

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1468

By: Langmacher

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending Section 6, Chapter 345, O.S.L. 1996, as last amended by Section 3, Chapter 405, O.S.L. 1998 and Section 7, Chapter 345, O.S.L. 1996, as last amended by Section 21, Chapter 5, O.S.L. 1998 (68 O.S. Supp. 1998, Sections 500.6 and 500.7), which relate to apportionment of motor fuel taxes; clarifying taxes to be apportioned; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 6, Chapter 345, O.S.L. 1996, as last amended by Section 3, Chapter 405, O.S.L. 1998 (68 O.S. Supp. 1998, Section 500.6), is amended to read as follows:

Section 500.6 A. ~~The tax of sixteen cents (\$0.16) per gallon of taxes on gasoline that is are~~ levied by Section 500.4 of this title, and penalties and interest thereon, collected by the Oklahoma Tax Commission under the levy shall be apportioned and distributed monthly as follows:

1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00) of the levy collected each month shall be deposited in the State Treasury to the credit of the State Transportation Fund;

2. One and six hundred twenty-five one-thousandths percent (1.625%) of the levy shall be remitted to the State Treasurer to the credit of the General Revenue Fund of the State Treasury;

3. Sixty-three and seventy-five one-hundredths percent (63.75%) of the levy shall be deposited in the State Treasury to the credit of the State Transportation Fund to be apportioned as follows:

- 1 a. the first Eight Hundred Fifty Thousand Dollars  
2 (\$850,000.00) collected each fiscal year shall be  
3 deposited into the Public Transit Revolving Fund,  
4 created in Section 4031 of Title 69 of the Oklahoma  
5 Statutes,
- 6 b. the second Eight Hundred Fifty Thousand Dollars  
7 (\$850,000.00) collected each fiscal year shall be  
8 deposited into the Railroad Maintenance Revolving Fund  
9 and shall be used by the Department of Transportation  
10 to contract railroad passenger services, including but  
11 not limited to a route linking stations in Oklahoma  
12 and Tulsa Counties with other primary points in the  
13 national railroad passenger system and passenger rail  
14 service within the state and to provide necessary  
15 facility, signaling, and track improvements for those  
16 contracted services,
- 17 c. forty-one and two-tenths percent (41.2%) of the monies  
18 apportioned to the State Transportation Fund shall be  
19 used for any purpose provided for in Section 1502 of  
20 Title 69 of the Oklahoma Statutes,
- 21 d. nine and eight-tenths percent (9.8%) of the monies  
22 apportioned to the State Transportation Fund shall be  
23 used to provide funds for the construction and  
24 maintenance of farm-to-market roads on the state  
25 highway system, and other rural farm-to-market roads  
26 and bridges, and
- 27 e. any remaining amount of the apportionment shall be  
28 deposited into the State Transportation Fund;

29 4. Twenty-seven percent (27%) of the levy shall be transmitted  
30 by the Tax Commission to the various counties of the state, to be  
31 apportioned and used as follows:  
32

1 a. sixty-five and three-tenths percent (65.3%) of the  
2 monies apportioned under this paragraph shall be used  
3 on the following basis:

4 (1) forty percent (40%) of such sum shall be  
5 distributed to the various counties in the  
6 proportion which the county road mileage of each  
7 county bears to the entire state road mileage as  
8 certified by the Transportation Commission, and

9 (2) the remaining sixty percent (60%) of such sum  
10 shall be distributed to the various counties on  
11 the basis which the population and area of each  
12 county bears to the total population and area of  
13 the state. The population shall be as shown by  
14 the last Federal Decennial Census or the most  
15 recent annual estimate provided by the U.S.

16 Bureau of the Census,

17 b. twenty-three and one-tenth percent (23.1%) of the  
18 monies apportioned under this paragraph shall be  
19 distributed to the counties in the following manner:  
20 One-third (1/3) on area; one-third (1/3) on rural  
21 population, defined as including the population of all  
22 municipalities with a population of less than five  
23 thousand (5,000) according to the latest Federal  
24 Decennial Census; and one-third (1/3) on county road  
25 mileage, as last certified by the Department of  
26 Transportation, as each county bears to the entire  
27 area, rural population and road mileage of the state,  
28 and

