

ENGROSSED SENATE AMENDMENT  
TO  
ENGROSSED HOUSE  
BILL NO. 2940

By: Liotta, Armes, Billy, Bingman,  
Denney, DeWitt, Dorman, Ellis,  
Glenn, Hickman, Liebmann,  
Pruett, Roggow, Rousselot,  
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Nations, Peters, Smaligo,  
Trebilcock, Winchester, Benge,  
Askins, Auffet, Blackburn,  
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Deutschendorf, Duncan, Hiett,  
Jett, Johnson, Kern, Martin,  
McMullen, Peterson (Pam),  
Richardson, Sullivan, Terrill,  
Thompson and Tibbs of the House

and

Shurden and Myers of the Senate

( transportation - amending 47 O.S., Section 1104 -  
fees - amending 68 O.S., Sections 500.6 and 1004 -  
Motor Fuel Tax Code - amending 69 O.S., Sections  
636.1, 664 and 1521 - transportation financing -  
codification - effective date -

emergency )

AUTHOR: Add the following Senate Coauthors: Branan, Ford,  
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Smithson

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

"[ transportation - amending 47 O.S., Section 1104 -  
fees - amending 68 O.S., Sections 500.6 and 1004 -  
Motor Fuel Tax Code - amending 69 O.S., Sections  
636.1, 664 and 1521 - transportation financing -  
codification - effective date -

emergency ]

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

SECTION 1. AMENDATORY 47 O.S. 2001, Section 1104, as amended by Section 1, Chapter 139, O.S.L. 2003 (47 O.S. Supp. 2005, 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 shall be apportioned and distributed monthly by the Oklahoma Tax Commission in accordance with this section.

B. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various school districts in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%), and
- c. for the year beginning July 1, 2002, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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 the 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.

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 the 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, is authorized to maintain ten (10) years of instruction.

C. 1. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury:

- a. from October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%), ~~and~~
- c. for the year beginning July 1, 2002, and ~~all~~ subsequent years ending June 30, 2006, forty-four and eighty-four one-hundredths percent (44.84%), and
- d. for the year beginning July 1, 2006, and all subsequent years, twenty-nine and eighty-four one-hundredths percent (29.84%).

2. In the event that additional monies are necessary pursuant to subsection ~~M~~ N of this section, such additional monies shall be deducted from the monies apportioned to the General Revenue Fund.

D. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund:

1. From October 1, 2000, until June 30, 2001, thirty one-hundredths percent (0.30%); and
2. For the year beginning July 1, 2001, and all subsequent years, thirty-one one-hundredths percent (0.31%).

E. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this section:

- a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),

- b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%), and
- c. for the year beginning July 1, 2002, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned 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. The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of the 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.

F. 1. The following percentages of the monies referred to in subsection A of this section 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 in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),

- b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%), and
- c. for the year beginning July 1, 2002, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be used 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.

G. 1. The following percentages of the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%), and
- c. for the year beginning July 1, 2002, and all subsequent years, three and sixty-two one-hundredths percent (3.62%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be transmitted 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. The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties.

H. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%), and
- c. for the year beginning July 1, 2002, and all subsequent years, eighty-three one-hundredths percent (0.83%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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, and
- 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.

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.

I. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various cities and incorporated towns as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%), and
- c. for the year beginning July 1, 2002, and all subsequent years, three and ten one-hundredths percent (3.10%).

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection 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.

J. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund:

1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%).

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

L. Fifteen percent (15%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Bridge and Road Improvement Fund.

M. 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.

~~M.~~ N. In no event shall the monies apportioned pursuant to subsections B, E, F, G, H, ~~and I~~ and L of this section be less than the monies apportioned in the previous fiscal year.

~~N.~~ O. Notwithstanding any other provisions of this section, for the fiscal year beginning July 1, 2003, the first One Hundred Thousand Dollars (\$100,000.00) of the monies collected or received by the Tax Commission pursuant to the registration of motorcycles and mopeds in this state shall be placed to the credit of the Oklahoma Tax Commission Revolving Fund.

