

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 HOUSE BILL 2098

By: O'Donnell

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6 AS INTRODUCED

7 An Act relating to motor license agents; enacting the
8 21st Century Motor Tag Agent Act; amending 47 O.S.
9 2011, Sections 1140, as last amended by Section 1,
10 Chapter 289, O.S.L. 2018, 1141, 1142.1 and 1143 (47
11 O.S. Supp. 2018, Section 1140), which relate to motor
12 license agents and fees; modifying motor license
13 agent qualifications and requirements; modifying
14 consanguinity- or affinity-based restrictions on
ownership of motor license agent locations; modifying
eligibility for appointment for motor license agents;
broadening applicability of certain prohibition;
increasing fees for certain violations; increasing
fees for motor license agent services; providing for
noncodification; providing an effective date; and
declaring an emergency.

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17 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

18 SECTION 1. NEW LAW A new section of law not to be
19 codified in the Oklahoma Statutes reads as follows:

20 This act shall be known and may be cited as the "21st Century
21 Motor Tag Agent Act".

22 SECTION 2. AMENDATORY 47 O.S. 2011, Section 1140, as
23 last amended by Section 1, Chapter 289, O.S.L. 2018 (47 O.S. Supp.
24 2018, Section 1140), is amended to read as follows:

1 Section 1140. A. The Oklahoma Tax Commission shall adopt rules
2 prescribing minimum qualifications and requirements for locating
3 motor license agencies and for persons applying for appointment as a
4 motor license agent. Such qualifications and requirements shall
5 include, but not be limited to, the following:

6 1. Necessary job skills and experience;

7 2. Minimum office hours;

8 3. Provision for sufficient staffing, equipment, office space
9 and parking to provide maximum efficiency and maximum convenience to
10 the public;

11 4. Obtainment of a faithful performance surety bond as provided
12 for by law;

13 5. In counties with a population in excess of thirty thousand
14 (30,000) persons according to the latest Federal Decennial Census, a
15 requirement that operation of a motor license agency be the primary
16 source of income for the agent;

17 6. That the applicant has not been convicted of a felony and
18 that no felony charges are pending against the applicant;

19 7. That a complete financial statement be submitted by the
20 applicant on forms provided by the Tax Commission;

21 8. That a report of the applicant's credit history be obtained
22 through the appropriate credit bureau; and

23 9. That the location specified in the application for
24 appointment as a motor license agent not be owned by a member of the

1 Oklahoma Legislature Tax Commission or an employee of the Oklahoma
2 Tax Commission or any person related to a member of the Oklahoma
3 Legislature Tax Commission or an employee of the Tax Commission
4 within the third degree by consanguinity or affinity and that the
5 location not be within a three-mile radius of an existing motor
6 license agency unless the applicant is assuming the location of an
7 operating agency. If the applicant is assuming the location of an
8 existing or operating agency, the current agent may submit a letter
9 of resignation contingent upon the appointment of the applicant
10 regardless of the population of the municipality in which the agency
11 is located. The Tax Commission may, at its discretion, approve the
12 relocation of an existing agency within a three-mile radius of
13 another existing agency only if a naturally intervening geographic
14 barrier within that radius causes the locations to be separated by
15 not less than three (3) miles of roadway by the most direct route.

16 B. After the necessary information has been forwarded to the
17 Tax Commission, the Tax Commission or its designees may select
18 applicants to be interviewed and each item of information shall be
19 reviewed.

20 Any person making application to the Tax Commission for the
21 purpose of becoming a motor license agent shall pay when submitting
22 the application, a nonrefundable application fee of One Hundred
23 Dollars (\$100.00). All such application fees shall be deposited in
24 the Oklahoma Tax Commission Revolving Fund.

1 C. Upon application by a person to serve as a motor license
2 agent, in such counties, the Tax Commission is authorized to make a
3 determination whether such person and such location meets the
4 qualifications and requirements prescribed herein and, if such be
5 the case, may appoint such person to serve as a motor license agent.

6 D. A motor license agent, appointed pursuant to this
7 subsection, shall be permitted to operate a motor license agency at
8 a single location and shall be prohibited from operating subagencies
9 or branch agencies.

