

1 **SENATE FLOOR VERSION**

2 February 27, 2012

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1434

By: Bingman of the Senate

and

Peters of the House

6
7
8
9 [petroleum and gas excise tax - apportionment -
10 effective date - emergency]

11
12
13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1103, is
15 amended to read as follows:

16 Section 1103. A. 1. Prior to July 1, 2016, and as provided in
17 Section 1103.1 of this title, all monies derived from the levy of
18 the excise tax on petroleum oil provided for by Section 1101 of this
19 title shall be deposited with the State Treasurer, who shall credit
20 and apportion the same as follows:

- 21 a. eighty-two and six hundred thirty-four thousandths
22 percent (82.634%) of said excise tax shall be credited
23 to the General Revenue Fund of the State Treasury;
24 provided, in each fiscal year beginning on or after

1 July 1, 2012, the first One Million Three Hundred
2 Fifty Thousand Dollars (\$1,350,000.00) which would
3 otherwise have been apportioned to the General Revenue
4 Fund pursuant to this subparagraph shall be
5 transferred to the Oil and Gas Division Revolving Fund
6 of the Oklahoma Corporation Commission,

7 b. ten and five hundred twenty-six thousandths percent
8 (10.526%) shall be credited and apportioned to a
9 separate and distinct fund to be known as the
10 "Corporation Commission Plugging Fund"† and

11 c. the remaining six and eighty-four hundredths percent
12 (6.84%) of said excise tax shall be credited and
13 apportioned to a separate and distinct fund to be
14 known as "The Interstate Oil Compact Fund of
15 Oklahoma", which fund is hereby created.

16 2. Prior to July 1, 2016, and as provided in Section 1103.1 of
17 this title, all monies derived from the levy of the excise tax on
18 natural gas and/or casinghead gas provided for by Section 1102 of
19 this title shall be deposited with the State Treasurer, who shall
20 credit and apportion the same as follows:

21 a. eighty-two and six thousand forty-five ten thousandths
22 percent (82.6045%) of said excise tax shall be
23 credited to the General Revenue Fund of the State
24 Treasury; provided, in each fiscal year beginning on

1 or after July 1, 2012, the first One Million Three
2 Hundred Fifty Thousand Dollars (\$1,350,000.00) which
3 would otherwise have been apportioned to the General
4 Revenue Fund pursuant to this subparagraph shall be
5 transferred to the Oil and Gas Division Revolving Fund
6 of the Oklahoma Corporation Commission,

7 b. ten and five thousand five hundred fifty-five ten
8 thousandths percent (10.5555%) shall be credited and
9 apportioned to the Corporation Commission Plugging
10 Fund~~7,~~ and

11 c. six and eighty-four hundredths percent (6.84%) of said
12 excise tax shall be credited and apportioned to The
13 Interstate Oil Compact Fund of Oklahoma.

14 3. Prior to July 1, 2016, and as provided in Section 1103.1 of
15 this title, all monies to accrue to "The Interstate Oil Compact Fund
16 of Oklahoma" under the provisions of this article, together with all
17 monies remaining unexpended in "The Interstate Oil Compact Fund of
18 Oklahoma" created under this subsection are hereby appropriated and
19 shall be used for the payment of the compensation of the assistant
20 representative of the State of Oklahoma on "The Interstate Oil
21 Compact Commission", the compensation of such clerical, technical,
22 and legal assistants as he or she may with the consent of the
23 Governor employ; the actual and necessary traveling expenses of the
24 assistant representative and employees, and of the Governor when

1 traveling in the Governor's capacity as official representative of
2 the State of Oklahoma on "The Interstate Oil Compact Commission";
3 all items of office expense, including the cost of office supplies
4 and equipment; such contributions as the Governor shall deem
5 necessary and proper to pay to "The Interstate Oil Compact
6 Commission" to defray its expenses; and such other necessary
7 expenses as may be incurred in enabling the State of Oklahoma to
8 fully cooperate in accomplishing the objects of the Interstate
9 Compact to conserve oil and gas. The fund shall be disbursed by the
10 State Treasurer upon sworn, itemized claims approved by the
11 assistant representative and the Governor; provided, that if at the
12 end of any fiscal year any part of the special fund shall remain
13 unexpended, such balance shall be transferred by the State Treasurer
14 to, and become a part of, the General Revenue Fund of the state for
15 the ensuing fiscal year. Provided, further, that if the State of
16 Oklahoma withdraws from the Interstate Compact to conserve oil and
17 gas, any unencumbered monies in "The Interstate Oil Compact Fund of
18 Oklahoma" shall be transferred to and become a part of the General
19 Revenue Fund of the State Treasury and thereafter the excise tax on
20 petroleum oil, natural gas and/or casinghead gas levied by this
21 article shall be levied, collected and deposited in the General
22 Revenue Fund of the State Treasury.

