

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 CONFERENCE COMMITTEE
4 SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 3278

By: Kannady of the House

and

7 Treat of the Senate

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10 CONFERENCE COMMITTEE SUBSTITUTE

11 An Act relating to motor vehicles; amending 47 O.S.
12 2011, Section 1140, which relates to qualification of
13 motor license agents; modifying requirements for
14 qualification; and providing an effective date.

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

16 SECTION 1. AMENDATORY 47 O.S. 2011, Section 1140, is
17 amended to read as follows:

18 Section 1140. A. The Oklahoma Tax Commission shall adopt rules
19 prescribing minimum qualifications and requirements for locating
20 motor license agencies and for persons applying for appointment as a
21 motor license agent; provided, after the effective date of this act
22 such qualifications and requirements shall apply to agents in all
23 areas of this state. Such qualifications and requirements shall
24 include, but not be limited to, the following:

- 1 1. Necessary job skills and experience;
- 2 2. Minimum office hours;
- 3 3. Provision for sufficient staffing, equipment, office space
- 4 and parking to provide maximum efficiency and maximum convenience to
- 5 the public;
- 6 4. Obtainment of a faithful performance surety bond as provided
- 7 for by law;
- 8 5. A requirement that operation of a motor license agency be
- 9 the primary source of income for said agent;
- 10 6. That the applicant has not been convicted of a felony and
- 11 that no felony charges are pending against the applicant;
- 12 7. That a complete financial statement be submitted by the
- 13 applicant on forms provided by the Tax Commission;
- 14 8. That a report of the applicant's credit history be obtained
- 15 through the appropriate credit bureau; and
- 16 9. That the location specified in the application for
- 17 appointment as a motor license agent not be owned by a member of the
- 18 Oklahoma Legislature or any person related to a member of the
- 19 Oklahoma Legislature within the third degree by consanguinity or
- 20 affinity and that the location not be within a three-mile radius of
- 21 an existing motor license agency unless the applicant is assuming
- 22 the location of an operating agency. If the applicant is assuming
- 23 the location of an existing or operating agency, the current agent
- 24 may submit a letter of resignation contingent upon the appointment

1 of the applicant regardless of the population of the municipality in
2 which the agency is located. The Tax Commission may, at its
3 discretion, approve the relocation of an existing agency within a
4 three-mile radius of another existing agency only if a naturally
5 intervening geographic barrier within that radius causes the
6 locations to be separated by not less than three (3) miles of
7 roadway by the most direct route.

8 After the necessary information has been forwarded to the Tax
9 Commission, each applicant shall be interviewed by the Tax
10 Commission or its designees and each item of information shall be
11 reviewed.

12 Any person making application to the Tax Commission for the
13 purpose of becoming a motor license agent shall pay when submitting
14 the application, a nonrefundable application fee of One Hundred
15 Dollars (\$100.00). All such application fees shall be deposited in
16 the Oklahoma Tax Commission Revolving Fund.

17 Upon application by a person to serve as a motor license agent,
18 in such counties, the Tax Commission shall make a determination
19 whether such person and such location meets the qualifications and
20 requirements prescribed herein and, if such be the case, shall
21 appoint such person to serve as a motor license agent.

22 A motor license agent, appointed pursuant to this subsection
23 shall be permitted to operate a motor license agency at a single
24 location and shall be prohibited from operating subagencies or

1 branch agencies, unless such subagencies or branch agencies were
2 established prior to June 1, 1985.

3 Unless otherwise specifically provided, motor license agents
4 appointed pursuant to this subsection shall be subject to all laws
5 relating to motor license agents and shall be subject to removal at
6 the will of the Tax Commission.

7 B. Before the effective date of this act, in all counties of
8 this state having a population of less than one hundred thirty
9 thousand (130,000) and in municipalities having a population of less
10 than eight thousand five hundred (8,500) located in a county having
11 a population in excess of one hundred thirty thousand (130,000),
12 according to the latest Federal Decennial Census, the Tax Commission
13 shall appoint as many motor license agents as it deems necessary to
14 carry out the provisions of the Motor Vehicle License and
15 Registration Act. Provided, that in counties with a population in
16 excess of twenty-five thousand (25,000) persons, according to the
17 latest Federal Decennial Census, having only one motor license agent
18 serving the county, the Tax Commission shall establish at least one
19 additional agency to serve the county. Any motor license agent
20 appointed pursuant to this subsection before the effective date of
21 this act may continue to serve until such agent vacates the position
22 by reason of resignation, removal, death or otherwise.

