

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

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JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB2244

By: Sears et al of the House
Jolley et al of the Senate

Title: Motor vehicles; apportionment; effective date; emergency.

Coauthored By:

Recommendation: **DO PASS**

Amendments:



Chr.
Representative Earl Sears

YEAS: 13

Billy, Casey, Coody (A), Cox, Martin, McCullough, McDaniel (R), Nelson, Ortega, Ownbey, Peterson, Russ, Sears

NAYS: 4

Inman, McDaniel (J), McPeak, Rousselot

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

May 19, 2015

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2244

By: Sears of the House and Jolley and Treat of the Senate

Title: Motor vehicles; apportionment; effective date; emergency.

Recommendation: **DO PASS**

Aye: Allen, Barrington, Bice, Boggs, Brecheen, Brinkley, Brooks, Dahm, David, Fields, Ford, Fry, Griffin, Halligan, Jech, Justice, Loveless, Quinn, Sharp, Shaw, Silk, Simpson, Smalley, Standridge, Stanislawski, Sykes, Thompson, Yen, Treat, Jolley

Nay: Floyd, Garrison, Matthews, Paddack, Pittman, Sparks, Wyrick

Pass:

Senator Clark Jolley, Chair

STATE OF OKLAHOMA

1st Session of the 55th Legislature (2015)

HOUSE BILL 2244

By: Sears and Casey of the
House

and

Jolley and Treat of the
Senate

AS INTRODUCED

An Act relating to motor vehicles; amending 47 O.S. 2011, Section 1104, as amended by Section 1, Chapter 347, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1104), which relates to apportionment of motor vehicle fees, taxes and penalties; placing limits on certain apportionments; providing for distribution of amounts in excess of limits; removing certain deduction for certain apportionment; deleting certain minimum apportionment requirements; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1104, as amended by Section 1, Chapter 347, O.S.L. 2012 (47 O.S. Supp. 2014, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of

1 this title shall be apportioned and distributed monthly by the
2 Oklahoma Tax Commission in accordance with this section.

3 B. 1. The following percentages of the monies referred to in
4 subsection A of this section shall be apportioned to the various
5 school districts in accordance with paragraph 2 of this subsection:

6 a. from October 1, 2000, until June 30, 2001, thirty-five
7 and forty-six one-hundredths percent (35.46%),

8 b. for the year beginning July 1, 2001, and ending June
9 30, 2002, thirty-five and ninety-one one-hundredths
10 percent (35.91%), ~~and~~

11 c. for the year beginning July 1, 2002, ~~and all~~
12 ~~subsequent years~~ through the year ending on June 30,
13 2015, thirty-six and twenty one-hundredths percent
14 (36.20%), and

15 d. for the year beginning July 1, 2015, and all
16 subsequent years, thirty-six and twenty one-hundredths
17 percent (36.20%), but in no event shall the amount
18 apportioned in any fiscal year pursuant to this
19 subparagraph exceed the total amount apportioned for
20 the fiscal year ending on June 30, 2015. Any amounts
21 in excess of such limitation shall be placed to the
22 credit of the General Revenue Fund.
23
24

1 2. The monies apportioned pursuant to subparagraphs a through c
2 of paragraph 1 of this subsection shall be apportioned to the
3 various school districts as follows:

4 a. except as otherwise provided in this subparagraph,
5 each district shall receive the same amount of funds
6 as such district received from the taxes and fees
7 provided in this title in the corresponding month of
8 the preceding year. Any district eligible for funds
9 pursuant to the provisions of this section that was
10 not eligible the preceding year shall receive an
11 amount equal to the average daily attendance of the
12 applicable year multiplied by the average daily
13 attendance apportionment within such county for each
14 appropriate month. For fiscal year 1995 and
15 thereafter, any district which received less than
16 twenty-five percent (25%) of the average apportionment
17 of the monies made to school districts in this state
18 based on average daily attendance in fiscal year 1995
19 shall receive an amount equal to the average daily
20 attendance in the 1994-1995 school year multiplied by
21 the average daily attendance apportionment within the
22 county in which the district is located for each
23 appropriate month, and
24

1 b. any funds remaining unallocated following the
2 allocation provided in subparagraph a of this
3 paragraph shall be apportioned to the various school
4 districts so that each district shall first receive
5 the cumulative total of the monthly apportionments for
6 which it is otherwise eligible under subparagraph a of
7 this paragraph and then an amount based upon the
8 proportion that each district's average daily
9 attendance bears to the total average daily attendance
10 of those districts entitled to receive funds pursuant
11 to this section as certified by the State Department
12 of Education.

