

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 SENATE BILL 415

By: Wilson

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5
6 AS INTRODUCED

7 An Act relating to higher education; creating the
8 Second Century Promise Act; providing short title;
9 stating purpose; specifying eligibility requirements;
10 providing for payment of awards; providing certain
11 benefits to students meeting certain qualifications;
12 prohibiting awards for certain courses; authorizing
13 awards in certain circumstances; creating Second
14 Century Promise Trust Fund; making State Regents
15 trustees for Second Century Promise Trust Fund;
16 authorizing use of certain fund; stating composition
17 of principal of certain fund; authorizing income and
18 investment return to accrue to certain fund;
19 authorizing State Regents to adopt certain rules and
20 allocate certain funds; prohibiting allocation of
21 funds for certain expenses; amending 70 O.S. 2001,
22 Sections 3954 and 3955, as last amended by Sections 5
23 and 6, Chapter 207, O.S.L. 2003 (70 O.S. Supp. 2010,
24 Sections 3954 and 3955), which relate to duties of
Oklahoma State Regents for Higher Education as
trustees of certain funds; requiring certain reports;
amending 68 O.S. 2001, Section 1004, as last amended
by Section 4, Chapter 256, O.S.L. 2010 (68 O.S. Supp.
2010, Section 1004), which relates to apportionment
and use of proceeds of tax; modifying apportionment of
certain tax; providing for codification; providing an
effective date; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 2606 of Title 70, unless there
3 is created a duplication in numbering, reads as follows:

4 Sections 1 through 4 of this act shall be known and may be cited
5 as the "Second Century Promise Act".

6 SECTION 2. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 2607 of Title 70, unless there
8 is created a duplication in numbering, reads as follows:

9 There is hereby created the Second Century Promise program. The
10 purpose of the Second Century Promise program is to provide an award
11 to students who meet the criteria set forth in the Second Century
12 Promise Act, and who are pursuing studies in this state leading to
13 an associate or baccalaureate degree or who are pursuing studies in
14 a postsecondary vocational-technical program or course offered
15 pursuant to a duly approved cooperative agreement between a
16 technology center school and an institution of The Oklahoma State
17 System of Higher Education, and who are in good academic standing in
18 the institution of higher education or technology center school in
19 which enrolled, to relieve them of the burden of paying resident
20 tuition and fees at two-year institutions of The Oklahoma State
21 System of Higher Education, to relieve them of the burden of paying
22 tuition and fees for enrollment in postsecondary programs of the
23 technology center districts, or to relieve them of some portion of

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1 the burden of paying resident tuition and fees at four-year
2 institutions of The Oklahoma State System of Higher Education.

3 SECTION 3. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 2608 of Title 70, unless there
5 is created a duplication in numbering, reads as follows:

6 A. To be eligible to participate in the Second Century Promise
7 program and qualify for an award pursuant to Section 4 of this act,
8 a student shall:

9 1. Be a resident of this state;

10 2. a. have graduated from a high school accredited by the
11 State Board of Education or the Oklahoma School of
12 Science and Mathematics with a minimum 2.0 cumulative
13 grade point average on a 4.0 scale for all work
14 attempted in grades nine through twelve,

15 b. have graduated from a high school not accredited by
16 the State Board of Education with a minimum 2.0
17 cumulative grade point average on a 4.0 scale for all
18 work attempted in grades nine through twelve and have
19 achieved a composite score of 19 or higher on the ACT
20 test,

21 c. have satisfactorily completed an educational program
22 that was provided through a means other than a public
23 or private school and have achieved a composite score
24 of 19 or higher on the ACT test, or

1 d. have been awarded a General Educational Development
2 State Diploma by the State Department of Education and
3 have achieved a composite score of 19 or higher on the
4 ACT test;

5 3. Not have been adjudicated as a delinquent for an offense
6 defined in Section 571 of Title 57 of the Oklahoma Statutes as an
7 exception to a nonviolent offense or convicted as an adult of an
8 offense defined in Section 571 of Title 57 of the Oklahoma Statutes
9 as an exception to a nonviolent offense;

