

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	SB 313
Version:	ENGR
Request Number:	NA
Author:	Rep. Ranson
Date:	3/24/2021
Impact:	Tax Commission

Minimal Decrease in MV Collections

Administrative Cost Estimate:
\$650,000

Research Analysis

SB 313 provides the fees for all special or personalized license plates issued after January 1, 2022, to be remitted at the same time and subject to a single registration period. Upon receipt of a special license plate, the owner shall surrender the original plate to the Oklahoma Tax Commission. The measure also directs the Oklahoma Tax Commission to determine a method for making required fee adjustments when a special or personalized license plate is obtained during a 12-month period for which a registration fee has already been remitted.

Prepared By: Brad Wolgamott

Fiscal Analysis

Analysis provided by the Tax Commission:

REVENUE IMPACT

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

ADMINISTRATIVE IMPACT

Outlined below is a detailed description of system/services modification and development to implement SB 313 along with the additional administrative costs associated therewith.

- Allowing for multiple active registrations on a single vehicle is the foundation of our current registration model. Almost all registration functions are built to account for this possibility. Consequently each one would need to be reviewed and potentially updated or replaced to fit into the single plate registration model.

- New development and system modification will be required for the following functions and processes:
 - Owners that have multiple plates for one vehicle to determine which plate would become the primary, and a systematic application would need to be developed to transition those accounts to a single plate. When a vehicle is titled/registered the system currently forces a standard issue plate. With the change, the system would be updated to issue a plate of the customer's choosing. Due to inventory sizes, build a process from title/registration transactions for purposes of issuing a temporary registration and for a plate to be mailed at a later date.
 - Review and update OKCARS. Current logic ensures standard issue plates exist and are active before specialty plates are allowed to be requested or renewed. A mix of front end, removing now obsolete transactions and backend changes will be required. Most likely updates to construct a new request to allow a user to consolidate to a single plate will also be needed.
 - Correction of common transaction types i.e, Title/Reg, Change Reg, Renewal, Lost/Stolen/Mutilated are common transaction types within OneLink that align with registration functions weren't specifically mentioned but would also be affected by the proposed changes. The system logic behind these processes will all need to be reviewed and updated to not account for the multiple plate scenarios.
- Further clarification on fees and apportionment for partial year scenarios could also impact development. The bill states that combination of fees in a single period shouldn't alter apportionment. However, the language contemplates proration of fees in the certain circumstances and if prorating is required, updates will be necessitated. The largest impact in this area is attributable to combining/accounting for additional fees that would not have previously existed together. Examples would be Registration, State Public Safety, Insurance, and Specialty Plate fees on a Renewal on a single posting.

Completion and institution of the above-described functions, development and system updates would require several months and multiple developers due to the necessary changes to several areas within the motor vehicle system and web services resulting in administrative costs of \$650,000.

Prepared By: Mark Tygret

Other Considerations

None.