

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1434

By: Bingman

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5  
6 AS INTRODUCED

7 An Act relating to petroleum and gas excise tax;  
8 amending 68 O.S. 2011, Section 1103, which relates to  
9 apportionment of tax; providing for transfer of  
certain revenue after specified date; providing an  
effective date; and declaring an emergency.

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

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

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

- 20 a. eighty-two and six hundred thirty-four thousandths  
21 percent (82.634%) of said excise tax shall be credited  
22 to the General Revenue Fund of the State Treasury;  
23 provided, in each fiscal year beginning on or after  
24 July 1, 2013, the first One Million Three Hundred

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

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

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

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

20 a. eighty-two and six thousand forty-five ten thousandths  
21 percent (82.6045%) of said excise tax shall be  
22 credited to the General Revenue Fund of the State  
23 Treasury; provided, in each fiscal year beginning on  
24 or after July 1, 2013, the first One Million Three

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

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

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

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

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

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

1 The provisions of this subsection shall terminate on June 30,  
2 2016.

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

7 a. ninety-two and thirty-five hundredths percent (92.35%)  
8 of said excise tax shall be credited and apportioned  
9 to the General Revenue Fund of the State Treasury;  
10 provided, in each fiscal year beginning on or after  
11 July 1, 2013, the first One Million Three Hundred  
12 Fifty Thousand Dollars (\$1,350,000.00) which would  
13 otherwise have been apportioned to the General Revenue  
14 Fund pursuant to this subparagraph shall be  
15 transferred to the Oil and Gas Division Revolving Fund  
16 of the Oklahoma Corporation Commission, and

17 b. the remaining seven and sixty-five hundredths percent  
18 (7.65%) of said excise tax shall be credited and  
19 apportioned to a separate and distinct fund to be  
20 known as "The Interstate Oil Compact Fund of  
21 Oklahoma", which fund is hereby created.

22 2. Beginning on July 1, 2016, all monies derived from the levy  
23 of the excise tax on natural gas and/or casinghead gas provided for  
24

1 by Section 1102 of this Code shall be deposited with the State  
2 Treasurer, who shall credit and apportion the same as follows:

3 a. ninety-two and thirty-five hundredths percent (92.35%)  
4 of said excise tax shall be credited and apportioned  
5 to the General Revenue Fund of the State Treasury;  
6 provided, in each fiscal year beginning on or after  
7 July 1, 2013, the first One Million Three Hundred  
8 Fifty Thousand Dollars (\$1,350,000.00) which would  
9 otherwise have been apportioned to the General Revenue  
10 Fund pursuant to this subparagraph shall be  
11 transferred to the Oil and Gas Conservation Division  
12 Revolving Fund of the Oklahoma Corporation Commission,  
13 and

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

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

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

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

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

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