10 4. Agree to participate in community service activities during
11 the time period of receipt of an award pursuant to this act. The
12 community service requirement shall be determined by each individual
13 postsecondary institution;

14 5. Begin the first semester of postsecondary enrollment no
15 later than the Fall semester immediately following high school
16 graduation, or no later than two (2) years after the student's
17 cohort high school class graduates if the student has been awarded a
18 General Educational Development State Diploma. Exceptions to this
19 requirement may be granted for individuals entering the military or,
20 in the case of an individual's sincerely held religious beliefs, to
21 be determined on a case-by-case basis by the State Regents;

22 6. Have submitted an application for federal financial aid; and

23 7. Meet the income eligibility requirement, for which the
24 student's parent(s) adjusted gross income for federal income tax

1 purposes less the amount claimed for personal and dependent
2 exemptions shall not exceed Fifty Thousand Dollars (\$50,000.00) per
3 year. The determination of eligibility as set forth in this
4 paragraph shall be based on the income of the student, not the
5 income of the parent(s), if a student:

- 6 a. is determined to be independent of the student's
7 parent(s) for federal financial aid purposes,
- 8 b. was in the permanent custody of the Department of
9 Human Services at the time the student reached
10 eighteen (18) years of age, or
- 11 c. was in the court-ordered custody of a federally
12 recognized Indian tribe, as defined by the federal
13 Indian Child Welfare Act, 21 U.S.C. Section 1901 et
14 seq. (1978), at the time the student reached eighteen
15 (18) years of age.

16 B. To retain eligibility while pursuing the program of higher
17 learning in which enrolled, the student shall:

- 18 1. Be continuously enrolled on at least a half-time
19 basis, and be making progress toward a degree or
20 vocational-technical program certificate;
- 21 2. Maintain good academic standing and satisfactory
22 academic progress according to standards of the State
23 Regents or the State Board of Career and Technology
24 Education; and

1 3. Refrain from substance abuse, commission of crimes or
2 delinquent acts, and conduct that leads to expulsion
3 or suspension of more than one semester.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 2609 of Title 70, unless there
6 is created a duplication in numbering, reads as follows:

7 A. Payment of awards as provided in this section shall begin
8 for students who meet the eligibility requirements as set forth in
9 Section 3 of this act and are enrolling in a higher learning
10 program, who graduate from high school during the 2010-2011 school
11 year, and shall continue for eligible students graduating from high
12 school through the 2014-2015 school year.

13 B. Beginning with students graduating from high school during
14 the 2015-2016 school year, students who complete all requirements
15 for eligibility for the Oklahoma Higher Learning Access Program
16 pursuant to Section 2603 of Title 70 of the Oklahoma Statutes,
17 except did not attain the 2.5 grade point average, but did attain at
18 least a 2.0 grade point average, shall be eligible for payment of
19 awards as provided in this section.

20 C. Subject to the availability of funds, an amount equivalent
21 to the:

22 1. Resident tuition and fees for which an eligible student is
23 obligated at a two-year institution of The Oklahoma State System of
24 Higher Education shall be awarded by allocation from the Second

1 Century Promise Trust Fund. Such awards shall be limited to a total
2 of sixty-four (64) credit hours;

3 2. Average resident tuition and fees charged at all two-year
4 institutions in The Oklahoma State System of Higher Education for
5 which an eligible student is obligated at a four-year institution of
6 The Oklahoma State System of Higher Education shall be awarded by
7 allocation from the Second Century Promise Trust Fund. Such awards
8 shall be limited to a total of sixty-four (64) credit hours; or

9 3. Tuition and fees for any eligible student enrolled in a
10 public postsecondary vocational-technical program or course for the
11 purpose set forth in Section 2 of this act shall be awarded by
12 allocation from the Second Century Promise Trust Fund. Provided,
13 such allocation shall not exceed the amount a student would have
14 received for comparable enrollment at a two-year institution within
15 The Oklahoma State System of Higher Education. Such awards shall be
16 limited to the lesser of a two-year time period or completion of the
17 vocational-technical program in which the student is enrolled.

