

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1769 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Todd Russ

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 PROPOSED COMMITTEE
4 SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1769

By: Russ

7
8 PROPOSED COMMITTEE SUBSTITUTE

9 An Act relating to revenue and taxation; amending 68
10 O.S. 2011, Section 1004, as last amended by Section
11 1, Chapter 205, O.S.L. 2012 (68 O.S. Supp. 2012,
12 Section 1004), which relates to the apportionment of
13 gross production tax revenue; defining terms;
14 modifying apportionment of gross production tax
15 revenues; providing for apportionment of gross
16 production tax revenues to the Energy Revenue
17 Stabilization Fund; creating the Energy Revenue
18 Stabilization Fund; providing for apportionment of
19 revenues; providing fund subject to legislative
20 appropriation; imposing conditions with respect to
21 decline in gross production tax revenues prior to
22 appropriations authority; restricting appropriation
23 amount based upon certain percentage; providing for
24 investment of funds; providing for interest to become
part of fund balance; imposing certain reporting
duties on Oklahoma Tax Commission with respect to
moving five-year average amounts; imposing deadline
for first report; providing for codification; and
providing effective dates.

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

1 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1004, as
2 last amended by Section 1, Chapter 205, O.S.L. 2012 (68 O.S. Supp.
3 2012, Section 1004), is amended to read as follows:

4 Section 1004. A. As used in this section:

5 1. "Moving five-year average amount for gas" means for purposes
6 of the apportionments prescribed by this section the amount of gross
7 production tax on natural gas collected for each of the five (5)
8 complete fiscal years prior to the beginning of each fiscal year for
9 which the five-year average is being computed and which was
10 apportioned to the General Revenue Fund during such period divided
11 by the whole number five (5); provided, however, that for purposes
12 of the computation of gross production tax on natural gas for the
13 fiscal years ending June 30, 2013, June 30, 2014, and June 30, 2015,
14 the amount of deferred refund payments with respect to production
15 periods beginning on or after July 1, 2009, and ending on or before
16 June 30, 2011, as authorized by subsection M of Section 1001 of this
17 title, shall be added to the total of such gross production tax
18 collections; and

19 2. "Moving five-year average amount for oil" means for purposes
20 of the apportionments prescribed by this section the amount of gross
21 production tax on oil collected for each of the five (5) complete
22 fiscal years prior to the beginning of each fiscal year for which
23 the five-year average is being computed and which was apportioned to
24 the General Revenue Fund during such period divided by the whole

1 number five (5); provided, however, that for purposes of the
2 computation of gross production tax on oil for the fiscal years
3 ending June 30, 2013, June 30, 2014, and June 30, 2015, the amount
4 of deferred refund payments with respect to production periods
5 beginning on or after July 1, 2009, and ending on or before June 30,
6 2011, as authorized by subsection M of Section 1001 of this title,
7 shall be added to the total of such gross production tax
8 collections.

9 B. Beginning July 1, ~~2002~~ 2015, the gross production tax
10 provided for in Section 1001 of this title is hereby levied and
11 shall be collected and apportioned as follows:

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

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

20 b. seven and fourteen one-hundredths percent (7.14%) of
21 the sum collected from natural gas and/or casinghead
22 gas or asphalt or ores bearing uranium, lead, zinc,
23 jack, gold, silver or copper shall be paid to the
24 various county treasurers to be credited to the County

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

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

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

- 20 a. after the total revenue apportioned to the General
21 Revenue Fund as prescribed by subparagraph b of this
22 paragraph equals the moving five-year average amount
23 for gas as defined by paragraph 1 of subsection A of
24 this section, there shall be apportioned from the

1 gross production tax levy imposed pursuant to Section
2 1001 of this title on natural gas and/or casinghead
3 gas to the Energy Revenue Stabilization Fund created
4 by Section 2 of this act, the amount of revenue, if
5 any, which exceeds the moving five-year average amount
6 for gas as defined pursuant to paragraph 1 of
7 subsection A of this section,

