

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2098

By: O'Donnell

COMMITTEE SUBSTITUTE

An Act relating to motor license agents; enacting the 21st Century Motor Tag Agent Act; amending 47 O.S. 2011, Sections 1140, as last amended by Section 1, Chapter 289, O.S.L. 2018, 1141, 1142.1, 1143 and 1144 (47 O.S. Supp. 2018, Section 1140), which relate to motor license agents, office hours and fees; modifying motor license agent qualifications and requirements; modifying consanguinity- or affinity-based restrictions on ownership of motor license agent locations; modifying eligibility for appointment for motor license agents; broadening applicability of certain prohibition; increasing fees for certain violations; modifying notary and certain mailing fees; modifying office hours; eliminating Oklahoma Tax Commission authorization requirement; eliminating coordination of motor license agent office hours; providing for noncodification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law not to be codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "21st Century
2 Motor Tag Agent Act".

3 SECTION 2. AMENDATORY 47 O.S. 2011, Section 1140, as
4 last amended by Section 1, Chapter 289, O.S.L. 2018 (47 O.S. Supp.
5 2018, Section 1140), is amended to read as follows:

6 Section 1140. A. The Oklahoma Tax Commission shall adopt rules
7 prescribing minimum qualifications and requirements for locating
8 motor license agencies and for persons applying for appointment as a
9 motor license agent. Such qualifications and requirements shall
10 include, but not be limited to, the following:

11 1. Necessary job skills and experience;

12 2. Minimum office hours;

13 3. Provision for sufficient staffing, equipment, office space
14 and parking to provide maximum efficiency and maximum convenience to
15 the public;

16 4. Obtainment of a faithful performance surety bond as provided
17 for by law;

18 5. In counties with a population in excess of thirty thousand
19 (30,000) persons according to the latest Federal Decennial Census, a
20 requirement that operation of a motor license agency be the primary
21 source of income for the agent;

22 6. That the applicant has not been convicted of a felony and
23 that no felony charges are pending against the applicant;

1 7. That a complete financial statement be submitted by the
2 applicant on forms provided by the Tax Commission;

3 8. That a report of the applicant's credit history be obtained
4 through the appropriate credit bureau; and

5 9. That the location specified in the application for
6 appointment as a motor license agent not be owned by a member of the
7 Oklahoma ~~Legislature~~ Tax Commission or an employee of the Oklahoma
8 Tax Commission or any person related to a member of the Oklahoma
9 ~~Legislature~~ Tax Commission or an employee of the Tax Commission
10 within the third degree by consanguinity or affinity and that the
11 location not be within a three-mile radius of an existing motor
12 license agency unless the applicant is assuming the location of an
13 operating agency. If the applicant is assuming the location of an
14 existing or operating agency, the current agent may submit a letter
15 of resignation contingent upon the appointment of the applicant
16 regardless of the population of the municipality in which the agency
17 is located. The Tax Commission may, at its discretion, approve the
18 relocation of an existing agency within a three-mile radius of
19 another existing agency only if a naturally intervening geographic
20 barrier within that radius causes the locations to be separated by
21 not less than three (3) miles of roadway by the most direct route.

22 B. After the necessary information has been forwarded to the
23 Tax Commission, the Tax Commission or its designees may select
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1 applicants to be interviewed and each item of information shall be
2 reviewed.

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

8 C. Upon application by a person to serve as a motor license
9 agent, in such counties, the Tax Commission is authorized to make a
10 determination whether such person and such location meets the
11 qualifications and requirements prescribed herein and, if such be
12 the case, may appoint such person to serve as a motor license agent.

13 D. A motor license agent, appointed pursuant to this
14 subsection, shall be permitted to operate a motor license agency at
15 a single location and shall be prohibited from operating subagencies
16 or branch agencies.

17 Motor license agents appointed pursuant to this section shall be
18 subject to all laws relating to motor license agents and shall be
19 subject to removal at the will of the Tax Commission.

20 The Tax Commission shall appoint as many motor license agents as
21 it deems necessary to carry out the provisions of the Motor Vehicle
22 License and Registration Act. Provided, that in counties with a
23 population in excess of twenty-five thousand (25,000) persons,
24 according to the latest Federal Decennial Census, having only one

1 motor license agent serving the county, the Tax Commission shall
2 establish at least one additional agency to serve the county.

