle back from the nonprofit charitable organization to which the vehicle was donated, such person shall be liable for all current and past-due registration fees, excise tax, title or transfer fees, and penalties and interest on such vehicle.

SECTION 3. This act shall become effective July 1, 2003.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 4th day of March, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the 21st day of April, 2003.

Presiding Officer of the House
of Representatives