

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL 629

By: Bullard of the Senate

and

Humphrey of the House

COMMITTEE SUBSTITUTE

An Act relating to reservoirs; creating the Reservoir Capital Investment Fund; providing sources of the fund; stating purpose of fund; requiring investment of funds by the State Treasurer; requiring the liquidation of assets and deposit of funds over certain value; requiring notification; creating the Water Sustainability Revolving Fund; providing for expenditures from the fund; requiring public water supply systems to establish certain fee; requiring apportionment of fee; providing for termination of fee; amending 63 O.S. 2021, Section 4021, which relates to the Oklahoma Vessel and Motor Registration Act; establishing fee; requiring apportionment of fee; stating fee shall be a prerequisite to registration; providing for termination of fee; updating statutory language; updating statutory reference; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 89.12 of Title 62, unless there is created a duplication in numbering, reads as follows:

1 A. There is hereby created in the State Treasury a revolving
2 fund to be designated the "Reservoir Capital Investment Fund". The
3 fund shall be a continuing fund, not subject to fiscal year
4 limitations, and shall consist of all monies received by the fees
5 provided for in Sections 3 and 4 of this act, appropriations,
6 apportionments, federal grants, or gifts and donations. All monies
7 accruing to the credit of the fund shall be invested by the State
8 Treasurer according to the provisions of Section 89.2 of Title 62 of
9 the Oklahoma Statutes.

10 B. Once the combined assets of the fund reach a total value of
11 One Billion Six Hundred Million Dollars (\$1,600,000,000.00) the
12 State Treasurer shall, at the end of each fiscal year, liquidate any
13 necessary assets within the fund in order to deposit an amount equal
14 to the value of the fund above One Billion Six Hundred Million
15 Dollars (\$1,600,000,000.00) and deposit those funds in the Water
16 Sustainability Revolving Fund created pursuant to Section 2 of this
17 act.

18 C. The State Treasurer shall notify the Department of
19 Environmental Quality and the Oklahoma Tax Commission that the value
20 of the fund is sufficient to cease the imposition of the fees
21 provided for in Sections 3 and 4 of this act.

22 SECTION 2. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 1085.7D of Title 82, unless
24 there is created a duplication in numbering, reads as follows:

1 There is hereby created in the State Treasury a revolving fund
2 for the Oklahoma Water Resources Board to be designated the "Water
3 Sustainability Revolving Fund". The fund shall be a continuing
4 fund, not subject to fiscal year limitations, and shall consist of
5 all monies received by the Water Resource Board from the Reservoir
6 Capital Investment Fund, in addition to any appropriations or
7 federal funds to the Board for the purpose of reservoir
8 construction. All monies accruing to the credit of the fund are
9 hereby appropriated and may be budgeted and expended by the Oklahoma
10 Water Resources Board for the purpose of planning, preconstruction,
11 and construction of reservoirs including, but not limited to, land
12 acquisition, design, and environmental impact statements.
13 Expenditures from the fund shall be made upon warrants issued by the
14 State Treasurer against claims filed as prescribed by law with the
15 Director of the Office of Management and Enterprise Services for
16 approval and payment.

17 SECTION 3. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 2-6-306.1 of Title 27A, unless
19 there is created a duplication in numbering, reads as follows:

20 A. In addition to any other fee that may be authorized by law,
21 public water supply systems shall impose a fee of One Dollar and
22 thirty-cents (\$1.30) for every one thousand (1,000) gallons of water
23 each residential customer uses over ten thousand (10,000) gallons in
24 each billing cycle.

1 B. Revenue from the fee authorized in subsection A of this
2 section shall be deposited into the Reservoir Capital Investment
3 Fund created pursuant to Section 1 of this act.

4 C. Upon notice of the State Treasurer stating that the combined
5 assets of the fund have reached a total value of One Billion Six
6 Hundred Million Dollars (\$1,600,000,000.00), the imposition of this
7 fee shall cease.

8 SECTION 4. AMENDATORY 63 O.S. 2021, Section 4021, is
9 amended to read as follows:

10 Section 4021. A. The application required for the initial and
11 subsequent registration of a vessel or a motor shall be accompanied
12 by payment of the following fees:

13 1. Where the manufacturer's factory delivered price, or in the
14 absence of such price being published in a recognized publication
15 for the use of marine dealers and/or for purposes of insurance and
16 financing firms, where the provable original or new cost of all
17 materials, is One Hundred Fifty Dollars (\$150.00) or less, the
18 registration and license fee for the first and for each succeeding
19 year's registration shall be One Dollar (\$1.00);

20 2. Where the manufacturer's factory delivered price, or in the
21 absence of such price being published as provided in paragraph 1 of
22 this section, where the value of such vessel or motor is determined
23 and fixed as above required and, is in excess of One Hundred Fifty
24 Dollars (\$150.00), there shall be added to the fee of One Dollar

