

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:

Version:

Author:

Date:

SB 1294

INT

Sen. Coleman

02/06/2020

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT

SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 29, 2020

BILL NUMBER: SB 1294 **STATUS AND DATE OF BILL:** Introduced 01/13/2020

AUTHORS: House n/a Senate Coleman

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

PROPOSAL: Amendatory

Section 1 of the measure proposes to amend 47 O. S. § 1135.2 by creating the Veterans of Foreign Wars ("VFW") special license plate¹ to be designed to honor the veterans of foreign wars and issued to any resident of Oklahoma who is a member of a Veterans of Foreign Wars organization ("VFW Organization") in this state. Persons applying for the VFW license plate will be required to provide proof of membership in an Oklahoma VFW organization. The special license plate shall be designed in consultation with the VFW organization.

Section 2 of the measure proposes to amend 47 O. S. § 1135.5 to modify the authorization language creating the Veterans of Foreign Wars (VFW) special license plate.² Instead of being designed in consultation with the Veterans of Foreign Wars Foundation ("VFW Foundation"), the plate is to be designed in conjunction with the Oklahoma Veterans of Foreign Wars organization (VFW Organization). Also, under current language, the plate may be issued to any person wishing to demonstrate support for the VFW Foundation while the proposed amendment provides for issuance to any Oklahoma resident providing proof of membership in an Oklahoma VFW Organization. It authorizes the Tax Commission to enter into a licensing agreement with the Oklahoma (VFW) organization for use of its logo or design and removes the licensing agreement authorization for the Oklahoma VFW Foundation. The licensing agreement shall provide for a payment to the Oklahoma (VFW) organization of not more than \$20.00 for each license plate issued.

EFFECTIVE DATE: Emergency - July 1, 2020

REVENUE IMPACT:

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

FY 21: Section 1 None
Section 2 Minimal

Jan. 30, 2020
DATE

Rich Miller
DIVISION DIRECTOR

bjs

1/30/2020
DATE

Huan Gong
HUAN GONG, ECONOMIST

1/31/2020
DATE

[Signature]
FOR THE COMMISSION

The estimated revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

¹ Reauthorizes the Veterans of Foreign Wars special license plate in Section 1135.2 of Title 47; the availability of which was eliminated pursuant to passage of Section 1 of SB 170 effective November 1, 2019.

² The Veterans of Foreign Wars special license plate in Section 1135.5 of Title 47 was authorized pursuant to passage of Section 3 of SB 170 effective November 1, 2019.

ATTACHMENT TO REVENUE IMPACT-SB 1294-[Introduced]-Prepared January 29, 2020

Section 1 of the measure proposes to amend 47 O. S. § 1135.2 by creating the Veterans of Foreign Wars ("VFW") special license plate to be designed to honor the veterans of foreign wars and issued to any resident of Oklahoma who is a member of a Veterans of Foreign Wars organization ("VFW Organization") in this state. Persons applying for the VFW license plate will be required to provide proof of membership in an Oklahoma VFW organization. The special license plate shall be designed in consultation with the VFW organization.

The annual fee for special license plates authorized by this section is \$8 and shall be in addition to all other annual vehicle registration fees. The \$8 fee is deposited into the Oklahoma Tax Commission Reimbursement Fund to be used for the administration of the Oklahoma Vehicle License and Registration Act.

There is no estimated revenue impact associated with Section 1 of this measure.

Section 2 of the measure proposes to amend 47 O. S. § 1135.5 to modify the authorization language, creating the Veterans of Foreign Wars (VFW) special license plate. Instead of being designed in consultation with the Veterans of Foreign Wars Foundation ("VFW Foundation"), the plate is to be designed in conjunction with the Oklahoma Veterans of Foreign Wars organization (VFW Organization"). Also, under current language, the plate may be issued to any person wishing to demonstrate support for the VFW Foundation while the proposed amendment provides for issuance to any Oklahoma resident providing proof of membership in an Oklahoma VFW Organization. It authorizes the Tax Commission to enter into a licensing agreement with the Oklahoma (VFW) organization for use of its logo or design and removes the licensing agreement authorization for the Oklahoma VFW Foundation. The licensing agreement shall provide for a payment to the Oklahoma (VFW) organization of not more than \$20.00 for each license plate issued.

The annual fee for special license plates issued pursuant to Section 1135.5 of Title 47 is \$35 and is in addition to all other annual vehicle registration fees. Of this amount, \$20 shall be paid to the referenced organization pursuant to a licensing agreement with \$8 deposited in the OTC Reimbursement Fund to be used for administrative purposes associated with issuance of the special license plates and any remaining amounts of the \$35 fee apportioned as motor vehicle collections pursuant to the provisions of 47 O.S. § 1104.

The estimated revenue impact associated with section 2 is minimal/positive.