

ENGROSSED HOUSE AMENDMENT
TO
ENGROSSED SENATE BILL NO. 5

By: Shurden and Capps of the
Senate

and

Leist of the House

(public finance - apportionment of gross production
tax revenues - effective date -
emergency)

AUTHOR: Add the following House Coauthor: Pope (Clay)

AMENDMENT NO. 1. Strike the stricken title, enacting clause and
entire bill and insert

"(public finance - apportionment of gross production
tax revenues - effective date -
emergency)

SECTION 1. AMENDATORY 68 O.S. 1991, Section 1004, as
last amended by Section 4, Chapter 419, O.S.L. 2000 (68 O.S. Supp.
2000, Section 1004), is amended to read as follows:

Section 1004. A. Beginning July 1, 1999, the gross production
tax provided for in Section 1001 of this title is hereby levied and
shall be collected and apportioned as follows:

1. For all monies collected from the tax levied on natural gas
and/or casinghead gas, asphalt or ores bearing uranium, lead, zinc,
jack, gold, silver or copper:

- a. eighty-five and seventy-two one-hundredths percent
(85.72%) shall be paid to the State Treasurer of the
state to be placed in the General Revenue Fund of the

state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,

b. seven and fourteen one-hundredths percent (7.14%) of the sum collected from natural gas and/or casinghead gas or asphalt or ores bearing uranium, lead, zinc, jack, gold, silver or copper shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

c. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph b of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

2. For all monies collected from the tax levied on oil at a tax rate of seven percent (7%) pursuant to the provisions of subsection B of Section 1001 of this title:

a. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 41.29c of Title 62 of the Oklahoma Statutes,

- b. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 41.29d of Title 62 of the Oklahoma Statutes,
- c. twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Oklahoma Tuition Scholarship Revolving Fund created in Section 41.29e of Title 62 of the Oklahoma Statutes,
- d. four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to the County Bridge and Road Improvement Fund of the State Treasury,
- e. except as provided in subsection B of this section, four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund,
- f. seven and fourteen one-hundredths percent (7.14%) of the sum collected from oil shall be paid to the various county treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- g. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided in subparagraph f of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State

Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

3. For all monies collected from the tax levied on oil at a tax rate of four percent (4%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 41.29c of Title 62 of the Oklahoma Statutes,
- b. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 41.29d of Title 62 of the Oklahoma Statutes,
- c. twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Oklahoma Tuition Scholarship Revolving Fund created in Section 41.29e of Title 62 of the Oklahoma Statutes,
- d. three and seventy-five one-hundredths percent (3.75%) shall be paid to the State Treasurer to be apportioned to the County Bridge and Road Improvement Fund of the State Treasury,
- e. except as provided in subsection B of this section, three and seventy-five one-hundredths percent (3.75%) shall be paid to the State Treasurer to be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund,
- f. twelve and one-half percent (12.5%) of the sum collected from oil shall be paid to the various county

treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

g. twelve and one-half percent (12.5%) shall be allocated to each county as provided in subparagraph f of this paragraph and shall be apportioned on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction; and

4. For all monies collected from the tax levied on oil at a tax rate of one percent (1%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. fifty percent (50%) of the sum collected shall be paid to the various county treasurers, to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- b. fifty percent (50%) shall be allocated to each county as provided for in subparagraph a of this paragraph and shall be apportioned on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction, to the school districts of the county where such pupils attend school regardless of residence of such pupil,

provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction.

Provided, notwithstanding any other provision of this section, the total amounts deposited to the Common Education Technology Revolving Fund, the Higher Education Capital Revolving Fund, the Oklahoma Tuition Scholarship Revolving Fund, the County Bridge and Road Improvement Fund ~~and~~, the Rural Economic Action Plan Water Projects Fund and the Agriculture and Fire Protection Emergency Relief Fund pursuant to ~~paragraphs 2 and 3~~ of this section shall not exceed One Hundred Million Dollars (\$100,000,000.00) in any fiscal year. All sums in excess of One Hundred Million Dollars (\$100,000,000.00) in any fiscal year which would otherwise be deposited in such funds shall be placed by the State Treasurer in the General Revenue Fund of the state.

B. The first Two Million Dollars (\$2,000,000.00) which would otherwise accrue to the Rural Economic Action Plan Water Projects Fund each fiscal year pursuant to the provisions of subparagraph e of paragraph 2 or subparagraph e of paragraph 3 of subsection A of this section shall be deposited to the Agriculture and Fire Protection Emergency Relief Fund created in Section 2 of this act.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 41.29g of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a revolving fund to be designated the "Agriculture and Fire Protection Emergency Relief Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subsection B of Section 1004 of Title 68 of the Oklahoma Statutes. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Agriculture or the Oklahoma Conservation

Commission, as authorized by the Contingency Review Board, upon a written finding by the Contingency Review Board that one or more of the following situations exists, that the need for expenditure from the fund has arisen and could not have been reasonably anticipated in advance, and that such expenditures are for purposes for which appropriations could legally have been made by the Legislature:

1. Destruction of or damage to public property caused by fire, hail, tornado, explosion, windstorm, flood, drought or other natural disaster has occurred;

2. Allocation or expenditures from the fund are necessary to provide matching funds for participation in any federal disaster relief program or for emergency equipment purchase or to otherwise expedite receipt of federal disaster relief funds; or

3. Allocation from the fund to the Small Watersheds Flood Control Fund created in Section 3-3-405 of Title 27A of the Oklahoma Statutes is necessary for the purpose of rehabilitating watersheds during drought conditions.

Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

B. Before any monies accrued or accruing in the fund may be allocated or expended, the requesting agency shall prepare and submit to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives written findings of fact as to the existence of a situation described in subsection A of this section, not foreseen or reasonably foreseeable by the Legislature, and of the necessity for the allocation and expenditure of funds.

C. No allocation shall be made from the fund except upon approval of a majority of the members of the Contingency Review Board in writing, and under such limitations and conditions provided for by this section. The Board's findings and certificate of approval shall be certified to the Director of State Finance, the

Secretary of State, the State Treasurer, and the State Auditor and Inspector.

SECTION 3. This act shall become effective July 1, 2001.

SECTION 4. 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 9th day of April, 2001.

Presiding Officer of the House of
Representatives

Passed the Senate the ____ day of _____, 2001.

Presiding Officer of the Senate