

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2954

By: Cockroft

COMMITTEE SUBSTITUTE

[compressed natural gas - vehicle conversion -
revolving fund - revenue apportionment - effective
date -
emergency]

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1451 of Title 19, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "County Fleet
Vehicle Compressed Natural Gas Conversion Funding Act of 2014".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1452 of Title 19, unless there
is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund
for the circuit engineering districts of the State of Oklahoma to be

1 designated the "County Fleet Vehicle Compressed Natural Gas
2 Conversion Cost Revolving Fund". The fund shall be a continuing
3 fund, not subject to fiscal year limitations, and shall consist of
4 all monies received by the fund from the apportionment of gross
5 production tax revenues as provided in Section 1004 of Title 68 of
6 the Oklahoma Statutes. All monies accruing to the credit of said
7 fund are hereby appropriated and may be budgeted and expended by the
8 circuit engineering districts for the purpose of offsetting the
9 costs associated with converting fleet vehicles to compressed
10 natural gas. Expenditures from said fund shall be made upon
11 warrants issued by the State Treasurer against claims filed as
12 prescribed by law with the Director of the Office of Management and
13 Enterprise Services for approval and payment.

14 SECTION 3. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 1453 of Title 19, unless there
16 is created a duplication in numbering, reads as follows:

17 A. The circuit engineering districts shall make available to
18 each county an equal share of the total funds in the County Fleet
19 Vehicle Compressed Natural Gas Conversion Cost Revolving Fund. The
20 total amount of the balance of the fund shall be divided by seventy-
21 seven (77) and each county shall have an account within the fund
22 equal to such amount.

23 B. The circuit engineering districts shall have the authority
24 to use the monies in the fund in order to pay costs for the

1 conversion of the existing county fleet vehicles to compressed
2 natural gas.

3 C. The fund shall only be used for costs related to the
4 acquisition of county fleet vehicles and shall not be used for any
5 other purpose.

6 D. The provisions of this section shall cease to have the force
7 and effect of law on July 1, 2019.

8 E. Any equipment used for conversion of a vehicle to compressed
9 natural gas shall:

10 1. Be new, not previously used to modify or retrofit any
11 vehicle propelled by gasoline or diesel fuel and be installed by an
12 alternative fuels equipment technician who is certified in
13 accordance with the Alternative Fuels Technician Certification Act;

14 2. Meet all Federal Motor Vehicle Safety Standards set forth in
15 49 CFR 571; or

16 3. For any commercial motor vehicle (CMV), follow the Federal
17 Motor Carrier Safety Regulations or Oklahoma Intrastate Motor
18 Carrier Regulations.

19 SECTION 4. AMENDATORY 68 O.S. 2011, Section 1004, as
20 last amended by Section 1, Chapter 205, O.S.L. 2012 (68 O.S. Supp.
21 2013, Section 1004), is amended to read as follows:

22 Section 1004. A. Beginning July 1, ~~2002~~ 2014, the gross
23 production tax provided for in Section 1001 of this title is hereby
24 levied and shall be collected and apportioned as follows:

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

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

9 b. seven and fourteen one-hundredths percent (7.14%) of
10 the sum collected from natural gas and/or casinghead
11 gas or asphalt or ores bearing uranium, lead, zinc,
12 jack, gold, silver or copper shall be paid to the
13 various county treasurers to be credited to the County
14 Highway 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 c. seven and fourteen one-hundredths percent (7.14%)
20 shall be allocated to each county as provided for in
21 subparagraph b of this paragraph and shall be
22 apportioned, on an average daily attendance per capita
23 distribution basis, as certified by the State
24 Superintendent of Public Instruction to the school

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

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

9 a. ~~eighty-five and seventy-two one-hundredths percent~~
10 ~~(85.72%)~~

11 (1) for the fiscal years ending not later than June
12 30, 2019, eighty and seventy-two one-hundredths
13 percent (80.72%) shall be paid to the State
14 Treasurer of the state to be placed in the
15 General Revenue Fund of the state and used for
16 the general expense of state government, to be
17 paid out pursuant to direct appropriation by the
18 Legislature, and

19 (2) for the fiscal years ending June 30, 2020, and
20 for each fiscal year thereafter, eighty-five and
21 seventy-two one-hundredths percent (85.72%) shall
22 be paid to the State Treasurer to be placed in
23 the General Revenue Fund and used for the general
24 expense of state government, to be paid out

