

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB 1602
Version:	SUBREC
Request Number:	11225
Author:	Rep. Kerbs
Date:	4/6/2022
Impact:	Tax Commission:

Prior Analysis
Motor Vehicle Collections Decrease:
(\$774,000)

FY-23: Decrease of (\$709,500)

Potential Decrease to General Revenue

Administrative Costs:
\$22,000

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

Estimate based on prior analysis by the Tax Commission:

Currently, MLAs processing online registration transactions receive \$2.00 of the \$3.56 registration fee collected. The \$1.56 is presently apportioned as motor vehicle collections pursuant to Section 1104 of Title 47. The motor vehicle database indicates that a total of 496,000 online transactions were processed in FY 21. Multiplying the \$1.56 by the number of online transactions equals \$774,000. The measure proposes an effective date upon passage and approval with an emergency clause. Assuming a July 1, 2022 effective date and similar online transactions for FY 23 as those experienced in FY 21 and adjusting for the 11 month application of the change yields an estimated decrease in motor collections for FY 23 of \$709,500. [$\$774,000 / 12 \times 11 = \$709,500$].

Additionally, a potential reduction in deposits to the General Revenue Fund may occur as no motor license agent fees collected by a state agency would be deposited into the Fund.

Prepared By: Mark Tygret

Other Considerations

ADMINISTRATIVE IMPACT

Additional development costs to update MLA fee amounts on the OkCARS online system are anticipated in the amount of \$22,000.