10 Motor license agents appointed pursuant to this section shall be
11 subject to all laws relating to motor license agents and shall be
12 subject to removal at the will of the Tax Commission.

13 The Tax Commission shall appoint as many motor license agents as
14 it deems necessary to carry out the provisions of the Motor Vehicle
15 License and Registration Act. Provided, that in counties with a
16 population in excess of twenty-five thousand (25,000) persons,
17 according to the latest Federal Decennial Census, having only one
18 motor license agent serving the county, the Tax Commission shall
19 establish at least one additional agency to serve the county.

20 E. All motor license agents shall be self-employed independent
21 contractors and shall be under the supervision of the Tax
22 Commission; provided, any agent authorized to issue registrations
23 pursuant to the International Registration Plan shall also be under
24 the supervision of the Corporation Commission, subject to rules

1 promulgated by the Corporation Commission pursuant to the provisions
2 of subsection E of Section 1166 of this title. Any such agent, upon
3 being appointed, shall furnish and file with the Tax Commission a
4 bond in such amount as may be fixed by the Tax Commission. Such
5 agent shall be removable at the will of the Tax Commission. Such
6 agent shall perform all duties and do such things in the
7 administration of the laws of this state as shall be enjoined upon
8 and required by the Tax Commission or the Corporation Commission.
9 Provided, the Tax Commission may operate a motor license agency in
10 any county where a vacancy occurs.

11 F. In the event of a vacancy existing by reason of resignation,
12 removal, death or otherwise, in the position of any motor license
13 agent, the Tax Commission is hereby empowered and authorized to take
14 any and all actions it deems appropriate in order to provide for the
15 orderly transition and for the maintenance of operations of the
16 motor license agency including but not limited to the designation of
17 one of its regular employees to serve as "acting agent" without
18 bond, and to receive and expend all fees or charges authorized or
19 provided by law and exercise the same powers and authority as a
20 regularly appointed motor license agent. An acting agent may be
21 authorized by the Tax Commission equally as the preceding agent to
22 make disbursements from any balances in the preceding motor license
23 agent's operating account and the agent's operating funds for the
24 payment of expenses of operations and salaries and other overhead.

1 If such funds are insufficient, the Tax Commission is authorized to
2 expend from funds appropriated for the operation of the Tax
3 Commission such amounts as are necessary to maintain and continue
4 the operation of any such motor license agency until a successor
5 agent is appointed and qualified. The Tax Commission may require a
6 blanket fiduciary bond of the agency employees.

7 G. Any motor license agency operated by a motor license agent
8 who has been charged with a felony shall be closed immediately. The
9 Tax Commission shall determine whether the motor license agency
10 shall be reopened and operated by the motor license agent. The
11 determination shall be effected as soon as possible to prevent
12 additional inconvenience to the public.

13 H. When an application for registration is made with the Tax
14 Commission, Corporation Commission or a motor license agent, a
15 registration fee of One Dollar and seventy-five cents (\$1.75) shall
16 be collected for each license plate or decal issued. Such fees
17 shall be in addition to the registration fees on motor vehicles and
18 when an application for registration is made to the motor license
19 agent such motor license agent shall retain a fee as provided in
20 Section 1141.1 of this title. When the fee is paid by a person
21 making application directly with the Tax Commission or Corporation
22 Commission, as applicable, the registration fees shall be in the
23 same amount as provided for motor license agents and the fee
24 provided by Section 1141.1 of this title shall be deposited in the

1 Oklahoma Tax Commission Revolving Fund or as provided in Section
2 1167 of this title, as applicable. The Tax Commission shall prepare
3 schedules of registration fees and charges for titles which shall
4 include the fees for such agents and all fees and charges paid by a
5 person shall be listed separately on the application and
6 registration and totaled on the application and registration. The
7 motor license agents shall charge only such fees as are specifically
8 provided for by law, and all such authorized fees shall be posted in
9 such a manner that any person shall have notice of all fees that are
10 imposed by law.