13 Each district's allocation of funds shall be remitted to the
14 county treasurer of the county wherein the administrative
15 headquarters of the district are located.

16 No district shall be eligible for the funds herein provided
17 unless the district makes an ad valorem tax levy of fifteen (15)
18 mills and maintains nine (9) years of instruction and pursuant to
19 the rules of the State Board of Education, is authorized to maintain
20 ten (10) years of instruction.

21 C. ~~1.~~ The following percentages of the monies referred to in
22 subsection A of this section shall be remitted to the State
23 Treasurer to be credited to the General Revenue Fund of the State
24 Treasury:

~~a. from~~

1. From October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%) ti

~~b. for~~

2. For the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%) ti

~~c. for~~

3. For the year beginning July 1, 2002, and for the subsequent fiscal years ending June 30, 2007, forty-four and eighty-four one-hundredths percent (44.84%) ti

~~d. for~~

4. For the year beginning July 1, 2007, and ending June 30, 2008, thirty-nine and eighty-four one-hundredths percent (39.84%) ti

~~e. for~~

5. For the year beginning July 1, 2008, and ending June 30, 2009, thirty-four and eighty-four one-hundredths percent (34.84%) ti

~~f. for~~

6. For the period beginning July 1, 2009, and ending December 31, 2012, twenty-nine and eighty-four one-hundredths percent (29.84%) ti

~~g. for~~

7. For the period beginning January 1, 2013, and ending June 30, 2013, twenty-nine and thirty-four one-hundredths percent (29.34%) ti

1 ~~h.~~ ~~for~~

2 8. For the year beginning July 1, 2013, and ending June 30,
3 2014, twenty-six and eighty-four one-hundredths percent (26.84%);
4 and

5 ~~i.~~ ~~for~~

6 9. For the year beginning July 1, 2014, and all subsequent
7 years, twenty-four and eighty-four one-hundredths percent (24.84%).

8 ~~2. In the event that additional monies are necessary pursuant~~
9 ~~to subsection N of this section, such additional monies shall be~~
10 ~~deducted from the monies apportioned to the General Revenue Fund.~~

11 D. The following percentages of the monies referred to in
12 subsection A of this section shall be remitted to the State
13 Treasurer to be credited to the State Transportation Fund:

14 1. From October 1, 2000, until June 30, 2001, thirty one-
15 hundredths percent (0.30%); ~~and~~

16 2. For the year beginning July 1, 2001, ~~and all subsequent~~
17 ~~years~~ through the year ending on June 30, 2015, thirty-one one-
18 hundredths percent (0.31%); and

19 3. For the year beginning July 1, 2015, and all subsequent
20 years, thirty-one one-hundredths percent (0.31%), but in no event
21 shall the amount apportioned in any fiscal year pursuant to this
22 paragraph exceed the total amount apportioned for the fiscal year
23 ending on June 30, 2015. Any amounts in excess of such limitation
24 shall be placed to the credit of the General Revenue Fund.

