

BILL SUMMARY
2nd Session of the 56th Legislature

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| Bill No.: | HB 3374 |
| Version: | CS |
| Request Number: | 9950 |
| Author: | Wallace |
| Date: | 3/2/2018 |
| Impact: | No Negative Impact on OTC or State Budget |

Research Analysis

The committee substitute authorizes the Oklahoma Tax Commission (OTC) to contract with a private vendor that has experience in the marketing and sale of personalized and special license plates. The bill directs the OTC to establish by rule administrative fees, in addition to registration fees already established, to recover the costs associated with the contract and implementing the measure.

The measure authorizes the OTC to approve the designs and color combinations for the new personalized, nonpersonalized, and special plates that will be marketed and sold by the vendor and such designs will remain the property of the OTC. The measure also provides additional direction in regard to the contract and implementation of the measure.

Prepared By: Kyle Meade

Fiscal Analysis

HB 3374 in its current form authorizes the Oklahoma Tax Commission (OTC) to enter into contracts with a private vendor for the marketing and sale of personalized and special license plates. The measure allows for the establishment of fees at least in amounts that would offset implementation, administration and enforcement costs associated with the measure. The provision also provides that fee revenue in excess of such costs shall be deposited in the General Revenue Fund. For these reasons, HB 3374 in its current form should have no direct negative impact on the OTC budget, and has the potential to have a positive impact on General Revenue. The measure merely authorizes OTC to enter such contracts. It is unknown when and if OTC will enter such contract. The specific terms of the contract, the fee amounts, and the demand for such personalized and special license plates are also unknown

Prepared By: John McPhetridge

Other Considerations

Private vendor contract arrangements in other state, specifically Texas, have resulted in positive revenue as sales of personalized and specialty license plates increased through the marketing efforts of private vendors.