

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 1489

6 By: DeWitt

7 COMMITTEE SUBSTITUTE

8 An Act relating to state revenue apportionments;
9 amending 68 O.S. 2001, Section 1004, as last amended
10 by Section 55, Chapter 1, O.S.L. 2007 (68 O.S. Supp.
11 2008, Section 1004), which relates to gross
12 production tax revenues; modifying apportionments;
13 amending Section 2, Chapter 43, 2nd Extraordinary
14 Session, O.S.L. 2006 (74 O.S. Supp. 2008, Section
15 2254.1), which relates to the Oklahoma Tourism and
16 Recreation Department Capital Expenditure Revolving
17 Fund; amending Section 3, Chapter 43, 2nd
18 Extraordinary Session, O.S.L. 2006 (27A O.S. Supp.
19 2008, Section 3-2-110), which relates to Oklahoma
20 Conservation Commission Infrastructure Revolving Fund;
21 amending Section 4, Chapter 43, 2nd Extraordinary
22 Session, O.S.L. 2006 (82 O.S. Supp. 2008, Section
23 1085.7A), which relates to Community Water
24 Infrastructure Development Revolving Fund; modifying
provisions related to termination of effect of
statutes; providing an effective date; and declaring
an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2001, Section 1004, as
last amended by Section 55, Chapter 1, O.S.L. 2007 (68 O.S. Supp.
2008, Section 1004), is amended to read as follows:

1 Section 1004. Beginning July 1, 2002, the gross production tax
2 provided for in Section 1001 of this title is hereby levied and
3 shall be collected and apportioned as follows:

4 1. For all monies collected from the tax levied on asphalt or
5 ores bearing uranium, lead, zinc, jack, gold, silver or copper:

6 a. eighty-five and seventy-two one-hundredths percent
7 (85.72%) shall be paid to the State Treasurer of the
8 state to be placed in the General Revenue Fund of the
9 state and used for the general expense of state
10 government, to be paid out pursuant to direct
11 appropriation by the Legislature,

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

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

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

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

12 a. eighty-five and seventy-two one-hundredths percent
13 (85.72%) shall be paid to the State Treasurer of the
14 state to be placed in the General Revenue Fund of the
15 state and used for the general expense of state
16 government, to be paid out pursuant to direct
17 appropriation by the Legislature,

18 b. seven and fourteen one-hundredths percent (7.14%) of
19 the sum collected from natural gas and/or casinghead
20 gas shall be paid to the various county treasurers to
21 be credited to the County Highway Fund as follows:
22 Each county shall receive a proportionate share of the
23 funds available based upon the proportion of the total

1 value of production from such county in the
2 corresponding month of the preceding year, and
3 c. seven and fourteen one-hundredths percent (7.14%)
4 shall be allocated to each county as provided for in
5 subparagraph b of this paragraph and shall be
6 apportioned, on an average daily attendance per capita
7 distribution basis, as certified by the State
8 Superintendent of Public Instruction to the school
9 districts of the county where such pupils attend
10 school regardless of residence of such pupil, provided
11 the school district makes an ad valorem tax levy of
12 fifteen (15) mills for the current year and maintains
13 twelve (12) years of instruction;

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

- 17 a. seventy-five percent (75%) shall be paid to the State
18 Treasurer of the state to be placed in the General
19 Revenue Fund of the state and used for the general
20 expense of state government, to be paid out pursuant
21 to direct appropriation by the Legislature,
22 b. twelve and one-half percent (12.5%) of the sum
23 collected from natural gas and/or casinghead gas shall
24 be paid to the various county treasurers to be

1 credited to the County Highway Fund as follows: Each
2 county shall receive a proportionate share of the
3 funds available based upon the proportion of the total
4 value of production from such county in the
5 corresponding month of the preceding year, and

6 c. twelve and one-half percent (12.5%) shall be allocated
7 to each county as provided for in subparagraph b of
8 this paragraph and shall be apportioned, on an average
9 daily attendance per capita distribution basis, as
10 certified by the State Superintendent of Public
11 Instruction to the school districts of the county
12 where such pupils attend school regardless of
13 residence of such pupil, provided the school district
14 makes an ad valorem tax levy of fifteen (15) mills for
15 the current year and maintains twelve (12) years of
16 instruction;

17 4. For all monies collected from the tax levied on natural gas
18 and/or casinghead gas at a tax rate of one percent (1%) pursuant to
19 the provisions of subsection B of Section 1001 of this title:

20 a. fifty percent (50%) of the sum collected from natural
21 gas and/or casinghead gas shall be paid to the various
22 county treasurers to be credited to the County Highway
23 Fund as follows: Each county shall receive a
24 proportionate share of the funds available based upon