1 E. 1. The following percentages of the monies referred to in
2 subsection A of this section shall be apportioned to the various
3 counties as set forth in paragraph 2 of this section:

4 a. from October 1, 2000, until June 30, 2001, seven and
5 nine one-hundredths percent (7.09%),

6 b. for the year beginning July 1, 2001, and ending June
7 30, 2002, seven and eighteen one-hundredths percent
8 (7.18%), ~~and~~

9 c. for the year beginning July 1, 2002, ~~and all~~
10 ~~subsequent years~~ through the year ending on June 30,
11 2015, seven and twenty-four one-hundredths percent
12 (7.24%), and

13 d. for the year beginning July 1, 2015, and all
14 subsequent years, seven and twenty-four one-hundredths
15 percent (7.24%), but in no event shall the amount
16 apportioned in any fiscal year pursuant to this
17 subparagraph exceed the total amount apportioned for
18 the fiscal year ending on June 30, 2015. Any amounts
19 in excess of such limitation shall be placed to the
20 credit of the General Revenue Fund.

21 2. The monies apportioned pursuant to subparagraphs a through c
22 of paragraph 1 of this subsection shall be apportioned as follows:
23 forty percent (40%) of such sum shall be distributed to the various
24 counties in that proportion which the county road mileage of each

1 county bears to the entire state road mileage as certified by the
2 Transportation Commission and the remaining sixty percent (60%) of
3 such sum shall be distributed to the various counties on the basis
4 which the population and area of each county bears to the total
5 population and area of the state. The population shall be as shown
6 by the last Federal Census or the most recent annual estimate
7 provided by the United States Bureau of the Census. The funds shall
8 be used for the purpose of constructing and maintaining county
9 highways, provided, however, the county treasurer may deposit so
10 much of the funds in the sinking fund as may be necessary for the
11 retirement of interest and annual accrual of indebtedness created by
12 the issuance of county or township bonds for road purposes. Such
13 deposits to the sinking fund shall not exceed forty percent (40%) of
14 the funds allocated to a county pursuant to this paragraph.

15 F. 1. The following percentages of the monies referred to in
16 subsection A of this section shall be remitted to the county
17 treasurers of the respective counties and by them deposited in a
18 separate special revenue fund to be used by the county commissioners
19 in accordance with paragraph 2 of this subsection:

20 a. from October 1, 2000, until June 30, 2001, two and
21 fifty-three one-hundredths percent (2.53%),

22 b. for the year beginning July 1, 2001, and ending June
23 30, 2002, two and fifty-six one-hundredths percent
24 (2.56%), and

1 c. for the year beginning July 1, 2002, ~~and all~~
2 ~~subsequent years~~ through the year ending on June 30,
3 2015, two and fifty-nine one-hundredths percent
4 (2.59%), and

5 d. for the year beginning July 1, 2015, and all
6 subsequent years, two and fifty-nine one-hundredths
7 percent (2.59%), but in no event shall the amount
8 apportioned in any fiscal year pursuant to this
9 subparagraph exceed the total amount apportioned for
10 the fiscal year ending on June 30, 2015. Any amounts
11 in excess of such limitation shall be placed to the
12 credit of the General Revenue Fund.

13 2. The monies apportioned pursuant to subparagraphs a through c
14 of paragraph 1 of this subsection shall be used for the primary
15 purpose of matching federal funds for the construction of federal
16 aid projects on county roads, or constructing and maintaining county
17 or township highways and permanent bridges of such counties. The
18 distribution of monies apportioned by this paragraph shall be made
19 upon the basis of the current formula based upon road mileage, area
20 and population as related to county road improvement and maintenance
21 costs. Provided, however, the Department of Transportation may
22 update the formula factors from time to time as necessary to account
23 for changing conditions.

1 G. 1. The following percentages of the monies referred to in
2 subsection A of this section shall be transmitted by the Tax
3 Commission to the various counties as set forth in paragraph 2 of
4 this subsection:

5 a. from October 1, 2000, until June 30, 2001, three and
6 fifty-five one-hundredths percent (3.55%),

7 b. for the year beginning July 1, 2001, and ending June
8 30, 2002, three and fifty-nine one-hundredths percent
9 (3.59%), and

10 c. for the year beginning July 1, 2002, ~~and all~~
11 ~~subsequent years~~ through the year ending on June 30,
12 2015, three and sixty-two one-hundredths percent
13 (3.62%), and

14 d. for the year beginning July 1, 2015, and all
15 subsequent years, three and sixty-two one-hundredths
16 percent (3.62%), but in no event shall the amount
17 apportioned in any fiscal year pursuant to this
18 subparagraph exceed the total amount apportioned for
19 the fiscal year ending on June 30, 2015. Any amounts
20 in excess of such limitation shall be placed to the
21 credit of the General Revenue Fund.

