

OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-FIFTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: April 20, 2015

BILL NUMBER: SB 246 STATUS AND DATE OF BILL: Enrolled 04/15/2015

AUTHORS: House Sears Senate Mazzei

TAX TYPE (S): Motor Vehicle SUBJECT: Administrative

PROPOSAL: Amendatory

This measure is an OTC request to amend Section 7-602 of Title 47 by modifying the procedure for substantiating insurance coverage when registering a motor vehicle.

EFFECTIVE DATE: November 1, 2015

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 16: None

FY 17: None

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 16: None

Apr. 20, 2015

DATE

Rick Miller

DIVISION DIRECTOR

bjs

4-20-15

DATE

Reece Womack

REECE WOMACK, ECONOMIST

4/20/15

DATE

Dan Cook

FOR THE COMMISSION

ATTACHMENT TO FISCAL IMPACT-SB 246-[Enrolled]-Prepared April 20, 2015.

This measure is an OTC request to amend Section 7-602 of Title 47 by modifying the procedure for substantiating insurance coverage when registering a motor vehicle. Currently, as part of the vehicle registration process, a vehicle registrant must submit a printed security verification form issued by an authorized insurance carrier for the subject vehicle. The amendment will also allow electronic confirmation of insurance upon submission of certain information which must include the name or number issued by the National Association of Insurance Commissioners of the current insurance carrier authorized to do business in Oklahoma and policy number applicable to the vehicle being registered. The measure further requires submission of other verifying information prior to processing an application for registration or renewal.

While a valid policy of documenting a vehicle's insurance coverage will remain in effect, with the advent of electronic security confirmation, to require submission of a printed security insurance verification form as the only acceptable means of documenting a vehicle's coverage is no longer necessary. Additionally, authorization of electronic security confirmation will streamline the registration process for both the vehicle registrants and registering agents.

The Department of Public Safety has been advised regarding the nature of this statutory amendment and has expressed no concerns regarding the objective of the proposal. Also, no change is made to the retention fee¹ currently provided Motor License Agents for processing insurance verification information.

There is no estimated revenue or administrative impact associated with the proposed amendment.

¹ 47 O.S. § 1141.1(A)(13).