

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 COMMITTEE SUBSTITUTE
4 FOR
5 SENATE BILL NO. 1394

By: Yen

6
7 COMMITTEE SUBSTITUTE

8 An Act relating to distribution of income tax
9 revenue; amending 69 O.S. 2011, Section 1521, as last
10 amended by Section 93, Chapter 15, O.S.L. 2013 (69
11 O.S. Supp. 2015, Section 1521), which relates to the
12 Rebuilding Oklahoma Access and Driver Safety Fund;
13 providing exception to certain annual apportionment;
14 modifying cap on total amount apportioned annually
and procedures related thereto; making certain annual
apportionment contingent upon specified determination
by State Board of Equalization; requiring
determination by State Board at specified meeting;
providing an effective date; and declaring an
emergency.

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

18 SECTION 1. AMENDATORY 69 O.S. 2011, Section 1521, as
19 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.
20 2015, Section 1521), is amended to read as follows:

21 Section 1521. A. There is hereby created in the State Treasury
22 a fund to be known as the "Rebuilding Oklahoma Access and Driver
23 Safety Fund". The fund shall be a continuing fund, not subject to
24 fiscal year limitations, and shall consist of all appropriations and

1 transfers made by the Legislature. All monies accruing to the
2 credit of the fund are hereby appropriated and may be budgeted and
3 expended each fiscal year by the Department of Transportation for
4 the purposes authorized by subsection G of this section.

5 Expenditures from the fund shall be made upon warrants issued by the
6 State Treasurer against claims filed as prescribed by law with the
7 Director of the Office of Management and Enterprise Services for
8 approval and payment.

9 B. There shall be apportioned to the funds specified in this
10 subsection from the monies that would otherwise be apportioned to
11 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma
12 Statutes from the revenues derived pursuant to subsections A, B and
13 E of Section 2355 of Title 68 of the Oklahoma Statutes amounts as
14 follows:

15 1. For each fiscal year, subject to the provisions of paragraph
16 3 of this subsection, and, except for the amount prescribed by
17 subparagraph a of this paragraph, subject to any reductions required
18 or exceptions provided by subsection F ~~subsection F~~ subsections F and I of this
19 section, there shall be apportioned to the Rebuilding Oklahoma
20 Access and Driver Safety Fund:

- 21 a. for the fiscal year beginning July 1, 2011, the first
22 Thirty-five Million Seven Hundred Thousand Dollars
23 (\$35,700,000.00), for the fiscal year beginning July
24 1, 2012, the first Forty-one Million Seven Hundred

1 Thousand Dollars (\$41,700,000.00) and for the fiscal
2 year beginning July 1, 2013, and for each fiscal year
3 thereafter, Fifty-nine Million Seven Hundred Thousand
4 Dollars (\$59,700,000.00), which shall be allocated and
5 used by the Department of Transportation first for the
6 purpose of making any required payments for principal,
7 interest or other costs of borrowing with respect to
8 the obligations issued pursuant to Section 341 of
9 Title 73 of the Oklahoma Statutes and after any such
10 required payment has been made then for the purposes
11 otherwise authorized by this section, plus

12 b. the total amount apportioned to the Rebuilding
13 Oklahoma Access and Driver Safety Fund for the
14 preceding fiscal year which, except for the amount
15 prescribed by subparagraph a of this paragraph, shall
16 be apportioned before any other amount is apportioned
17 pursuant to Section 2352 of Title 68 of the Oklahoma
18 Statutes, plus

19 c. an additional incremental amount which shall not be in
20 excess of the amount prescribed by subparagraph a of
21 this paragraph and that is required in order for the
22 total apportionment for such fiscal year to equal Five
23 Hundred Seventy-five Million Dollars
24 (\$575,000,000.00).

1 All amounts apportioned pursuant to this paragraph shall be
2 divided into twelve equal amounts to be apportioned each month
3 during the fiscal year except the amount specified in subparagraph a
4 of this paragraph which amount shall be allocated in its full amount
5 in cash not later than July 30 each year or such later date as may
6 be required in order for the amount to be allocated in cash;

7 2. For each fiscal year after the apportionments required by
8 paragraph 1 of this subsection have been made:

9 a. the next Two Million Dollars (\$2,000,000.00) shall be
10 apportioned to the Oklahoma Tourism and Passenger Rail
11 Revolving Fund created pursuant to Section 325 of
12 Title 66 of the Oklahoma Statutes to be used for
13 capital and operating costs for the "Heartland Flyer"
14 rail project, and

15 b. the next Three Million Dollars (\$3,000,000.00) shall
16 be apportioned to the Public Transit Revolving Fund
17 created pursuant to Section 4031 of this title to be
18 used for purposes authorized by law other than the
19 purpose described by subparagraph a of this paragraph.

20 All amounts apportioned pursuant to this paragraph shall be
21 divided into twelve equal amounts to be apportioned each month
22 during the fiscal year; and

23 3. For each fiscal year after the first fiscal year in which
24 the total apportionment to the Rebuilding Oklahoma Access and Driver

1 Safety Fund as provided by paragraph 1 of this subsection equals
2 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the
3 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)
4 collected pursuant to subsections A, B and E of Section 2355 of
5 Title 68 of the Oklahoma Statutes and apportioned pursuant to
6 Section 2352 of Title 68 of the Oklahoma Statutes that would
7 otherwise be apportioned to the General Revenue Fund shall be
8 apportioned to the Rebuilding Oklahoma Access and Driver Safety
9 Fund. With the exception of the amount prescribed by subparagraph a
10 of paragraph 1 of this subsection, all amounts apportioned pursuant
11 to this paragraph shall be divided into twelve equal amounts to be
12 apportioned each month during the fiscal year.

