HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 54th Legislature (2014)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2954 By: Cockroft, Cleveland, Lockhart, Brown, Watson, Sanders and Osborn

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:

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

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

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

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

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

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

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

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

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

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

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

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

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

a. eighty-five and seventy-two one-hundredths percent (85.72%) 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,

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

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

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

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

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

(1) for the fiscal years ending not later than June 30, 2019, eighty and seventy-two one-hundredths percent (80.72%) 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, eighty-five and seventy-two one-hundredths percent (85.72%) shall

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

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

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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

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

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

d. for 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;

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

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

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

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

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

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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

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funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,

e. four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to:

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

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

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

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

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

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

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

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

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

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

b. twenty-two and one-half percent (22.5%) 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-two and one-half percent (22.5%) 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 twenty-eight one-hundredths percent (3.28%) 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

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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 funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,

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

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

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

(b) thirty-three and one-third percent (33 1/3%) to the Oklahoma Conservation Commission

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Infrastructure Revolving Fund created pursuant to Section 3-2-110 of Title 27A of the Oklahoma Statutes, and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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