18 D. At any time after completion of thirty (30) credit hours at
19 a two-year or four-year institution in The Oklahoma State System of
20 Higher Education and attainment of a 2.5 cumulative grade point
21 average, a student who received an award as set forth in Subsection
22 A or B of this section shall qualify for full Oklahoma Higher
23 Learning Access Program benefits as provided in Section 2604 of
24 Title 70 of the Oklahoma Statutes, subject to the family income

1 limitations specified in Section 2605 of Title 70 of the Oklahoma
2 Statutes.

3 E. An award allowed by this section shall not be allowed for
4 remedial courses, courses or other postsecondary units taken in
5 excess of the requirements for completion of a baccalaureate
6 program, or courses taken more than five (5) years after the
7 student's first semester of postsecondary enrollment. The Oklahoma
8 State Regents for Higher Education may award benefits for courses of
9 postsecondary units taken more than five (5) years after the
10 student's first semester of postsecondary enrollment only in
11 hardship circumstances; provided, however, no participant may
12 receive benefits beyond a cumulative time period of five (5) years.
13 An award for eligible students enrolled in cooperative programs
14 pursuant to agreements between technology center schools and
15 institutions of The Oklahoma State System of Higher Education shall
16 be satisfied for both vocational-technical and college work in which
17 enrolled pursuant to such cooperative program.

18 F. Benefits shall be awarded to all eligible applicants without
19 any limitation on the number of awards in any year other than the
20 amount of funds available for the program and the number of eligible
21 applicants. Subject to the provisions of subsection G of this
22 section, if funds are not sufficient to provide awards for all
23 eligible applicants, the Oklahoma State Regents for Higher Education
24 shall make awards on the basis of need. Provided, the Oklahoma

1 State Regents for Higher Education shall take into consideration
2 other grants and scholarships received by an eligible applicant when
3 making awards.

4 G. The Oklahoma State Regents for Higher Education may, at the
5 time an award is made on behalf of an eligible student, set aside in
6 the Second Century Promise Trust Fund funds for the full commitment
7 made to such student. For all academic years, students who have
8 previously received awards under the provisions of this act, and who
9 have continued at all times to fulfill the requirements for
10 eligibility to receive awards provided pursuant to this program,
11 shall be given an absolute priority for continued financial support
12 superior to any students who are applying for such benefits for the
13 first time.

14 SECTION 5. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 3953.5 of Title 70, unless there
16 is created a duplication in numbering, reads as follows:

17 A. There is hereby created a trust fund to be known as the
18 "Second Century Promise Trust Fund". The Oklahoma State Regents for
19 Higher Education shall be the trustees of the Trust Fund.

20 B. The State Regents shall utilize the Trust Fund to implement
21 the provisions of Sections 1 through 4 of this act.

22 C. The Trust Fund principal shall consist of monies the
23 Legislature appropriates or transfers to the Oklahoma State Regents
24 for Higher Education for the Trust Fund, including but not limited

1 to funding sources provided in subsection D of this section, and any
2 monies or assets contributed to the Trust Fund from any other
3 source, public or private. All monies accruing to the credit of the
4 fund are hereby appropriated and may be budgeted and expended by the
5 State Regents. Expenditures from the fund shall be made upon
6 warrants issued by the State Treasurer against claims filed as
7 prescribed by law with the Director of State Finance for approval
8 and payment.

9 D. The Oklahoma State Regents for Higher Education shall
10 determine the needs of the Trust Fund. Trust Fund principal shall
11 include the following:

- 12 1. All funds remaining in the Oklahoma Bottle Recycling Deposit
13 Fund after reimbursements from the Fund have been made; and
- 14 2. All funds apportioned from gross production tax pursuant to
15 Section 1004 of Title 68 of the Oklahoma Statutes.

16 E. Notwithstanding other provisions of law, income and
17 investment return on Trust Fund principal shall accrue to the Trust
18 Fund for use as provided by authorization of the trustees for the
19 purposes provided in Sections 1 through 4 of this act. The State
20 Regents may also utilize the Trust Fund principal for the purposes
21 provided in Sections 1 through 4 of this act. Except as otherwise
22 provided by law, no such income or investment return or principal
23 shall be used for administrative expenses; expenses incurred by the
24 State Regents in the administration of the Trust Fund and of the

1 Second Century Promise Program established by the Second Century
2 Promise Act shall be paid from monies appropriated to the State
3 Regents coordinating board for their general operating budget.

