

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB 4002
Version:	INT
Request Number:	9225
Author:	Rep. Wallace
Date:	2/24/2020
Impact:	Tax Commission:

**Unknown As to
Positive Motor Vehicle Collections
and Administrative Savings or Costs**

Research Analysis

HB 4002 allows the Oklahoma Tax Commission to approve new design and color combinations for personalized or specialty license plates that are marketed and sold by a private vendor under a contract entered into with the private vendor. The measure allows the Commission to establish by rule the fees for license plates marketed and sold by a private vendor. The fee is to be reasonable and sufficient to recover costs to the Commission. Private vendors are required to collect preorders for personalized and special license plates. Personalized and special license plates approved by the Commission sold by a private vendor under a contract may be manufactured as embossed license plates by the vendor.

Prepared By: Brad Wolgamott

Fiscal Analysis

Analysis provided by the Tax Commission:

Section 2 proposes amendment to Section 1135.9 of Title 47 the Oklahoma Tax Commission (“OTC”) to approve new design and color combinations for personalized or specialty license plates that are marketed and sold by a private vendor under a contract entered into with the private vendor. In addition, the amendatory language provides that the OTC shall establish by rule the fees for license plates issued and renewed in accordance with this measure. Of such fee established not less than \$8 per year of renewal shall be deposited in the Oklahoma Tax Commission Reimbursement Fund to be used for the administration of the Oklahoma Vehicle License and Registration Act and \$12 per year of renewal shall be apportioned as provided in Section 1104. The authorized fee must be reasonable but not less than the amounts necessary for the Commission to recover costs to the Commission associated with the: a) awarding of the contract authorized by this section, b) implementation and enforcement of such contract, and c) direct and indirect administrative costs associated with administering the provisions of Section 1135.9. The measure also provides that the OTC may not require the private vendor to collect preorders for personalized and special license plates approved by the Commission that may be marketed and sold by a private vendor under a contract entered into under this Section. It allows personalized and special license plates approved by the Commission that may be marketed and sold by a private vendor under a contract entered into under the provisions of this Section to be manufactured as embossed² license plates by the vendor. The license plates are required to be issued with identification numbers and letters in a color that provides a distinct contrast in the plate identification area.

The extent to which motor vehicle revenues are positively impacted and potential administrative costs/savings experienced as a result of this measure is unknown.

² All embossed license plates to be made with reflectorized material as a background to the letters, numbers and characters displayed thereon and requires the reflectorized material to be of such a nature as to provide effective and dependable brightness during the service period for which the license plate is issued.

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Other Considerations

None.