22 2. The monies apportioned pursuant to subparagraphs a through c
23 of paragraph 1 of this subsection shall be transmitted to the
24 various counties on the basis of a formula to be developed by the

1 Department of Transportation. Such formula shall be similar to that
2 currently used for the distribution of County Bridge Program Funds,
3 but also taking into consideration the effect of terrain and traffic
4 volume as related to county road improvement and maintenance costs.
5 Provided, however, the Department of Transportation may update the
6 formula factors from time to time as necessary to account for
7 changing conditions. The funds shall be transmitted to the various
8 county treasurers to be deposited in the county highway fund of
9 their respective counties.

10 H. 1. The following percentages of the monies referred to in
11 subsection A of this section shall be apportioned to the various
12 counties as set forth in paragraph 2 of this subsection:

- 13 a. from October 1, 2000, until June 30, 2001, eighty-one
14 one-hundredths percent (0.81%),
- 15 b. for the year beginning July 1, 2001, and ending June
16 30, 2002, eighty-two one-hundredths percent (0.82%),
17 ~~and~~
- 18 c. for the year beginning July 1, 2002, ~~and all~~
19 ~~subsequent years~~ through the year ending on June 30,
20 2015, eighty-three one-hundredths percent (0.83%), and
- 21 d. for the year beginning July 1, 2015, and all
22 subsequent years, eighty-three one-hundredths percent
23 (0.83%), but in no event shall the amount apportioned
24 in any fiscal year pursuant to this subparagraph

1 exceed the total amount apportioned for the fiscal
2 year ending on June 30, 2015. Any amounts in excess
3 of such limitation shall be placed to the credit of
4 the General Revenue Fund.

5 2. The monies apportioned pursuant to subparagraphs a through c
6 of paragraph 1 of this subsection shall be apportioned to the
7 various counties as follows:

8 a. each county shall receive the same amount of funds as
9 such county received from the taxes and fees provided
10 for in the 1985 fiscal year, and

11 b. any funds remaining unallocated following the
12 allocation provided in subparagraph a of this
13 paragraph shall be apportioned to the various counties
14 based upon the proportion that each county's
15 population bears to the total state population.

16 Each county's allocation of funds shall be remitted to the
17 various county treasurers to be deposited in the general fund of the
18 county and used for the support of county government.

19 I. 1. The following percentages of the monies referred to in
20 subsection A of this section shall be apportioned to the various
21 cities and incorporated towns as set forth in paragraph 2 of this
22 subsection:

23 a. from October 1, 2000, until June 30, 2001, three and
24 four one-hundredths percent (3.04%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%), ~~and~~

c. for the year beginning July 1, 2002, ~~and all subsequent years~~ through the year ending on June 30, 2015, three and ten one-hundredths percent (3.10%), and

d. for the year beginning July 1, 2015, and all subsequent years, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund.

2. The monies apportioned pursuant to subparagraphs a through c of paragraph 1 of this subsection shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however,

1 the governing board of any city or town may, with the approval of
2 the county excise board, transfer any surplus funds to the general
3 revenue fund of such city or town whenever an emergency requires
4 such a transfer.

5 J. The following percentages of the monies referred to in
6 subsection A of this section shall be remitted to the State
7 Treasurer to be credited to the Oklahoma Law Enforcement Retirement
8 Fund:

9 1. From October 1, 2000, until June 30, 2001, one and twenty-
10 two one-hundredths percent (1.22%);

11 2. For the year beginning July 1, 2001, and ending June 30,
12 2002, one and twenty-three one-hundredths percent (1.23%); and

13 3. For the year beginning July 1, 2002, and all subsequent
14 years, one and twenty-four one-hundredths percent (1.24%).

