

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB1569 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Charles McCall

Adopted: _____

Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

PROPOSED COMMITTEE SUBSTITUTE
FOR ENGROSSED

SENATE BILL NO. 1569

By: Schulz of the Senate

and

McCall of the House

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; specifying circumstances under which certain apportionments may not exceed prior year amount; providing exception; requiring certain apportionment under certain circumstances; requiring certain determinations and actions by the State Board of Equalization; creating the State Budget Enhancement Fund; establishing nature of Fund; establishing appropriation authority; amending 68 O.S. 2011, Sections 113, as amended by Section 530, Chapter 304, O.S.L. 2012, 302-5, 402-3, 500.6, as amended by Section 4, Chapter 375, O.S.L. 2013, 500.7, 1004, as last amended by Section 2, Chapter 355, O.S.L. 2017, 1353 and 1403, as last amended by Sections 1 and 2, Chapter 349, O.S.L. 2015 and 2352, as last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp. 2017, Sections 113, 500.6, 1004, 1353, 1403 and 2352), which relate to apportionment of statutory revenues; amending 69 O.S. 2011, Section 1521, as last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp. 2017, Section 1521), which relates to the Rebuilding Oklahoma Access and Driver Safety Fund; limiting amounts to be apportioned to various sources under certain circumstances; updating statutory references; providing for codification; and providing an effective date.

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

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 34.2.1 of Title 62, unless there
4 is created a duplication in numbering, reads as follows:

5 A. For any upcoming fiscal year for which the amount of revenue
6 available for appropriation by the Legislature, as determined by the
7 State Board of Equalization at its February meeting pursuant to the
8 provisions of Section 23 of Article X of the Oklahoma Constitution,
9 is less than the amount of revenue available for appropriation by
10 the Legislature for the then-current fiscal year as determined by
11 the Board at its June meeting preceding the beginning of the then-
12 current fiscal year, except for apportionments to the General
13 Revenue Fund, any apportionment of revenue provided for in:

14 1. Subsection B of Section 113, and Sections 302-5, 402-3,
15 500.6, 500.7, 1004, 1353, 1403 and 2352 of Title 68 of the Oklahoma
16 Statutes; and

17 2. Section 1521 of Title 69 of the Oklahoma Statutes;
18 shall be reduced by the same percentage that the amount available
19 for appropriation by the Legislature for the upcoming fiscal year is
20 less than such amount for the then-current fiscal year. Amounts
21 subject to reduction pursuant to the provisions of this section
22 shall be apportioned by the Oklahoma Tax Commission to the State
23 Budget Enhancement Fund created in Section 2 of this act.

24

1 B. At its February meeting each year, the Board shall determine
2 the amount of revenue available for appropriation for the upcoming
3 fiscal year by the Legislature assuming apportionments of revenue to
4 all sources as provided by law without an adjustment pursuant to the
5 provisions of this section. If such amount is less than the amount
6 available for appropriation by the Legislature for the then-current
7 fiscal year as determined by the Board at its June meeting preceding
8 the beginning of the then current fiscal year, the Board shall make
9 a finding that the provisions of subsection A of this section shall
10 be in effect. In such event, the Board shall certify an amount
11 available for appropriation by the Legislature from the State Budget
12 Enhancement Fund created in Section 2 of this act.

13 SECTION 2. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 34.2.2 of Title 62, unless there
15 is created a duplication in numbering, reads as follows:

16 There is hereby created in the State Treasury a fund to be
17 designated as the "State Budget Enhancement Fund". The fund shall
18 be a continuing fund, not subject to fiscal year limitations, and
19 shall consist of monies received pursuant to Section 1 of this act.
20 All monies accruing to the credit of the fund shall be appropriated
21 at the discretion of the Legislature.