4 F. The Regents shall adopt rules for accomplishing transfer of
5 funds from the Second Century Promise Trust Fund to the appropriate
6 institutional Educational and General Operations Revolving Funds, as
7 provided in Section 3901 of this title, and to the appropriate
8 technology center school district to cover general enrollment fees
9 or tuition for eligible students pursuant to the Second Century
10 Promise Act. Allocations from the Trust Fund may be made only for
11 the purpose of covering the general enrollment fees or tuition of
12 eligible students. No portion of the Trust Fund may be used or
13 allocated for administrative or operating expenses of any higher
14 education institution or technology center school.

15 SECTION 6. AMENDATORY 70 O.S. 2001, Section 3954, as
16 last amended by Section 5, Chapter 207, O.S.L. 2003 (70 O.S. Supp.
17 2010, Section 3954), is amended to read as follows:

18 Section 3954. A. The Oklahoma State Regents for Higher
19 Education shall discharge their duties as trustees of the Oklahoma
20 State Regents' Endowment Trust Fund, as trustees of the Oklahoma
21 State Regents' Academic Scholars Trust Fund, as trustees of the
22 Oklahoma Higher Learning Access Trust Fund, as trustees of the
23 Oklahoma GEAR UP Scholarship Trust Fund, ~~and~~ as trustees of the
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1 Oklahoma Tuition Equalization Grant Trust Fund, and as trustees of
2 the Second Century Promise Trust fund, hereafter "Trust Funds":

3 1. With the care, skill, prudence, and diligence under the
4 circumstances then prevailing that a prudent person acting in a like
5 capacity and familiar with such matters would use in the conduct of
6 an enterprise of a like character and with like aims;

7 2. By diversifying the investments of the Trust Funds so as to
8 minimize the risk of large losses, unless under the circumstances it
9 is clearly prudent not to do so; and

10 3. In accordance with the laws, documents and instruments
11 governing the Trust Funds.

12 B. The State Regents may procure insurance indemnifying the
13 members of the State Regents from personal loss or accountability
14 from liability resulting from a member's action or inaction as a
15 trustee.

16 C. The State Regents may establish an investment committee for
17 any of the Trust Funds or any combination of such Trust Funds. Such
18 investment committee shall be composed of members of the State
19 Regents appointed by the chair of the State Regents. The committee
20 shall make recommendations to the entire membership of the State
21 Regents on all matters related to the choice of custodians and
22 managers of the assets of the Trust Funds, on the establishment of
23 investment and fund management guidelines, and in planning future
24 investment policy. The committee shall have no authority to act on

1 behalf of the State Regents in any circumstances whatsoever. No
2 recommendation of the committee shall have effect as an action of
3 the State Regents nor take effect without the approval of the State
4 Regents.

5 D. The State Regents may retain qualified investment managers
6 to provide for the investment of the monies of the Trust Funds and
7 may pay the fees for the services of such investment managers from
8 the investment proceeds attributable to each of the Trust Funds.
9 The investment managers shall be chosen by a solicitation of
10 proposals on a competitive bid basis pursuant to standards set by
11 the State Regents. Subject to the overall investment guidelines set
12 by the State Regents, the investment managers shall have full
13 discretion in the management of those monies of the Trust Funds
14 allocated to the investment managers. The State Regents shall
15 manage those monies not specifically allocated to the investment
16 managers. The monies of the Trust Funds allocated to the investment
17 managers shall be actively managed by the investment managers, which
18 may include selling investments and realizing losses if such action
19 is considered advantageous to longer term return maximization.
20 Because of the total return objective, no distinction shall be made
21 for management and performance evaluation purposes between realized
22 and unrealized capital gains and losses.