29 c. eleven and six-tenths percent (11.6%) of the monies  
30 apportioned under this paragraph shall be distributed  
31 to the various counties of the state based on a  
32 formula developed by the Department of Transportation

1 and approved by the Department of Transportation  
2 County Advisory Board created pursuant to Section  
3 302.1 of Title 69 of the Oklahoma Statutes. The  
4 formula shall be similar to the formula currently used  
5 for the distribution of monies in the County Bridge  
6 Program funds, but shall also take into consideration  
7 the effect of the terrain and traffic volume as  
8 related to county road improvement and maintenance  
9 costs. Any county may, by resolution of the board of  
10 county commissioners, direct the Tax Commission to  
11 deposit the funds apportioned pursuant to this  
12 subparagraph directly into the County Bridge and Road  
13 Improvement Fund to be used for the purposes set forth  
14 in the County Bridge and Road Improvement Act;

15 5. Three and one hundred twenty-five one-thousandths percent  
16 (3.125%) of the levy shall be distributed to the various counties of  
17 the state based on a formula developed by the Department of  
18 Transportation and approved by the Department of Transportation  
19 County Advisory Board created pursuant to Section 302.1 of Title 69  
20 of the Oklahoma Statutes. The formula shall be similar to the  
21 formula currently used for the distribution of monies in the County  
22 Bridge Program funds, but shall also take into consideration the  
23 effect of the terrain and traffic volume as related to county road  
24 improvement and maintenance costs. Any county may, by resolution  
25 approved by a majority of the board of county commissioners and  
26 filed with the Tax Commission, direct the Tax Commission to deposit  
27 the funds apportioned pursuant to this paragraph directly into the  
28 County Bridge and Road Improvement Fund to be used for the purposes  
29 set forth in the County Bridge and Road Improvement Act;

30 6. Two and six hundred twenty-five one-thousandths percent  
31 (2.625%) of the levy shall be deposited in the County Bridge and  
32 Road Improvement Fund of the State Treasury to be used for the

1 purposes set forth in the County Bridge and Road Improvement Act;  
2 and

3 7. One and eight hundred seventy-five one-thousandths percent  
4 (1.875%) of the levy shall be transmitted by the Tax Commission to  
5 the treasurers of the various incorporated cities and towns of the  
6 state in the percentage which the population, as shown by the last  
7 Federal Decennial Census or the most recent annual estimate provided  
8 by the U.S. Bureau of the Census, bears to the total population of  
9 all the incorporated cities and towns in this state. The funds  
10 shall be expended for the construction, repair and maintenance of  
11 the streets and alleys of the incorporated cities and towns of this  
12 state.

13 B. 1. The funds apportioned or transmitted pursuant to  
14 subparagraphs a, b, and c of paragraph 4 of subsection A of this  
15 section, subsection B of Section 500.7 of this title, subsection B  
16 of Section 704 of this title, Section 706 of this title, and  
17 paragraph 2 of subsection D of Section 707.3 of this title shall be  
18 sent to the respective county treasurers and deposited in the county  
19 highway fund to be used by the county commissioners for the purpose  
20 of constructing and maintaining county highways and bridges.

21 2. The funds received by any county shall not be diverted to  
22 any other county of the state, and shall only be expended under the  
23 direction and control of the board of county commissioners in the  
24 county to which the funds are appropriated. If any part of the  
25 funds is diverted for any other purpose, the county commissioners  
26 shall be liable on their bond for double the amount of the money so  
27 diverted. This paragraph shall not prohibit counties from entering  
28 into cooperative agreements pertaining to the maintenance and  
29 construction of roads and bridges.

30 3. Where any county highway has been laid out over a road  
31 already constructed in any county by the use of money raised from  
32 county bond issues for that purpose, either alone or by the use of

1 federal or state aid, or both, the county commissioners may set  
2 aside out of the funds apportioned to that county, as provided in  
3 this section, an amount of money equal to the value of any part  
4 thereof, of the interest of such county in such highway or bridge,  
5 which amount of money shall be considered by the excise board in  
6 reducing the levy for the purpose of retiring the bonded  
7 indebtedness and interest thereon of the county, and shall be used  
8 for investment or deposit in the same manner as provided by law for  
9 the disposition of other sinking fund money.