1 the proportion of the total value of production from
2 such county in the corresponding month of the
3 preceding year, and

- 4 b. fifty percent (50%) shall be allocated to each county
5 as provided for in subparagraph a of this paragraph
6 and shall be apportioned, on an average daily
7 attendance per capita distribution basis, as certified
8 by the State Superintendent of Public Instruction to
9 the school districts of the county where such pupils
10 attend school regardless of residence of such pupil,
11 provided the school district makes an ad valorem tax
12 levy of fifteen (15) mills for the current year and
13 maintains twelve (12) years of instruction;

14 5. For all monies collected from the tax levied on oil at a tax
15 rate of seven percent (7%) pursuant to the provisions of subsection
16 B of Section 1001 of this title:

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

- 22 b. twenty-five and seventy-two one-hundredths percent
23 (25.72%) shall be paid to the State Treasurer to be
24 placed in the Higher Education Capital Revolving Fund

1 created in Section 41.29d of Title 62 of the Oklahoma
2 Statutes,

3 c. twenty-five and seventy-two one-hundredths percent
4 (25.72%) shall be paid to the State Treasurer to be
5 placed in the Oklahoma Tuition Scholarship Revolving
6 Fund created in Section 41.29e of Title 62 of the
7 Oklahoma Statutes,

8 d. four and twenty-eight one-hundredths percent (4.28%)
9 shall be paid to the State Treasurer to be apportioned
10 to the County Bridge and Road Improvement Fund of the
11 State Treasury,

12 e. four and twenty-eight one-hundredths percent (4.28%)
13 shall be paid to the State Treasurer to be apportioned
14 to:

15 ~~(1)~~ the following sources and in the following
16 amounts ~~for the fiscal year ending June 30, 2007,~~
17 ~~through the fiscal year ending June 30, 2011:~~

18 ~~(a)~~ (1) thirty-three and one-third percent (33 1/3%) to
19 the Oklahoma Tourism and Recreation Department
20 Capital Expenditure Revolving Fund created
21 pursuant to Section ~~2~~ 2254.1 of ~~this act~~ Title 74
22 of the Oklahoma Statutes,

23 ~~(b)~~ (2) thirty-three and one-third percent (33 1/3%) to
24 the Oklahoma Conservation Commission

1 Infrastructure Revolving Fund created pursuant to
2 Section ~~3~~ 3-2-110 of ~~this act~~ Title 27A of the
3 Oklahoma Statutes, and

4 ~~(e)~~ (3) thirty-three and one-third percent (33 1/3%) to
5 the Community Water Infrastructure Development
6 Revolving Fund created pursuant to Section ~~4~~
7 1085.7A of ~~this act~~, and

8 ~~(2)~~ ~~the Oklahoma Water Resources Board Rural Economic~~
9 ~~Action Plan Water Projects Fund for the fiscal~~
10 ~~year ending June 30, 2012, and for each fiscal~~
11 ~~year thereafter~~ Title 82 of the Oklahoma
12 Statutes,

13 f. seven and fourteen one-hundredths percent (7.14%) of
14 the sum collected from oil shall be paid to the
15 various county treasurers, to be credited to the
16 County Highway Fund as follows: Each county shall
17 receive a proportionate share of the funds available
18 based upon the proportion of the total value of
19 production from such county in the corresponding month
20 of the preceding year, and

21 g. seven and fourteen one-hundredths percent (7.14%)
22 shall be allocated to each county as provided in
23 subparagraph f of this paragraph and shall be
24 apportioned, on an average daily attendance per capita

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

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

- 11 a. twenty-two and one-half percent (22.5%) shall be paid
12 to the State Treasurer to be placed in the Common
13 Education Technology Revolving Fund created in Section
14 41.29c of Title 62 of the Oklahoma Statutes,
- 15 b. twenty-two and one-half percent (22.5%) shall be paid
16 to the State Treasurer to be placed in the Higher
17 Education Capital Revolving Fund created in Section
18 41.29d of Title 62 of the Oklahoma Statutes,
- 19 c. twenty-two and one-half percent (22.5%) shall be paid
20 to the State Treasurer to be placed in the Oklahoma
21 Tuition Scholarship Revolving Fund created in Section
22 41.29e of Title 62 of the Oklahoma Statutes,
- 23 d. three and seventy-five one-hundredths percent (3.75%)
24 shall be paid to the State Treasurer to be apportioned

1 to the County Bridge and Road Improvement Fund of the
2 State Treasury,

3 e. three and seventy-five one-hundredths percent (3.75%)
4 shall be paid to the State Treasurer to be apportioned
5 to:

