

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1312

By: Boren

AS INTRODUCED

An Act relating to Service Oklahoma; directing Service Oklahoma to establish an Automatic Vehicle Registration Pre-Payment Program; providing for certain application of certain prepaid funds; providing process for sale, trade, or transfer of certain vehicle; providing for promulgation of rules; 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 1132.8 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. 1. Service Oklahoma, in coordination with the Oklahoma Tax Commission, shall establish and administer the Automatic Vehicle Registration Pre-Payment Program.

2. The program shall allow individuals who choose to participate in such program to authorize:

a. monthly, quarterly, or annual automatic withdrawals from a bank account, credit union account, or other electronic payment method, and

1 b. the accumulation of prepaid funds to cover all fees,
2 taxes, and other payments due upon the renewal of
3 registration for a vehicle owned by such individual.

4 B. Prepaid funds received pursuant to the provisions of this
5 section shall be held in a designated clearing account administered
6 jointly by Service Oklahoma and the Oklahoma Tax Commission. Upon
7 the registration renewal date of a vehicle owned by the
8 participating individual, the prepaid funds deposited by the
9 participating individual shall be automatically applied to all
10 required fees, taxes, and other payments associated with such
11 renewal. Any balance of funds remaining after such application
12 shall remain to the credit of the participating individual, and
13 shall continue to accumulate for future registration renewal periods
14 unless such participating individual chooses otherwise.

15 C. 1. If a vehicle owned by a participating individual is
16 sold, traded, or otherwise transferred, the participating individual
17 shall choose to:

- 18 a. transfer the remaining prepaid balance to a different
19 vehicle owned by the same individual,
20 b. apply the remaining prepaid balance to any outstanding
21 motor vehicle taxes or fees owed by the same person,
22 or
23 c. request a refund of the unused prepaid amount, less
24 any processing fee established by rule.

1 2. Unless expressly authorized by both the buyer and seller on
2 a form prescribed by Service Oklahoma, no prepaid balance shall
3 remain attached to a vehicle upon sale, trade, or transfer to a new
4 owner.

5 3. Prepaid amounts shall not be deemed part of a vehicle's
6 assessed or taxable value.

7 D. Service Oklahoma, in coordination with the Oklahoma Tax
8 Commission, shall:

9 1. Create electronic enrollment, withdrawal, and account
10 management systems;

11 2. Provide annual statements to participants showing amounts
12 deposited and applied;

13 3. Ensure consumer protections including fraud prevention,
14 privacy protection, opt-out procedures, and clear disclosure of
15 withdrawal schedules;

16 4. Establish methods for prorating or adjusting payments when
17 fees or tax rates change; and

18 5. Adopt procedures to reconcile and remit all applicable state
19 and local revenues in a timely manner.

20 E. Service Oklahoma and the Oklahoma Tax Commission shall
21 promulgate rules as necessary to implement the provisions of this
22 act. Such rules shall address:

23 1. Payment schedules;

24 2. Refund procedures;

3. Handling of insufficient-funds transactions;
 4. System reporting requirements; and
 5. Coordination with county assessors and county treasurers
- where applicable.

SECTION 2. This act shall become effective November 1, 2026.

60-2-3082 MSBB 12/29/2025 12:42:01 PM