ENGROSSED HOUSE
BILL NO. 2667

By: Stanley, Dunegan, Adair, Ferguson, Smith (Bill), Pope (Tim), Sadler and Boyd (Laura) of the House

and

Leftwich and Helton of the Senate

(motor vehicles - amending 47 O.S., Section 1104 - apportionment of fees, taxes and penalties - effective date - emergency)

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 1104, as amended by Section 1, Chapter 305, O.S.L. 1995 (47 O.S. Supp. 1995, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of this title and the unapportioned monies in the Motor Vehicle Escrow Account after the July 1985 apportionment shall be apportioned and distributed monthly by the Oklahoma Tax Commission as follows:

1. Thirty-five percent (35%) of said monies shall be apportioned to the various school districts as follows:

a. except as otherwise provided in this subparagraph, each district shall receive the same amount of funds as such district received from the taxes and fees

provided in this title in the corresponding month of the preceding year. Any district eligible for funds pursuant to the provisions of this section that was not eligible the preceding year shall receive an amount equal to the average daily attendance of the applicable year multiplied by the average daily attendance apportionment within such county for each appropriate month. For fiscal year 1995 and thereafter, any district which received less than twenty-five percent (25%) of the average apportionment of said monies made to school districts in this state based on average daily attendance in fiscal year 1995 shall receive an amount equal to the average daily attendance in the 1994-1995 school year multiplied by the average daily attendance apportionment within the county in which the district is located for each appropriate month, ~~and~~

b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various school districts so that each district shall first receive the cumulative total of the monthly apportionments for which it is otherwise eligible under subparagraph a of this paragraph and then an amount based upon the proportion that each district's average daily attendance bears to the total average daily attendance of those districts entitled to receive funds pursuant to this section as certified by the State Department of Education, and

c. if, for any month, the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each district

shall receive a proportionate share of the funds available based upon the proportion of the total revenues that such district received in the corresponding month of the preceding year.

Each district's allocation of funds shall be remitted to the county treasurer of the county wherein the administrative headquarters of the district are located.

No district shall be eligible for the funds herein provided unless said district makes an ad valorem tax levy of fifteen (15) mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, are authorized to maintain ten (10) years of instruction; ~~and~~

2. ~~Forty-six~~ Forty-one and sixty-seven one-hundredths percent ~~(46.67%)~~ (41.67%) of said monies shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury;

3. ~~Three-tenths of one percent (3/10 of 1%)~~ Five and three-tenths percent (5.3%) of said monies shall be remitted to the State Treasurer to be credited to the State Transportation Fund;

4. Seven percent (7%) of said monies shall be apportioned to the various counties as follows: Forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. Said funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of said funds in the sinking

fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such deposits to the sinking fund shall not exceed forty percent (40%) of the funds allocated to a county pursuant to this paragraph;

5. Two and one-half percent (2.5%) of said monies shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

Any unencumbered monies remaining in the County Road Fund on the effective date of this act shall be distributed to the various counties within thirty (30) days thereafter; provided, that the Department of Transportation is authorized to withhold from such distribution an amount not to exceed ten percent (10%) of the counties' share of the estimated construction cost of any uncompleted federally aided project utilizing county road funds for the local match. Such funds shall be used to cover any approved overruns on such projects which remain uncompleted on the effective date of this act. Upon completion and acceptance of said projects, any monies due the counties will be returned to them by the Department of Transportation within thirty (30) days of completion of final audit. In the event additional county monies are required to complete such projects, the Department of Transportation shall

submit an invoice for payment to the counties and the affected counties shall pay such additional amount to the Department of Transportation. All claims against nonfederally aided project resolutions accepted by the Department of Transportation prior to July 1, 1989, must be presented to the Department of Transportation for payment prior to September 1, 1989. Any County Road Fund monies encumbered for nonfederally aided projects which remain under control of the Department of Transportation on September 30, 1989, shall be returned to the county which encumbered said funds;

6. Three and one-half percent (3.5%) of said monies shall be transmitted by the Tax Commission to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. Said funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties;

7. Eight-tenths of one percent (8/10 of 1%) of said monies shall be apportioned to the various counties as follows:

a. each county shall receive the same amount of funds as such county received from the taxes and fees provided for in the 1985 fiscal year,

b. any funds remaining unallocated following the allocation provided in subparagraph a of this paragraph shall be apportioned to the various counties based upon the proportion that each county's population bears to the total state population, and

c. if the funds available are insufficient to provide the total allocation required in subparagraph a of this paragraph, each county shall receive a proportionate share of the funds available based upon the proportion of the total revenues that each such county received in the 1985 fiscal year.

Each county's allocation of funds shall be remitted to the various county treasurers to be deposited in the general fund of the county and used for the support of county government;

8. Three percent (3%) of said monies shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however, the governing board of any city or town may, with the approval of the county excise board, transfer any surplus funds to the general revenue fund of such city or town whenever an emergency requires such a transfer;

9. One and two-tenths percent (1.2%) of said monies shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund; and

10. Three one-hundredths of one percent (3/100 of 1%) of said monies shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of said funds shall be used for fish habitat restoration and twenty-five percent (25%) of said funds shall be used in the fish hatchery system for fish production.

B. Until July 1, 1991, if the amendment to Section 12a of Article X of the Constitution of the State of Oklahoma contained in

Enrolled House Joint Resolution No. 1005 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature is approved by the people, school districts, in estimating the income for the succeeding fiscal year from funds provided by this section, may use as a basis for arriving at the amount to be estimated the actual income received from the same source the previous fiscal year plus ninety percent (90%) of any increase estimated by the Commission.

C. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source, provided, not more than fifteen percent (15%) can be encumbered during any month.

SECTION 2. This act shall become effective July 1, 1996.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 5th day of March, 1996.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1996.

President of the Senate