23 E. Funds and revenues for investment by the investment managers
24 or the State Regents shall be placed with a custodian selected by

1 the State Regents. Payment of the fees for the custodians' services
2 may be paid from the applicable Trust Fund. The custodian shall be
3 a bank or trust company offering pension fund master trustee and
4 master custodial services. The custodian shall be chosen by a
5 solicitation of proposals on a competitive bid basis pursuant to
6 standards set by the State Regents. In compliance with the
7 investment policy guidelines of the State Regents, the custodian
8 bank or trust company shall be contractually responsible for
9 ensuring that all monies of the Trust Funds are invested in income-
10 producing investment vehicles at all times. If a custodian bank or
11 trust company has not received direction from the investment
12 managers of the Trust Funds as to the investment of the monies of
13 the Trust Funds in specific investment vehicles, the custodian bank
14 or trust company shall be contractually responsible to the State
15 Regents for investing the monies in appropriately collateralized
16 short-term interest-bearing investment vehicles.

17 F. By November 1, 1989, and prior to August 1 of each year
18 thereafter, the State Regents shall develop written investment plans
19 for the Trust Funds.

20 G. The State Regents shall compile quarterly financial reports
21 of all the funds and accounts of the Oklahoma State Regents'
22 Endowment Trust Fund, the Oklahoma State Regents' Academic Scholars
23 Trust Fund, the Oklahoma Higher Learning Access Trust Fund, the
24 Oklahoma GEAR UP Scholarship Trust Fund, ~~and~~ the Oklahoma Tuition

1 Equalization Grant Trust Fund, and the Second Century Promise Trust
2 Fund on a fiscal year basis. The reports shall include several
3 relevant measures of investment value, including acquisition cost
4 and current fair market value with appropriate summaries of total
5 holdings and returns. The reports shall contain combined and
6 individual rates of returns of the investment managers by category
7 of investment, over periods of time. The reports shall be
8 distributed to the Director of the Legislative Service Bureau and
9 the Chair of the Joint Committee on Fiscal Operations.

10 H. After July 1 and before October 1 of each year, the State
11 Regents shall publish four annual reports presented in simple and
12 easily understood language. The reports shall be submitted to the
13 Governor, the Speaker of the House of Representatives, the President
14 Pro Tempore of the Senate, the Director of the Legislative Service
15 Bureau, and the Chair of the Joint Committee on Fiscal Operations.
16 The annual reports shall cover the operation of the Oklahoma State
17 Regents' Endowment Trust Fund, the Oklahoma State Regents' Academic
18 Scholars Trust Fund, the Oklahoma Higher Learning Access Trust Fund,
19 the Oklahoma GEAR UP Scholarship Trust Fund, ~~and~~ the Oklahoma
20 Tuition Equalization Grant Trust Fund, and the Second Century
21 Promise Trust Fund during the past fiscal year, including income,
22 disbursements, and the financial condition of the Trust Funds at the
23 end of the fiscal year. The annual reports shall also contain the
24 information issued in the quarterly reports required pursuant to

1 subsection G of this section as well as a summary of the results of
2 the most recent actuarial valuation to include total assets, total
3 liabilities, unfunded liability or over-funded status, contributions
4 and any other information deemed relevant by the State Regents.

5 SECTION 7. AMENDATORY 70 O.S. 2001, Section 3955, as
6 last amended by Section 6, Chapter 207, O.S.L. 2003 (70 O.S. Supp.
7 2010, Section 3955), is amended to read as follows:

8 Section 3955. A. A fiduciary with respect to the Oklahoma
9 State Regents' Endowment Trust Fund, the Oklahoma State Regents'
10 Academic Scholars Trust Fund, the Oklahoma Higher Learning Access
11 Trust Fund, the Oklahoma GEAR UP Scholarship Trust Fund, ~~or~~ the
12 Oklahoma Tuition Equalization Grant Trust Fund, or the Second
13 Century Promise Trust Fund, hereafter the "Trust Fund," shall not
14 cause the Trust Fund to engage in a transaction if the fiduciary
15 knows or should know that such transaction constitutes a direct or
16 indirect:

17 1. Sale or exchange, or leasing of any property from the Trust
18 Fund to a party in interest;

19 2. Lending of money or other extension of credit from the Trust
20 Fund to a party in interest;

21 3. Furnishing of goods, services, or facilities from the Trust
22 Fund to a party in interest; or

23 4. Transfer to, or use by or for the benefit of, a party in
24 interest of any assets of the Trust Fund.

