

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB3898</b>
<b>Version:</b>	<b>FULLPCS2</b>
<b>Request Number:</b>	<b>10242</b>
<b>Author:</b>	<b>Rep. Davis</b>
<b>Date:</b>	<b>2/27/2024</b>
<b>Impact:</b>	<b>FY-25: \$9,424,761 MV Collections Increase</b>
	<b>FY-26: \$7,383,452 MV Collections Decrease</b>
	<b>ServiceOK Administrative Costs: \$76,000</b>

**Research Analysis**

The proposed Committee Substitute to HB 3898 allows for the registration of fleet vehicles and commercial vehicles on an 12 month, 24 month, or 36 month cycle. At the time of registration, an owner of the fleet vehicle may choose an annual, biennial, or triennial registration. The owner must remit the appropriate registration fee based upon their selection. The measure exempts certain commercial vehicles from inspection requirements upon payment of any fees required.

Prepared By: Brad Wolgamott

**Fiscal Analysis**

The proposed subcommittee substitute to HB 3898 would permit biennial or triennial registration for fleet vehicles, commercial vehicles, and trailers. Per ServiceOK, biennial registration for non-commercial vehicles occurs at a rate of 22%. Based on this rate and the registration rates in other states, ServiceOK projects that biennial commercial vehicle registration will occur at a rate of 15% and triennial commercial vehicle registration will occur at a rate of 10%. ServiceOK also projects that customers with commercial trailers will opt for biennial registration at a rate of 35% and triennial registration at a rate of 25%.

Due to the effective date of November 1, 2024 for this measure, these registration options would impact both FY-25 and FY-26 motor vehicle collections. The measure is estimated to increase motor vehicle collections for the final eight (8) months of FY-25 by Nine Million, Four Hundred Thousand dollars (\$9,400,000.00) as well as an estimated increase to motor vehicle collections for the first four (4) months of FY-26 by Two Million dollars (\$2,000,000.00). The final eight (8) months of FY-26 would receive an estimated decrease in motor vehicle collections by Nine Million, Four Hundred Thousand dollars (\$9,400,000.00), thus resulting in an estimated net decrease for FY-26 of Seven Million, Four Hundred Thousand dollars (\$7,400,000.00).

Additionally, as motor vehicle collection revenue is apportioned pursuant to 47 O.S. §1104, there would be a shift of revenue available for apportionment for the subsequent fiscal years. This would be in contrast to the relatively consistent revenue available for apportionment typically.

This measure also exempts an inspection requirement for commercial vehicles upon payment of any fees when a title is issued. This section has no fiscal considerations for the state.

ServiceOK estimates administrative costs related to the implementation of this measure to total Seventy-six Thousand dollars (\$76,000.00).

Prepared By: Jay St Clair, House Fiscal Staff

**Other Considerations**

None.

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