3 E. All motor license agents shall be self-employed independent
4 contractors and shall be under the supervision of the Tax
5 Commission; provided, any agent authorized to issue registrations
6 pursuant to the International Registration Plan shall also be under
7 the supervision of the Corporation Commission, subject to rules
8 promulgated by the Corporation Commission pursuant to the provisions
9 of subsection E of Section 1166 of this title. Any such agent, upon
10 being appointed, shall furnish and file with the Tax Commission a
11 bond in such amount as may be fixed by the Tax Commission. Such
12 agent shall be removable at the will of the Tax Commission. Such
13 agent shall perform all duties and do such things in the
14 administration of the laws of this state as shall be enjoined upon
15 and required by the Tax Commission or the Corporation Commission.
16 Provided, the Tax Commission may operate a motor license agency in
17 any county where a vacancy occurs.

18 F. In the event of a vacancy existing by reason of resignation,
19 removal, death or otherwise, in the position of any motor license
20 agent, the Tax Commission is hereby empowered and authorized to take
21 any and all actions it deems appropriate in order to provide for the
22 orderly transition and for the maintenance of operations of the
23 motor license agency including but not limited to the designation of
24 one of its regular employees to serve as "acting agent" without

1 bond, and to receive and expend all fees or charges authorized or
2 provided by law and exercise the same powers and authority as a
3 regularly appointed motor license agent. An acting agent may be
4 authorized by the Tax Commission equally as the preceding agent to
5 make disbursements from any balances in the preceding motor license
6 agent's operating account and the agent's operating funds for the
7 payment of expenses of operations and salaries and other overhead.
8 If such funds are insufficient, the Tax Commission is authorized to
9 expend from funds appropriated for the operation of the Tax
10 Commission such amounts as are necessary to maintain and continue
11 the operation of any such motor license agency until a successor
12 agent is appointed and qualified. The Tax Commission may require a
13 blanket fiduciary bond of the agency employees.

14 G. Any motor license agency operated by a motor license agent
15 who has been charged with a felony shall be closed immediately. The
16 Tax Commission shall determine whether the motor license agency
17 shall be reopened and operated by the motor license agent. The
18 determination shall be effected as soon as possible to prevent
19 additional inconvenience to the public.

20 H. 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 I. 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~~ Tax Commission;

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 J. 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 3. AMENDATORY 47 O.S. 2011, Section 1141, is
8 amended to read as follows:

9 Section 1141. It shall be unlawful for any person to display
10 any sign or to advertise in any manner representing to the public
11 that he or she is an official or authorized motor license agent of
12 the state, or that he or she has authority to register motor
13 vehicles and issue license plates therefor, unless such person is a
14 duly appointed and qualified motor license agent under the
15 provisions of Section ~~43~~ 1140 of this ~~act~~ title; and it shall be
16 unlawful for any person to solicit, accept or receive any gratuity
17 or compensation for acting as a messenger or for acting as the agent
18 or representative of another person in applying for the registration
19 of a motor vehicle and obtaining the license plate therefor from the
20 Oklahoma Tax Commission or from any official and authorized motor
21 license agent, or to advertise, solicit, or in any manner offer to
22 render such services for hire or compensation unless the motor
23 license agent has appointed, authorized and approved said person to
24 perform such acts and said person shall furnish to the motor license

1 agent of the county in which such service is performed a surety bond
2 in such amount as said motor license agent shall determine to be
3 commensurate with the amount of money which may be involved at any
4 one time.

5 Any person violating the provisions hereof shall be deemed
6 guilty of a misdemeanor and upon conviction shall be punished by a
7 fine of not more than Five Hundred Dollars (\$500.00), or by
8 imprisonment in the county jail for not exceeding one (1) year, or
9 both. Each day that any such person advertises or in any manner
10 offers to render such services to the public or to any person shall
11 constitute a separate offense.

12 Nothing herein shall be construed as affecting or diminishing
13 the responsibility and liability to the Commission of the official
14 motor license agent or of his or her bond made to the Commission.

