ENROLLED SENATE
BILL NO. 693

By: Roberts, Shurden, Muegge, Bell, Long (Ed), Shedrick and Gustafson of the Senate

and

Erwin and Matlock of the House

An Act relating to revenue and taxation; amending 68 O.S. 1991, Section 504, as last amended by Section 1, Chapter 241, O.S.L. 1994 (68 O.S. Supp. 1995, Section 504), which relates to motor fuels taxes; modifying purposes for which certain revenue apportioned; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 1991, Section 504, as last amended by Section 1, Chapter 241, O.S.L. 1994 (68 O.S. Supp. 1995, Section 504), is amended to read as follows:

Section 504. The excise tax of four cents ($0.04) per gallon on gasoline that is levied by Section 502 of this title and all penalties and interest thereon collected by the Tax Commission under such levy shall be apportioned monthly and used for the following purposes:

1. Three percent (3%) shall be paid by the Tax Commission to the State Treasurer and ~~by him~~ placed to the credit of the General Revenue Fund of the State Treasury;

2. Seventy percent (70%) shall be deposited in the State Treasury to be apportioned as follows:

a. the first Eight Hundred Fifty Thousand Dollars ($850,000.00) collected each fiscal year shall be deposited into the Public Transit Revolving Fund, created in Section 4031 of Title 69 of the Oklahoma Statutes,

b. the second Eight Hundred Fifty Thousand Dollars ($850,000.00) collected each fiscal year shall be deposited into the Railroad Maintenance Revolving Fund and shall be used by the Department of Transportation to contract railroad passenger services, including but not limited to, a route linking stations in Oklahoma and Tulsa Counties with other primary points in the national railroad passenger system and passenger rail service within the state and to provide necessary facility, signaling, and track improvements for those contracted services, and

c. any remaining amount of the apportionment shall be deposited into the State Transportation Fund;

3. Five percent (5%) shall be transmitted by the Tax Commission to the treasurers of the various incorporated cities and towns of

the state in the percentage which the population, as shown by the last Federal Census or the most recent annual estimate provided by the U.S. Bureau of the Census, bears to the total population of all the incorporated cities and towns in this state. Such funds shall be expended for the construction, repair and maintenance of the streets and alleys of the incorporated cities and towns of this state; and

4. Twenty-two percent (22%) shall be transmitted by the Tax Commission to the various counties of the state, on the following basis, to wit:

a. forty percent (40%) of such sum shall be distributed to the various counties in the proportion which the county road mileage of each county bears to the entire state road mileage as certified by the State Transportation Commission, and

b. 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 U.S. Bureau of the Census.

The funds so transmitted shall be sent to the respective county treasurers, and by them deposited in the county highway fund of their respective counties, to be used by the county commissioners for the purpose of constructing and maintaining county or township highways and permanent bridges in such counties. No part of such fund shall be used for any purpose other than the construction and maintenance of county or township highways and permanent bridges in the county receiving the fund. The said funds received by any county shall not thereafter be diverted to any other county of the state, but such funds shall be expended only under the direction and control of the board of county commissioners in the county to which said funds are apportioned. If any part of said funds is diverted for any purpose other than is provided herein, the county commissioners shall be liable on their bond for double the amount of money so diverted. Provided, that where any state or county highway has been laid out over a road already constructed in any county by the use of money raised from county or township bond issues for the purpose either alone or by the use of federal or state aid, or both, the county commissioners may set aside out of the funds apportioned to that county, as provided herein, an amount of money equal to the value of any part thereof, of the interest of such county or township, or both, in and to such highway or highways, bridge or bridges, so constituting a part of the State Highway System, which amount of money shall be considered by the excise board in reducing the levy for the purpose of retiring the bonded indebtedness and interest thereon of the county, or township, and shall be used for investment or deposit in the same manner as provided by law for the disposition of other sinking fund money.

Each county shall use not less than fifty percent (50%) of the monies apportioned to it for the construction, improvement or repair of highways under the provisions of this article, for the purpose of participating in or sponsoring federal projects for the building or maintenance of roads, bridges or culverts; and it shall be the mandatory duty of the county excise board to appropriate such funds for such purpose.

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 Senate the 22nd day of February, 1996.

President of the Senate

Passed the House of Representatives the 10th day of April, 1996.

Speaker of the House of Representatives