1 (\$1.00), the sum of One Dollar (\$1.00) for each One Hundred Dollars
2 (\$100.00) or any fraction thereof, in excess of One Hundred Fifty
3 Dollars (\$150.00) provided such fee shall not exceed One Hundred
4 Fifty Dollars (\$150.00);

5 3. After the first year's registration in this state under the
6 Oklahoma Vessel and Motor Registration Act of any new vessel or new
7 motor under paragraph 2 of this subsection, the registration for the
8 second year shall be ninety percent (90%) of the fee computed and
9 assessed hereunder for the first year, and thereafter, such fee
10 shall be computed and assessed at ninety percent (90%) of the
11 previous year's fee and shall be so computed and assessed for the
12 next nine (9) successive years provided such fee shall not exceed
13 One Hundred Fifty Dollars (\$150.00);

14 4. The initial and subsequent registration fee for any vessel
15 which is a part of a fleet used for lodging and for which a rental
16 fee and sales tax are collected shall be Forty Dollars (\$40.00) in
17 lieu of the fees required by paragraphs 1 through 3 of this
18 subsection. For the purpose of this paragraph, "fleet" means twenty
19 or more vessels operated by a business organization from a single
20 anchorage. The fee provided for in this paragraph may be reduced
21 annually to zero until the total reduction equals the difference
22 between the sum of the fees paid pursuant to paragraphs 1 through 3
23 of this subsection for the two registration years preceding January
24 1, 1990, and the fee provided for in this paragraph;

1 5. For any vessel or motor owned and numbered, registered or
2 licensed prior to January 1, 1990, in this or any other state, or in
3 the absence of such registration upon proof of the year, model and
4 age of same, the registration fee shall be computed and assessed at
5 the rate hereinabove provided for a new vessel or motor based on the
6 value thereof determined as provided in this subsection, but reduced
7 as though same had been registered for each prior year of its
8 existence. Except as provided in paragraph 1 of this subsection,
9 the registration fee for the eleventh year computed in accordance
10 with the provisions of this subsection shall be the amount of the
11 fee to be assessed for such eleventh year and shall be the minimum
12 annual registration fee for such vessel or motor for any subsequent
13 year; and

14 6. The initial and subsequent registration fee for any vessel
15 or motor which is not being used in a trade or business or for any
16 commercial purpose and is owned by:

- 17 a. a nonresident member of the Armed Forces of the United
18 States assigned to duty in this state in compliance
19 with official military or naval orders,
20 b. a resident member of the Armed Forces of the United
21 States assigned to duty in this state in compliance
22 with official military or naval orders,

1 c. the spouse, who resides in Oklahoma, of a resident or
2 nonresident member of the Armed Forces of the United
3 States serving in a foreign country, or

4 d. any Oklahoma resident who is stationed out of state
5 due to an official assignment of the Armed Forces of
6 the United States,

7 shall be the lesser of either a Fifteen Dollar (\$15.00) registration
8 fee or the fee computed and assessed for vessels or motors of
9 similar age and model pursuant to this section.

10 B. As used in this section, the term "manufacturer's factory
11 delivered price" shall represent the recommended retail selling
12 price and shall not mean the wholesale price to a dealer.

13 C. The Oklahoma Tax Commission shall assess the registration
14 fees and penalties for the year or years a vessel or motor was not
15 registered as provided in the Oklahoma Vessel and Motor Registration
16 Act. For vessels or motors not registered for two (2) or more
17 years, the registration fees and penalties shall be due only for the
18 current year and one (1) previous year.

19 D. Upon each vessel or motor repossessed by a mortgagee, a fee
20 of Forty-six Dollars (\$46.00) shall be assessed. This fee shall be
21 in lieu of any applicable vessel or motor excise tax and
22 registration fees. Each motor license agent accepting applications
23 for certificates of title for such vessel or motors shall receive
24

1 Seven Dollars (\$7.00) to be deducted from the license fee specified
2 in this paragraph for each application accepted.

3 E. All vessels or motors owned by ~~the State of Oklahoma~~ this
4 state, its agencies or departments, or political subdivisions
5 thereof, or which under the law would be exempt from direct ad
6 valorem taxation, shall be registered pursuant to the provisions of
7 the Oklahoma Vessel and Motor Registration Act for an annual fee of
8 Two Dollars and twenty-five cents (\$2.25) irrespective of whether
9 registered by a motor license agent or the Tax Commission.