SECTION 2. AMENDATORY 62 O.S. 2001, Section 203, as last amended by Section 56, Chapter 3, O.S.L. 2003 (62 O.S. Supp. 2005, Section 203), is amended to read as follows:

Section 203. A. Except as otherwise provided by subsection B of this section, all monies that may come into the State Treasury, pursuant to the provisions of Section 201 et seq. of this title, together with all amounts that may be received by the State Treasurer as investment income or as interest on average daily bank balances, including investment income or interest on deposits from funds deposited to the credit of the Constitutional Reserve Fund created pursuant to Section 23 of Article X of the Oklahoma Constitution, shall be apportioned and credited to the General Revenue Fund for the current year.

B. The provisions of subsection A of this section shall not apply to:

1. Interest received on deposits from funds under the control of the Commissioners of the Land Office;

2. Funds in the Department of Human Services Federal Disallowance Fund;

3. Interest received on deposits from funds under the control of the Santa Claus Commission;

4. The Risk Management Revolving Fund;

5. Investment income and interest received from funds in the Quartz Mountain Revolving Fund from insurance claims;

6. The Drinking Water Treatment Revolving Loan Account and the Drinking Water Treatment Loan Administrative Fund;

7. The Clean Water State Revolving Fund Loan Account and the Clean Water State Revolving Fund Loan Administrative Fund;

8. The State Infrastructure Bank Revolving Fund;

9. The Nursing Facility Quality of Care Fund;

10. The Oklahoma Tourism and Recreation Department Revolving Fund effective July 1, 2003; ~~and~~

11. The Golf Course Operations Revolving Fund effective July 1, 2003; and

12. Interest received on investments from funds in the County Bridge and Road Improvement Fund and the County Road Machinery and Equipment Revolving Fund.

SECTION 3. AMENDATORY 68 O.S. 2001, Section 500.6, as last amended by Section 8, Chapter 472, O.S.L. 2003 (68 O.S. Supp. 2005, Section 500.6), is amended to read as follows:

Section 500.6 A. The tax of sixteen cents (\$0.16) per gallon of gasoline that is levied by paragraph 1 of subsection A of Section 500.4 of this title, and the tax of two and eight one-hundredths cents (\$0.0208) per gallon of gasoline that is levied by subsection C of 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~~ High Priority Bridge Revolving Fund as created in Section 6 of this act;

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:

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 Oklahoma Tourism and Passenger Rail

Revolving Fund and shall be used by the Department of Transportation:

- (1) 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 a route beginning at a station in Oklahoma County and extending north to the Kansas state line in Kay County, and
  - (2) to provide necessary facility, signaling, and track improvements for those contracted services,
- c. forty-one and two-tenths percent (41.2%) of the monies apportioned to the State Transportation Fund shall be used for any purpose provided for in Section 1502 of Title 69 of the Oklahoma Statutes,
- d. nine and eight-tenths percent (9.8%) of the monies apportioned to the State Transportation Fund shall be used to provide funds for the construction and maintenance of farm-to-market roads on the state highway system, and other rural farm-to-market roads and bridges, and
- e. any remaining amount of the apportionment shall be deposited into the State Transportation Fund;

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

- a. sixty-five and three-tenths percent (65.3%) of the monies apportioned under this paragraph shall be used on the following basis:
  - (1) 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 Transportation Commission, and (2) 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 Decennial Census or the most recent annual estimate provided by the U.S. Bureau of the Census,

- b. twenty-three and one-tenth percent (23.1%) of the monies apportioned under this paragraph shall be distributed to the counties in the following manner: One-third (1/3) on area; one-third (1/3) on rural population, defined as including the population of all municipalities with a population of less than five thousand (5,000) according to the latest Federal Decennial Census; and one-third (1/3) on county road mileage, as last certified by the Department of Transportation, as each county bears to the entire area, rural population and road mileage of the state, and
- c. eleven and six-tenths percent (11.6%) of the monies apportioned under this paragraph shall be distributed to the various counties of the state based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge

Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs. Any county may, by resolution of the board of county commissioners, direct the Tax Commission to deposit the funds apportioned pursuant to this subparagraph directly into the County Bridge and Road Improvement Fund to be used for the purposes set forth in the County Bridge and Road Improvement Act;

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

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

7. One and eight hundred seventy-five one-thousandths percent (1.875%) of the levy 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 Decennial 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. The funds shall be expended for the construction, repair and maintenance of the streets and alleys of the incorporated cities and towns of this state.

