

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL 463

By: Hall of the Senate

and

Kannady of the House

COMMITTEE SUBSTITUTE

An Act relating to motor license agents; amending 47 O.S. 2011, Section 1140, as last amended by Section 2, Chapter 195, O.S.L. 2019 (47 O.S. Supp. 2020, Section 1140), which relates to qualifications and requirements; modifying basis for removal of motor license agents; providing that motor license agents are subject to removal for cause by the Oklahoma Tax Commission; providing definition; providing procedure for removal; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1140, as last amended by Section 2, Chapter 195, O.S.L. 2019 (47 O.S. Supp. 2020, Section 1140), is amended to read as follows:

Section 1140. A. The Oklahoma Tax Commission shall adopt rules prescribing minimum qualifications and requirements for locating motor license agencies and for persons applying for appointment as a

1 motor license agent. Such qualifications and requirements shall  
2 include, but not be limited to, the following:

3 1. Necessary job skills and experience;

4 2. Minimum office hours;

5 3. Provision for sufficient staffing, equipment, office space  
6 and parking to provide maximum efficiency and maximum convenience to  
7 the public;

8 4. Obtainment of a faithful performance surety bond as provided  
9 for by law;

10 5. In counties with a population in excess of thirty thousand  
11 (30,000) persons according to the latest Federal Decennial Census, a  
12 requirement that operation of a motor license agency be the primary  
13 source of income for the agent;

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

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

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

20 9. That the location specified in the application for  
21 appointment as a motor license agent not be owned by a member of the  
22 Oklahoma Tax Commission or an employee of the Oklahoma Tax  
23 Commission or any person related to a member of the Oklahoma Tax  
24 Commission or an employee of the Tax Commission within the third

1 degree by consanguinity or affinity and that the location not be  
2 within a three-mile radius of an existing motor license agency  
3 unless the applicant is assuming the location of an operating  
4 agency. If the applicant is assuming the location of an existing or  
5 operating agency, the current agent may submit a letter of  
6 resignation contingent upon the appointment of the applicant  
7 regardless of the population of the municipality in which the agency  
8 is located. The Tax Commission may, at its discretion, approve the  
9 relocation of an existing agency within a three-mile radius of  
10 another existing agency only if a naturally intervening geographic  
11 barrier within that radius causes the locations to be separated by  
12 not less than three (3) miles of roadway by the most direct route.

13 B. After the necessary information has been forwarded to the  
14 Tax Commission, the Tax Commission or its designees may select  
15 applicants to be interviewed and each item of information shall be  
16 reviewed.

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

22 C. Upon application by a person to serve as a motor license  
23 agent, in such counties, the Tax Commission is authorized to make a  
24 determination whether such person and such location meets the

1 qualifications and requirements prescribed herein and, if such be  
2 the case, may appoint such person to serve as a motor license agent.

3 D. A motor license agent, appointed pursuant to this  
4 subsection, shall be permitted to operate a motor license agency at  
5 a single location and shall be prohibited from operating subagencies  
6 or branch agencies.

7 Motor license agents appointed pursuant to this section shall be  
8 subject to all laws relating to motor license agents and shall be  
9 subject to removal ~~at the will of~~ for cause by the Tax Commission.

10 For the purposes of this section, "for cause" shall be defined  
11 as follows:

12 1. Repeated violations of written rules, regulations and  
13 statutes pertaining to motor license agents after written warning by  
14 the Tax Commission and an opportunity to correct such violations;

15 2. Failure of the motor license agent to promptly remit funds  
16 owed to the Tax Commission upon written demand;

17 3. Being charged with a felony crime involving dishonesty or  
18 moral turpitude;

19 4. Failure to timely file state and federal income tax returns;  
20 or

21 5. Any act of official misconduct as set forth in Section 93 of  
22 Title 51 of the Oklahoma Statutes.

