

SB 599

THE STATE SENATE  
Tuesday, February 27, 2001

Senate Bill No. 599

SENATE BILL NO. 599 - By: HANEY of the Senate and MASS of the House.

An Act relating to revenue and taxation; amending 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), which relates to apportionment of gross production taxes; modifying apportionment of certain revenues; creating Long Range Capital Projects Revolving Fund; providing for deposits thereto and expenditures therefrom; providing for codification; 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 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. ~~Beginning July 1, 1999, the~~ 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 distributed as follows:

1           (1) the first Three Hundred Fifty Million Dollars  
2           (\$350,000,000.00) received each fiscal year shall  
3           be placed in the General Revenue Fund of the  
4           state and used for the general expense of state  
5           government, to be paid out pursuant to direct  
6           appropriation by the Legislature, and  
7           (2) any monies in excess of such amount received each  
8           fiscal year shall be placed in the Long Range  
9           Capital Projects Revolving Fund created in  
10          Section 2 of this act,

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

21          c.   seven and fourteen one-hundredths percent (7.14%)  
22               shall be allocated to each county as provided for in  
23               subparagraph b of this paragraph and shall be

1           apportioned, on an average daily attendance per capita  
2           distribution basis, as certified by the State  
3           Superintendent of Public Instruction to the school  
4           districts of the county where such pupils attend  
5           school regardless of residence of such pupil, provided  
6           the school district makes an ad valorem tax levy of  
7           fifteen (15) mills for the current year and maintains  
8           twelve (12) years of instruction;

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

12           a.   twenty-five and seventy-two one-hundredths percent  
13               (25.72%) shall be paid to the State Treasurer to be  
14               placed in the Common Education Technology Revolving  
15               Fund created in Section 41.29c of Title 62 of the  
16               Oklahoma Statutes,

17           b.   twenty-five and seventy-two one-hundredths percent  
18               (25.72%) shall be paid to the State Treasurer to be  
19               placed in the Higher Education Capital Revolving Fund  
20               created in Section 41.29d of Title 62 of the Oklahoma  
21               Statutes,

22           c.   twenty-five and seventy-two one-hundredths percent  
23               (25.72%) shall be paid to the State Treasurer to be

1 placed in the Oklahoma Tuition Scholarship Revolving  
2 Fund created in Section 41.29e of Title 62 of the  
3 Oklahoma Statutes,  
4 d. four and twenty-eight one-hundredths percent (4.28%)  
5 shall be paid to the State Treasurer to be apportioned  
6 to the County Bridge and Road Improvement Fund of the  
7 State Treasury,  
8 e. four and twenty-eight one-hundredths percent (4.28%)  
9 shall be paid to the State Treasurer to be apportioned  
10 to the Oklahoma Water Resources Board Rural Economic  
11 Action Plan Water Projects Fund,  
12 f. seven and fourteen one-hundredths percent (7.14%) of  
13 the sum collected from oil shall be paid to the  
14 various county treasurers, to be credited to the  
15 County Highway Fund as follows: Each county shall  
16 receive a proportionate share of the funds available  
17 based upon the proportion of the total value of  
18 production from such county in the corresponding month  
19 of the preceding year, and  
20 g. seven and fourteen one-hundredths percent (7.14%)  
21 shall be allocated to each county as provided in  
22 subparagraph f of this paragraph and shall be  
23 apportioned, on an average daily attendance per capita

1 distribution basis, as certified by the State  
2 Superintendent of Public Instruction, to the school  
3 districts of the county where such pupils attend  
4 school regardless of residence of such pupil, provided  
5 the school district makes an ad valorem tax levy of  
6 fifteen (15) mills for the current year and maintains  
7 twelve (12) years of instruction;

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

11 a. twenty-two and one-half percent (22.5%) shall be paid  
12 to the State Treasurer to be placed in the Common  
13 Education Technology Revolving Fund created in Section  
14 41.29c of Title 62 of the Oklahoma Statutes,

15 b. twenty-two and one-half percent (22.5%) shall be paid  
16 to the State Treasurer to be placed in the Higher  
17 Education Capital Revolving Fund created in Section  
18 41.29d of Title 62 of the Oklahoma Statutes,

