

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 54th Legislature (2014)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2954

 By: Cockroft, Cleveland,
 Lockhart, Brown, Watson,
 Sanders and Osborn

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8
9 COMMITTEE SUBSTITUTE

10 [compressed natural gas - vehicle conversion -
11 revolving fund - revenue apportionment - effective
12 date -
13 emergency]

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

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

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

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

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

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

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

1 B. The circuit engineering districts shall have the authority
2 to use the monies in the fund in order to pay costs for the
3 conversion of the existing county fleet vehicles to compressed
4 natural gas.

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

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

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

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

16 2. Meet all Federal Motor Vehicle Safety Standards set forth in
17 49 CFR 571; or

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

21 SECTION 4. AMENDATORY 68 O.S. 2011, Section 1004, as
22 last amended by Section 1, Chapter 205, O.S.L. 2012 (68 O.S. Supp.
23 2013, Section 1004), is amended to read as follows:

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

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

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

12 b. seven and fourteen one-hundredths percent (7.14%) of
13 the sum collected from natural gas and/or casinghead
14 gas or asphalt or ores bearing uranium, lead, zinc,
15 jack, gold, silver or copper shall be paid to the
16 various county treasurers to be credited to the County
17 Highway Fund as follows: Each county shall receive a
18 proportionate share of the funds available based upon
19 the proportion of the total value of production from
20 such county in the corresponding month of the
21 preceding year, and

22 c. seven and fourteen one-hundredths percent (7.14%)
23 shall be allocated to each county as provided for in
24 subparagraph b of this paragraph and shall be

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

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

12 a. ~~eighty-five and seventy-two one-hundredths percent~~
13 ~~(85.72%)~~

14 (1) for the fiscal years ending not later than June
15 30, 2019, eighty and seventy-two one-hundredths
16 percent (80.72%) shall be paid to the State

17 Treasurer ~~of the state~~ to be placed in the
18 General Revenue Fund ~~of the state~~ and used for
19 the general expense of state government, to be
20 paid out pursuant to direct appropriation by the
21 Legislature, and

22 (2) for the fiscal years ending June 30, 2020, and
23 for each fiscal year thereafter, eighty-five and
24 seventy-two one-hundredths percent (85.72%) shall

1 be paid to the State Treasurer to be placed in
2 the General Revenue Fund and used for the general
3 expense of state government, to be paid out
4 pursuant to direct appropriation by the
5 Legislature,

- 6 b. seven and fourteen one-hundredths percent (7.14%) of
7 the sum collected from natural gas and/or casinghead
8 gas shall be paid to the various county treasurers to
9 be credited to the County Highway Fund as follows:
10 Each county shall receive a proportionate share of the
11 funds available based upon the proportion of the total
12 value of production from such county in the
13 corresponding month of the preceding year, ~~and~~
14 c. seven and fourteen one-hundredths percent (7.14%)
15 shall be allocated to each county as provided for in
16 subparagraph b of this paragraph and shall be
17 apportioned, on an average daily attendance per capita
18 distribution basis, as certified by the State
19 Superintendent of Public Instruction to the school
20 districts of the county where such pupils attend
21 school regardless of residence of such pupil, provided
22 the school district makes an ad valorem tax levy of
23 fifteen (15) mills for the current year and maintains
24 twelve (12) years of instruction, and

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

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

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

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

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

b. twelve and one-half percent (12.5%) of the sum collected from natural gas and/or casinghead gas shall

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

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

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

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

1 a. fifty percent (50%) of the sum collected from natural
2 gas and/or casinghead gas shall be paid to the various
3 county treasurers to be credited to the County Highway
4 Fund as follows: Each county shall receive a
5 proportionate share of the funds available based upon
6 the proportion of the total value of production from
7 such county in the corresponding month of the
8 preceding year, and

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

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

22 a. twenty-five and seventy-two one-hundredths percent
23 (25.72%) shall be paid to the State Treasurer to be
24 placed in the Common Education Technology Revolving

Fund created in Section 34.90 of Title 62 of the
Oklahoma Statutes,

b. twenty-five and seventy-two one-hundredths percent
(25.72%) shall be paid to the State Treasurer to be
placed in the Higher Education Capital Revolving Fund
created in Section 34.91 of Title 62 of the Oklahoma
Statutes,

c. twenty-five and seventy-two one-hundredths percent
(25.72%) shall be paid to the State Treasurer to be
placed in the Oklahoma Student Aid Revolving Fund
created in Section 34.92 of Title 62 of the Oklahoma
Statutes,

d. three and seven hundred forty-five one-thousandths
percent (3.745%) shall be distributed to the various
counties of the state for deposit into the County
Bridge and Road Improvement Fund of each county based
on a formula developed by the Department of
Transportation and approved by the Department of
Transportation County Advisory Board created pursuant
to Section 302.1 of Title 69 of the Oklahoma Statutes
to be used for the purposes set forth in the County
Bridge and Road Improvement Act. The formula shall be
similar to the formula currently used for the
distribution of monies in the County Bridge Program

1 funds, but shall also take into consideration the
2 effect of the terrain and traffic volume as related to
3 county road improvement and maintenance costs,
4 e. four and twenty-eight one-hundredths percent (4.28%)
5 shall be paid to the State Treasurer to be apportioned
6 to:

7 (1) the following sources and in the following
8 amounts through the fiscal year ending June 30,
9 2016:

10 (a) thirty-three and one-third percent (33 1/3%)
11 to the Oklahoma Tourism and Recreation
12 Department Capital Expenditure Revolving
13 Fund created pursuant to Section 2254.1 of
14 Title 74 of the Oklahoma Statutes,

15 (b) thirty-three and one-third percent (33 1/3%)
16 to the Oklahoma Conservation Commission
17 Infrastructure Revolving Fund created
18 pursuant to Section 3-2-110 of Title 27A of
19 the Oklahoma Statutes, and

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

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.

15
16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
17 02/25/2014 - DO PASS, As Amended and Coauthored.