22 SECTION 3. AMENDATORY 68 O.S. 2011, Section 113, as
23 amended by Section 530, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
24 2017, Section 113), is amended to read as follows:

1 Section 113. A. There is hereby created in the State Treasury
2 a revolving fund for the Oklahoma Tax Commission to be known as the
3 "Tax Commission Reimbursement Fund". ~~Said~~ The revolving fund shall
4 consist of any funds received by the Tax Commission for data
5 processing services or equipment rental and any funds received by
6 the Tax Commission from any incorporated city, town, or county
7 pursuant to a contractual agreement for the augmentation of the
8 enforcement and collection of municipal or county taxes entered into
9 pursuant to the provisions of Sections 1371 or 2702 of this title.
10 The Tax Commission is authorized to hire full-time-equivalent
11 employees as necessary to perform such duties as to fulfill
12 contractual agreements authorized pursuant to Sections 1371 and 2702
13 of this title, however, such employees hired to perform such
14 contractual duties shall be supported solely by funds in the Tax
15 Commission Reimbursement Fund which are collected by the Tax
16 Commission from incorporated cities, towns, and counties pursuant to
17 such contractual agreements and such employees shall be terminated
18 upon the discontinuation of such funds or inadequate funds to
19 support such positions. Such full-time-equivalent employees shall
20 be in the unclassified service and shall not be subject to any
21 provisions of the Oklahoma Personnel Act or to the Merit Rules for
22 Employment except leave regulations. All fees collected and
23 apportioned to this fund under the Oklahoma Vehicle License and
24 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma

1 Statutes, may be used by the Motor Vehicle Division of the Oklahoma
2 Tax Commission to pay all costs incurred in the issuance of
3 certificates of title and inspection of vehicles, including, but not
4 limited to, additional computer costs for the Tax Commission and
5 motor license agents and the check verification system authorized
6 pursuant to the provisions of paragraph 1 of subsection A of Section
7 1144 of Title 47 of the Oklahoma Statutes or be used for capital
8 expenditures as authorized by the Oklahoma State Legislature. For
9 the fiscal year beginning July 1, 2004, disbursements from the fund
10 shall be exempt from all agency budget limits.

11 B. Notwithstanding any other provision in the Oklahoma Statutes
12 except subsection F of Section 316 ~~and~~, subsection D of Section 418
13 of this title, ~~beginning July 1, 2009,~~ and Section 1 of this act,
14 all revenue from fees and penalties collected pursuant to Sections
15 304, 316, 415 and 418 of this title shall be apportioned to the Tax
16 Commission Reimbursement Fund for administrative expenses incurred
17 in connection with enforcement of the provisions of Section 301 et
18 seq., Section 346 et seq., Section 401 et seq. and Section 424 et
19 seq. of this title.

20 SECTION 4. AMENDATORY 68 O.S. 2011, Section 302-5, is
21 amended to read as follows:

22 Section 302-5. A. Effective January 1, 2005, in addition to
23 the tax levied in Sections 302, 302-1, 302-2, 302-3 and 302-4 of
24 this title, there is hereby levied upon the sale, use, gift,

1 possession, or consumption of cigarettes, as defined in Sections 301
2 through 325 of this title, within this state, a tax at the rate of
3 forty (40) mills per cigarette.

4 B. Except as provided in subsection D of this section and
5 Section 1 of this act, the revenue resulting from the additional tax
6 levied in subsection A of this section shall be apportioned by the
7 Oklahoma Tax Commission and transmitted to the State Treasurer as
8 follows:

9 1. Twenty-two and six-hundredths percent (22.06%) shall be
10 placed to the credit of the Health Employee and Economy Improvement
11 Act Revolving Fund created in Section 1010.1 of Title 56 of the
12 Oklahoma Statutes;

13 2. Three and nine-hundredths percent (3.09%) shall be placed to
14 the credit of the Comprehensive Cancer Center Debt Service Revolving
15 Fund created in Section 160.1 of Title 62 of the Oklahoma Statutes;

16 3. Before July 1, 2008, seven and fifty-hundredths percent
17 (7.50%) shall be placed to the credit of the Trauma Care Assistance
18 Revolving Fund created in Section 1-2530.9 of Title 63 of the
19 Oklahoma Statutes. On and after July 1, 2008, seven and fifty-
20 hundredths percent (7.50%) shall be allocated as follows:

21 a. every month, an amount equal to the actual amount
22 placed to the credit of the Trauma Care Assistance
23 Revolving Fund pursuant to this paragraph for the same
24

month of the 2008 fiscal year shall be credited to the Trauma Care Assistance Revolving Fund,

b. every month, any amount over and above the amount placed to the credit of the Trauma Care Assistance Revolving Fund pursuant to subparagraph a of this paragraph shall be credited to the Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund as created in Section ~~8 of this act~~ 1-2512.1 of Title 63 of the Oklahoma Statutes until the combined amount credited to the Oklahoma Emergency Response Systems Stabilization and Improvement Revolving Fund pursuant to this section and Section 402-3 of this title is equal to a total of Two Million Five Hundred Thousand Dollars (\$2,500,000.00) each year, and

c. any additional revenue allocated pursuant to this paragraph shall be placed to the credit of the Trauma Care Assistance Revolving Fund;

4. Three and nine-hundredths percent (3.09%) shall be placed to the credit of the Oklahoma State University College of Osteopathic Medicine Revolving Fund created in Section 160.2 of Title 62 of the Oklahoma Statutes;

5. Twenty-six and thirty-eight-hundredths percent (26.38%) shall be placed to the credit of the Oklahoma Health Care Authority

1 Medicaid Program Fund created in Section 5020 of Title 63 of the
2 Oklahoma Statutes for the purposes of maintaining programs and
3 services funded under the federal "Jobs and Growth Tax Relief
4 Reconciliation Act of 2003", reimbursing city/county-owned
5 hospitals, increasing emergency room physician rates, and providing
6 TEFRA 134, also known as "Katie Beckett" services;

7 6. Two and sixty-five-hundredths percent (2.65%) shall be
8 placed to the credit of the Department of Mental Health and
9 Substance Abuse Services Revolving Fund created in Section 2-303 of
10 Title 43A of the Oklahoma Statutes;

11 7. Forty-four-hundredths of one percent (0.44%) shall be placed
12 to the credit of the Belle Maxine Hilliard Breast and Cervical
13 Cancer Treatment Revolving Fund created in Section 1-559 of Title 63
14 of the Oklahoma Statutes;

15 8. One percent (1%) shall be placed to the credit of the
16 Teachers' Retirement System Revolving Fund created in Section 158 of
17 Title 62 of the Oklahoma Statutes;

18 9. Two and seven-hundredths percent (2.07%) shall be placed to
19 the credit of the Education Reform Revolving Fund created in Section
20 41.29b of Title 62 of the Oklahoma Statutes;

21 10. Sixty-six-hundredths percent (0.66%) shall be placed to the
22 credit of the Tobacco Prevention and Cessation Revolving Fund
23 created in Section 1-105d of Title 63 of the Oklahoma Statutes;

1 11. Sixteen and eighty-three-hundredths percent (16.83%) shall
2 be placed to the credit of the General Revenue Fund; and

3 12. For fiscal years beginning July 1, 2004, and ending June
4 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)
5 shall be apportioned to municipalities and counties that levy a
6 sales tax, in the proportions which total municipal and county sales
7 tax revenue was apportioned by the Tax Commission in the preceding
8 month.

9 For fiscal years beginning July 1, 2006, and thereafter, the
10 apportionment percentage specified in paragraph 12 of this
11 subsection will be adjusted by dividing the total municipal and
12 county sales tax revenue collected in the calendar year immediately
13 preceding the commencement of the fiscal year by the sum of the
14 state sales tax revenue and total municipal and county sales tax
15 revenue collected in the same year. This ratio shall be divided by
16 the ratio of the total municipal and county sales tax revenue
17 collected in the calendar year beginning January 1, 2004, and ending
18 December 31, 2004, divided by the sum of the state sales tax revenue
19 and total municipal and county sales tax revenue collected in the
20 same year. The resulting quotient shall be multiplied by fourteen
21 and twenty-three-hundredths percent (14.23%) to determine the
22 apportionment percentage for the fiscal year.

23 For fiscal years beginning July 1, 2006, and thereafter, any
24 adjustment to the percentage of revenues apportioned to

1 municipalities and counties shall be reflected in the percent of
2 revenues apportioned to the General Revenue Fund.

