

BILL SUMMARY

1st Session of the 59th Legislature

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|------------------------|---------------------|
| Bill No.: | HB1390 |
| Version: | INT |
| Request Number: | 5453 |
| Author: | Rep. Bashore |
| Date: | 3/9/2023 |
| Impact: | Minimal |

Research Analysis

HB 1390 extends from 30 days to 60 days from the date of purchase the time at which a purchaser of a new or used motor vehicle, travel trailer or commercial trailer must obtain registration and title for the vehicle or trailer. The measure allows a temporary license plate to be valid for 60 days.

Prepared By: Brad Wolgamott

Fiscal Analysis

This measure would extend the length of time provided to register newly purchased vehicles from 30 days to 60 days. The following analysis has been provided by Service Oklahoma:

Therefore, the measure would cause a potential delay of twenty five million dollars (\$25,000,000) in FY-24, but in FY-25 onward there is no significant impact expected. Administrative and implementation costs to Service Oklahoma are expected to be minimal and will be absorbed through existing budgetary resources. Given Service Oklahoma can absorb any associated costs, there is no expected fiscal impact to the state budget.

Prepared By: Robert Flipping IV, House Fiscal Staff

Other Considerations

None.

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Fiscal Impact Statement

Date: 3/7/23

Bill Number, Version, Author: HB1390, Floor, Representative Bashore

Impact Statement Requester:

Legislation Summary: The measure amends 47 O.S. 2021, Section 1137.1 to adjust the period for which a temporary tag for a used motor vehicle, travel trailer or commercial trailer is valid from the current 30 days to 60 days.

Effective Date: November 1, 2023

Revenue Impact: FY24: Potential delay of \$25 million in motor vehicle collections

FY25: No significant impact expected after FY24

Administrative Cost: Minimal

Implementation: Minimal

Recurring Cost: \$0.00

Fiscal Impact Report: While this measure should have a minimal impact on Service Oklahoma long term, there could be an impact on the FY24 budget depending on the number of people who take advantage of the additional 30 days the temporary tag is valid. To estimate the potential short-term impact, data from Service Oklahoma as well as data from the Bureau of Transportation statistics on the breakdown of new and used car sales was utilized.

In FY22, SOK saw roughly \$25 million dollars in revenue per month from registration and titles for the trailers and motor vehicles impacted by HB1390. If the measure passes, up to roughly \$25 million revenue could be delayed each month beginning in November of 2023, resulting in potentially up to \$25 million less in motor vehicle collections in FY24. Because this measure does not change any fees but only potentially delays when fees will be collected, after FY24 there should be no significant fiscal impact.

Implementation costs would be minimal and take one to three weeks to develop.