

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 HOUSE BILL 2897

By: Walker

4  
5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2001, Section 1004, as last amended by Section 1,  
9 Chapter 305, O.S.L. 2009 (68 O.S. Supp. 2009, Section  
10 1004), which relates to apportionment of gross  
11 production tax revenues; providing for apportionment  
12 of certain dollar amount to Rural Economic Action  
13 Plan Fund; providing an effective date; and declaring  
14 an emergency.

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

16 SECTION 1. AMENDATORY 68 O.S. 2001, Section 1004, as  
17 last amended by Section 1, Chapter 305, O.S.L. 2009 (68 O.S. Supp.  
18 2009, Section 1004), is amended to read as follows:

19 Section 1004. Beginning July 1, ~~2002~~ 2010, the gross production  
20 tax provided for in Section 1001 of this title is hereby levied and  
21 shall be collected and apportioned as follows:

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

24 a. eighty-five and seventy-two one-hundredths percent

(85.72%) shall be paid to the State Treasurer of the

1 state to be placed in the General Revenue Fund of the  
2 state and used for the general expense of state  
3 government, to be paid out pursuant to direct  
4 appropriation by the Legislature,

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

15 c. seven and fourteen one-hundredths percent (7.14%)  
16 shall be allocated to each county as provided for in  
17 subparagraph b of this paragraph and shall be  
18 apportioned, on an average daily attendance per capita  
19 distribution basis, as certified by the State  
20 Superintendent of Public Instruction to the school  
21 districts of the county where such pupils attend  
22 school regardless of residence of such pupil, provided  
23 the school district makes an ad valorem tax levy of  
24

1           fifteen (15) mills for the current year and maintains  
2           twelve (12) years of instruction;

3           2. For all monies collected from the tax levied on natural gas  
4 and/or casinghead gas at a tax rate of seven percent (7%) pursuant  
5 to the provisions of subsection B of Section 1001 of this title, the  
6 first Fifteen Million Dollars (\$15,000,000.00) shall be apportioned,  
7 before any other apportionment required by this paragraph is made,  
8 to the Rural Economic Action Plan Fund created by Section 2006 of  
9 Title 62 of the Oklahoma Statutes, and after such apportionment is  
10 made, the following:

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

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

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

12 3. For all monies collected from the tax levied on natural gas  
13 and/or casinghead gas at a tax rate of four percent (4%) pursuant to  
14 the provisions of subsection B of Section 1001 of this title, the  
15 first Fifteen Million Dollars (\$15,000,000.00) shall be apportioned,  
16 before any other apportionment required by this paragraph is made,  
17 to the Rural Economic Action Plan Fund created by Section 2006 of  
18 Title 62 of the Oklahoma Statutes, and after such apportionment is  
19 made, the following:

20 a. seventy-five percent (75%) shall be paid to the State  
21 Treasurer of the state to be placed in the General  
22 Revenue Fund of the state and used for the general  
23 expense of state government, to be paid out pursuant  
24 to direct appropriation by the Legislature,

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

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

20           4.    For all monies collected from the tax levied on natural gas  
21                   and/or casinghead gas at a tax rate of one percent (1%) pursuant to  
22                   the provisions of subsection B of Section 1001 of this title, the  
23                   first Fifteen Million Dollars (\$15,000,000.00) shall be apportioned,  
24                   before any other apportionment required by this paragraph is made,

1 to the Rural Economic Action Plan Fund created by Section 2006 of  
2 Title 62 of the Oklahoma Statutes, and after such apportionment is  
3 made, the following:

4 a. fifty percent (50%) of the sum collected from natural  
5 gas and/or casinghead gas shall be paid to the various  
6 county treasurers to be credited to the County Highway  
7 Fund as follows: Each county shall receive a  
8 proportionate share of the funds available based upon  
9 the proportion of the total value of production from  
10 such county in the corresponding month of the  
11 preceding year, and

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

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

1 a. twenty-five and seventy-two one-hundredths percent  
2 (25.72%) shall be paid to the State Treasurer to be  
3 placed in the Common Education Technology Revolving  
4 Fund created in Section ~~41.29e~~ 34.90 of Title 62 of  
5 the Oklahoma Statutes,

6 b. twenty-five and seventy-two one-hundredths percent  
7 (25.72%) shall be paid to the State Treasurer to be  
8 placed in the Higher Education Capital Revolving Fund  
9 created in Section ~~41.29d~~ 34.91 of Title 62 of the  
10 Oklahoma Statutes,

11 c. twenty-five and seventy-two one-hundredths percent  
12 (25.72%) shall be paid to the State Treasurer to be  
13 placed in the Oklahoma ~~Tuition Scholarship~~ Student Aid  
14 Revolving Fund created in Section ~~41.29e~~ 34.92 of  
15 Title 62 of the Oklahoma Statutes,

16 d. four and twenty-eight one-hundredths percent (4.28%)  
17 shall be paid to the State Treasurer to be apportioned  
18 to the County Bridge and Road Improvement Fund of the  
19 State Treasury,

20 e. four and twenty-eight one-hundredths percent (4.28%)  
21 shall be paid to the State Treasurer to be apportioned  
22 to:  
23  
24

1 (1) the following sources and in the following  
2 amounts through the fiscal year ending June 30,  
3 2014:

4 (a) thirty-three and one-third percent (33 1/3%)  
5 to the Oklahoma Tourism and Recreation  
6 Department Capital Expenditure Revolving  
7 Fund created pursuant to Section 2254.1 of  
8 Title 74 of the Oklahoma Statutes,