6 ~~(1)~~ the following sources and in the following
7 amounts ~~for the fiscal year ending June 30, 2007,~~
8 ~~through the fiscal year ending June 30, 2011:~~

9 ~~(a)~~ (1) thirty-three and one-third percent (33 1/3%) to
10 the Oklahoma Tourism and Recreation Department
11 Capital Expenditure Revolving Fund created
12 pursuant to Section ~~2~~ 2254.1 of ~~this act~~ Title 74
13 of the Oklahoma Statutes,

14 ~~(b)~~ (2) thirty-three and one-third percent (33 1/3%) to
15 the Oklahoma Conservation Commission
16 Infrastructure Revolving Fund created pursuant to
17 Section ~~3~~ 3-2-110 of ~~this act~~ Title 27A of the
18 Oklahoma Statutes, and

19 ~~(c)~~ (3) thirty-three and one-third percent (33 1/3%) to
20 the Community Water Infrastructure Development
21 Revolving Fund created pursuant to Section 4
22 1085.7A of ~~this act,~~ and

23 ~~(2)~~ ~~the Oklahoma Water Resources Board Rural Economic~~
24 ~~Action Plan Water Projects Fund for the fiscal~~

1 ~~year ending June 30, 2012, and for each fiscal~~
2 ~~year thereafter~~ Title 82 of the Oklahoma
3 Statutes,

4 f. twelve and one-half percent (12.5%) of the sum
5 collected from oil shall be paid to the various county
6 treasurers, to be credited to the County Highway Fund
7 as follows: Each county shall receive a proportionate
8 share of the funds available based upon the proportion
9 of the total value of production from such county in
10 the corresponding month of the preceding year, and

11 g. twelve and one-half percent (12.5%) shall be allocated
12 to each county as provided in subparagraph f of this
13 paragraph and shall be apportioned on an average daily
14 attendance per capita distribution basis, as certified
15 by the State Superintendent of Public Instruction, to
16 the school districts of the county where such pupils
17 attend school regardless of residence of such pupil,
18 provided the school district makes an ad valorem tax
19 levy of fifteen (15) mills for the current year and
20 maintains twelve (12) years of instruction; and

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

- 1 a. fifty percent (50%) of the sum collected shall be paid
2 to the various county treasurers, to be credited to
3 the County Highway Fund as follows: Each county shall
4 receive a proportionate share of the funds available
5 based upon the proportion of the total value of
6 production from such county in the corresponding month
7 of the preceding year, and
- 8 b. fifty percent (50%) shall be allocated to each county
9 as provided for in subparagraph a of this paragraph
10 and shall be apportioned on an average daily
11 attendance per capita distribution basis, as certified
12 by the State Superintendent of Public Instruction, to
13 the school districts of the county where such pupils
14 attend school regardless of residence of such pupil,
15 provided the school district makes an ad valorem tax
16 levy of fifteen (15) mills for the current year and
17 maintains twelve (12) years of instruction.

18 Provided, notwithstanding any other provision of this section,
19 the total amounts deposited to the Common Education Technology
20 Revolving Fund, the Higher Education Capital Revolving Fund, the
21 Oklahoma Tuition Scholarship Revolving Fund, ~~the Rural Economic~~
22 ~~Action Plan Water Projects Fund,~~ the Oklahoma Tourism and Recreation
23 Department Capital Expenditure Revolving Fund, the Oklahoma
24 Conservation Commission Infrastructure Revolving Fund and the

1 Community Water Infrastructure Development Revolving Fund pursuant
2 to paragraphs 5 and 6 of this section shall not exceed One Hundred
3 Fifty Million Dollars (\$150,000,000.00) in any fiscal year. All
4 sums in excess of One Hundred Fifty Million Dollars
5 (\$150,000,000.00) in any fiscal year which would otherwise be
6 deposited in such funds shall be placed by the State Treasurer in
7 the General Revenue Fund of the state.

8 SECTION 2. AMENDATORY Section 2, Chapter 43, 2nd
9 Extraordinary Session, O.S.L. 2006 (74 O.S. Supp. 2008, Section
10 2254.1), is amended to read as follows:

11 Section 2254.1 A. There is hereby created in the State
12 Treasury a revolving fund for the Oklahoma Tourism and Recreation
13 Department to be designated the "Oklahoma Tourism and Recreation
14 Department Capital Expenditure Revolving Fund".

15 B. The fund shall be a continuing fund, not subject to fiscal
16 year limitations, and shall consist of all monies received by the
17 Oklahoma Tourism and Recreation Department from the apportionment of
18 gross production tax revenues as prescribed by Section 1004 of Title
19 68 of the Oklahoma Statutes.

