ENGROSSED HOUSE
BILL NO. 1218

By: Newport, Wesselhoft, Balkman, Blackwell, Jones, Roggow, Smaligo, Trebilcock, Liotta, Adkins, Benge, Billy, Bingman, Calvey, Cargill, Coody, Covey, Dank, Denney, DePue, DeWitt, Hickman, Jackson, Jett, Martin, McCarter, Miller (Doug), Morgan (Fred), Nance, Peters, Peterson (Ron), Piatt, Roan, Terrill, Thompson, Tibbs, Turner, Winchester, Worthen and Young of the House

and

Myers of the Senate

An Act relating to motor vehicles; amending 47 O.S. 2001, Section 1104, as amended by Section 1, Chapter 139, O.S.L. 2003 (47 O.S. Supp. 2004, Section 1104), which relates to apportionment of revenues pursuant to the Oklahoma Vehicle License and Registration Act; modifying apportionment of revenues for certain fiscal years; modifying apportionment of revenues to the General Revenue Fund of the State Treasury; providing for apportionment of certain amounts to the State Highway Construction and Maintenance Fund; providing for apportionment of certain amounts to the Public Transit Revolving Fund; specifying fiscal years during which apportionments made; providing an effective date; and declaring an 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. 2004, 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. (1) for the year beginning July 1, 2002, ~~and all subsequent years,~~ through June 30, 2005, forty-four and eighty-four one-hundredths percent (44.84%),

(2) for the year beginning:

(a) July 1, 2005, and ending June 30, 2006, the first One Million Two Hundred Fifty Thousand Dollars ($1,250,000.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the State Highway and Construction Maintenance Fund, with the remaining amounts, subject to the requirements of division (3) of this subparagraph, apportioned forty-four and eighty-four one-hundredths percent (44.84%), to the General Revenue Fund of the State Treasury,

(b) July 1, 2006, and ending June 30, 2007, the first Three Million Seven Hundred Fifty Thousand Dollars ($3,750,000.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the State Highway and Construction Maintenance Fund, with the remaining amounts, subject to the requirements of division (3) of this subparagraph,

apportioned forty-four and eighty-four one-hundredths percent (44.84%), to the General Revenue Fund of the State Treasury,

(c) July 1, 2007, and ending June 30, 2008, the first Seven Million Five Hundred Thousand Dollars ($7,500,000.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the State Highway and Construction Maintenance Fund, with the remaining amounts, subject to the requirements of division (3) of this subparagraph, apportioned forty-four and eighty-four one-hundredths percent (44.84%), to the General Revenue Fund of the State Treasury,

(d) July 1, 2008, and ending June 30, 2009, the first Ten Million Eight Hundred Thirty-three Thousand Three Hundred Thirty-three Dollars ($10,833,333.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the State Highway and Construction Maintenance Fund, with the remaining amounts, subject to the requirements of division (3) of this subparagraph, apportioned forty-four and eighty-four one-hundredths percent (44.84%),

to the General Revenue Fund of the State Treasury, and

(e) July 1, 2009, and for each fiscal year thereafter, the first Fourteen Million One Hundred Sixty-six Thousand Six Hundred Sixty-six Dollars ($14,166,666.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the State Highway and Construction Maintenance Fund, with the remaining amounts, subject to the requirements of division (3) of this subparagraph, apportioned forty-four and eighty-four one-hundredths percent (44.84%), to the General Revenue Fund of the State Treasury, and

(3) for the period beginning:

(a) July 1, 2005, and ending June 30, 2006, and after the apportionment prescribed by subdivision (a) of division (2) of this subparagraph, the next Two Hundred Eight Thousand Three Hundred Thirty-three Dollars ($208,333.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the Public Transit Revolving Fund created pursuant to Section

4031 of Title 69 of the Oklahoma Statutes, and

(b) for the fiscal year beginning July 1, 2006, and for each fiscal year thereafter, and after the apportionment prescribed by subdivisions (b), (c), (d) and (e) of division (2) of this subparagraph, the next Four Hundred Sixteen Thousand Six Hundred Sixty-six Dollars ($416,666.00) per month collected pursuant to the Oklahoma Vehicle License and Registration Act, which would otherwise be apportioned pursuant to division (1) of this subparagraph to the General Revenue Fund, shall be apportioned to the Public Transit Revolving Fund created pursuant to Section 4031 of Title 69 of the Oklahoma Statutes.

2. In the event that additional monies are necessary pursuant to subsection M 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 this 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. 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. In no event shall the monies apportioned pursuant to subsections B, E, F, G, H and I of this section be less than the monies apportioned in the previous fiscal year.

N. 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. This act shall become effective July 1, 2005.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 16th day of March, 2005.

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Presiding Officer of the House of Representatives

Passed the Senate the ____ day of _____, 2005.

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Presiding Officer of the Senate