15 K. Three one-hundredths of one percent (3/100 of 1%) of the
16 monies referred to in subsection A of this section shall be remitted
17 to the State Treasurer to be credited to the Wildlife Conservation
18 Fund. Seventy-five percent (75%) of the funds shall be used for
19 fish habitat restoration and twenty-five percent (25%) of the funds
20 shall be used in the fish hatchery system for fish production.

21 L. 1. For the year beginning July 1, 2007, and ending June 30,
22 2008, five percent (5%) of monies referred to in subsection A of
23 this section shall be remitted to the State Treasurer to be credited
24

1 to the County Improvements for Roads and Bridges Fund as created in
2 Section 507 of Title 69 of the Oklahoma Statutes.

3 2. For the year beginning July 1, 2008, and ending June 30,
4 2009, ten percent (10%) of monies referred to in subsection A of
5 this section shall be remitted to the State Treasurer to be credited
6 to the County Improvements for Roads and Bridges Fund as created in
7 Section 507 of Title 69 of the Oklahoma Statutes.

8 3. For the period beginning July 1, 2009, and ending December
9 31, 2012, fifteen percent (15%) of monies referred to in subsection
10 A of this section shall be remitted to the State Treasurer to be
11 credited to the County Improvements for Roads and Bridges Fund as
12 created in Section 507 of Title 69 of the Oklahoma Statutes.

13 4. For the period beginning January 1, 2013, and ending June
14 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of
15 monies referred to in subsection A of this section shall be remitted
16 to the State Treasurer to be credited to the County Improvements for
17 Roads and Bridges Fund as created in Section 507 of Title 69 of the
18 Oklahoma Statutes.

19 5. For the year beginning July 1, 2013, and ending June 30,
20 2014, eighteen percent (18%) of monies referred to in subsection A
21 of this section shall be remitted to the State Treasurer to be
22 credited to the County Improvements for Roads and Bridges Fund as
23 created in Section 507 of Title 69 of the Oklahoma Statutes.

1 6. For the year beginning July 1, 2014, ~~and all subsequent~~
2 ~~years,~~ twenty percent (20%) of monies referred to in subsection A of
3 this section shall be remitted to the State Treasurer to be credited
4 to the County Improvements for Roads and Bridges Fund as created in
5 Section 507 of Title 69 of the Oklahoma Statutes.

6 7. For the year beginning July 1, 2015, and all subsequent
7 years, twenty percent (20%) of monies referred to in subsection A of
8 this section shall be remitted to the State Treasurer to be credited
9 to the County Improvements for Roads and Bridges Fund as created in
10 Section 507 of Title 69 of the Oklahoma Statutes, but in no event
11 shall the total amount apportioned in any fiscal year pursuant to
12 this paragraph exceed One Hundred Twenty Million Dollars
13 (\$120,000,000.00). Any amounts in excess of One Hundred Twenty
14 Million Dollars (\$120,000,000.00) shall be placed to the credit of
15 the General Revenue Fund.

16 M. Monies allocated to counties by this section may be
17 estimated by the county excise board in the budget for the county as
18 anticipated revenue to the extent of ninety percent (90%) of the
19 previous year's income from such source; provided, not more than
20 fifteen percent (15%) can be encumbered during any month.

21 ~~N. In no event shall the monies apportioned pursuant to~~
22 ~~subsections B, E, F, G, H, I and L of this section be less than the~~
23 ~~monies apportioned in the previous fiscal year.~~
24

1 ~~0.~~ Notwithstanding any other provisions of this section, for
2 the fiscal year beginning July 1, 2003, the first One Hundred
3 Thousand Dollars (\$100,000.00) of the monies collected or received
4 by the Tax Commission pursuant to the registration of motorcycles
5 and mopeds in this state shall be placed to the credit of the
6 Oklahoma Tax Commission Revolving Fund.

7 SECTION 2. This act shall become effective July 1, 2015.

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

12
13 55-1-7529 JM 05/15/15
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