13 C. The apportionments of revenues required by subparagraphs a,
14 b and c of paragraph 1 of subsection B of this section shall be made
15 until the total annual apportionment to the Rebuilding Oklahoma
16 Access and Driver Safety Fund equals Five Hundred Seventy-five
17 Million Dollars (\$575,000,000.00). After such annual apportionment
18 level is reached, the apportionment to the fund shall be governed by
19 the provisions of paragraph 3 of subsection B of this section.

20 D. The monies apportioned to the Rebuilding Oklahoma Access and
21 Driver Safety Fund shall not be used to supplant or replace existing
22 state funds used for transportation purposes.

23 E. In order to ensure that the funds from the ROADS Fund are
24 used to enhance and not supplant state funding for the Department of

1 Transportation, the State Board of Equalization shall examine and
2 investigate expenditures from the fund each year. For purposes of
3 this examination, monies used to retire outstanding debt obligations
4 for which the Department of Transportation is responsible shall be
5 excluded. At the meeting of the State Board of Equalization held
6 within five (5) days after the monthly apportionment in February of
7 each year, the State Board of Equalization shall issue a finding and
8 report which shall state whether expenditures from the ROADS Fund
9 were used to enhance or supplant state funding for the Department of
10 Transportation. If the State Board of Equalization finds that state
11 funding for the Department of Transportation was supplanted by funds
12 from the ROADS Fund, the Board shall specify the amount by which
13 such funding was supplanted. In this event, the Legislature shall
14 not make any appropriations for the ensuing fiscal year until an
15 appropriation in that amount is made to replenish state funding for
16 the Department of Transportation.

17 F. In the event that the Director of the Office of Management
18 and Enterprise Services declares a General Revenue Fund revenue
19 failure pursuant to Section 34.49 of Title 62 of the Oklahoma
20 Statutes, and agency allocations are reduced pursuant to the
21 provisions of Section 34.49 of Title 62 of the Oklahoma Statutes,
22 the amounts that would otherwise be apportioned to the ROADS Fund
23 by:
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1 1. Subparagraph a of paragraph 1 of subsection B of this
2 section, only to the extent that the amount is not required for debt
3 service related to the obligations authorized pursuant to Section
4 341 of Title 73 of the Oklahoma Statutes;

5 2. Subparagraphs b and c of paragraph 1 of subsection B of this
6 section; and

7 3. Subparagraphs a and b of paragraph 2 of subsection B of this
8 section,

9 shall be reduced by a percentage equal to that required of the
10 General Revenue Fund appropriations to state agencies and such
11 reductions shall occur during the entire fiscal year and for any
12 month during which such reductions are required by the Office of
13 Management and Enterprise Services and by the same percentage as
14 that required of the agencies for such General Revenue Fund
15 appropriations.

16 G. The Department of Transportation shall use the monies in the
17 Rebuilding Oklahoma Access and Driver Safety Fund for:

18 1. The construction and maintenance of state roads, bridges and
19 highways;

20 2. The direct expenses of operating and maintaining the state
21 highway system, including bridges;

22 3. Direct expenses incurred in constructing, repairing, and
23 maintaining state highways, farm-to-market roads, county highways
24 and bridges as authorized by law;

1 4. Matching federal funds;

2 5. The purchase of materials, tools, machinery, motor vehicles,
3 and equipment necessary or convenient for the construction and
4 maintenance of the state highway system and bridges;

5 6. Debt service incurred prior to January 1, 2006, for Capital
6 Improvement Program bonds sold pursuant to Section 2001 of this
7 title; and

8 7. Debt service incurred on or after July 1, 2009, with respect
9 to obligations authorized to be issued pursuant to Section 341 of
10 Title 73 of the Oklahoma Statutes.

11 H. From the monies allocated pursuant to the provisions of
12 subparagraph a of paragraph 1 of subsection B of this section each
13 fiscal year, the Department of Transportation shall make payments
14 required for the payment of principal, interest and other costs
15 related to the obligations issued by the Oklahoma Capitol
16 Improvement Authority as authorized by Section 341 of Title 73 of
17 the Oklahoma Statutes and such payments shall be made by the
18 Department each fiscal year before such monies are used for any
19 other purpose.

20 I. The apportionment prescribed pursuant to subparagraph a of
21 paragraph 1 of subsection B of this section shall not be made for
22 the fiscal year beginning on July 1, 2016, and for all subsequent
23 fiscal years shall be contingent upon a determination made by the
24 State Board of Equalization that the General Revenue Fund estimate

1 for the fiscal year beginning on the next ensuing July 1 is at least
2 four percent (4%) greater than the revised General Revenue Fund
3 estimate for the then current fiscal year. Such determination shall
4 be made at the meeting required by paragraph 1 of Section 23 of
5 Article X of the Oklahoma Constitution to be held each February.

6 SECTION 2. This act shall become effective July 1, 2016.

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

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