23 All motor license agents shall be self-employed independent
24 contractors and shall be under the supervision of the Tax

Commission; provided, any agent authorized to issue registrations pursuant to the International Registration Plan shall also be under the supervision of the Corporation Commission, subject to rules promulgated by the Corporation Commission pursuant to the provisions of subsection E of Section 1166 of this title. Any such agent, upon being appointed, shall furnish and file with the Tax Commission a bond in such amount as may be fixed by the Tax Commission. Such agent shall be removable at the will of the Tax Commission. Such agent shall perform all duties and do such things in the administration of the laws of this state as shall be enjoined upon and required by the Tax Commission or the Corporation Commission. Provided, the Tax Commission may operate a motor license agency in any county where a vacancy occurs.

C. In the event of a vacancy existing by reason of resignation, removal, death or otherwise, in the position of any motor license agent, the Tax Commission is hereby empowered and authorized to take any and all actions it deems appropriate in order to provide for the orderly transition and for the maintenance of operations of the motor license agency including but not limited to the designation of one of its regular employees to serve as "acting agent" without bond, and to receive and expend all fees or charges authorized or provided by law and exercise the same powers and authority as a regularly appointed motor license agent. An acting agent may be authorized by the Tax Commission equally as the preceding agent to

1 make disbursements from any balances in the preceding motor license
2 agent's operating account and the agent's operating funds for the
3 payment of expenses of operations and salaries and other overhead.
4 If such funds are insufficient, the Tax Commission is authorized to
5 expend from funds appropriated for the operation of the Tax
6 Commission such amounts as are necessary to maintain and continue
7 the operation of any such motor license agency until a successor
8 agent is appointed and qualified. The Tax Commission may require a
9 blanket fiduciary bond of the agency employees.

10 D. Any motor license agency operated by a motor license agent
11 who has been charged with a felony shall be closed immediately. The
12 State Auditor and Inspector shall immediately conduct an audit of
13 such motor license agency and forward the report of the audit to the
14 Tax Commission for review. The Tax Commission shall determine
15 whether the motor license agency shall be reopened and operated by
16 the motor license agent or whether the agency shall be reopened and
17 operated by the Tax Commission. The review of the audit and the Tax
18 Commission determination shall be effected as soon as possible to
19 prevent additional inconvenience to the public.

20 E. When an application for registration is made with the Tax
21 Commission, Corporation Commission or a motor license agent, a
22 registration fee of One Dollar and seventy-five cents (\$1.75) shall
23 be collected for each license plate or decal issued. Such fees
24 shall be in addition to the registration fees on motor vehicles and

1 when an application for registration is made to the motor license
2 agent such motor license agent shall retain a fee as provided in
3 Section 1141.1 of this title. When the fee is paid by a person
4 making application directly with the Tax Commission or Corporation
5 Commission, as applicable, the registration fees shall be in the
6 same amount as provided for motor license agents and the fee
7 provided by Section 1141.1 of this title shall be deposited in the
8 Oklahoma Tax Commission Revolving Fund or as provided in Section
9 1167 of this title, as applicable. The Tax Commission shall prepare
10 schedules of registration fees and charges for titles which shall
11 include the fees for such agents and all fees and charges paid by a
12 person shall be listed separately on the application and
13 registration and totaled on the application and registration. The
14 motor license agents shall charge only such fees as are specifically
15 provided for by law, and all such authorized fees shall be posted in
16 such a manner that any person shall have notice of all fees that are
17 imposed by law.

18 F. No person shall be appointed as a motor license agent unless
19 the person has attested under oath that the person is not related by
20 affinity or consanguinity within the third degree to:

- 21 1. Any member of the Oklahoma Legislature;
- 22 2. Any person who has served as a member of the Oklahoma
23 Legislature within the two-year period preceding the date of
24 appointment as motor license agent; or

1 3. Any employee of the Tax Commission.

2 G. Any motor license agent appointed under the provisions of
3 this title shall be responsible for all costs incurred by the Tax
4 Commission when relocating an existing motor license agency. The
5 Tax Commission may waive payment of such costs in case of unforeseen
6 business or emergency conditions beyond the control of the agent.

7 SECTION 2. This act shall become effective November 1, 2018.

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