15 SECTION 4. AMENDATORY 47 O.S. 2011, Section 1142.1, is
16 amended to read as follows:

17 Section 1142.1 A. It shall be unlawful for any motor license
18 agent or any employee of such motor license agent to carry on a
19 messenger service, courier service or pick up and delivery service
20 for the recording of a security interest or for the registration of
21 a motor vehicle or boat or a motor, or obtaining license plates and
22 decals, or for the issuance of a certificate of title for any motor
23 vehicle or boat or motor. Provided, nothing in this subsection
24 shall be construed to prevent a motor license agent or any employee

1 of such motor license agent from performing such services for the
2 motor license agent's depository bank, when the motor license agent
3 or his employee goes to the agent's depository bank to deposit tax
4 monies into the agent's designated Oklahoma Tax Commission Motor
5 License Agent Account. After September 1, 1991, the Oklahoma Tax
6 Commission shall not designate or assign a motor license agent more
7 than one active Oklahoma Tax Commission Motor License Agent Account.
8 Accounts designated prior to September 1, 1991, may remain active.

9 B. It shall be unlawful for any motor license agent to
10 compensate in any manner a messenger service, courier service or
11 pick up and delivery service or any one attempting to provide
12 messenger service, courier service or pick up and delivery service
13 for recording a security interest or for the registration of a motor
14 vehicle or boat or motor, or obtaining license plates and decals, or
15 for the issuance of a certificate of title for any motor vehicle or
16 boat or motor.

17 C. A motor license agent who violates the provisions of this
18 section shall be subject to a fine of ~~One Thousand Dollars~~
19 ~~(\$1,000.00)~~ Two Thousand Dollars (\$2,000.00) per occurrence and
20 shall be removed immediately by the Oklahoma Tax Commission.

21 SECTION 5. AMENDATORY 47 O.S. 2011, Section 1143, is
22 amended to read as follows:

23 Section 1143. A. A motor license agent appointed under the
24 provisions of this title shall retain as compensation those taxes

1 and fees collected and retained pursuant to Section 1141.1 of this
2 title, and shall additionally retain:

3 1. All amounts remaining from notary and mailing fees received
4 by such agent, after payment of all costs of handling and mailing;

5 2. All profits from any concessions operated in the agent's
6 office; and

7 3. All amounts collected pursuant to subsection H of Section
8 1111 of this title.

9 B. A motor license agent shall receive a fee ~~of not more than~~
10 ~~One Dollar (\$1.00)~~ as regulated in Title 49 of the Oklahoma Statutes
11 ~~for each document notarized and a fee of fifty cents (\$0.50) for any~~
12 ~~documents mailed.~~

13 C. The Oklahoma Tax Commission shall initiate a mail order
14 vehicle registration notification program, which shall consist of
15 notification annually to all vehicle owners in this state of such
16 time an owner shall register and license a vehicle as provided for
17 in Section 1101 et seq. of this title. The notification issued by
18 the Tax Commission shall include a breakdown of all charges to be
19 paid by the owner, other items deemed necessary by the Tax
20 Commission and shall notify the owner of the option of paying
21 registration fees and receiving the license plate or decal through
22 the mail directly from the Tax Commission or of registering and
23 receiving the license plate or decal from a motor license agent. On
24 the back of such registration notification forms there shall be the

1 address of the Oklahoma Tax Commission in large black type and an
2 explanation of the apportionment of all license fees and penalties
3 collected and their disposition. Such explanation shall include
4 information as to all charges included in the total license fee and
5 any fees or charges incident to the registration of a motor vehicle,
6 to include all fees that a motor license agent is authorized to
7 collect. If the owner chooses the option of receiving these
8 services through the mail, either from the Tax Commission or the
9 motor license agent, the owner shall then be instructed to pay the
10 final total listed. The costs of mailing shall be ~~One Dollar~~
11 ~~(\$1.00)~~ the cost of postage plus One Dollar and twenty-five cents
12 (\$1.25) for license plates, ~~fifty cents (\$0.50)~~ the cost of postage
13 plus One Dollar (\$1.00) for decals and ~~fifty cents (\$0.50)~~ for the
14 mailing of any other form, title, decal or device provided for in
15 the Oklahoma Vehicle License and Registration Act. Provided
16 however, the Tax Commission may adjust any mailing costs from time
17 to time as it deems appropriate and as will allow for additional
18 fees the U.S. Postal Service may charge.