8 b. until the apportionment to the General Revenue Fund
9 equals the moving five-year average amount for gas as
10 prescribed by paragraph 1 of subsection A of this
11 section, eighty-five and seventy-two one-hundredths
12 percent (85.72%) shall be paid to the State Treasurer
13 of the state to be placed in the General Revenue Fund
14 of the 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.~~ c. before any other apportionment of revenue has been
18 made pursuant to this paragraph, seven and fourteen
19 one-hundredths percent (7.14%) of the sum collected
20 from natural gas and/or casinghead gas shall be paid
21 to the various county treasurers to be credited to the
22 County Highway Fund as follows: Each county shall
23 receive a proportionate share of the funds available
24 based upon the proportion of the total value of

1 production from such county in the corresponding month
2 of the preceding year, and

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

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

19 a. after the total revenue apportioned to the General
20 Revenue Fund as prescribed by subparagraph b of this
21 paragraph equals the moving five-year average amount
22 for gas as defined by paragraph 1 of subsection A of
23 this section, there shall be apportioned from the
24 gross production tax levy imposed pursuant to Section

1 1001 of this title on natural gas and/or casinghead
2 gas to the Energy Revenue Stabilization Fund created
3 pursuant to Section 2 of this act, the amount of
4 revenue, if any, which exceeds the moving five-year
5 average amount for gas as defined pursuant to
6 paragraph 1 of subsection A of this section,

7 b. until the apportionment to the General Revenue Fund
8 equals the moving five-year average amount for gas as
9 prescribed by paragraph 1 of subsection A of this
10 section, seventy-five percent (75%) shall be paid to

11 the State Treasurer of the state to be placed in the
12 General Revenue Fund of the state and used for the
13 general expense of state government, to be paid out
14 pursuant to direct appropriation by the Legislature,

15 ~~b.~~ c. before any other apportionment of revenue has been
16 made pursuant to this paragraph, twelve and one-half
17 percent (12.5%) of the sum collected from natural gas
18 and/or casinghead gas shall be paid to the various
19 county treasurers to be credited to the County Highway
20 Fund as follows: Each county shall receive a
21 proportionate share of the funds available based upon
22 the proportion of the total value of production from
23 such county in the corresponding month of the
24 preceding year, and

1 ~~e.~~ d. before any other apportionment of revenue has been
2 made pursuant to this paragraph, twelve and one-half
3 percent (12.5%) shall be allocated to each county as
4 provided for in subparagraph ~~b~~ c of this paragraph and
5 shall be apportioned, on an average daily attendance
6 per capita distribution basis, as certified by the
7 State Superintendent of Public Instruction to the
8 school districts of the county where such pupils
9 attend school regardless of residence of such pupil,
10 provided the school district makes an ad valorem tax
11 levy of fifteen (15) mills for the current year and
12 maintains twelve (12) years of instruction;

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

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

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

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

14 a. there shall be apportioned from the gross production
15 tax levy imposed pursuant to Section 1001 of this
16 title on oil to the Energy Revenue Stabilization Fund
17 created by Section 2 of this act, the amount of
18 revenue, if any, which exceeds the moving five-year
19 average amount for oil as defined pursuant to
20 paragraph 2 of subsection A of this section,

21 b. before any other apportionment of revenue has been
22 made pursuant to this paragraph, twenty-five and
23 seventy-two one-hundredths percent (25.72%) shall be
24 paid to the State Treasurer to be placed in the Common

1 Education Technology Revolving Fund created in Section
2 34.90 of Title 62 of the Oklahoma Statutes,

3 ~~b.~~ c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, twenty-five and
5 seventy-two one-hundredths percent (25.72%) shall be
6 paid to the State Treasurer to be placed in the Higher
7 Education Capital Revolving Fund created in Section
8 34.91 of Title 62 of the Oklahoma Statutes,

9 ~~e.~~ d. before any other apportionment of revenue has been
10 made pursuant to this paragraph, twenty-five and
11 seventy-two one-hundredths percent (25.72%) shall be
12 paid to the State Treasurer to be placed in the
13 Oklahoma Student Aid Revolving Fund created in Section
14 34.92 of Title 62 of the Oklahoma Statutes,

