

**Fiscal Impact**  
2<sup>nd</sup> Session of the 57<sup>th</sup> Legislature

**Bill No.:**

**Version:**

**Author:**

**Date:**

**SB 1645**

**INT**

**Sen. Montgomery**

**02/25/2020**

**OKLAHOMA TAX COMMISSION**

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT  
SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

**DATE OF IMPACT STATEMENT:** February 24, 2020

**BILL NUMBER:** SB 1645 **STATUS AND DATE OF BILL:** Introduced 01/16/2020

**AUTHORS:** House n/a Senate Montgomery

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

**PROPOSAL:** Amendatory

The measure proposes that on or after January 1, 2021, in the event a special or personalized license plate is issued pursuant to Sections 1135.1 through 1135.7, any registration fee required for the special/personalized plate and the fee for the standard issue vehicle registration shall be remitted at the same time and be subject to a single registration period. Upon receipt of a special/personalized plate, the standard issue plate must be surrendered to the Tax Commission or motor license agent. The special/personalized plate issued will be the sole plate issued to the vehicle and must be displayed in the same manner as a standard issue plate. It also provides that the OTC shall determine by rule, a method for making required fee adjustments when a special or personalized license plate is obtained during a twelve-month period for which a standard issue registration fee has already been remitted. It further specifies that the combining of fees into a single remittance shall not alter the apportionment otherwise provided in law.

Section 10 of the measure proposes amendment to 47 O.S. § 1141.1 by providing that on or after January 1, 2021, a motor license agent is entitled to retain \$7.12 when a special or personalized license plate is issued pursuant to 47 O.S. §§ 1135.1 through 1135.7 in combination with the standard issue registration required pursuant by 47 O.S. § 1132.

**EFFECTIVE DATE:** January 1, 2021

**REVENUE IMPACT:**

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

FY 22: Minimal decrease in motor vehicle collections

**ADMINISTRATIVE IMPACT:**

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 21: \$850,000 increase in OTC administrative costs

Feb. 24, 2020  
DATE

Rick Miller  
DIVISION DIRECTOR

bjs

2/24/2020  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2/24/2020  
DATE

J.D.  
FOR THE COMMISSION

*The 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.*

#### **ATTACHMENT TO REVENUE IMPACT—SB 1645 - [Introduced] Prepared 02/24/2020**

The measure proposes that on or after January 1, 2021, in the event a special or personalized license plate is issued pursuant to Sections 1135.1 through 1135.7, any registration fee required for the special/personalized plate and the fee for the standard issue vehicle registration shall be remitted at the same time and be subject to a single registration period. Upon receipt of a special/ personalized plate, the standard issue plate must be surrendered to the Tax Commission or motor license agent. The special/personalized plate issued will be the sole plate issued to the vehicle and must be displayed in the same manner as a standard issue plate. It also provides that the OTC shall determine by rule, a method for making required fee adjustments when a special or personalized license plate is obtained during a twelve-month period for which a standard issue registration fee has already been remitted. It further specifies that the combining of fees into a single remittance shall not alter the apportionment otherwise provided in law.

Additionally, it proposes an amendment to Section 1135.5 of Title 47 regarding the Oklahoma Scenic Rivers special license plate by changing the consultation entity for purposes of the plate design and recipient of the \$25 portion of the fee charged for the plate from the Oklahoma Scenic Rivers Commission to the Oklahoma Scenic Rivers operation of the Grand River Dam Authority.

Section 10 of the measure proposes amendment to 47 O.S. § 1141.1 by providing that on or after January 1, 2021, a motor license agent is entitled to retain \$7.12 when a special or personalized license plate is issued pursuant to 47 O.S. §§ 1135.1 through 1135.7 in combination with the standard issue registration required pursuant by 47 O.S. § 1132.

#### **REVENUE IMPACT**

A minimal decrease in motor vehicle collections is estimated due to standard issue registration fee adjustments outlined in the measure.

#### **ADMINISTRATIVE IMPACT**

To implement this proposal, modifications and adjustments to a majority of the current motor vehicle systems including registration, financial, inventory/special plate handling and interface along with the development of new registration processes and procedures will be required. The additional administrative costs to be incurred by the OTC to make the described modifications are estimated at \$850,000. Additionally, the OTC will require an additional year from the current effective date of the measure in which to effectuate the outlined changes.