

OKLAHOMA TAX COMMISSION

**FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT
FIRST REGULAR SESSION, FIFTY-FOURTH OKLAHOMA LEGISLATURE**

DATE OF IMPACT STATEMENT: January 31, 2013

BILL NUMBER: SB 387 **STATUS AND DATE OF BILL:** Introduced 01/15/2013

AUTHORS: House n/a Senate Mazzei

TAX TYPE (S): Motor Vehicle **SUBJECT:** Administrative

PROPOSAL: Amendatory

Section 1 of this bill proposes to amend 47 O.S. § 1135.2 by eliminating the Surviving Spouse special license plate type and combining it with the Gold Star Survivor special license plate type. Presently, these two special license plates are authorized for issuance to surviving spouses of honorably discharged veterans and no significant qualifying distinctions exist. The proposed amendment will also reduce the annual registration rate for the newly designated Gold Star Survivor/Surviving Spouse.

Section 2 of the bill proposes to amend 74 O.S. §150.9 to authorize Motor Vehicle Division Title Section employees to utilize 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.

EFFECTIVE DATE: November 1, 2013

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 14: None
FY 15: None

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 14: None

Jan. 31, 2013
DATE

Rick Miller
DIVISION DIRECTOR

bjs

1-31-2013
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2/1/13
DATE

[Signature]
FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT—SB 387—[Introduced]—Prepared January 31, 2013

Section 1

The proposed amendments to 47 O.S. § 1135.2 would eliminate the Surviving Spouse special license plate type and combine it with the Gold Star Survivor special license plate type. Presently, these two special license plates are authorized for issuance to surviving spouses of honorably discharged veterans and no significant qualifying distinctions exist. The proposed amendment will also reduce the annual registration rate for the newly designated Gold Star Survivor/Surviving Spouse.

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.

Section 2

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.

- Out of state titling checks are conducted to confirm the presence of any active liens, and/or the existence of special title types or brands, such as Salvage; Rebuilt; Junked; Odometer Discrepancy; etc., which must be carried forward to the Oklahoma title record. These checks are particularly important when issuing an Oklahoma title pursuant to a court order or Title 42 possessory lien proceeding, as no out of state titling documentation is ordinarily surrendered.
- The stolen vehicle checks are conducted to ensure no Oklahoma certificate of title is issued to a stolen vehicle, without first notifying the filing law enforcement agency. When an NCIC hit is discovered, Commission personnel contact the filing agency to advise application for an Oklahoma certificate of title has been received and allow them 7 days to respond.

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.