11 I. No person shall be appointed as a motor license agent unless
12 the person has attested under oath that the person is not related by
13 affinity or consanguinity within the third degree to:

14 1. Any member of the Oklahoma ~~Legislature~~ Tax Commission;

15 2. ~~Any person who has served as a member of the Oklahoma~~
16 ~~Legislature within the two-year period preceding the date of~~
17 ~~appointment as motor license agent; or~~

18 3. Any employee of the Tax Commission.

19 J. Any motor license agent appointed under the provisions of
20 this title shall be responsible for all costs incurred by the Tax
21 Commission when relocating an existing motor license agency. The
22 Tax Commission may waive payment of such costs in case of unforeseen
23 business or emergency conditions beyond the control of the agent.

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1 SECTION 3. AMENDATORY 47 O.S. 2011, Section 1141, is
2 amended to read as follows:

3 Section 1141. It shall be unlawful for any person to display
4 any sign or to advertise in any manner representing to the public
5 that he or she is an official or authorized motor license agent of
6 the state, or that he or she has authority to register motor
7 vehicles and issue license plates therefor, unless such person is a
8 duly appointed and qualified motor license agent under the
9 provisions of Section ~~43~~ 1140 of this ~~act~~ title; and it shall be
10 unlawful for any person to solicit, accept or receive any gratuity
11 or compensation for acting as a messenger or for acting as the agent
12 or representative of another person in applying for the registration
13 of a motor vehicle and obtaining the license plate therefor from the
14 Oklahoma Tax Commission or from any official and authorized motor
15 license agent, or to advertise, solicit, or in any manner offer to
16 render such services for hire or compensation unless the motor
17 license agent has appointed, authorized and approved said person to
18 perform such acts and said person shall furnish to the motor license
19 agent of the county in which such service is performed a surety bond
20 in such amount as said motor license agent shall determine to be
21 commensurate with the amount of money which may be involved at any
22 one time.

23 Any person violating the provisions hereof shall be deemed
24 guilty of a misdemeanor and upon conviction shall be punished by a

1 fine of not more than Five Hundred Dollars (\$500.00), or by
2 imprisonment in the county jail for not exceeding one (1) year, or
3 both. Each day that any such person advertises or in any manner
4 offers to render such services to the public or to any person shall
5 constitute a separate offense.

6 Nothing herein shall be construed as affecting or diminishing
7 the responsibility and liability to the Commission of the official
8 motor license agent or of his or her bond made to the Commission.

9 SECTION 4. AMENDATORY 47 O.S. 2011, Section 1142.1, is
10 amended to read as follows:

11 Section 1142.1 A. It shall be unlawful for any motor license
12 agent or any employee of such motor license agent to carry on a
13 messenger service, courier service or pick up and delivery service
14 for the recording of a security interest or for the registration of
15 a motor vehicle or boat or a motor, or obtaining license plates and
16 decals, or for the issuance of a certificate of title for any motor
17 vehicle or boat or motor. Provided, nothing in this subsection
18 shall be construed to prevent a motor license agent or any employee
19 of such motor license agent from performing such services for the
20 motor license agent's depository bank, when the motor license agent
21 or his employee goes to the agent's depository bank to deposit tax
22 monies into the agent's designated Oklahoma Tax Commission Motor
23 License Agent Account. After September 1, 1991, the Oklahoma Tax
24 Commission shall not designate or assign a motor license agent more

1 than one active Oklahoma Tax Commission Motor License Agent Account.
2 Accounts designated prior to September 1, 1991, may remain active.

3 B. It shall be unlawful for any motor license agent to
4 compensate in any manner a messenger service, courier service or
5 pick up and delivery service or any one attempting to provide
6 messenger service, courier service or pick up and delivery service
7 for recording a security interest or for the registration of a motor
8 vehicle or boat or motor, or obtaining license plates and decals, or
9 for the issuance of a certificate of title for any motor vehicle or
10 boat or motor.

11 C. A motor license agent who violates the provisions of this
12 section shall be subject to a fine of ~~One Thousand Dollars~~
13 ~~(\$1,000.00)~~ Two Thousand Dollars (\$2,000.00) per occurrence and
14 shall be removed immediately by the Oklahoma Tax Commission.