15 ~~d.~~ e. before any other apportionment of revenue has been
16 made pursuant to this paragraph, three and seven
17 hundred forty-five one-thousandths percent (3.745%)
18 shall be distributed to the various counties of the
19 state for deposit into the County Bridge and Road
20 Improvement Fund of each county based on a formula
21 developed by the Department of Transportation and
22 approved by the Department of Transportation County
23 Advisory Board created pursuant to Section 302.1 of
24 Title 69 of the Oklahoma Statutes to be used for the

1 purposes set forth in the County Bridge and Road
2 Improvement Act. The formula shall be similar to the
3 formula currently used for the distribution of monies
4 in the County Bridge Program funds, but shall also
5 take into consideration the effect of the terrain and
6 traffic volume as related to county road improvement
7 and maintenance costs,

8 ~~e.~~ f. before any other apportionment of revenue has been
9 made pursuant to this paragraph, four and twenty-eight
10 one-hundredths percent (4.28%) shall be paid to the
11 State Treasurer to be apportioned to:

12 (1) the following sources and in the following
13 amounts through the fiscal year ending June 30,
14 2016:

15 (a) thirty-three and one-third percent (33 1/3%)
16 to the Oklahoma Tourism and Recreation
17 Department Capital Expenditure Revolving
18 Fund created pursuant to Section 2254.1 of
19 Title 74 of the Oklahoma Statutes,

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

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

6 (2) the Oklahoma Water Resources Board Rural Economic
7 Action Plan Water Projects Fund for the fiscal
8 year beginning July 1, 2016, and for each fiscal
9 year thereafter,

10 ~~f.~~ g. before any other apportionment of revenue has been
11 made pursuant to this paragraph, seven and fourteen
12 one-hundredths percent (7.14%) of the sum collected
13 from oil shall be paid to the various county
14 treasurers, to be credited to the County Highway Fund
15 as follows: Each county shall receive a proportionate
16 share of the funds available based upon the proportion
17 of the total value of production from such county in
18 the corresponding month of the preceding year,

19 ~~g.~~ h. before any other apportionment of revenue has been
20 made pursuant to this paragraph, seven and fourteen
21 one-hundredths percent (7.14%) shall be allocated to
22 each county as provided in subparagraph ~~f.~~ g. of this
23 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, and

8 ~~h.~~ i. before any other apportionment of revenue has been
9 made pursuant to this paragraph, five hundred thirty-
10 five one-thousandths percent (0.535%) of the levy
11 shall be transmitted by the Oklahoma Tax Commission to
12 the Statewide Circuit Engineering District Revolving
13 Fund as created in Section 687.2 of Title 69 of the
14 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. there shall be apportioned from the gross production
19 tax levy imposed pursuant to Section 1001 of this
20 title on oil to the Energy Revenue Stabilization Fund
21 created by Section 2 of this act, the amount of
22 revenue, if any, which exceeds the moving five-year
23 average amount for oil as defined pursuant to
24 paragraph 2 of subsection A of this section,

1 b. before any other apportionment of revenue has been
2 made pursuant to this paragraph, twenty-two and one-
3 half percent (22.5%) shall be paid to the State
4 Treasurer to be placed in the Common Education
5 Technology Revolving Fund created in Section 34.90 of
6 Title 62 of the Oklahoma Statutes,

7 ~~b.~~ c. before any other apportionment of revenue has been
8 made pursuant to this paragraph, twenty-two and one-
9 half percent (22.5%) shall be paid to the State
10 Treasurer to be placed in the Higher Education Capital
11 Revolving Fund created in Section 34.91 of Title 62 of
12 the Oklahoma Statutes,

13 ~~c.~~ d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twenty-two and one-
15 half percent (22.5%) shall be paid to the State
16 Treasurer to be placed in the Oklahoma Student Aid
17 Revolving Fund created in Section 34.92 of Title 62 of
18 the Oklahoma Statutes,

19 ~~d.~~ e. before any other apportionment of revenue has been
20 made pursuant to this paragraph, three and twenty-
21 eight one-hundredths percent (3.28%) shall be
22 distributed to the various counties of the state for
23 deposit into the County Bridge and Road Improvement
24 Fund of each county based on a formula developed by