Provided, for the fiscal year beginning July 1, 2002, the first Two Hundred Thousand Dollars (\$200,000.00) of such revenues shall be apportioned to the Education Reform Revolving Fund.

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

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

3. Where any county highway has been laid out over a road already constructed in any county by the use of money raised from county bond issues for that 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 in

this section, an amount of money equal to the value of any part thereof, of the interest of such county in such highway or bridge, 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, and shall be used for investment or deposit in the same manner as provided by law for the disposition of other sinking fund money.

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

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

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

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

2. If any county has an accrued balance of funds which were appropriated to or otherwise accrued in the County Road Improvement Fund, or the County Bridge Improvement Fund, such funds shall, by resolution approved by a majority of the board of county commissioners and filed with the Department of Transportation, be deposited in the county highway fund of the county or shall be

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

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

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

SECTION 4. AMENDATORY 68 O.S. 2001, Section 500.7, is amended to read as follows:

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

1. The first Eighty-three Thousand Three Hundred Thirty-three Dollars and thirty-three cents (\$83,333.33) of the levy collected

each month shall be deposited in the State Treasury to the credit of the State Transportation Fund;

2. One and thirty-nine one-hundredths percent (1.39%) of the levy shall be paid by the Commission to the State Treasurer to the credit of the ~~General Revenue Fund of the State Treasury~~ High Priority Bridge Revolving Fund as created in Section 6 of this act;

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

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

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

b. fourteen and five-tenths percent (14.5%) of the monies apportioned under this paragraph shall be distributed 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 Decennial Census or the most recent annual estimate provided by the U.S. Bureau of the Census,
- c. twenty-eight and nine-tenths percent (28.9%) of the monies apportioned under this paragraph shall be distributed to the several counties in the following manner: one-third (1/3) on area, one-third (1/3) on rural population (defined as including the population of all municipalities with a population of less than five thousand (5,000) according to the latest Federal Decennial Census), and one-third (1/3) on county road mileage, as last certified by the Oklahoma Department of Transportation, as each county bears to the entire area, rural population and road mileage of the state, and
- d. fourteen and five-tenths percent (14.5%) of the monies apportioned under this paragraph shall be distributed to the various counties of the state based on a formula developed by the Oklahoma Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be similar to the formula currently used for the distribution of the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to the county road improvement and maintenance costs. Any county may, by resolution approved by a majority of the board of county commissioners and filed with the Oklahoma Tax Commission, direct the Oklahoma Tax Commission to deposit the funds so apportioned by this subparagraph directly into the County Bridge and Road

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

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

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

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

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

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

SECTION 5. AMENDATORY 68 O.S. 2001, Section 1004, as amended by Section 2, Chapter 416, O.S.L. 2002 (68 O.S. Supp. 2005, Section 1004), is amended to read as follows:

Section 1004. Beginning July 1, 2002, 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 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 natural gas and/or casinghead gas at a tax rate of seven percent (7%) pursuant to the provisions of subsection B of Section 1001 of this title:

- 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 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;

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

- a. seventy-five percent (75%) 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. twelve and one-half percent (12.5%) of the sum collected from natural gas and/or casinghead gas 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. twelve and one-half percent (12.5%) 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;

4. For all monies collected from the tax levied on natural gas and/or casinghead gas 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 from natural gas and/or casinghead gas 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;

5. 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. 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;

6. 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. 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

7. 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 pursuant to paragraphs 5 and 6 of this section shall not exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any fiscal year. All sums in excess of One Hundred Fifty Million Dollars (\$150,000,000.00) 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.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 506 of Title 69, 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 known as the "High Priority Bridge Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature and the apportionments made pursuant to Sections 500.6 and 500.7 of Title 68 of the Oklahoma Statutes. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended beginning with the fiscal year ending June 30, 2007, and each fiscal year thereafter pursuant to subsection B of this section. Expenditures from said 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. The funds apportioned pursuant to subsection A of this section shall be in equal amounts to the various State Transportation Commission districts. The funds shall be used for the sole purpose of reconstructing, rehabilitating and maintaining county bridges on the county highway system that are of the highest priority. The counties located within each of the various districts may apply to their respective district for such apportioned funds. The Transportation Commission shall promulgate rules for the administration, application and approval process, and the

development of criteria for determining the level of priority for projects.