3 C. The tax shall be evidenced by tax stamps as now provided
4 for; however, as to cigarette packages of less than ten cigarettes
5 for free distribution as samples, the tax herein levied shall be
6 computed and paid as provided for other cigarette taxes without
7 affixing stamps on each such package.

8 D. The Except as otherwise provided in Section 1 of this act,
9 the net amount of any revenue resulting from a payment in lieu of
10 excise taxes on cigarettes levied by this section, pursuant to a
11 compact with a federally recognized Indian tribe or nation after
12 deductions for deposits into trust accounts pursuant to such
13 compacts, shall be apportioned by the Tax Commission and transmitted
14 to the State Treasurer as follows:

15 1. Thirty-three and forty-nine-hundredths percent (33.49%)
16 shall be placed to the credit of the Health Employee and Economy
17 Improvement Act Revolving Fund created in Section 1010.1 of Title 56
18 of the Oklahoma Statutes;

19 2. Four and sixty-nine-hundredths percent (4.69%) shall be
20 placed to the credit of the Comprehensive Cancer Center Debt Service
21 Revolving Fund created in Section 160.1 of Title 62 of the Oklahoma
22 Statutes;

23 3. Before July 1, 2008, eleven and thirty-nine-hundredths
24 percent (11.39%) shall be placed to the credit of the Trauma Care

1 Assistance Revolving Fund created in Section 1-2522 of Title 63 of
2 the Oklahoma Statutes. On and after July 1, 2008, eleven and
3 thirty-nine-hundredths percent (11.39%) shall be allocated as
4 follows:

- 5 a. every month, an amount equal to the actual amount
6 placed to the credit of the Trauma Care Assistance
7 Revolving Fund pursuant to this paragraph for the same
8 month of the 2008 fiscal year shall be credited to the
9 Trauma Care Assistance Revolving Fund,
- 10 b. every month, any amount over and above the amount
11 placed to the credit of the Trauma Care Assistance
12 Revolving Fund pursuant to subparagraph a of this
13 paragraph shall be credited to the Oklahoma Emergency
14 Response Systems Stabilization and Improvement
15 Revolving Fund as created in Section ~~8 of this act~~ 1-
16 2512.1 of Title 63 of the Oklahoma Statutes until the
17 combined amount credited to the Oklahoma Emergency
18 Response Systems Stabilization and Improvement
19 Revolving Fund pursuant to this section and Section
20 402-3 of this title is equal to a total of Two Million
21 Five Hundred Thousand Dollars (\$2,500,000.00) each
22 year, and
23
24

1 c. any additional revenue allocated pursuant to this
2 paragraph shall be placed to the credit of the Trauma
3 Care Assistance Revolving Fund;

4 4. Four and sixty-nine-hundredths percent (4.69%) shall be
5 placed to the credit of the Oklahoma State University College of
6 Osteopathic Medicine Revolving Fund created in Section 160.2 of
7 Title 62 of the Oklahoma Statutes;

8 5. Forty and six-hundredths percent (40.06%) shall be placed to
9 the credit of the Oklahoma Health Care Authority Medicaid Program
10 Fund created in Section 5020 of Title 63 of the Oklahoma Statutes
11 for the purposes of maintaining programs and services funded under
12 the federal "Jobs and Growth Tax Relief Reconciliation Act of 2003",
13 reimbursing city/county-owned hospitals, increasing emergency room
14 physician rates, and providing TEFRA 134, also known as "Katie
15 Beckett" services;

16 6. Four and one-hundredths percent (4.01%) shall be placed to
17 the credit of the Department of Mental Health and Substance Abuse
18 Services Revolving Fund created in Section 2-303 of Title 43A of the
19 Oklahoma Statutes;

20 7. Sixty-seven-hundredths percent (0.67%) shall be placed to
21 the credit of the Belle Maxine Hilliard Breast and Cervical Cancer
22 Treatment Revolving Fund created in Section 1-559 of Title 63 of the
23 Oklahoma Statutes; and
24

1 8. One percent (1%) shall be placed to the credit of the
2 Tobacco Prevention and Cessation Revolving Fund created in Section
3 1-105d of Title 63 of the Oklahoma Statutes.