19 c. twenty-two and one-half percent (22.5%) shall be paid  
20 to the State Treasurer to be placed in the Oklahoma  
21 Tuition Scholarship Revolving Fund created in Section  
22 41.29e of Title 62 of the Oklahoma Statutes,

- 1           d.    three and seventy-five one-hundredths percent (3.75%)  
2                   shall be paid to the State Treasurer to be apportioned  
3                   to the County Bridge and Road Improvement Fund of the  
4                   State Treasury,
- 5           e.    three and seventy-five one-hundredths percent (3.75%)  
6                   shall be paid to the State Treasurer to be apportioned  
7                   to the Oklahoma Water Resources Board Rural Economic  
8                   Action Plan Water Projects Fund,
- 9           f.    twelve and one-half percent (12.5%) of the sum  
10                   collected from oil shall be paid to the various county  
11                   treasurers, to be credited to the County Highway Fund  
12                   as follows: Each county shall receive a proportionate  
13                   share of the funds available based upon the proportion  
14                   of the total value of production from such county in  
15                   the corresponding month of the preceding year, and
- 16           g.    twelve and one-half percent (12.5%) shall be allocated  
17                   to each county as provided in subparagraph f of this  
18                   paragraph and shall be apportioned on an average daily  
19                   attendance per capita distribution basis, as certified  
20                   by the State Superintendent of Public Instruction, to  
21                   the school districts of the county where such pupils  
22                   attend school regardless of residence of such pupil,  
23                   provided the school district makes an ad valorem tax

1           levy of fifteen (15) mills for the current year and  
2           maintains twelve (12) years of instruction; and

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

6           a. fifty percent (50%) of the sum collected shall be paid  
7           to the various county treasurers, to be credited to  
8           the County Highway Fund as follows: Each county shall  
9           receive a proportionate share of the funds available  
10          based upon the proportion of the total value of  
11          production from such county in the corresponding month  
12          of the preceding year, and

13          b. fifty percent (50%) shall be allocated to each county  
14          as provided for in subparagraph a of this paragraph  
15          and shall be apportioned on an average daily  
16          attendance per capita distribution basis, as certified  
17          by the State Superintendent of Public Instruction, to  
18          the school districts of the county where such pupils  
19          attend school regardless of residence of such pupil,  
20          provided the school district makes an ad valorem tax  
21          levy of fifteen (15) mills for the current year and  
22          maintains twelve (12) years of instruction.

1            Provided, notwithstanding any other provision of this section,  
2 the total amounts deposited to the Common Education Technology  
3 Revolving Fund, the Higher Education Capital Revolving Fund, the  
4 Oklahoma Tuition Scholarship Revolving Fund, the County Bridge and  
5 Road Improvement Fund and the Rural Economic Action Plan Water  
6 Projects Fund pursuant to paragraphs 2 and 3 of this section shall  
7 not exceed One Hundred Million Dollars (\$100,000,000.00) in any  
8 fiscal year. All sums in excess of One Hundred Million Dollars  
9 (\$100,000,000.00) in any fiscal year which would otherwise be  
10 deposited in such funds shall be placed by the State Treasurer in  
11 the General Revenue Fund of the state.

12            SECTION 2.            NEW LAW            A new section of law to be codified  
13 in the Oklahoma Statutes as Section 1004b of Title 68, unless there  
14 is created a duplication in numbering, reads as follows:

15            There is hereby created in the State Treasury a revolving fund  
16 to be designated the "Long Range Capital Projects Revolving Fund".  
17 The fund shall be a continuing fund, not subject to fiscal year  
18 limitations, and shall consist of all monies received pursuant to  
19 the provisions of division (2) of subparagraph a of paragraph 1 of  
20 Section 1004 of Title 68 of the Oklahoma Statutes. Monies accruing  
21 to the credit of the fund shall be appropriated by the Legislature  
22 based on recommendations of the Long Range Capital Planning  
23 Commission or other requests for capital expenditures. Expenditures

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

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

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

9 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-21-01 - DO  
10 PASS, As Coauthored.