SECTION 7. AMENDATORY 69 O.S. 2001, Section 636.1, is amended to read as follows:

Section 636.1 There is hereby created in the State Treasury a revolving fund to be known and designated the "County Road Machinery and Equipment Revolving Fund", which shall consist of all appropriations and deposits made for the purposes hereinafter designated and shall also include all proceeds resulting from the lease, lease-purchase, sale or resale of equipment purchased out of monies in the revolving fund. The revolving fund shall be a continuing fund and shall be nonfiscal in character. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer and the interest earned by any investment of monies from the fund shall be credited to the fund for expenditure as provided by law.

SECTION 8. AMENDATORY 69 O.S. 2001, Section 664, is amended to read as follows:

Section 664. A. There is hereby created in the State Treasury a special fund to be designated as the "County Bridge and Road Improvement Fund". The fund shall consist of monies, ~~if any, which have accrued to the State General Revenue Fund at the close of the fiscal years ending June 30, 1980, June 30, 1981 and June 30, 1982, in excess of the amounts required to satisfy all appropriations made from the State General Revenue Fund for the then current fiscal year together with all other statutory obligations. Provided, the amount apportioned to the county bridge and road improvement fund by the Director of State Finance at the close of each of the above-mentioned fiscal years shall not exceed the sum of Twelve Million Dollars (\$12,000,000.00) for each fiscal year~~ apportioned as provided by law. Revenues to this fund shall be expended ~~only~~ pursuant to legislative appropriation for implementation of the

County Bridge and Road Improvement Act as set forth in the County Bridge and Road Improvement Act, except as provided in subsection B of this section. The fund shall be invested in whatever instruments are authorized by law for investments by the State Treasurer and the interest earned by any investment of monies from the fund shall be credited to the Circuit Engineering District Revolving Fund created by Section 687.2 of this title for expenditure as provided by law.

B. In addition to the monies credited to the County Bridge and Road Improvement Fund in subsection A of this section, the fund shall consist of monies apportioned to the credit of the County Bridge and Road Improvement Fund pursuant to Section 1104 of Title 47 of the Oklahoma Statutes. Revenues credited pursuant to this subsection shall be allocated as follows:

1. The funds apportioned pursuant to subsection L of Section 1104 of Title 47 of the Oklahoma Statutes shall be in equal amounts to the various State Transportation Commission districts. The funds shall be used for the sole purpose of reconstructing, rehabilitating and maintaining county roads and bridges on the county highway system that are of the highest priority. The counties located within each of the various districts may apply to their respective district for such apportioned funds. The Transportation Commission shall promulgate rules for the administration, application and approval process, and the development of criteria for determining the level of priority for projects; and

2. The Transportation Commission shall administer, by rule, a method of full or partial awards for purposes of qualifying a project for federal matching funds, or for multiyear or higher-cost projects. In no event shall the method provide for a single project to receive partial awards for more than a five-year period.

SECTION 9. AMENDATORY Section 1, Chapter 444, O.S.L. 2005 (69 O.S. Supp. 2005, Section 1521), is amended to read as follows:

Section 1521. A. There is hereby created in the State Treasury a fund to be known as the "Rebuilding Oklahoma Access and Driver Safety Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all appropriations and transfers made by the Legislature. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended beginning with the fiscal year ending June 30, 2006, and each fiscal year thereafter by the Department of Transportation for the purposes authorized by subsection I of this section. Expenditures from said 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. There shall be apportioned to the funds specified in this subsection from the monies that would otherwise be apportioned to the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma Statutes from the revenues derived pursuant to subsections A, B and E of Section 2355 of Title 68 of the Oklahoma Statutes amounts as follows:

1. For the fiscal year ending June 30, 2006:
  - a. the first Fifteen Million Dollars (\$15,000,000.00) shall be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund,
  - b. the next Two Million Dollars (\$2,000,000.00) shall be apportioned to the Oklahoma Tourism and Passenger Rail Revolving Fund created pursuant to Section 325 of Title 66 of the Oklahoma Statutes to be used for capital and operating costs for the "Heartland Flyer" rail project, ~~and~~
  - c. the next Five Hundred Thousand Dollars (\$500,000.00) shall be apportioned to the Public Transit Revolving Fund created pursuant to Section 4031 of ~~Title 69 of the Oklahoma Statutes~~ this title to be used for

purposes authorized by law other than the purpose described by subparagraph b of this paragraph, and

