

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 SENATE BILL 65

By: Corn

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2001, Section 500.6, as last amended by Section  
9 3, Chapter 45, 2nd Extraordinary Session, O.S.L. 2006  
10 and 500.7, as amended by Section 4, Chapter 45, 2nd  
11 Extraordinary Session, O.L.S. 2006 (68 O.S. Supp.  
2006, Sections 500.6 and 500.7), which relate to  
12 motor fuel taxes; modifying apportionment of certain  
13 revenues; deleting obsolete language; and providing a  
14 conditional effective date.

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

16 SECTION 1. AMENDATORY 68 O.S. 2001, Section 500.6, as  
17 last amended by Section 3, Chapter 45, 2nd Extraordinary Session,  
18 O.S.L. 2006 (68 O.S. Supp. 2006, Section 500.6), is amended to read  
19 as follows:

20 Section 500.6 A. The tax of sixteen cents (\$0.16) per gallon  
21 of gasoline that is levied by paragraph 1 of subsection A of Section  
22 500.4 of this title, and the tax of two and eight one-hundredths  
23 cents (\$0.0208) per gallon of gasoline that is levied by subsection  
24 C of Section 500.4 of this title, and penalties and interest

1 thereon, collected by the Oklahoma Tax Commission under the levy  
2 shall be apportioned and distributed monthly as follows:

3 1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00)  
4 of the levy collected each month shall be deposited in the State  
5 Treasury to the credit of the ~~State Transportation Fund~~ Oklahoma  
6 Safe Roads Trust Fund;

7 2. One and six hundred twenty-five one-thousandths percent  
8 (1.625%) of the levy shall be remitted to the State Treasurer to the  
9 credit of the ~~High Priority State Bridge Revolving Fund as created~~  
10 ~~in Section 6 of this act~~ Oklahoma Safe Roads Trust Fund;

11 3. Sixty-three and seventy-five one-hundredths percent (63.75%)  
12 of the levy shall be deposited in the State Treasury to the credit  
13 of the State Transportation Fund to be apportioned as follows:

14 a. the first Eight Hundred Fifty Thousand Dollars  
15 (\$850,000.00) collected each fiscal year shall be  
16 transferred to the Public Transit Revolving Fund,  
17 created in Section 4031 of Title 69 of the Oklahoma  
18 Statutes, and

19 b. the second Eight Hundred Fifty Thousand Dollars  
20 (\$850,000.00) collected each fiscal year shall be  
21 transferred to the Oklahoma Tourism and Passenger Rail  
22 Revolving Fund and shall be used by the Department of  
23 Transportation:  
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1 (1) to contract railroad passenger services,  
2 including but not limited to a route linking  
3 stations in Oklahoma and Tulsa Counties with  
4 other primary points in the national railroad  
5 passenger system and passenger rail service  
6 within the state, and a route beginning at a  
7 station in Oklahoma County and extending north to  
8 the Kansas state line in Kay County, and

9 (2) to provide necessary facility, signaling, and  
10 track improvements for those contracted services,

11 c. forty-one and two-tenths percent (41.2%) of the monies  
12 apportioned to the ~~State Transportation Fund~~ Oklahoma  
13 Safe Roads Trust Fund shall be used for any purpose  
14 provided for in Section 1502 of Title 69 of the  
15 Oklahoma Statutes,

16 d. nine and eight-tenths percent (9.8%) of the monies  
17 apportioned to the ~~State Transportation Fund~~ Oklahoma  
18 Safe Roads Trust Fund shall be used to provide funds  
19 for the construction and maintenance of farm-to-market  
20 roads on the state highway system, and other rural  
21 farm-to-market roads and bridges, and

22 e. any remaining amount of the apportionment shall be  
23 deposited into the ~~State Transportation Fund~~ Oklahoma  
24 Safe Roads Trust Fund;

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

4 a. sixty-five and three-tenths percent (65.3%) of the  
5 monies apportioned under this paragraph shall be used  
6 on the following basis:

7 (1) forty percent (40%) of such sum shall be  
8 distributed to the various counties in the  
9 proportion which the county road mileage of each  
10 county bears to the entire state road mileage as  
11 certified by the Transportation Commission, and

12 (2) the remaining sixty percent (60%) of such sum  
13 shall be distributed to the various counties on  
14 the basis which the population and area of each  
15 county bears to the total population and area of  
16 the state. The population shall be as shown by  
17 the last Federal Decennial Census or the most  
18 recent annual estimate provided by the U.S.