1 B. A fiduciary with respect to the Trust Fund shall not:

2 1. Deal with the assets of the Trust Fund in the fiduciary's
3 own interest or for the fiduciary's own account;

4 2. In the fiduciary's individual or any other capacity act in
5 any transaction involving the Trust Fund on behalf of a party whose
6 interests are adverse to the interests of the Trust Fund; or

7 3. Receive any consideration for the fiduciary's own personal
8 account from any party dealing with the Trust Fund in connection
9 with a transaction involving the assets of the Trust Fund.

10 C. A fiduciary with respect to the Trust Fund may:

11 1. Invest all or part of the assets of the Trust Fund in
12 deposits which bear the highest interest rate available for funds
13 with the necessary degree of availability in a bank or similar
14 financial institution supervised by the United States or a state, if
15 such bank or other institution is a fiduciary of such plan; or

16 2. Provide any ancillary service by a bank or similar financial
17 institution supervised by the United States or a state, if such bank
18 or other institution is a fiduciary of such plan.

19 D. A person or a financial institution is a fiduciary with
20 respect to the Trust Fund to the extent that the person or the
21 financial institution:

22 1. Exercises any discretionary authority or discretionary
23 control respecting management of the Trust Fund or exercises any
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1 authority or control respecting management or disposition of the
2 assets of the Trust Fund;

3 2. Renders investment advice for a fee or other compensation,
4 direct or indirect, with respect to any monies or other property of
5 the Trust Fund, or has any authority or responsibility to do so; or

6 3. Has any discretionary authority or discretionary
7 responsibility in the administration of the Trust Fund.

8 SECTION 8. AMENDATORY 68 O.S. 2001, Section 1004, as
9 last amended by Section 4, Chapter 256, O.S.L. 2010 (68 O.S. Supp.
10 2010, Section 1004), is amended to read as follows:

11 Section 1004. Beginning ~~July 1, 2002~~ July 1, 2012, before the
12 apportionment otherwise provided for in this section, the first
13 Twenty-five Million Dollars (\$25,000,000.00) shall be paid to the
14 State Treasurer to be placed in the Second Century Promise Trust
15 Fund, thereafter, the gross production tax provided for in Section
16 1001 of this title is hereby levied and shall be collected and
17 apportioned as follows:

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

20 a. eighty-five and seventy-two one-hundredths percent
21 (85.72%) shall be paid to the State Treasurer ~~of the~~
22 ~~state~~ to be placed in the General Revenue Fund ~~of the~~
23 ~~state~~ and used for the general expense of state

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1 government, to be paid out pursuant to direct
2 appropriation by the Legislature,

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

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

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

4 a. eighty-five and seventy-two one-hundredths percent
5 (85.72%) shall be paid to the State Treasurer of the
6 state to be placed in the General Revenue Fund of the
7 state and used for the general expense of state
8 government, to be paid out pursuant to direct
9 appropriation by the Legislature,

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

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

1 school regardless of residence of such pupil, provided
2 the school district makes an ad valorem tax levy of
3 fifteen (15) mills for the current year and maintains
4 twelve (12) years of instruction;

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

- 8 a. seventy-five percent (75%) shall be paid to the State
9 Treasurer of the state to be placed in the General
10 Revenue Fund of the state and used for the general
11 expense of state government, to be paid out pursuant
12 to direct appropriation by the Legislature,
- 13 b. twelve and one-half percent (12.5%) of the sum
14 collected from natural gas and/or casinghead gas shall
15 be paid to the various county treasurers to be
16 credited to the County Highway Fund as follows: Each
17 county shall receive a proportionate share of the
18 funds available based upon the proportion of the total
19 value of production from such county in the
20 corresponding month of the preceding year, and
- 21 c. twelve and one-half percent (12.5%) shall be allocated
22 to each county as provided for in subparagraph b of
23 this paragraph and shall be apportioned, on an average
24 daily attendance per capita distribution basis, as