10 F. All vessels and motors owned:

11 1. By the Boy Scouts of America, the Girl Scouts of the U.S.A.,
12 and the Camp Fire ~~USA~~, devoted exclusively to youth programs
13 emphasizing physical fitness, character development and citizenship
14 training;

15 2. By the Department of Public Safety; and

16 3. By organizations which are exempt from taxation pursuant to
17 the provisions of Section 501(c)(3) of the Internal Revenue Code, 26
18 U.S.C., Section 501(c)(3), and which are primarily devoted to the
19 establishment, development, operation, promotion, and participation
20 in, alone or in conjunction with others, educational and training
21 programs and competitive events to provide knowledge, information,
22 or comprehensive skills related to the sports of sailing, fishing,
23 boating, and other aquatic related activities;

1 are hereby exempt from the payment of registration fees required by
2 this section. Provided, all of such vessels or motors shall be
3 registered and shall otherwise comply with the provisions of the
4 Oklahoma Vessel and Motor Registration Act.

5 G. A credit shall be allowed with respect to the fee for
6 registration of any new vessel or new motor, when such new vessel or
7 motor is a replacement for:

8 1. A new original vessel or new original motor which is stolen
9 from the purchaser/registrant within ninety (90) days of the date of
10 purchase of the original vessel or new original motor as certified
11 by a police report or other documentation as required by the Tax
12 Commission; or

13 2. A defective new original vessel or new original motor
14 returned by the purchaser/registrant to the seller within six (6)
15 months of the date of purchase of the defective new original vessel
16 or new original motor as certified by the manufacturer.

17 Such credit shall be in the amount of the fee for registration
18 which was paid for the new original vessel or new original motor and
19 shall be applied to the registration fee for the replacement vessel
20 or motor. In no event will ~~said~~ the credit be refunded.

21 H. Upon proper proof of a lost certificate of registration
22 being made to the Tax Commission or one of its motor license agents,
23 accompanied by an application therefor and payment of the fees
24 required by the Oklahoma Vessel and Motor Registration Act, a

1 duplicate certificate of registration shall be issued to the
2 applicant. The charge for such duplicate certificate of
3 registration shall be Two Dollars and twenty-five cents (\$2.25),
4 which charge shall be in addition to any other fees imposed by
5 Section 4022 of this title for any such vessel or motor.

6 I. In addition to any other fees levied by the Oklahoma Vessel
7 and Motor Registration Act, there is levied and there shall be paid
8 to the Tax Commission, for each year a vessel or motor is
9 registered, a fee of One Dollar (\$1.00) for each vessel or motor for
10 which a registration or license fee is required pursuant to the
11 provisions of this section. The fee shall accrue and shall be
12 collected upon each vessel or motor under the same circumstances and
13 shall be payable in the same manner and times as apply to vessel and
14 motor licenses and registrations under the provisions of the
15 Oklahoma Vessel and Motor Registration Act; provided, the fee shall
16 be paid in full for the then current year at the time any vehicle is
17 first registered in a calendar year.

18 Monies collected pursuant to this subsection shall be
19 apportioned by the Tax Commission to the State Treasurer for deposit
20 in the Trauma Care Assistance Revolving Fund created in Section
21 ~~330.97~~ 1-2530.9 of this title.

22 The collection and payment of the fee shall be a prerequisite to
23 license or registration of any vessel or motor.

1 J. In addition to any other fees levied by the Oklahoma Vessel
2 and Motor Registration Act, there is levied and there shall be paid
3 to the Tax Commission, for each year a vessel or motor is
4 registered, a fee of Two Dollars (\$2.00) for each vessel or motor
5 for which a registration or license fee is required pursuant to the
6 provisions of this section. The fee shall accrue and shall be
7 collected upon each vessel or motor under the same circumstances and
8 shall be payable in the same manner and times as apply to vessel and
9 motor licenses and registrations under the provisions of the
10 Oklahoma Vessel and Motor Registration Act; provided, the fee shall
11 be paid in full for the then current year at the time any vehicle is
12 first registered in a calendar year.

13 Monies collected pursuant to this subsection shall be
14 apportioned by the Tax Commission to the State Treasurer for deposit
15 in the Reservoir Capital Investment Fund created in Section 1 of
16 this act.

17 The collection and payment of the fee shall be a prerequisite to
18 license or registration of any vessel or motor.

19 Upon notice of the State Treasurer stating that the combined
20 assets of the fund have reached a total value of One Billion Six
21 Hundred Million Dollars (\$1,600,000,000.00), the imposition of this
22 fee shall cease.

23 K. If a vessel or motor is donated to a nonprofit charitable
24 organization, the nonprofit charitable organization shall be exempt

1 from paying any current or past due registration fees, excise tax,
2 transfer fees, and penalties and interest; provided, subsequent to
3 such donation, if the person, entity or party acting on another's
4 behalf who donated the vessel or motor, purchases the same vessel or
5 motor from the nonprofit charitable organization receiving the
6 original donation, such person, entity or party acting on another's
7 behalf shall be liable for all current and past due registration
8 fees, excise tax, transfer fees, and penalties and interest on such
9 vehicle.

10 SECTION 5. This act shall become effective November 1, 2022.

11
12 58-2-3591 RJ 3/3/2022 9:56:54 AM
13
14
15
16
17
18
19
20
21
22
23
24