4 E. No part of the revenues resulting from the additional taxes
5 levied in this section shall be used in determining the amount of
6 cigarette tax collections to be paid into:

7 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund
8 pursuant to the provisions of Sections 57.31 through 57.43 of Title
9 62 of the Oklahoma Statutes;

10 2. The State of Oklahoma Institutional Building Bonds of 1965
11 Sinking Fund pursuant to the provisions of Sections 57.61 through
12 57.73 of Title 62 of the Oklahoma Statutes;

13 3. The State of Oklahoma Institutional Building Bonds of 1965
14 Sinking Fund Series C and Series D pursuant to Sections 57.81
15 through 57.112 of Title 62 of the Oklahoma Statutes;

16 4. The State of Oklahoma Building Bonds of 1968 Sinking Fund
17 pursuant to the provisions of Sections 57.121 through 57.193 of
18 Title 62 of the Oklahoma Statutes; or

19 5. The Oklahoma Building Bonds of 1992 Sinking Fund pursuant to
20 the provisions of Sections 57.300 through 57.313 of Title 62 of the
21 Oklahoma Statutes.

22 F. The cigarette taxes levied in this section shall be
23 collected and administered in all respects not inconsistent with as
24 now or hereafter provided for by law for other cigarette taxes now

1 levied, collected, and administered pursuant to the provisions of
2 Sections 301 through 325 of this title.

3 SECTION 5. AMENDATORY 68 O.S. 2011, Section 402-3, is
4 amended to read as follows:

5 Section 402-3. A. In addition to the tax levied in Sections
6 402, 402-1 and 402-2 of this title, effective January 1, 2005, there
7 shall be levied, assessed, collected, and paid in respect to the
8 articles containing tobacco enumerated in Section 401 et seq. of
9 this title, a tax in the following amounts:

10 1. Little Cigars. Upon cigars of all descriptions made of
11 tobacco, or any substitute therefor, and weighing not more than
12 three (3) pounds per thousand, twenty-seven (27) mills for each
13 cigar. Provided, that the tax levied on the products coming under
14 this paragraph shall not apply if the tax on such products is
15 reported and paid as cigarette tax under Sections 301 through 325 of
16 this title;

17 2. Cigars. Upon all other cigars of all descriptions made of
18 tobacco, or any substitute therefor, and weighing more than three
19 (3) pounds per thousand, Ninety Dollars (\$90.00) per thousand. For
20 the purpose of computing the tax, cheroots, stogies, etc., are
21 hereby classed as cigars;

22 3. Smoking Tobacco. Upon all smoking tobacco including
23 granulated, plug cut, crimp cut, ready rubbed and other kinds and
24 forms of tobacco prepared in such manner as to be suitable for

1 smoking in a pipe or cigarette, the tax shall be forty percent (40%)
2 of the factory list price exclusive of any trade discount, special
3 discount or deals; and

4 4. Chewing Tobacco. Upon chewing tobacco, smokeless tobacco,
5 and snuff, the tax shall be thirty percent (30%) of the factory list
6 price exclusive of any trade discount, special discount or deals.

7 B. Except as provided in subsection C of this section and
8 Section 1 of this act, the revenue resulting from the additional tax
9 levied in subsection A of this section shall be apportioned by the
10 Oklahoma Tax Commission and transmitted to the State Treasurer as
11 follows:

12 1. Twenty-two and six-hundredths percent (22.06%) shall be
13 placed to the credit of the Health Employee and Economy Improvement
14 Act Revolving Fund created in Section 1010.1 of Title 56 of the
15 Oklahoma Statutes;

16 2. Three and nine-hundredths percent (3.09%) shall be placed to
17 the credit of the Comprehensive Cancer Center Debt Service Revolving
18 Fund created in Section 160.1 of Title 62 of the Oklahoma Statutes;

19 3. Before July 1, 2008, seven and fifty-hundredths percent
20 (7.50%) shall be placed to the credit of the Trauma Care Assistance
21 Revolving Fund created in Section 1-2522 of Title 63 of the Oklahoma
22 Statutes. On and after July 1, 2008, seven and fifty-hundredths
23 percent (7.50%) shall be allocated as follows:
24