10 4. In all counties where the county excise board may find it  
11 necessary, because of insufficient revenue, to maintain county  
12 government out of the general fund, after a levy of ten (10) mills  
13 has been made for any fiscal year, the county excise board may  
14 appropriate out of any such funds apportioned to the county an  
15 amount sufficient to pay the salaries of the county commissioners of  
16 the county for the fiscal year.

17 5. Counties may use funds deposited in the county highway fund  
18 for the purpose of matching federal or state funds, provided such  
19 funds are available, as necessary to secure assistance in the  
20 construction or improvement of the county road system.

21 C. With regards to the apportionment of the levy as set forth  
22 in paragraph 5 of subsection A of this section, paragraph 5 of  
23 subsection A of Section 500.7 of this title, and subsection C of  
24 Section 707.2 of this title:

25 1. If any county has an accrued balance of funds which were  
26 appropriated to or otherwise accrued in a restricted road  
27 maintenance fund, such funds shall be deposited directly to the  
28 county highway fund of the county;

29 2. If any county has an accrued balance of funds which were  
30 appropriated to or otherwise accrued in the County Road Improvement  
31 Fund, or the County Bridge Improvement Fund, as such funds existed  
32 prior to July 1, 1997, such funds shall, by resolution approved by a

1 majority of the board of county commissioners and filed with the  
2 Department of Transportation, be deposited in the county highway  
3 fund of the county or shall be deposited to the County Bridge and  
4 Road Improvement Fund to be used for the purposes set forth in the  
5 County Bridge and Road Improvement Act; and

6 3. If any county has an advanced funding agreement with the  
7 Department of Transportation, the Department of Transportation shall  
8 notify the Tax Commission as to the amount the county is obligated  
9 to pay according to the terms of the advanced funding agreement.  
10 The obligated amount shall be transferred each month by the Tax  
11 Commission to the Department of Transportation to the credit of the  
12 County Bridge and Road Improvement Fund from the funds apportioned  
13 to the county pursuant to paragraph 5 of subsection A of this  
14 section. A county may elect to increase the monthly amount to be  
15 repaid pursuant to the advanced funding agreement from the funds  
16 apportioned to the county, but a county shall not be permitted to  
17 reduce the amount agreed to pursuant to the advanced funding  
18 agreement.

19 D. The tax levied on gasoline pursuant to Section 500.4A of  
20 this title, and the penalties and interest thereon, collected by the  
21 Tax Commission under the levy shall be apportioned and distributed  
22 on a monthly basis to the State Highway Construction and Maintenance  
23 Fund for the purposes authorized by Section 1502 of Title 69 of the  
24 Oklahoma Statutes.

25 SECTION 2. AMENDATORY Section 7, Chapter 345, O.S.L.  
26 1996, as last amended by Section 21, Chapter 5, O.S.L. 1998 (68 O.S.  
27 Supp. 1998, Section 500.7), is amended to read as follows:

28 Section 500.7 A. ~~The tax of thirteen cents (\$0.13) per gallon~~  
29 ~~of taxes on~~ diesel fuel that ~~is~~ are levied by Section 500.4 of this  
30 title, and all penalties and interest thereon, collected by the  
31 Commission under the levy shall be apportioned and distributed  
32 monthly as follows:

1        1. The first Eighty-three Thousand Three Hundred Thirty-three  
2 Dollars and thirty-three cents (\$83,333.33) of the levy collected  
3 each month shall be deposited in the State Treasury to the credit of  
4 the State Transportation Fund;

5        2. One and thirty-nine one-hundredths percent (1.39%) of the  
6 levy shall be paid by the Commission to the State Treasurer to the  
7 credit of the General Revenue Fund of the State Treasury;

8        3. Sixty-four and thirty-four one-hundredths percent (64.34%)  
9 of the levy shall be deposited in the State Treasury to the credit  
10 of the State Transportation Fund;

11       4. Twenty-six and fifty-eight one-hundredths percent (26.58%)  
12 of the levy shall be transmitted by the Commission to various  
13 counties of the state, to be apportioned as follows:

14       a. forty-two and one-tenth percent (42.1%) of the monies  
15 apportioned under this paragraph shall be transmitted  
16 to the various counties in the percentage which the  
17 population and area of each county bears to the  
18 population and area of the entire state. The  
19 population shall be as shown by the last Federal  
20 Decennial Census or the most recent annual estimate  
21 provided by the U.S. Bureau of the Census,