15 SECTION 5. AMENDATORY 47 O.S. 2011, Section 1143, is
16 amended to read as follows:

17 Section 1143. A. A motor license agent appointed under the
18 provisions of this title shall retain as compensation those taxes
19 and fees collected and retained pursuant to Section 1141.1 of this
20 title, and shall additionally retain:

- 21 1. All amounts remaining from notary and mailing fees received
22 by such agent, after payment of all costs of handling and mailing;
- 23 2. All profits from any concessions operated in the agent's
24 office; and

1 3. All amounts collected pursuant to subsection H of Section
2 1111 of this title.

3 B. A motor license agent shall receive a fee of not more than
4 One Dollar (\$1.00) for each document notarized and a fee of ~~fifty~~
5 ~~cents (\$0.50)~~ One Dollar (\$1.00) for any documents mailed.

6 C. The Oklahoma Tax Commission shall initiate a mail order
7 vehicle registration notification program, which shall consist of
8 notification annually to all vehicle owners in this state of such
9 time an owner shall register and license a vehicle as provided for
10 in Section 1101 et seq. of this title. The notification issued by
11 the Tax Commission shall include a breakdown of all charges to be
12 paid by the owner, other items deemed necessary by the Tax
13 Commission and shall notify the owner of the option of paying
14 registration fees and receiving the license plate or decal through
15 the mail directly from the Tax Commission or of registering and
16 receiving the license plate or decal from a motor license agent. On
17 the back of such registration notification forms there shall be the
18 address of the Oklahoma Tax Commission in large black type and an
19 explanation of the apportionment of all license fees and penalties
20 collected and their disposition. Such explanation shall include
21 information as to all charges included in the total license fee and
22 any fees or charges incident to the registration of a motor vehicle,
23 to include all fees that a motor license agent is authorized to
24 collect. If the owner chooses the option of receiving these

1 services through the mail, either from the Tax Commission or the
2 motor license agent, the owner shall then be instructed to pay the
3 final total listed. The costs of mailing shall be ~~One Dollar~~
4 ~~(\$1.00)~~ Two Dollars (\$2.00) for license plates, ~~fifty cents (\$0.50)~~
5 One Dollar (\$1.00) for decals and ~~fifty cents (\$0.50)~~ One Dollar
6 (\$1.00) for the mailing of any other form, title, decal or device
7 provided for in the Oklahoma Vehicle License and Registration Act.
8 Provided however, the Tax Commission may adjust any mailing costs
9 from time to time as it deems appropriate and as will allow for
10 additional fees the U.S. Postal Service may charge.

11 D. Money received by the Tax Commission for the issuance of any
12 registrations, license plates or otherwise shall be apportioned to
13 the schools in accordance with other laws controlling such
14 distributions.

15 E. Failure by an owner of a vehicle to receive registration
16 notification as provided for in the Motor Vehicle License and
17 Registration Act shall not in any manner relieve such person from
18 the obligation of proper and timely registration and licensing of
19 such vehicle, and such person shall be subject to any penalties
20 prescribed by the Oklahoma Vehicle License and Registration Act.

21 F. A motor license agent, out of the taxes and fees collected
22 and retained pursuant to Section 1141.1 of this title, shall obtain
23 a faithful performance surety bond or cash bond in the amount of
24 Thirty Thousand Dollars (\$30,000.00) or in such additional amount

1 and form required by the Tax Commission or by the Oklahoma Vehicle
2 License and Registration Act, a blanket surety bond or cash bond
3 covering adequately all office personnel, necessary insurance,
4 necessary office equipment and furniture, and other goods and
5 services essential to the proper operation of the motor license
6 agency. Provided that the Tax Commission shall have the authority
7 to lower such required surety bond to an amount that is commensurate
8 with the amount of business conducted by the motor license agent,
9 but in no event shall that amount be less than Five Thousand Dollars
10 (\$5,000.00). Motor license agents shall obtain the surety bond or
11 cash bond required by this section only during their first year of
12 operation. Thereafter, the motor license agents shall be subject to
13 the provisions of Section 1143.1 of this title.

14 SECTION 6. This act shall become effective July 1, 2019.

15 SECTION 7. It being immediately necessary for the preservation
16 of the public peace, health or safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

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