1 a. every month, an amount equal to the actual amount
2 placed to the credit of the Trauma Care Assistance
3 Revolving Fund pursuant to this paragraph for the same
4 month of the 2008 fiscal year shall be credited to the
5 Trauma Care Assistance Revolving Fund,

6 b. every month, any amount over and above the amount
7 placed to the credit of the Trauma Care Assistance
8 Revolving Fund pursuant to subparagraph a of this
9 paragraph shall be credited to the Oklahoma Emergency
10 Response Systems Stabilization and Improvement
11 Revolving Fund as created in Section ~~8 of this act~~ 1-
12 2512.1 of Title 63 of the Oklahoma Statutes until the
13 combined amount credited to the Oklahoma Emergency
14 Response Systems Stabilization and Improvement
15 Revolving Fund pursuant to this section and Section
16 302-5 of this title is equal to Two Million Five
17 Hundred Thousand Dollars (\$2,500,000.00) each year,
18 and

19 c. any additional revenue allocated pursuant to this
20 paragraph shall be placed to the credit of the Trauma
21 Care Assistance Revolving Fund;

22 4. Three and nine-hundredths percent (3.09%) shall be placed to
23 the credit of the Oklahoma State University College of Osteopathic
24

1 Medicine Revolving Fund created in Section 160.2 of Title 62 of the
2 Oklahoma Statutes;

3 5. Twenty-six and thirty-eight-hundredths percent (26.38%)
4 shall be placed to the credit of the Oklahoma Health Care Authority
5 Medicaid Program Fund created in Section 5020 of Title 63 of the
6 Oklahoma Statutes for the purposes of maintaining programs and
7 services funded under the federal "Jobs and Growth Tax Relief
8 Reconciliation Act of 2003", reimbursing city/county-owned
9 hospitals, increasing emergency room physician rates, and providing
10 TEFRA 134, also known as "Katie Beckett" services;

11 6. Two and sixty-five-hundredths percent (2.65%) shall be
12 placed to the credit of the Department of Mental Health and
13 Substance Abuse Services Revolving Fund created in Section 2-303 of
14 Title 43A of the Oklahoma Statutes;

15 7. Forty-four-hundredths of one percent (0.44%) shall be placed
16 to the credit of the Belle Maxine Hilliard Breast and Cervical
17 Cancer Treatment Revolving Fund created in Section 1-559 of Title 63
18 of the Oklahoma Statutes;

19 8. One percent (1%) shall be placed to the credit of the
20 Teachers' Retirement System Revolving Fund created in Section 158 of
21 Title 62 of the Oklahoma Statutes;

22 9. Two and seven-hundredths percent (2.07%) shall be placed to
23 the credit of the Education Reform Revolving Fund created in Section
24 41.29b of Title 62 of the Oklahoma Statutes;

1 10. Sixty-six-hundredths percent (.66%) shall be placed to the
2 credit of the Tobacco Prevention and Cessation Revolving Fund
3 created in Section 1-105d of Title 63 of the Oklahoma Statutes;

4 11. Sixteen and eighty-three-hundredths percent (16.83%) shall
5 be placed to the credit of the General Revenue Fund; and

6 12. For fiscal years beginning July 1, 2004, and ending June
7 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)
8 shall be apportioned to municipalities and counties that levy a
9 sales tax, in the proportions which total municipal and county sales
10 tax revenue was apportioned by the Tax Commission in the preceding
11 month.

12 For fiscal years beginning July 1, 2006, and thereafter, the
13 apportionment percentage specified in paragraph 12 of this
14 subsection will be adjusted by dividing the total municipal and
15 county sales tax revenue collected in the calendar year immediately
16 preceding the commencement of the fiscal year by the sum of the
17 state sales tax revenue and total municipal and county sales tax
18 revenue collected in the same year. This ratio shall be divided by
19 the ratio of the total municipal and county sales tax revenue
20 collected in the calendar year beginning January 1, 2004, and ending
21 December 31, 2004, divided by the sum of the state sales tax revenue
22 and total municipal and county sales tax revenue collected in the
23 same year. The resulting quotient shall be multiplied by fourteen
24

1 and twenty-three-hundredths percent (14.23%) to determine the
2 apportionment percentage for the fiscal year.