20 C. All monies accruing to the credit of said fund are hereby
21 appropriated and may be budgeted and expended by the Oklahoma
22 Tourism and Recreation Department for the purpose of one-time
23 capital expenditures for capital assets owned, managed or controlled
24 by the Oklahoma Tourism and Recreation Department.

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

4 E. No monies in the fund shall be used for the payment of
5 administrative expenses, salary or any other continuing obligation
6 of the Oklahoma Tourism and Recreation Department.

7 ~~F. The provisions of this section shall cease to have the force
8 and effect of law on July 1, 2011. Any monies remaining in the fund
9 created by this section on July 1, 2011, which have been encumbered,
10 but not expended, may be expended according to the terms pursuant to
11 which the monies were encumbered.~~

12 SECTION 3. AMENDATORY Section 3, Chapter 43, 2nd
13 Extraordinary Session, O.S.L. 2006 (27A O.S. Supp. 2008, Section 3-
14 2-110), is amended to read as follows:

15 Section 3-2-110. A. There is hereby created in the State
16 Treasury a revolving fund for the Oklahoma Conservation Commission
17 to be designated the "Oklahoma Conservation Commission
18 Infrastructure Revolving Fund".

19 B. The fund shall be a continuing fund, not subject to fiscal
20 year limitations, and shall consist of all monies received by the
21 Oklahoma Conservation Commission from the apportionment of gross
22 production tax revenues as prescribed by Section 1004 of Title 68 of
23 the Oklahoma Statutes.

1 C. All monies accruing to the credit of said fund are hereby
2 appropriated and may be budgeted and expended by the Oklahoma
3 Conservation Commission for the purpose of the rehabilitation of
4 watershed dams and, subsequent to those required expenditures, for
5 the Conservation Cost Share Program and the Conservation Reserve
6 Enhancement Program.

7 D. Expenditures from said fund shall be made upon warrants
8 issued by the State Treasurer against claims filed as prescribed by
9 law with the Director of State Finance for approval and payment.

10 E. No more than twenty percent (20%) of the monies in the fund
11 shall be used for the payment of administrative expenses, salary or
12 any other continuing obligation of the Oklahoma Conservation
13 Commission.

14 ~~F. The provisions of this section shall cease to have the force
15 and effect of law on July 1, 2011. Any monies remaining in the fund
16 created by this section on July 1, 2011, which have been encumbered,
17 but not expended, may be expended according to the terms pursuant to
18 which the monies were encumbered.~~

19 SECTION 4. AMENDATORY Section 4, Chapter 43, 2nd
20 Extraordinary Session, O.S.L. 2006 (82 O.S. Supp. 2008, Section
21 1085.7A), is amended to read as follows:

22 Section 1085.7A A. There is hereby created in the State
23 Treasury a revolving fund for the Oklahoma Water Resources Board to
24

1 be designated the "Community Water Infrastructure Development
2 Revolving Fund".

3 B. The fund shall be a continuing fund, not subject to fiscal
4 year limitations, and shall consist of all monies received by the
5 Oklahoma Water Resources Board from the apportionment of gross
6 production tax revenues as prescribed by Section 1004 of Title 68 of
7 the Oklahoma Statutes.

8 C. All monies accruing to the credit of said fund are hereby
9 appropriated and may be budgeted and expended by the Oklahoma Water
10 Resources Board for the purpose of establishing and maintaining
11 critical water infrastructure in all areas of the state.

12 D. Of the monies accruing to the credit of said fund, ~~fifty:~~

13 1. Fifty percent (50%) of these funds shall be budgeted and
14 expended for financial assistance loans and grants to public water
15 supply and wastewater systems in Oklahoma; and

16 2. Fifty percent (50%) of these funds, ~~or so much thereof as~~
17 may be necessary, shall be used budgeted and expended to accomplish
18 all phases and funding needs for the Oklahoma Comprehensive Water
19 Plan.

20 E. Expenditures from said fund shall be made upon warrants
21 issued by the State Treasurer against claims filed as prescribed by
22 law with the Director of State Finance for approval and payment.

23 F. Other than expenditures directly related to activities
24 authorized in subsection D of this section, no monies in the fund

1 shall be used for the payment of administrative expenses, salary or
2 any other continuing obligation of the Oklahoma Water Resources
3 Board.

4 ~~G. The provisions of this section shall cease to have the force
5 and effect of law on July 1, 2011. Any monies remaining in the fund
6 created by this section on July 1, 2011, which have been encumbered,
7 but not expended, may be expended according to the terms pursuant to
8 which the monies were encumbered.~~

9 SECTION 5. This act shall become effective July 1, 2009.

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

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