

# OKLAHOMA TAX COMMISSION

## REVENUE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 21, 2020

BILL NUMBER: HB 3415

STATUS AND DATE OF BILL: Subcommittee Recommendation 2/17/2020

AUTHORS: House Sterling Senate n/a

TAX TYPE (S): Motor Vehicle SUBJECT: Other

PROPOSAL: New Law & Amendatory

Section 1 of the measure defines street-legal utility vehicle (UTV) and requires that a street-legal UTV operated on the streets and highways of this state shall be registered as a motor vehicle.

Section 2 proposes amendment to Section 11-1116 of Title 47 by authorizing street-legal UTVs registered as motor vehicles to be driven on streets and highway of the state but prohibits their operation on the National System of Interstate and Defense Highways.

Section 3 proposes amendment to Section 1102 of Title 47 to provide that street-legal UTV means a vehicle meeting the description and specifications of Section 1

Section 4 proposes amendment to Section 1113 of Title 47 to provide that the operation of a street-legal UTV on the street and highways of this state requires the vehicle to be issued a certification of registration and license plate to be renewed annually. It further provides that upon the filing of the required registration application and the payment of the fees provided in the Oklahoma Vehicle License and Registration Act, the vehicle shall be assigned a distinctive number. The owner thereof shall be issued for the vehicle a certificate of registration, one license plate and a yearly decal.

Section 5 proposes amendment to Section 1115.3 of Title 47 by mandating that the named vehicles be issued a certificate of registration, license plate and yearly decal before operation on the streets and highways of this state.

EFFECTIVE DATE: November 1, 2020

### REVENUE IMPACT:

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

FY 21: Minimal increase in motor vehicle revenues

FY 22: Minimal increase in motor vehicle revenues

Feb. 22, 2020

DATE

Pick Miller

DIVISION DIRECTOR

msm

2/24/2020

DATE

Huan Gong

HUAN GONG, ECONOMIST

2/24/2020

DATE

[Signature]

FOR THE COMMISSION

*The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.*

Section 1 of the measure defines street-legal utility vehicle (UTV) and requires that a street-legal UTV<sup>1</sup> operated on the streets and highways of this state shall be registered as a motor vehicle.

Section 2 proposes amendment to Section 11-1116 of Title 47 by authorizing street-legal UTVs registered as motor vehicles to be driven on streets and highway of the state but prohibits their operation on the interstate system.

Section 3 proposes amendment to Section 1102 of Title 47 to provide that street-legal UTV means a vehicle meeting the description and specifications of Section 1

Section 4 proposes amendment to Section 1113 of Title 47 to provide that the operation of a street-legal UTV on the street and highways of this state requires the vehicle to be issued a certification of registration and license plate to be renewed annually. It further provides that upon the filing of the required registration application and the payment of the fees provided in the Oklahoma Vehicle License and Registration Act, the vehicle shall be assigned a distinctive number. The owner thereof shall be issued for the vehicle a certificate of registration, one license plate and a yearly decal.

Section 5 proposes amendment to Section 1115.3 of Title 47 by mandating that the named vehicles be issued a certificate of registration, license plate and yearly decal before operation on the streets and highways of this state.

Currently, utility vehicles used exclusively off the roads and highways which were purchased on or after July 1, 2008<sup>2</sup> are subject to an initial and nonrecurring registration fee of \$11 and are not subject to standard motor vehicle registration fees levied pursuant to Section 1132(A) of Title 47. The newly created classification of street-legal UTVs would be subject to the fees imposed in Section 1132(A) in the same manner as other motor vehicles. Consequently, a minimal increase in motor vehicle revenues is estimated for FY 21 and FY 22.

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<sup>1</sup> A "street-legal utility vehicle (UTV)" is any motor vehicle having:

1. A bench seat or side-by-side seat for the use of each rider;
2. Four wheels in contact with the ground, but excluding a tractor;
3. A combustion engine with a piston or rotor displacement of one hundred fifty cubic centimeters (150 cu cm) or greater and capable of maintaining speeds of forty-five (45) miles per hour or greater;
4. For each occupant, safety belts or safety shoulder harnesses which shall be of a type and shall be installed pursuant to 49 C.F.R., Section 571.208 et seq.; and
5. All equipment required by the provisions of Article II et seq. of Chapter 12 of Title 47 of the Oklahoma Statutes, with respect to equipment on vehicles.

<sup>2</sup> Off road UTVs purchased prior to July 1, 2008 may be registered at the option of the owner subject to the \$11 nonrecurring registration fee.