

**BILL SUMMARY**  
1st Session of the 54<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 387</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>7793</b>
<b>Author:</b>	<b>Rep. Sears</b>
<b>Date:</b>	<b>4/10/2013</b>
<b>Impact:</b>	<b>Tax Commission:</b> <b>\$0</b>

**Research Analysis**

SB 387 modifies the definition of “franchise” as relating to motor vehicle dealerships by providing that the term includes any contract, agreement or amendment thereto that establishes rights or obligations, or both, relating to the dealer's new motor vehicle operation, including agreements relating to the dealership premises and/or facilities. Provides language relating to adequate and fair compensation in warranty claims. Allows the Oklahoma Tax Commission to require employees who have access to sensitive law enforcement data to have a criminal background check. The measure modifies the Gold Star Survivor license plate to become the Gold Star/Surviving Spouse license plate. Allows the Speaker of the House and President Pro Tempore of the Senate to initiate special background investigations for any person considered for appointment.

Prepared By: Brad Wolgamott

**Fiscal Analysis**

The annual fee for these two special license plates is now \$8.00 and is in addition to all other vehicle registration fees. The proposal will limit the annual registration fee for the Gold Star Survivor/Surviving Spouse special license plate to \$8.00. The files and records of the Tax Commission's Motor Vehicle Division indicate that there are currently eight (8) Surviving Spouse special license plates issued and four (4) Gold Star Survivor special license plates issued. The proposed reduction in the cost for the combined Gold Star Survivor/Surviving Spouse special license plate will be consistent with the annual statutory fees presently charged for the Killed in Action and the Gold Star Parent special license plates.

The estimated revenue impact for the proposed amendments to 47 O.S. § 1135.2 would be negligible. There is no administrative impact associated with Section 1 of the measure.

The proposed amendments to 74 O.S. §150.9 would authorize the Tax Commission's Motor Vehicle Division [Title Section employees] to continue utilizing the Oklahoma Law Enforcement Telecommunications System (OLETS) in order to request vehicle titling information from other states, as well as to run stolen vehicle checks via the National Crime Information Center (NCIC) system, which is integrated with OLETS.

The Tax Commission presently has statutorily authorized access to the system for the above-referenced uses as an "any other state agency" designation. The problem presently encountered occurs when OLETS access-certified OTC employees retire or leave employment and it is difficult to receive certification for new employees to perform their duties. This seems to be the result of a renewed focus on limiting access — that perhaps comes from the Federal INLETS system which encompasses the various state systems. Tax Commission staff have visited with their counterparts at DPS and have informed us that they do not have issues with our continued access to perform our duties but would be more comfortable if the Tax Commission was specifically designated as an authorized entity rather than receiving access as "any other state agency" in the enabling legislation.

There is no revenue or administrative impact associated with Section 2 of this measure.

The Committee Substitute includes several provisions relating to procedures in issues between vehicle dealers and manufacturers as regulated and considered by the Oklahoma Motor Vehicle Commission. The provisions are not expected to result in a measurable fiscal cost or saving to the Motor Vehicle Commission.

Prepared By: Mark Tygret

### **Other Considerations**

None indicated