23

24

1 4. All monies to accrue to the Corporation Commission Plugging
2 Fund are hereby appropriated and shall be used for payment of
3 expenses related to the statutory purpose of the fund.

4 The provisions of this subsection shall terminate on June 30,
5 2016.

6 B. 1. Beginning on July 1, 2016, all monies derived from the
7 levy of the excise tax on petroleum oil provided for by Section 1101
8 of this Code shall be deposited with the State Treasurer, who shall
9 credit and apportion the same as follows:

10 a. ninety-two and thirty-five hundredths percent (92.35%)
11 of said excise tax shall be credited and apportioned
12 to the General Revenue Fund of the State Treasury;
13 provided, in each fiscal year beginning on or after
14 July 1, 2012, the first One Million Three Hundred
15 Fifty Thousand Dollars (\$1,350,000.00) which would
16 otherwise have been apportioned to the General Revenue
17 Fund pursuant to this subparagraph shall be
18 transferred to the Oil and Gas Division Revolving Fund
19 of the Oklahoma Corporation Commission, and

20 b. the remaining seven and sixty-five hundredths percent
21 (7.65%) of said excise tax shall be credited and
22 apportioned to a separate and distinct fund to be
23 known as "The Interstate Oil Compact Fund of
24 Oklahoma", which fund is hereby created.

1 2. Beginning on July 1, 2016, all monies derived from the levy
2 of the excise tax on natural gas and/or casinghead gas provided for
3 by Section 1102 of this Code shall be deposited with the State
4 Treasurer, who shall credit and apportion the same as follows:

5 a. ninety-two and thirty-five hundredths percent (92.35%)
6 of said excise tax shall be credited and apportioned
7 to the General Revenue Fund of the State Treasury;
8 provided, in each fiscal year beginning on or after
9 July 1, 2012, the first One Million Three Hundred
10 Fifty Thousand Dollars (\$1,350,000.00) which would
11 otherwise have been apportioned to the General Revenue
12 Fund pursuant to this subparagraph shall be
13 transferred to the Oil and Gas Conservation Division
14 Revolving Fund of the Oklahoma Corporation Commission,
15 and

16 b. seven and sixty-five hundredths percent (7.65%) of
17 said excise tax shall be credited and apportioned to
18 The Interstate Oil Compact Fund of Oklahoma.

19 3. Beginning on July 1, 2016, all monies to accrue to "The
20 Interstate Oil Compact Fund of Oklahoma" under the provisions of
21 this article, together with all monies remaining unexpended in "The
22 Interstate Oil Compact Fund of Oklahoma" created under this
23 subsection are hereby appropriated and shall be used for the payment
24 of the compensation of the assistant representative of the State of

1 Oklahoma on "The Interstate Oil Compact Commission", the
2 compensation of such clerical, technical, and legal assistants as he
3 or she may with the consent of the Governor employ; the actual and
4 necessary traveling expenses of the assistant representative and
5 employees, and of the Governor when traveling in the Governor's
6 capacity as official representative of the State of Oklahoma on "The
7 Interstate Oil Compact Commission"; all items of office expense,
8 including the cost of office supplies and equipment; such
9 contributions as the Governor shall deem necessary and proper to pay
10 to "The Interstate Oil Compact Commission" to defray its expenses;
11 and such other necessary expenses as may be incurred in enabling the
12 State of Oklahoma to fully cooperate in accomplishing the objects of
13 the Interstate Compact to conserve oil and gas. The fund shall be
14 disbursed by the State Treasurer upon sworn, itemized claims
15 approved by the assistant representative and the Governor; provided,
16 that if at the end of any fiscal year any part of the special fund
17 shall remain unexpended, such balance shall be transferred by the
18 State Treasurer to, and become a part of, the General Revenue Fund
19 of the State Treasury for the ensuing fiscal year. Provided,
20 further, that if the State of Oklahoma withdraws from the Interstate
21 Compact to conserve oil and gas, any unencumbered monies in "The
22 Interstate Oil Compact Fund of Oklahoma" shall be transferred to and
23 become a part of the General Revenue Fund of the State Treasury and
24 thereafter the excise tax on petroleum oil, natural gas and/or

1 casinghead gas levied by this article shall be levied, collected and
2 deposited in the General Revenue Fund of the State Treasury.

3 SECTION 2. This act shall become effective July 1, 2012.

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

8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS, dated 2-22-12 - DO
9 PASS, As Amended and Coauthored.

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24