22       b. fourteen and five-tenths percent (14.5%) of the monies  
23 apportioned under this paragraph shall be distributed  
24 as follows:

25       Forty percent (40%) of such sum shall be distributed  
26 to the various counties in that proportion which the  
27 county road mileage of each county bears to the entire  
28 state road mileage as certified by the Transportation  
29 Commission, and the remaining sixty percent (60%) of  
30 such sum shall be distributed to the various counties  
31 on the basis which the population and area of each  
32 county bears to the total population and area of the

1 state. The population shall be as shown by the last  
2 Federal Decennial Census or the most recent annual  
3 estimate provided by the U.S. Bureau of the Census,  
4 c. twenty-eight and nine-tenths percent (28.9%) of the  
5 monies apportioned under this paragraph shall be  
6 distributed to the several counties in the following  
7 manner: one-third (1/3) on area, one-third (1/3) on  
8 rural population (defined as including the population  
9 of all municipalities with a population of less than  
10 five thousand (5,000) according to the latest Federal  
11 Decennial Census), and one-third (1/3) on county road  
12 mileage, as last certified by the Oklahoma Department  
13 of Transportation, as each county bears to the entire  
14 area, rural population and road mileage of the state,  
15 and

16 d. fourteen and five-tenths percent (14.5%) of the monies  
17 apportioned under this paragraph shall be distributed  
18 to the various counties of the state based on a  
19 formula developed by the Oklahoma Department of  
20 Transportation and approved by the Department of  
21 Transportation County Advisory Board created pursuant  
22 to Section 302.1 of Title 69 of the Oklahoma Statutes.  
23 The formula shall be similar to the formula currently  
24 used for the distribution of the County Bridge Program  
25 funds, but shall also take into consideration the  
26 effect of the terrain and traffic volume as related to  
27 the county road improvement and maintenance costs.  
28 Any county may, by resolution approved by a majority  
29 of the board of county commissioners and filed with  
30 the Oklahoma Tax Commission, direct the Oklahoma Tax  
31 Commission to deposit the funds so apportioned by this  
32 subparagraph directly into the County Bridge and Road

1 Improvement Fund to be used for the purposes set forth  
2 in the County Bridge and Road Improvement Act;

3 5. Three and eighty-five one-hundredths percent (3.85%) of the  
4 levy shall be distributed based on a formula developed by the  
5 Oklahoma Department of Transportation and approved by the Department  
6 of Transportation County Advisory Board created pursuant to Section  
7 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be  
8 similar to the formula currently used for the distribution of the  
9 County Bridge Program funds, but shall also take into consideration  
10 the effect of the terrain and traffic volume as related to the  
11 county road improvement and maintenance costs. Any county may, by  
12 resolution approved by a majority of the board of county  
13 commissioners and filed with the Oklahoma Tax Commission, direct the  
14 Oklahoma Tax Commission to deposit the funds so apportioned by this  
15 paragraph directly into the County Bridge and Road Improvement Fund  
16 to be used for the purposes set forth in the County Bridge and Road  
17 Improvement Act. The apportionment of the levy as set forth in this  
18 paragraph shall be subject to the provisions of subsection C of  
19 Section 500.6 of this title; and

20 6. Three and eighty-four one-hundredths percent (3.84%) of the  
21 levy shall be deposited in the County Bridge and Road Improvement  
22 Fund of the State Treasury to be used for the purposes set forth in  
23 the County Bridge and Road Improvement Act.

24 B. The funds apportioned or transmitted pursuant to the  
25 provisions of subparagraphs a, b, and c of paragraph 4 of subsection  
26 A of this section shall be used in accordance with and subject to  
27 the provisions of subsection B of Section 500.6 of this title.

28 C. The tax levied on diesel fuel pursuant to Section 500.4A of  
29 this title, and all penalties and interest thereon, collected by the  
30 Commission under the levy shall be apportioned and distributed on a  
31 monthly basis to the State Highway Construction and Maintenance Fund  
32

1 for the purposes authorized by Section 1502 of Title 69 of the  
2 Oklahoma Statutes.

3 SECTION 3. This act shall become effective July 1, 1999.

4 SECTION 4. It being immediately necessary for the preservation  
5 of the public peace, health and safety, an emergency is hereby  
6 declared to exist, by reason whereof this act shall take effect and  
7 be in full force from and after its passage and approval.

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