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

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

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

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

1 attend school regardless of residence of such pupil,
2 provided the school district makes an ad valorem tax
3 levy of fifteen (15) mills for the current year and
4 maintains twelve (12) years of instruction;

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

8 a. twenty-five and seventy-two one-hundredths percent
9 (25.72%) shall be paid to the State Treasurer to be
10 placed in the Common Education Technology Revolving
11 Fund created in Section 41.29c of Title 62 of the
12 Oklahoma Statutes,

13 b. twenty-five and seventy-two one-hundredths percent
14 (25.72%) shall be paid to the State Treasurer to be
15 placed in the Higher Education Capital Revolving Fund
16 created in Section 41.29d of Title 62 of the Oklahoma
17 Statutes,

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

23 d. three and seven hundred forty-five one-thousandths
24 percent (3.745%) shall be distributed to the various

1 counties of the state for deposit into the County
2 Bridge and Road Improvement Fund of each county based
3 on a formula developed by the Department of
4 Transportation and approved by the Department of
5 Transportation County Advisory Board created pursuant
6 to Section 302.1 of Title 69 of the Oklahoma Statutes
7 to be used for the purposes set forth in the County
8 Bridge and Road Improvement Act. The formula shall be
9 similar to the formula currently used for the
10 distribution of monies in the County Bridge Program
11 funds, but shall also take into consideration the
12 effect of the terrain and traffic volume as related to
13 county road improvement and maintenance costs,

14 e. four and twenty-eight one-hundredths percent (4.28%)
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. seven and fourteen one-hundredths percent (7.14%) of
16 the sum collected from oil shall be paid to the
17 various county treasurers, to be credited to the
18 County Highway Fund as follows: Each county shall
19 receive a proportionate share of the funds available
20 based upon the proportion of the total value of
21 production from such county in the corresponding month
22 of the preceding year,

23 g. seven and fourteen one-hundredths percent (7.14%)
24 shall be allocated to each county as provided in

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

10 h. five hundred thirty-five one-thousandths percent
11 (0.535%) of the levy shall be transmitted by the
12 Oklahoma Tax Commission to the Statewide Circuit
13 Engineering District Revolving Fund as created in
14 Section 687.2 of Title 69 of the Oklahoma Statutes;

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

18 a. twenty-two and one-half percent (22.5%) shall be paid
19 to the State Treasurer to be placed in the Common
20 Education Technology Revolving Fund created in Section
21 41.29c of Title 62 of the Oklahoma Statutes,

22 b. twenty-two and one-half percent (22.5%) shall be paid
23 to the State Treasurer to be placed in the Higher
24

1 Education Capital Revolving Fund created in Section
2 41.29d of Title 62 of the Oklahoma Statutes,

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

7 d. three and twenty-eight one-hundredths percent (3.28%)
8 shall be distributed to the various counties of the
9 state for deposit into the County Bridge and Road
10 Improvement Fund of each county based on a formula
11 developed by the Department of Transportation and
12 approved by the Department of Transportation County
13 Advisory Board created pursuant to Section 302.1 of
14 Title 69 of the Oklahoma Statutes to be used for the
15 purposes set forth in the County Bridge and Road
16 Improvement Act. The formula shall be similar to the
17 formula currently used for the distribution of monies
18 in the County Bridge Program funds, but shall also
19 take into consideration the effect of the terrain and
20 traffic volume as related to county road improvement
21 and maintenance costs,

22 e. three and seventy-five one-hundredths percent (3.75%)
23 shall be paid to the State Treasurer to be apportioned
24 to:

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. twelve and one-half percent (12.5%) of the sum
24 collected from oil shall be paid to the various county

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

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

16 h. forty-seven one-hundredths percent (0.47%) of the levy
17 shall be transmitted by the Tax Commission to the
18 Statewide Circuit Engineering District Revolving Fund
19 as created in Section 687.2 of Title 69 of the
20 Oklahoma Statutes;

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 9. This act shall become effective July 1, 2011.

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

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