

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: May 23, 2022

BILL NUMBER: HB 4459 STATUS AND DATE OF BILL: Enrolled 05/20/2022

AUTHORS: House Wallace and Martinez Senate Thompson and Hall

TAX TYPE (S): Motor Vehicle SUBJECT: Apportionment

PROPOSAL: Amendatory

This measure proposes to amend Section 1104 of Title 47 of the Oklahoma Statutes by raising the cap for the allocation to the County Improvements for Roads and Bridges Fund ("CIRB").

EFFECTIVE DATE: July 1, 2022 - Emergency

REVENUE IMPACT:

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

FY 23: Increased allocations of \$3,750,000 to the CIRB Fund and \$1,250,000 to the various counties are estimated with a \$5,000,000 reduction in revenues apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund.

May 23, 2022
DATE

Rick Miller
DIVISION DIRECTOR

cjc

5/23/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

5/24/2022
DATE

Joseph P. Gappa
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.

ATTACHMENT TO REVENUE IMPACT HB 4459 [Enrolled] Prepared 05/23/2022

This measure proposes to amend Section 1104 of Title 47 of the Oklahoma Statutes by raising the cap for the allocation to the County Improvements for Roads and Bridges Fund ("CIRB").

Currently the CIRB Fund receive 20% of Motor Vehicle Collections apportioned pursuant to 47 O.S. § 1104 capped at \$120,000,000. Twenty-five percent of the monthly allocation to the CIRB Fund is distributed to the various counties of the state pursuant to the formulas outlined in Section 1104. Revenue exceeding the cap are credited to the Rebuilding Oklahoma Access and Driver Safety Fund. The increased cap for the allocation to the CIRB Fund is proposed as follows:

FY 23	\$125,000,000
FY 24	\$130,000,000
FY 25	\$135,000,000
FY 26	\$140,000,000
FY 27	\$145,000,000
FY 28 and thereafter	\$150,000,000

Pursuant to the February 2022 Forecast¹, motor vehicle collections are projected to equal \$897,111,000. Total motor vehicle revenues apportioned pursuant to the provisions of Section 1104 are estimated at \$795,468,324. Application of the 20% apportionment percentage for the CIRB Fund indicates revenues in excess of the proposed \$125,000,000 cap totaling \$159,093,665. Consequently increased allocations of \$3,750,000 to the CIRB Fund and \$1,250,000 to the various counties are estimated with a \$5,000,000 reduction in revenues apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund.

The measure will have no net revenue impact to state collections.

¹ Based on the forecast of motor vehicle collections for FY 23 prepared for the Office of Management and Enterprise Services by the Oklahoma Tax Commission – February 15, 2022.