9 (b) thirty-three and one-third percent (33 1/3%)  
10 to the Oklahoma Conservation Commission  
11 Infrastructure Revolving Fund created  
12 pursuant to Section 3-2-110 of Title 27A of  
13 the Oklahoma Statutes, and

14 (c) thirty-three and one-third percent (33 1/3%)  
15 to the Community Water Infrastructure  
16 Development Revolving Fund created pursuant  
17 to Section 1085.7A of Title 82 of the  
18 Oklahoma Statutes, and

19 (2) the Oklahoma Water Resources Board Rural Economic  
20 Action Plan Water Projects Fund for the fiscal  
21 year ending June 30, 2014, and for each fiscal  
22 year thereafter,

23 f. seven and fourteen one-hundredths percent (7.14%) of  
24 the sum collected from oil shall be paid to the

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

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

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

21 a. twenty-two and one-half percent (22.5%) shall be paid  
22 to the State Treasurer to be placed in the Common  
23 Education Technology Revolving Fund created in Section  
24 ~~41.29e~~ 34.90 of Title 62 of the Oklahoma Statutes,

1           b.    twenty-two and one-half percent (22.5%) shall be paid  
2                   to the State Treasurer to be placed in the Higher  
3                   Education Capital Revolving Fund created in Section  
4                   ~~41.29d~~ 34.91 of Title 62 of the Oklahoma Statutes,

5           c.    twenty-two and one-half percent (22.5%) shall be paid  
6                   to the State Treasurer to be placed in the Oklahoma  
7                   ~~Tuition Scholarship~~ Student Aid Revolving Fund created  
8                   in Section ~~41.29e~~ 34.92 of Title 62 of the Oklahoma  
9                   Statutes,

10          d.    three and seventy-five one-hundredths percent (3.75%)  
11                   shall be paid to the State Treasurer to be apportioned  
12                   to the County Bridge and Road Improvement Fund of the  
13                   State Treasury,

14          e.    three and seventy-five one-hundredths percent (3.75%)  
15                   shall be paid to the State Treasurer to be apportioned  
16                   to:

17               (1)   the following sources and in the following  
18                   amounts through the fiscal year ending June 30,  
19                   2014:

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

1 (b) thirty-three and one-third percent (33 1/3%)  
2 to the Oklahoma Conservation Commission  
3 Infrastructure Revolving Fund created  
4 pursuant to Section 3-2-110 of Title 27A of  
5 the Oklahoma Statutes, and

6 (c) thirty-three and one-third percent (33 1/3%)  
7 to the Community Water Infrastructure  
8 Development Revolving Fund created pursuant  
9 to Section 1085.7A of Title 82 of the  
10 Oklahoma Statutes, and

11 (2) the Oklahoma Water Resources Board Rural Economic  
12 Action Plan Water Projects Fund for the fiscal  
13 year ending June 30, 2014, and for each fiscal  
14 year thereafter,

15 f. twelve and one-half percent (12.5%) of the sum  
16 collected from oil shall be paid to the various county  
17 treasurers, to be credited to the County Highway Fund  
18 as follows: Each county shall receive a proportionate  
19 share of the funds available based upon the proportion  
20 of the total value of production from such county in  
21 the corresponding month of the preceding year, and

22 g. twelve and one-half percent (12.5%) shall be allocated  
23 to each county as provided in subparagraph f of this  
24 paragraph and shall be apportioned on an average daily

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

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

11 a. fifty percent (50%) of the sum collected shall be paid  
12 to the various county treasurers, to be credited to  
13 the County Highway Fund as follows: Each county shall  
14 receive a proportionate share of the funds available  
15 based upon the proportion of the total value of  
16 production from such county in the corresponding month  
17 of the preceding year, and

18 b. fifty percent (50%) shall be allocated to each county  
19 as provided for in subparagraph a of this paragraph  
20 and shall be apportioned on an average daily  
21 attendance per capita distribution basis, as certified  
22 by the State Superintendent of Public Instruction, to  
23 the school districts of the county where such pupils  
24 attend school regardless of residence of such pupil,

1 provided the school district makes an ad valorem tax  
2 levy of fifteen (15) mills for the current year and  
3 maintains twelve (12) years of instruction.

4 Provided, notwithstanding any other provision of this section,  
5 the total amounts deposited to the Common Education Technology  
6 Revolving Fund, the Higher Education Capital Revolving Fund, the  
7 Oklahoma ~~Tuition Scholarship~~ Student Aid Revolving Fund, the Rural  
8 Economic Action Plan Water Projects Fund, the Oklahoma Tourism and  
9 Recreation Department Capital Expenditure Revolving Fund, the  
10 Oklahoma Conservation Commission Infrastructure Revolving Fund and  
11 the Community Water Infrastructure Development Revolving Fund  
12 pursuant to paragraphs 5 and 6 of this section shall not exceed One  
13 Hundred Fifty Million Dollars (\$150,000,000.00) in any fiscal year.  
14 All sums in excess of One Hundred Fifty Million Dollars  
15 (\$150,000,000.00) in any fiscal year which would otherwise be  
16 deposited in such funds shall be placed by the State Treasurer in  
17 the General Revenue Fund of the state.

18 SECTION 2. This act shall become effective July 1, 2010.

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

23  
24 52-2-8372 MAH 01/06/10