1 pursuant to direct appropriation by the
2 Legislature,

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

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

22 d. for the fiscal years ending not later than June 30,
23 2019, five percent (5.0%) shall be apportioned to the

1 County Fleet Vehicle Compressed Natural Gas Conversion
2 Cost Revolving Fund created by Section 2 of this act;

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

6 a. ~~seventy-five percent (75%)~~

7 (1) for the fiscal years ending not later than June
8 30, 2019, seventy percent (70%) shall be paid to
9 the State Treasurer ~~of the state~~ to be placed in
10 the General Revenue Fund ~~of the state~~ and used
11 for the general expense of state government, to
12 be paid out pursuant to direct appropriation by
13 the Legislature, and

14 (2) for the fiscal years ending June 30, 2020, and
15 for each fiscal year thereafter, seventy-five
16 percent (75%) shall be paid to the State
17 Treasurer to be placed in the General Revenue
18 Fund and used for the general expense of state
19 government to be paid out pursuant to direct
20 appropriation by the Legislature,

21 b. twelve and one-half percent (12.5%) of the sum
22 collected from natural gas and/or casinghead gas shall
23 be paid to the various county treasurers to be
24 credited to the County Highway Fund as follows: Each

1 county shall receive a proportionate share of the
2 funds available based upon the proportion of the total
3 value of production from such county in the
4 corresponding month of the preceding year, ~~and~~

5 c. twelve and one-half percent (12.5%) shall be allocated
6 to each county as provided for in subparagraph b 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, and

16 d. for fiscal years ending not later than June 30, 2019,
17 five percent (5.0%) shall be apportioned to the County
18 Fleet Vehicle Compressed Natural Gas Conversion Cost
19 Revolving Fund created by Section 2 of this act;

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

23 a. fifty percent (50%) of the sum collected from natural
24 gas and/or casinghead gas shall be paid to the various

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

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

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

20 a. twenty-five and seventy-two one-hundredths percent
21 (25.72%) shall be paid to the State Treasurer to be
22 placed in the Common Education Technology Revolving
23 Fund created in Section 34.90 of Title 62 of the
24 Oklahoma Statutes,

- 1 b. twenty-five and seventy-two one-hundredths percent
2 (25.72%) shall be paid to the State Treasurer to be
3 placed in the Higher Education Capital Revolving Fund
4 created in Section 34.91 of Title 62 of the Oklahoma
5 Statutes,
- 6 c. twenty-five and seventy-two one-hundredths percent
7 (25.72%) shall be paid to the State Treasurer to be
8 placed in the Oklahoma Student Aid Revolving Fund
9 created in Section 34.92 of Title 62 of the Oklahoma
10 Statutes,
- 11 d. three and seven hundred forty-five one-thousandths
12 percent (3.745%) shall be distributed to the various
13 counties of the state for deposit into the County
14 Bridge and Road Improvement Fund of each county based
15 on a formula developed by the Department of
16 Transportation and approved by the Department of
17 Transportation County Advisory Board created pursuant
18 to Section 302.1 of Title 69 of the Oklahoma Statutes
19 to be used for the purposes set forth in the County
20 Bridge and Road Improvement Act. The formula shall be
21 similar to the formula currently used for the
22 distribution of monies in the County Bridge Program
23 funds, but shall also take into consideration the
24

1 effect of the terrain and traffic volume as related to
2 county road improvement and maintenance costs,
3 e. four and twenty-eight one-hundredths percent (4.28%)
4 shall be paid to the State Treasurer to be apportioned
5 to:
6 (1) the following sources and in the following
7 amounts through the fiscal year ending June 30,
8 2016:
9 (a) thirty-three and one-third percent (33 1/3%)
10 to the Oklahoma Tourism and Recreation
11 Department Capital Expenditure Revolving
12 Fund created pursuant to Section 2254.1 of
13 Title 74 of the Oklahoma Statutes,
14 (b) thirty-three and one-third percent (33 1/3%)
15 to the Oklahoma Conservation Commission
16 Infrastructure Revolving Fund created
17 pursuant to Section 3-2-110 of Title 27A of
18 the Oklahoma Statutes, and
19 (c) thirty-three and one-third percent (33 1/3%)
20 to the Community Water Infrastructure
21 Development Revolving Fund created pursuant
22 to Section 1085.7A of Title 82 of the
23 Oklahoma Statutes, and
24