19 Bureau of the Census,

20 b. twenty-three and one-tenth percent (23.1%) of the  
21 monies apportioned under this paragraph shall be  
22 distributed to the counties in the following manner:  
23 One-third (1/3) on area; one-third (1/3) on rural  
24 population, defined as including the population of all

1 municipalities with a population of less than five  
2 thousand (5,000) according to the latest Federal  
3 Decennial Census; and one-third (1/3) on county road  
4 mileage, as last certified by the Department of  
5 Transportation, as each county bears to the entire  
6 area, rural population and road mileage of the state,  
7 and

8 c. eleven and six-tenths percent (11.6%) of the monies  
9 apportioned under this paragraph shall be distributed  
10 to the various counties of the state based on a  
11 formula developed by the Department of Transportation  
12 and approved by the Department of Transportation  
13 County Advisory Board created pursuant to Section  
14 302.1 of Title 69 of the Oklahoma Statutes. The  
15 formula shall be similar to the formula currently used  
16 for the distribution of monies in the County Bridge  
17 Program funds, but shall also take into consideration  
18 the effect of the terrain and traffic volume as  
19 related to county road improvement and maintenance  
20 costs. Any county may, by resolution of the board of  
21 county commissioners, direct the Tax Commission to  
22 deposit the funds apportioned pursuant to this  
23 subparagraph directly into the County Bridge and Road  
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1 Improvement Fund to be used for the purposes set forth  
2 in the County Bridge and Road Improvement Act;

3 5. Three and one hundred twenty-five one-thousandths percent  
4 (3.125%) of the levy shall be distributed to the various counties of  
5 the state based on a formula developed by the Department of  
6 Transportation and approved by the Department of Transportation  
7 County Advisory Board created pursuant to Section 302.1 of Title 69  
8 of the Oklahoma Statutes. The formula shall be similar to the  
9 formula currently used for the distribution of monies in the County  
10 Bridge Program funds, but shall also take into consideration the  
11 effect of the terrain and traffic volume as related to county road  
12 improvement and maintenance costs. Any county may, by resolution  
13 approved by a majority of the board of county commissioners and  
14 filed with the Tax Commission, direct the Tax Commission to deposit  
15 the funds apportioned pursuant to this paragraph directly into the  
16 County Bridge and Road Improvement Fund to be used for the purposes  
17 set forth in the County Bridge and Road Improvement Act;

18 6. Two and six hundred twenty-five one-thousandths percent  
19 (2.625%) of the levy shall be deposited in the County Bridge and  
20 Road Improvement Fund of the State Treasury to be used for the  
21 purposes set forth in the County Bridge and Road Improvement Act;  
22 and

23 7. One and eight hundred seventy-five one-thousandths percent  
24 (1.875%) of the levy shall be transmitted by the Tax Commission to

1 the treasurers of the various incorporated cities and towns of the  
2 state in the percentage which the population, as shown by the last  
3 Federal Decennial Census or the most recent annual estimate provided  
4 by the U.S. Bureau of the Census, bears to the total population of  
5 all the incorporated cities and towns in this state. The funds  
6 shall be expended for the construction, repair and maintenance of  
7 the streets and alleys of the incorporated cities and towns of this  
8 state.

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

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

3 3. Where any county highway has been laid out over a road  
4 already constructed in any county by the use of money raised from  
5 county bond issues for that purpose, either alone or by the use of  
6 federal or state aid, or both, the county commissioners may set  
7 aside out of the funds apportioned to that county, as provided in  
8 this section, an amount of money equal to the value of any part  
9 thereof, of the interest of such county in such highway or bridge,  
10 which amount of money shall be considered by the excise board in  
11 reducing the levy for the purpose of retiring the bonded  
12 indebtedness and interest thereon of the county, and shall be used  
13 for investment or deposit in the same manner as provided by law for  
14 the disposition of other sinking fund money.

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

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

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

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

11 2. If any county has an accrued balance of funds which were  
12 appropriated to or otherwise accrued in the County Road Improvement  
13 Fund, or the County Bridge Improvement Fund, such funds shall, by  
14 resolution approved by a majority of the board of county  
15 commissioners and filed with the Department of Transportation, be  
16 deposited in the county highway fund of the county or shall be  
17 deposited to the County Bridge and Road Improvement Fund to be used  
18 for the purposes set forth in the County Bridge and Road Improvement  
19 Act; and

20 3. If any county has an advanced funding agreement with the  
21 Department of Transportation, the Department of Transportation shall  
22 notify the Tax Commission as to the amount the county is obligated  
23 to pay according to the terms of the advanced funding agreement.  
24 The obligated amount shall be transferred each month by the Tax

1 Commission to the Department of Transportation to the credit of the  
2 County Bridge and Road Improvement Fund from the funds apportioned  
3 to the county pursuant to paragraph 5 of subsection A of this  
4 section. A county may elect to increase the monthly amount to be  
5 repaid pursuant to the advanced funding agreement from the funds  
6 apportioned to the county, but a county shall not be permitted to  
7 reduce the amount agreed to pursuant to the advanced funding  
8 agreement.