19 D. Money received by the Tax Commission for the issuance of any
20 registrations, license plates or otherwise shall be apportioned to
21 the schools in accordance with other laws controlling such
22 distributions.

23 E. Failure by an owner of a vehicle to receive registration
24 notification as provided for in the Motor Vehicle License and

1 Registration Act shall not in any manner relieve such person from
2 the obligation of proper and timely registration and licensing of
3 such vehicle, and such person shall be subject to any penalties
4 prescribed by the Oklahoma Vehicle License and Registration Act.

5 F. A motor license agent, out of the taxes and fees collected
6 and retained pursuant to Section 1141.1 of this title, shall obtain
7 a faithful performance surety bond or cash bond in the amount of
8 Thirty Thousand Dollars (\$30,000.00) or in such additional amount
9 and form required by the Tax Commission or by the Oklahoma Vehicle
10 License and Registration Act, a blanket surety bond or cash bond
11 covering adequately all office personnel, necessary insurance,
12 necessary office equipment and furniture, and other goods and
13 services essential to the proper operation of the motor license
14 agency. Provided that the Tax Commission shall have the authority
15 to lower such required surety bond to an amount that is commensurate
16 with the amount of business conducted by the motor license agent,
17 but in no event shall that amount be less than Five Thousand Dollars
18 (\$5,000.00). Motor license agents shall obtain the surety bond or
19 cash bond required by this section only during their first year of
20 operation. Thereafter, the motor license agents shall be subject to
21 the provisions of Section 1143.1 of this title.

22 SECTION 6. AMENDATORY 47 O.S. 2011, Section 1144, is
23 amended to read as follows:
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1 Section 1144. A. Payments for any required registration fees,
2 license plates or decals or excise taxes except as otherwise
3 provided by law, may be made as follows:

4 1. By the applicant's personal or company check if presented
5 within the period of time required for purchase or renewal of the
6 registration and license plates or decals. At the time of
7 presentment, the motor license agent may utilize a check
8 verification system provided by the Oklahoma Tax Commission to
9 confirm that there are sufficient funds to pay the check. Upon
10 notification that there are insufficient funds, the agent shall
11 refuse to accept the check or deliver the license plate or decal.
12 If an agent fails to utilize the check verification system and the
13 check is returned for nonpayment, the agent shall not receive any
14 fees for the transaction. No motor license agent shall be required
15 to accept any check from any person during any penalty period
16 relating to that person's registration; or

17 2. By a nationally recognized credit or debit card issued to
18 the applicant. The Tax Commission may add an amount equal to the
19 amount of the service charge incurred as a service charge for the
20 acceptance of such credit card. For purposes of this paragraph,
21 "nationally recognized credit or debit card" means any instrument or
22 device, whether known as a credit card, credit plate, charge plate,
23 debit card or by any other name, issued with or without fee by an
24 issuer for the use of the cardholder in obtaining goods, services or

1 anything else of value on credit which is accepted by over one
2 thousand merchants in this state. The Tax Commission shall
3 determine which nationally recognized credit or debit cards will be
4 accepted by a motor license agent as payment for any required motor
5 vehicle registration fees, license plates or decals or excise taxes.
6 Provided however the Tax Commission must ensure that no loss of
7 state revenue will occur by the use of such card.

8 B. Each motor license agent's office shall be open a minimum of
9 forty (40) hours per week, ~~of which four (4) such hours per week~~
10 ~~shall be in the evening hours or on Saturday, subject to the~~
11 ~~approval of the Tax Commission,~~ except during such weeks that
12 contain a legal holiday prescribed by the statutes of this state.
13 ~~Provided that the Tax Commission may authorize a motor license agent~~
14 ~~to stay open a lesser period of time if the Tax Commission is~~
15 ~~satisfied that the public is being properly served. Provided~~
16 ~~further, that there shall be at least one motor license agent in~~
17 ~~each county open the hours designated in this section.~~ All motor
18 license agents shall post their hours in a conspicuous place for the
19 public's information.

20 SECTION 7. This act shall become effective July 1, 2019.

21 SECTION 8. It being immediately necessary for the preservation
22 of the public peace, health or safety, an emergency is hereby
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1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

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