3 For fiscal years beginning July 1, 2006, and thereafter, any
4 adjustment to the percentage of revenues apportioned to
5 municipalities and counties shall be reflected in the percent of
6 revenues apportioned to the General Revenue Fund.

7 C. ~~The~~ Except as otherwise provided in Section 1 of this act,
8 the net amount of any revenue resulting from a payment in lieu of
9 excise taxes on little cigars, cigars, smoking tobacco and chewing
10 tobacco levied by this section, pursuant to a compact with a
11 federally recognized Indian tribe or nation after deductions for
12 deposits into trust accounts pursuant to such compacts, shall be
13 apportioned by the Tax Commission and transmitted to the State
14 Treasurer as follows:

15 1. Thirty-three and forty-nine-hundredths percent (33.49%)
16 shall be placed to the credit of the Health Employee and Economy
17 Improvement Act Revolving Fund created in Section 1010.1 of Title 56
18 of the Oklahoma Statutes;

19 2. Four and sixty-nine-hundredths percent (4.69%) shall be
20 placed to the credit of the Comprehensive Cancer Center Debt Service
21 Revolving Fund created in Section 160.1 of Title 62 of the Oklahoma
22 Statutes;

23 3. Before July 1, 2008, eleven and thirty-nine-hundredths
24 percent (11.39%) shall be placed to the credit of the Trauma Care

1 Assistance Revolving Fund created in Section 1-2522 of Title 63 of
2 the Oklahoma Statutes. On and after July 1, 2008, eleven and
3 thirty-nine-hundredths percent (11.39%) shall be allocated as
4 follows:

5 a. every month, an amount equal to the actual amount
6 placed to the credit of the Trauma Care Assistance
7 Revolving Fund pursuant to this paragraph for the same
8 month of the 2008 fiscal year shall be credited to the
9 Trauma Care Assistance Revolving Fund,

10 b. every month, any amount over and above the amount
11 placed to the credit of the Trauma Care Assistance
12 Revolving Fund pursuant to subparagraph a of this
13 paragraph shall be credited to the Oklahoma Emergency
14 Response Systems Stabilization and Improvement
15 Revolving Fund as created in Section ~~8 of this act~~ 1-
16 2512.1 of Title 63 of the Oklahoma Statutes until the
17 combined amount credited to the Oklahoma Emergency
18 Response Systems Stabilization and Improvement
19 Revolving Fund pursuant to this section and Section
20 302-5 of this title is equal to Two Million Five
21 Hundred Thousand Dollars (\$2,500,000.00) each year,
22 and

1 c. any additional revenue allocated pursuant to this
2 paragraph shall be placed to the credit of the Trauma
3 Care Assistance Revolving Fund;

4 4. Four and sixty-nine-hundredths percent (4.69%) shall be
5 placed to the credit of the Oklahoma State University College of
6 Osteopathic Medicine Revolving Fund created in Section 160.2 of
7 Title 62 of the Oklahoma Statutes;

8 5. Forty and six-hundredths percent (40.06%) shall be placed to
9 the credit of the Oklahoma Health Care Authority Medicaid Program
10 Fund created in Section 5020 of Title 63 of the Oklahoma Statutes
11 for the purposes of maintaining programs and services funded under
12 the federal "Jobs and Growth Tax Relief Reconciliation Act of 2003",
13 reimbursing city/county-owned hospitals, increasing emergency room
14 physician rates, and providing TEFRA 134, also known as "Katie
15 Beckett" services;

16 6. Four and one-hundredths percent (4.01%) shall be placed to
17 the credit of the Department of Mental Health and Substance Abuse
18 Services Revolving Fund created in Section 2-303 of Title 43A of the
19 Oklahoma Statutes;

20 7. Sixty-seven-hundredths percent (0.67%) shall be placed to
21 the credit of the Belle Maxine Hilliard Breast and Cervical Cancer
22 Treatment Revolving Fund created in Section 1-559 of Title 63 of the
23 Oklahoma Statutes; and
24

1 8. One percent (1%) shall be placed to the credit of the
2 Tobacco Prevention and Cessation Revolving Fund created in Section
3 1-105d of Title 63 of the Oklahoma Statutes.