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

5 f. seven and fourteen one-hundredths percent (7.14%) of
6 the sum collected from oil shall be paid to the
7 various county treasurers, to be credited to the
8 County Highway Fund as follows: Each county shall
9 receive a proportionate share of the funds available
10 based upon the proportion of the total value of
11 production from such county in the corresponding month
12 of the preceding year,

13 g. seven and fourteen one-hundredths percent (7.14%)
14 shall be allocated to each county as provided in
15 subparagraph f 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, and
24

1 h. five hundred thirty-five one-thousandths percent
2 (0.535%) of the levy shall be transmitted by the
3 Oklahoma Tax Commission to the Statewide Circuit
4 Engineering District Revolving Fund as created in
5 Section 687.2 of Title 69 of the Oklahoma Statutes;

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

9 a. twenty-two and one-half percent (22.5%) shall be paid
10 to the State Treasurer to be placed in the Common
11 Education Technology Revolving Fund created in Section
12 34.90 of Title 62 of the Oklahoma Statutes,

13 b. twenty-two and one-half percent (22.5%) shall be paid
14 to the State Treasurer to be placed in the Higher
15 Education Capital Revolving Fund created in Section
16 34.91 of Title 62 of the Oklahoma Statutes,

17 c. twenty-two and one-half percent (22.5%) shall be paid
18 to the State Treasurer to be placed in the Oklahoma
19 Student Aid Revolving Fund created in Section 34.92 of
20 Title 62 of the Oklahoma Statutes,

21 d. three and twenty-eight one-hundredths percent (3.28%)
22 shall be distributed to the various counties of the
23 state for deposit into the County Bridge and Road
24 Improvement Fund of each county based on a formula

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

12 e. three and seventy-five one-hundredths percent (3.75%)
13 shall be paid to the State Treasurer to be apportioned
14 to:

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

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

1 Infrastructure Revolving Fund created
2 pursuant to Section 3-2-110 of Title 27A of
3 the Oklahoma Statutes, and
4 (c) thirty-three and one-third percent (33 1/3%)
5 to the Community Water Infrastructure
6 Development Revolving Fund created pursuant
7 to Section 1085.7A of Title 82 of the
8 Oklahoma Statutes, and

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

13 f. twelve and one-half percent (12.5%) of the sum
14 collected from oil shall be paid to the various county
15 treasurers, to be credited to the County Highway Fund
16 as follows: Each county shall receive a proportionate
17 share of the funds available based upon the proportion
18 of the total value of production from such county in
19 the corresponding month of the preceding year,

20 g. twelve and one-half percent (12.5%) shall be allocated
21 to each county as provided in subparagraph f of this
22 paragraph and shall be apportioned on an average daily
23 attendance per capita distribution basis, as certified
24 by the State Superintendent of Public Instruction, to

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

6 h. forty-seven one-hundredths percent (0.47%) of the levy
7 shall be transmitted by the Tax Commission to the
8 Statewide Circuit Engineering District Revolving Fund
9 as created in Section 687.2 of Title 69 of the
10 Oklahoma Statutes;

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

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

21 b. fifty percent (50%) shall be allocated to each county
22 as provided for in subparagraph a of this paragraph
23 and shall be apportioned on an average daily
24 attendance per capita distribution basis, as certified

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

7 B. Provided, notwithstanding any other provision of this
8 section, the total amounts deposited to the Common Education
9 Technology Revolving Fund, the Higher Education Capital Revolving
10 Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic
11 Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation
12 Department Capital Expenditure Revolving Fund, the Oklahoma
13 Conservation Commission Infrastructure Revolving Fund and the
14 Community Water Infrastructure Development Revolving Fund pursuant
15 to paragraphs 5 and 6 of subsection A of this section shall not
16 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any
17 fiscal year. Except as otherwise provided in this subsection, all
18 sums in excess of One Hundred Fifty Million Dollars
19 (\$150,000,000.00) in any fiscal year which would otherwise be
20 deposited in such funds shall be apportioned by the Oklahoma Tax
21 Commission to the General Revenue Fund of the state. Provided,
22 amounts which would otherwise be apportioned by the Oklahoma Tax
23 Commission to the General Revenue Fund for the fiscal year ending on
24

1 June 30, 2012, pursuant to this subsection, shall be apportioned as
2 follows:

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

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

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

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

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

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

10 SECTION 5. This act shall become effective July 1, 2014.

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

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16 54-2-10362 JM 02/25/14
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