- d. all amounts apportioned pursuant to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year;

2. For the fiscal year ending June 30, 2007, and for each fiscal year thereafter, subject to the provisions of paragraph 4 of this subsection, and subject to any reductions required by subsection H of this section, there shall be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund:

- a. Seventy Million Dollars (\$70,000,000.00) plus the total amount apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund for the preceding fiscal year which shall be apportioned before any other amount is apportioned pursuant to Section 2352 of Title 68 of the Oklahoma Statutes, plus
- b. an additional amount which shall be either:
  - (1) the next Seventeen Million Five Hundred Thousand Dollars (\$17,500,000.00) as provided by subsection C of this section, or
  - (2) the next ~~Thirty-five Million Dollars~~ ~~(\$35,000,000.00)~~ Fifty Million Dollars (\$50,000,000.00) as provided by subsection D of this section, or
  - (3) an amount which shall not be in excess of the amount prescribed by division (1) of this subparagraph for a fiscal year in which such amount is the maximum additional amount that may be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund and which shall not be in excess of the amount prescribed by division (2) of this subparagraph for a fiscal year in which

such amount is the maximum additional amount that may be apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund, in order for the total apportionment for such fiscal year to equal ~~One Hundred Seventy Million Dollars~~ ~~(\$170,000,000.00)~~ Two Hundred Seventy Million Dollars (\$270,000,000.00), and

- c. all amounts apportioned pursuant to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year;

3. For the fiscal year ending June 30, 2007, and for each fiscal year thereafter after the apportionments required by paragraph 2 of this subsection have been made:

- a. the next Two Million Dollars (\$2,000,000.00) shall be apportioned to the Oklahoma Tourism and Passenger Rail Revolving Fund created pursuant to Section 325 of Title 66 of the Oklahoma Statutes to be used for capital and operating costs for the "Heartland Flyer" rail project, ~~and~~
- b. the next Three Million Dollars (\$3,000,000.00) shall be apportioned to the Public Transit Revolving Fund created pursuant to Section 4031 of ~~Title 69 of the Oklahoma Statutes~~ this title to be used for purposes authorized by law other than the purpose described by subparagraph a of this paragraph, ~~and~~ and
- c. all amounts apportioned pursuant to this paragraph shall be divided into twelve equal amounts to be apportioned each month during the fiscal year; and

4. For each fiscal year after the first fiscal year in which the total apportionment to the Rebuilding Oklahoma Access and Driver Safety Fund as provided by paragraph 2 of this subsection equals ~~One Hundred Seventy Million Dollars~~ ~~(\$170,000,000.00)~~ Two Hundred

Seventy Million Dollars (\$270,000,000.00), the first ~~One Hundred~~  
~~Seventy Million Dollars (\$170,000,000.00)~~ Two Hundred Seventy  
Million Dollars (\$270,000,000.00) collected pursuant to subsections  
A, B and E of Section 2355 of Title 68 of the Oklahoma Statutes and  
apportioned pursuant to Section 2352 of Title 68 of the Oklahoma  
Statutes that would otherwise be apportioned to the General Revenue  
Fund shall be apportioned to the Rebuilding Oklahoma Access and  
Driver Safety Fund. All amounts apportioned pursuant to this  
paragraph shall be divided into twelve equal amounts to be  
apportioned each month during the fiscal year.

C. For the fiscal year ending June 30, 2007, and for each  
fiscal year thereafter, in addition to the amount apportioned to the  
Rebuilding Oklahoma Access and Driver Safety Fund pursuant to  
subparagraph a of paragraph 2 of subsection B of this section, there  
shall be apportioned to such fund an additional amount of Seventeen  
Million Five Hundred Thousand Dollars (\$17,500,000.00) for each year  
that the State Board of Equalization determines that any increase  
between the final itemized estimate of General Revenue Fund revenues  
made by the State Board at the February meeting preceding the  
beginning of the fiscal year for which that estimate is made, which  
is the same fiscal year during which the apportionment to the  
Rebuilding Oklahoma Access and Driver Safety Fund is to be made, and  
the then current itemized estimate of General Revenue Fund revenues  
made by the State Board of Equalization for the fiscal year ending  
on June 30 immediately following such February meeting is less than  
three percent (3%).