23 The Tax Commission shall appoint as many motor license agents as  
24 it deems necessary to carry out the provisions of the Motor Vehicle

1 License and Registration Act. Provided, that in counties with a  
2 population in excess of twenty-five thousand (25,000) persons,  
3 according to the latest Federal Decennial Census, having only one  
4 motor license agent serving the county, the Tax Commission shall  
5 establish at least one additional agency to serve the county.

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

21 F. In the event of a vacancy existing by reason of resignation,  
22 removal, death or otherwise, in the position of any motor license  
23 agent, the Tax Commission is hereby empowered and authorized to take  
24 any and all actions it deems appropriate in order to provide for the

1 orderly transition and for the maintenance of operations of the  
2 motor license agency including, but not limited to, the designation  
3 of one of its regular employees to serve as "acting agent" without  
4 bond, and to receive and expend all fees or charges authorized or  
5 provided by law and exercise the same powers and authority as a  
6 regularly appointed motor license agent. An acting agent may be  
7 authorized by the Tax Commission equally as the preceding agent to  
8 make disbursements from any balances in the preceding motor license  
9 agent's operating account and the agent's operating funds for the  
10 payment of expenses of operations and salaries and other overhead.  
11 If such funds are insufficient, the Tax Commission is authorized to  
12 expend from funds appropriated for the operation of the Tax  
13 Commission such amounts as are necessary to maintain and continue  
14 the operation of any such motor license agency until a successor  
15 agent is appointed and qualified. The Tax Commission may require a  
16 blanket fiduciary bond of the agency employees.

17 G. ~~Any motor license agency operated by a motor license agent~~  
18 ~~who has been charged with a felony shall be closed immediately. The~~  
19 ~~Tax Commission shall determine whether the motor license agency~~  
20 ~~shall be reopened and operated by the motor license agent. The~~  
21 ~~determination shall be effected as soon as possible to prevent~~  
22 ~~additional inconvenience to the public~~ action by the Tax Commission  
23 to remove a motor license agent from his or her position shall be  
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1 done in accordance with the provisions of the Administrative  
2 Procedures Act.

3       H. When an application for registration is made with the Tax  
4 Commission, Corporation Commission or a motor license agent, a  
5 registration fee of One Dollar and seventy-five cents (\$1.75) shall  
6 be collected for each license plate or decal issued. Such fees  
7 shall be in addition to the registration fees on motor vehicles and  
8 when an application for registration is made to the motor license  
9 agent such motor license agent shall retain a fee as provided in  
10 Section 1141.1 of this title. When the fee is paid by a person  
11 making application directly with the Tax Commission or Corporation  
12 Commission, as applicable, the registration fees shall be in the  
13 same amount as provided for motor license agents and the fee  
14 provided by Section 1141.1 of this title shall be deposited in the  
15 Oklahoma Tax Commission Revolving Fund or as provided in Section  
16 1167 of this title, as applicable. The Tax Commission shall prepare  
17 schedules of registration fees and charges for titles which shall  
18 include the fees for such agents and all fees and charges paid by a  
19 person shall be listed separately on the application and  
20 registration and totaled on the application and registration. The  
21 motor license agents shall charge only such fees as are specifically  
22 provided for by law, and all such authorized fees shall be posted in  
23 such a manner that any person shall have notice of all fees that are  
24 imposed by law.

1 I. No person shall be appointed as a motor license agent unless  
2 the person has attested under oath that the person is not related by  
3 affinity or consanguinity within the third degree to:

4 1. Any member of the Oklahoma Tax Commission; or

5 2. Any employee of the Tax Commission.

6 J. Any motor license agent appointed under the provisions of  
7 this title shall be responsible for all costs incurred by the Tax  
8 Commission when relocating an existing motor license agency. The  
9 Tax Commission may waive payment of such costs in case of unforeseen  
10 business or emergency conditions beyond the control of the agent.

11 SECTION 2. This act shall become effective November 1, 2021.

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