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

12 ~~e.~~ f. before any other apportionment of revenue has been
13 made pursuant to this paragraph, three and seventy-
14 five one-hundredths percent (3.75%) shall be paid to
15 the State Treasurer to be apportioned to:

16 (1) the following sources and in the following
17 amounts through the fiscal year ending June 30,
18 2016:

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

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 beginning July 1, 2016, and for each fiscal
14 year thereafter,

15 ~~f.~~ g. before any other apportionment of revenue has been
16 made pursuant to this paragraph, twelve and one-half
17 percent (12.5%) of the sum collected from oil shall be
18 paid to the various county treasurers, to be credited
19 to the County Highway Fund as follows: Each county
20 shall receive a proportionate share of the funds
21 available based upon the proportion of the total value
22 of production from such county in the corresponding
23 month of the preceding year,

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

13 ~~h.~~ i. before any other apportionment of revenue has been
14 made pursuant to this paragraph, forty-seven one-
15 hundredths percent (0.47%) of the levy shall be
16 transmitted by the Tax Commission to the Statewide
17 Circuit Engineering District Revolving Fund as created
18 in Section 687.2 of Title 69 of the Oklahoma Statutes;

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

22 a. there shall be apportioned from the gross production
23 tax levy imposed pursuant to Section 1001 of this
24 title on oil to the Energy Revenue Stabilization Fund

1 created by Section 2 of this act, the amount of
2 revenue, if any, which exceeds the moving five-year
3 average amount as defined pursuant to paragraph 2 of
4 subsection A of this section,

5 b. before any other apportionment of revenue has been
6 made pursuant to this paragraph, fifty percent (50%)
7 of the sum collected shall be paid to the various
8 county treasurers, to be credited to the County
9 Highway Fund as follows: Each county shall receive a
10 proportionate share of the funds available based upon
11 the proportion of the total value of production from
12 such county in the corresponding month of the
13 preceding year, and

14 ~~b.~~ c. before any other apportionment of revenue has been
15 made pursuant to this paragraph, fifty percent (50%)
16 shall be allocated to each county as provided for in
17 subparagraph a 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 B. Provided, notwithstanding any other provision of this
4 section, the total amounts deposited to the Common Education
5 Technology Revolving Fund, the Higher Education Capital Revolving
6 Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic
7 Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation
8 Department Capital Expenditure Revolving Fund, the Oklahoma
9 Conservation Commission Infrastructure Revolving Fund and the
10 Community Water Infrastructure Development Revolving Fund pursuant
11 to paragraphs 5 and 6 of subsection A of this section shall not
12 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any
13 fiscal year. Except as otherwise provided in this subsection, all
14 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 apportioned by the Oklahoma Tax
17 Commission to the General Revenue Fund of the state or, if
18 authorized by subsection A of this section, to the Energy Revenue
19 Stabilization Fund created pursuant to Section 2 of this act.

20 ~~Provided, amounts which would otherwise be apportioned by the~~
21 ~~Oklahoma Tax Commission to the General Revenue Fund for the fiscal~~
22 ~~year ending on June 30, 2012, pursuant to this subsection, shall be~~
23 ~~apportioned as follows:~~

1 ~~1. Thirty-seven Million Six Hundred Thousand Dollars~~
2 ~~(\$37,600,000.00) to the State Department of Education disbursing~~
3 ~~fund authorized by the Office of State Finance pursuant to the~~
4 ~~provisions of Section 34.48 of Title 62 of the Oklahoma Statutes, to~~
5 ~~be used for the purpose of funding the certified employee and~~
6 ~~support personnel health benefit allowance;~~