D. For the fiscal year ending June 30, 2007, and for each  
fiscal year thereafter, in addition to the amount apportioned to the  
Rebuilding Oklahoma Access and Driver Safety Fund pursuant to  
subparagraph a of paragraph 2 of subsection B of this section, there  
shall be apportioned to such fund an additional amount of ~~Thirty-~~  
~~five Million Dollars (\$35,000,000.00)~~ Fifty Million Dollars

(\$50,000,000.00) for each year that the State Board of Equalization determines that any increase between the final itemized estimate of General Revenue Fund revenues made by the State Board at the February meeting preceding the beginning of the fiscal year for which that estimate is made, which is the same fiscal year during which the apportionment to the Rebuilding Oklahoma Access and Driver Safety Fund is to be made, and the then current itemized estimate of General Revenue Fund revenues made by the State Board of Equalization for the fiscal year ending on June 30 immediately following such February meeting is three percent (3%) or greater.

E. The apportionments of revenues required by subparagraph a of paragraph 2 of subsection B of this section and the apportionment of additional revenues required by either division (1), (2) or (3) of subparagraph b of paragraph 2 of subsection B of this section, as governed by the provisions of subsection C or subsection D of this section, shall be made until the total annual apportionment to the Rebuilding Oklahoma Access and Driver Safety Fund equals ~~One Hundred Seventy Million Dollars (\$170,000,000.00)~~ Two Hundred Seventy Million Dollars (\$270,000,000.00). After such annual apportionment level is reached, the apportionment to the fund shall be governed by the provisions of paragraph 4 of subsection B of this section.

F. The monies apportioned to the Rebuilding Oklahoma Access and Driver Safety Fund shall not be used to supplant or replace existing state funds used for transportation purposes.

G. In order to ensure that the funds from the ROADS Fund are used to enhance and not supplant state funding for the Department of Transportation, the State Board of Equalization shall examine and investigate expenditures from the fund each year. For purposes of this examination, monies used to retire outstanding debt obligations for which the Department of Transportation is responsible shall be excluded. At the meeting of the State Board of Equalization held within five (5) days after the monthly apportionment in February of

each year, the State Board of Equalization shall issue a finding and report which shall state whether expenditures from the ROADS Fund were used to enhance or supplant state funding for the Department of Transportation. If the State Board of Equalization finds that state funding for the Department of Transportation was supplanted by funds from the ROADS Fund, the Board shall specify the amount by which such funding was supplanted. In this event, the Legislature shall not make any appropriations for the ensuing fiscal year until an appropriation in that amount is made to replenish state funding for the Department of Transportation.

H. In the event that the Director of the Office of State Finance declares a General Revenue Fund revenue failure pursuant to Section 41.9 of Title 62 of the Oklahoma Statutes, and agency allocations are reduced pursuant to the provisions of Section 41.9 of Title 62 of the Oklahoma Statutes, the amounts that would otherwise be apportioned to the ROADS Fund by subparagraphs a, b and c of paragraph 1 and subparagraphs a and b of paragraph 2 and paragraph 3 of subsection B of this section shall be reduced by a percentage equal to that required of the General Revenue Fund appropriations to state agencies and such reductions shall occur during the entire fiscal year and for any month during which such reductions are required by the Office of State Finance and by the same percentage as that required of the agencies for such General Revenue Fund appropriations.

I. The Department of Transportation shall use the monies in the Rebuilding Oklahoma Access and Driver Safety Fund for:

1. The construction and maintenance of state roads, bridges and highways;

2. The direct expenses of operating and maintaining the state highway system, including bridges;

3. Direct expenses incurred in constructing, repairing, and maintaining state highways, farm-to-market roads, county highways and bridges as authorized by law;

4. Matching federal funds; ~~and~~

5. The purchase of materials, tools, machinery, motor vehicles, and equipment necessary or convenient for the construction and maintenance of the state highway system and bridges; and

6. Debt service incurred prior to January 1, 2006, for Capitol Improvement Program bonds sold pursuant to Section 2001 of this title.

SECTION 10. This act shall become effective July 1, 2006.

SECTION 11. 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 24th day of April, 2006.

\_\_\_\_\_  
Presiding Officer of the Senate

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
2006.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives