#### **BILL SUMMARY**

2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

Bill No.: SB 1600
Version: ENGR
Request Number: NA
Author: Rep. Kerbs
Date: 4/4/2022
Impact: Tax Commission:

Motor Vehicle Collections Decrease: (\$2,447,000)

Administrative Costs: \$7,000

## **Research Analysis**

SB 1600 provides that beginning July 1, 2022, and ending on May 31, 2023, motor license agents accepting applications for driver licenses for persons 65 years of age or older or honorably discharged veterans are to retain \$6.00 for a 4- year driver license and \$12.00 for an 8-year driver license to be deducted daily by the motor license agent or licensed operator receipts. State agencies shall not retain these fees. The measure defines a licensed operator as an individual who obtains a license from the Service Oklahoma Operator Board to operate a designated Service Oklahoma location and offers third-party fulfillment of designated services to be rendered by Service Oklahoma.

Prepared By: Brad Wolgamott

### **Fiscal Analysis**

Analysis provided by the Tax Commission:

Currently, no statutory fee is imposed for qualifying 100% disabled veterans and persons 65 years of age and older to obtain a driver license. Based on CY 2021 Department of Public Safety ("DPS") data, 148,321 four year driver licenses were issued to the referenced groups. Eight year driver licenses became available beginning August of 2021. For August, 2021 through December, 2021, DPS data indicates that 61,780 eight year driver licenses were issued. Utilizing this data, a 12 month projection indicates a total of 148,272 eight year driver licenses related to the subject individuals.

Assuming similar driver license transactions for FY 23 as those experienced in CY 21, accounting for the proposed fees and adjusting for the 11 month application of the change results in a \$2,446,758 increase in motor license agent retention fees for FY 23. The measure directs that these amounts be deducted from the motor license agent's or licensed operator's daily receipts. Consequently, a like decrease in motor vehicle collections will also occur for FY 23.

Prepared By: Mark Tygret

## **Other Considerations**

# **ADMINISTRATIVE IMPACT**

Additional development costs to modify the motor vehicle system consistent	with the proposed
statutory changes are estimated in the amount of \$7,000.	

© 2021 Oklahoma House of Representatives, see Copyright Notice at <a href="www.okhouse.gov">www.okhouse.gov</a>