7 ~~2. Fourteen Million Eight Hundred Forty-five Thousand Seven~~
8 ~~Hundred Dollars (\$14,845,700.00) to the State Department of~~
9 ~~Education disbursing fund authorized by the Office of State Finance~~
10 ~~pursuant to the provisions of Section 34.48 of Title 62 of the~~
11 ~~Oklahoma Statutes, to be used for the purpose of providing bonuses~~
12 ~~to teachers who have achieved National Board certification, to~~
13 ~~school psychologists who have been designated as Nationally~~
14 ~~Certified School Psychologists by the National School Psychology~~
15 ~~Certification Board, and to speech-language pathologists and~~
16 ~~audiologists who hold a Certificate of Clinical Competence awarded~~
17 ~~by the American Speech-Language Hearing Association, pursuant to the~~
18 ~~Education Leadership Oklahoma Act;~~

19 ~~3. Five Million Dollars (\$5,000,000.00) to the Department of~~
20 ~~Public Safety Patrol Academy Revolving Fund created in Section 2-146~~
21 ~~of Title 47 of the Oklahoma Statutes;~~

22 ~~4. One Million Dollars (\$1,000,000.00) to the Chief Medical~~
23 ~~Examiner Revolving Fund created in Section 954 of Title 63 of the~~
24 ~~Oklahoma Statutes;~~

1 ~~5. Thirty four Million One Hundred Forty five Thousand Seven~~
2 ~~Hundred Six Dollars (\$34,145,706.00) to the State Emergency Fund~~
3 ~~created in Section 139.42 of Title 62 of the Oklahoma Statutes; and~~

4 ~~6. All funds except those deposited pursuant to the provisions~~
5 ~~of paragraphs 1 through 5 of this subsection to the General Revenue~~
6 ~~Fund.~~

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 53 of Title 62, unless there is
9 created a duplication in numbering, reads as follows:

10 A. There is hereby created in the State Treasury a fund to be
11 designated the "Energy Revenue Stabilization Fund". The fund shall
12 be a continuing fund, not subject to fiscal year limitations, and
13 shall consist of all monies apportioned to the fund pursuant to
14 Section 1004 of Title 68 of the Oklahoma Statutes.

15 B. The monies in the Energy Revenue Stabilization Fund shall be
16 subject to legislative appropriation if the amount of gross
17 production tax revenues apportioned to the General Revenue Fund of
18 the State Treasury for the most recently completed fiscal year from
19 a combination of both natural gas and oil declined by five
20 percentage points or more compared to the immediately preceding
21 fiscal year. The comparison required by this subsection shall be
22 made by the Oklahoma Tax Commission and reported to the Governor,
23 the Speaker of the Oklahoma House of Representatives and the
24 President Pro Tempore of the Oklahoma State Senate not later than

1 the first Monday of February each year. The Legislature shall be
2 authorized to appropriate money from the Energy Revenue
3 Stabilization Fund according to the requirements of this section for
4 the fiscal year beginning July 1 immediately following such February
5 reporting date each year.

6 C. The Legislature shall not appropriate more than fifty
7 percent (50%) of the balance in the Energy Revenue Stabilization
8 Fund for any one (1) fiscal year.

9 D. Monies in the Energy Revenue Stabilization Fund shall be
10 invested in the same manner as other state funds under the direction
11 and control of the State Treasurer.

12 E. All interest earned from the investment of the principal
13 amount of the Energy Revenue Stabilization Fund shall become part of
14 the total balance of the fund.

15 SECTION 3. NEW LAW A new section of law to be codified
16 in the Oklahoma Statutes as Section 1004.1-1 of Title 68, unless
17 there is created a duplication in numbering, reads as follows:

18 A. The Oklahoma Tax Commission shall report to the Governor,
19 the Speaker of the House of Representatives and the President Pro
20 Tempore of the Oklahoma State Senate not later than January 31 each
21 year the moving five-year average amount for both oil and gas as
22 defined by paragraphs 1 and 2 of subsection A of Section 1004 of
23 Title 68 of the Oklahoma Statutes.

24

1 B. The Tax Commission shall make the first report required by
2 this section not later than January 31, 2015, and not later than
3 January 31 of each succeeding year.

4 SECTION 4. Section 3 of this act shall become effective January
5 1, 2015.

6 SECTION 5. Section 1 of this act shall become effective July 1,
7 2015.

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9 54-1-6749 MAH 02/26/13

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