

# SENATE CHAMBER

STATE OF OKLAHOMA

DISPOSITION BY SENATE

## FLOOR AMENDMENT

No. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Date)

Mr./Madame President:

I move to amend Senate Bill No. 1915, Page 19, Line 15½, as follows:

By inserting new SECTIONS 2 and 3 to read as per attached, and by renumbering subsequent sections.

Submitted by:

\_\_\_\_\_  
Senator Sparks

Sparks-JCR-FA-SB1915  
3/4/2008 10:48 AM

“ SECTION 2. AMENDATORY 68 O.S. 2001, Section 1004, as last amended by Section 55, Chapter 1, O.S.L. 2007 (68 O.S. Supp. 2007, Section 1004), is amended to read as follows:

Section 1004.

A. 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:

- (1) the following sources and in the following amounts for the fiscal year ending June 30, 2007, through the fiscal year ending June 30, 2011:
  - (a) thirty-three and one-third percent (33 1/3%) to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund created pursuant to Section 2 of this act,
  - (b) thirty-three and one-third percent (33 1/3%) to the Oklahoma Conservation Commission Infrastructure Revolving Fund created pursuant to Section 3 of this act, and
  - (c) thirty-three and one-third percent (33 1/3%) to the Community Water Infrastructure Development Revolving Fund created pursuant to Section 4 of this act, and
- (2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year ending June 30, 2012, and for each fiscal year thereafter,
- 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:
  - (1) the following sources and in the following amounts for the fiscal year ending June 30, 2007, through the fiscal year ending June 30, 2011:
    - (a) thirty-three and one-third percent (33 1/3%) to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund created pursuant to Section 2 of this act,

- (b) thirty-three and one-third percent (33 1/3%) to the Oklahoma Conservation Commission Infrastructure Revolving Fund created pursuant to Section 3 of this act, and
- (c) thirty-three and one-third percent (33 1/3%) to the Community Water Infrastructure Development Revolving Fund created pursuant to Section 4 of this act, and
- (2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year ending June 30, 2012, and for each fiscal year thereafter,
- 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.

B. 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 Rural Economic Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund, the Oklahoma Conservation Commission Infrastructure Revolving Fund and the Community Water Infrastructure Development Revolving 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.

C. 1. Beginning July 1, 2009, prior to the apportionment of any tax as provided for in subsection

A of this section, an amount specified in paragraph 2 of this subsection of the gross production tax

levied and collected pursuant to Section 1001 of this title shall be paid to the State Treasurer to be placed in the Bootstrap Endowment Fund as created in Section 3 of this act.

2. As provided in paragraph 1 of this subsection, a portion of the gross production tax shall be placed in the Bootstrap Endowment Fund as follows:

- a. One percent (1%) for the fiscal year beginning on July 1, 2009;
- b. Two percent (2%) for the fiscal year beginning on July 1, 2010;
- c. Three percent (3%) for the fiscal year beginning on July 1, 2011;
- d. Four percent (4%) for the fiscal year beginning on July 1, 2012; and
- e. Five percent (5%) for the fiscal year beginning on July 1, 2013 and all fiscal years thereafter.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 53 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created an endowment fund to be known as the “Bootstrap Endowment Fund”. The endowment fund principal shall consist of funds apportioned pursuant to subsection C of Section 1004 of Title 68 of the Oklahoma Statutes for the purpose of creating an endowment for the operations of state government. Notwithstanding any other provisions of law, income and investment return on endowment fund principal shall accrue to the endowment fund.

B. The Bootstrap Endowment Fund shall be invested by the State Treasurer as authorized in Section 89.2 of Title 62 of the Oklahoma Statutes; provided, investments in obligations of state and local governments, pursuant to paragraph 6 of subsection A of Section 89.2, shall not exceed five percent (5%) of the cash available for investment.

C. There is hereby created in the State Treasury a revolving fund to be designated the "Bootstrap Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all such transfers made pursuant to subsection D of this section. All

monies accruing to the credit of such fund are hereby appropriated and may be budgeted and expended beginning with the fiscal year beginning July 1, 2025, and each fiscal year thereafter, for operations of state government in the same manner as the General Revenue Fund is budgeted and expended. No more than five percent (5%) of monies from the Bootstrap Revolving Fund shall be budgeted or expended for debt service payments of principal and interest due on outstanding bonds or other financing instruments issued by the State of Oklahoma, any Oklahoma counties, municipalities, state agencies, authorities, commissions, political subdivisions or any other governmental entities. Monies from the Bootstrap Revolving Fund shall not be dedicated or earmarked for a specific use outside the appropriations process. Expenditures from such 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.

D. On July 1, 2025, and on July 1 each year thereafter, four percent (4%) of the total balance of the Bootstrap Endowment Fund shall be transferred to the Bootstrap Revolving Fund and shall be certified by the State Board of Equalization as part of the total amount of revenue which will accrue during the last applicable fiscal year. ”