



# MEMO

Tax Policy Division

**To:** Rick Miller, Director *RLM* *[Signature]*  
**From:** Brenda J. Sullivan - Tax Policy Analyst  
**Date:** 02/28/2022  
**Re:** Proposed Committee Substitute for SB1765

The measure proposes to create Section 1139.2 of Title 47 by requiring the Oklahoma Tax Commission (OTC) prior to issuing a motor vehicle registration or mailing a motor vehicle registration renewal notice to check information of the National Highway Traffic Safety Administration to determine whether the motor vehicle is subject to an open recall<sup>1</sup>. For a vehicle that is subject to one or more open recalls, the OTC must provide the owner of the motor vehicle written notice of all open recalls applicable to the motor vehicle. It stipulates that the recall notice shall be provided at the time the vehicle is registered, except that for registration renewals, the recall notice shall be included in the registration renewal notice. The recall notice shall include the following:

1. A description of each open recall; and
2. A statement that each open recall may be repaired by a motor vehicle dealer approved by the manufacturer of the motor vehicle at no cost to the owner of the motor vehicle, except as provided in 49 U.S.C., Section 30120.

Additionally, it provides that employees of the OTC Commission, for the purposes of discharging their duties pursuant to this section, shall not be liable to any person for any act or omission related to the open recall notice provided pursuant to this section, except for cases of gross negligence.

The measure proposes an effective date of November 1, 2022.

## REVENUE IMPACT

There is no estimated revenue impact associated with this measure.

## ADMINISTRATIVE IMPACT

The OTC anticipates a minimal one-time development cost attributable to the proposed changes. The OTC is requesting additional language that provides the provisions of the measure are to be implemented “on or before January 1, 2023.”

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<sup>1</sup> Open Recall is defined to mean a safety recall for which the remedy is free to the owner, and the first notification by a manufacturer has been provided under 49 U.S.C., Section 30119 within the last ten (10) years.