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

15 SECTION 2. AMENDATORY 68 O.S. 2001, Section 500.7, as  
16 amended by Section 4, Chapter 45, 2nd Extraordinary Session, O.S.L.  
17 2006 (68 O.S. Supp. 2006, Section 500.7), is amended to read as  
18 follows:

19 Section 500.7 A. The tax of thirteen cents (\$0.13) per gallon  
20 of diesel fuel that is levied by Section 500.4 of this title, and  
21 all penalties and interest thereon, collected by the Oklahoma Tax  
22 Commission under the levy shall be apportioned and distributed  
23 monthly as follows:  
24

1           1. The first Eighty-three Thousand Three Hundred Thirty-three  
2 Dollars and thirty-three cents (\$83,333.33) of the levy collected  
3 each month shall be deposited in the State Treasury to the credit of  
4 the ~~State Transportation Fund~~ Oklahoma Safe Roads Trust Fund;

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

9           3. Sixty-four and thirty-four one-hundredths percent (64.34%)  
10 of the levy shall be deposited in the State Treasury to the credit  
11 of the ~~State Transportation Fund~~ Oklahoma Safe Roads Trust Fund;

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

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

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1           b.   fourteen and five-tenths percent (14.5%) of the monies  
2                   apportioned under this paragraph shall be distributed  
3                   as follows:

4                   Forty percent (40%) of such sum shall be distributed  
5                   to the various counties in that proportion which the  
6                   county road mileage of each county bears to the entire  
7                   state road mileage as certified by the Transportation  
8                   Commission, and the remaining sixty percent (60%) of  
9                   such sum shall be distributed to the various counties  
10                  on the basis which the population and area of each  
11                  county bears to the total population and area of the  
12                  state. The population shall be as shown by the last  
13                  Federal Decennial Census or the most recent annual  
14                  estimate provided by the U.S. Bureau of the Census,

15           c.   twenty-eight and nine-tenths percent (28.9%) of the  
16                   monies apportioned under this paragraph shall be  
17                   distributed to the several counties in the following  
18                   manner: one-third (1/3) on area, one-third (1/3) on  
19                   rural population (defined as including the population  
20                   of all municipalities with a population of less than  
21                   five thousand (5,000) according to the latest Federal  
22                   Decennial Census), and one-third (1/3) on county road  
23                   mileage, as last certified by the Oklahoma Department  
24                   of Transportation, as each county bears to the entire

1 area, rural population and road mileage of the state,  
2 and

3 d. fourteen and five-tenths percent (14.5%) of the monies  
4 apportioned under this paragraph shall be distributed  
5 to the various counties of the state based on a  
6 formula developed by the Oklahoma Department of  
7 Transportation and approved by the Department of  
8 Transportation County Advisory Board created pursuant  
9 to Section 302.1 of Title 69 of the Oklahoma Statutes.  
10 The formula shall be similar to the formula currently  
11 used for the distribution of the County Bridge Program  
12 funds, but shall also take into consideration the  
13 effect of the terrain and traffic volume as related to  
14 the county road improvement and maintenance costs.  
15 Any county may, by resolution approved by a majority  
16 of the board of county commissioners and filed with  
17 the Oklahoma Tax Commission, direct the Oklahoma Tax  
18 Commission to deposit the funds so apportioned by this  
19 subparagraph directly into the County Bridge and Road  
20 Improvement Fund to be used for the purposes set forth  
21 in the County Bridge and Road Improvement Act;

22 5. Three and eighty-five one-hundredths percent (3.85%) of the  
23 levy shall be distributed based on a formula developed by the  
24 Oklahoma Department of Transportation and approved by the Department

1 of Transportation County Advisory Board created pursuant to Section  
2 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be  
3 similar to the formula currently used for the distribution of the  
4 County Bridge Program funds, but shall also take into consideration  
5 the effect of the terrain and traffic volume as related to the  
6 county road improvement and maintenance costs. Any county may, by  
7 resolution approved by a majority of the board of county  
8 commissioners and filed with the Oklahoma Tax Commission, direct the  
9 Oklahoma Tax Commission to deposit the funds so apportioned by this  
10 paragraph directly into the County Bridge and Road Improvement Fund  
11 to be used for the purposes set forth in the County Bridge and Road  
12 Improvement Act. The apportionment of the levy as set forth in this  
13 paragraph shall be subject to the provisions of subsection C of  
14 Section 500.6 of this title; and

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

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

23 C. The tax levied on diesel fuel pursuant to Section 500.4A of  
24 this title, and all penalties and interest thereon, collected by the

1 Commission under the levy shall be apportioned and distributed on a  
2 monthly basis to the ~~State Highway Construction and Maintenance Fund~~  
3 Oklahoma Safe Roads Trust Fund for the purposes authorized by  
4 Section 1502 of Title 69 of the Oklahoma Statutes.

5 SECTION 3. This act shall become effective upon certification  
6 of election returns favoring passage of the Constitutional Amendment  
7 proposed in Senate Joint Resolution No. \_\_\_ of the 1st Session of  
8 the 51st Oklahoma Legislature.

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