4 D. It shall not be permissible for a retailer to advertise that
5 the retailer will absorb the tax due on the taxable merchandise
6 described herein. Such tax shall be paid by the consumer.

7 SECTION 6. AMENDATORY 68 O.S. 2011, Section 500.6, as
8 amended by Section 4, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2017,
9 Section 500.6), is amended to read as follows:

10 Section 500.6 A. ~~The~~ Except as otherwise provided in Section 1
11 of this act, the tax of sixteen cents (\$0.16) per gallon of gasoline
12 that is levied by paragraph 1 of subsection A of Section 500.4 of
13 this title, the tax upon compressed natural gas levied by paragraph
14 3 of subsection A of Section 500.4 of this title, the tax upon
15 liquefied natural gas levied by paragraph 4 of subsection A of
16 Section 500.4 of this title and the tax of two and eight one-
17 hundredths cents (\$0.0208) per gallon of gasoline that is levied by
18 subsection C of Section 500.4 of this title, and penalties and
19 interest thereon, collected by the Oklahoma Tax Commission under the
20 levy shall be apportioned and distributed monthly as follows:

21 1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00)
22 of the levy collected each month shall be deposited in the State
23 Treasury to the credit of the State Transportation Fund;
24

1 2. One and six hundred twenty-five one-thousandths percent
2 (1.625%) of the levy shall be remitted to the State Treasurer to the
3 credit of the High Priority State Bridge Revolving Fund as created
4 in Section 506 of Title 69 of the Oklahoma Statutes;

5 3. Sixty-three and seventy-five one-hundredths percent (63.75%)
6 of the levy shall be deposited in the State Treasury to the credit
7 of the State Transportation Fund to be apportioned as follows:

8 a. the first Eight Hundred Fifty Thousand Dollars
9 (\$850,000.00) collected each fiscal year shall be
10 transferred to the Public Transit Revolving Fund,
11 created in Section 4031 of Title 69 of the Oklahoma
12 Statutes, and

13 b. the second Eight Hundred Fifty Thousand Dollars
14 (\$850,000.00) collected each fiscal year shall be
15 transferred to the Oklahoma Tourism and Passenger Rail
16 Revolving Fund and shall be used by the Department of
17 Transportation:

18 (1) to contract railroad passenger services,
19 including but not limited to a route linking
20 stations in Oklahoma and Tulsa Counties with
21 other primary points in the national railroad
22 passenger system and passenger rail service
23 within the state, and a route beginning at a
24

- 1 station in Oklahoma County and extending north to
2 the Kansas state line in Kay County, and
3 (2) to provide necessary facility, signaling, and
4 track improvements for those contracted services,
5 c. forty-one and two-tenths percent (41.2%) of the monies
6 apportioned to the State Transportation Fund shall be
7 used for any purpose provided for in Section 1502 of
8 Title 69 of the Oklahoma Statutes,
9 d. nine and eight-tenths percent (9.8%) of the monies
10 apportioned to the State Transportation Fund shall be
11 used to provide funds for the construction and
12 maintenance of farm-to-market roads on the state
13 highway system, and other rural farm-to-market roads
14 and bridges, and
15 e. any remaining amount of the apportionment shall be
16 deposited into the State Transportation Fund;

17 4. Twenty-seven percent (27%) of the levy shall be transmitted
18 by the Tax Commission to the various counties of the state, to be
19 apportioned and used as follows:

- 20 a. sixty-five and three-tenths percent (65.3%) of the
21 monies apportioned under this paragraph shall be used
22 on the following basis:
23 (1) forty percent (40%) of such sum shall be
24 distributed to the various counties in the

1 proportion which the county road mileage of each
2 county bears to the entire state road mileage as
3 certified by the Transportation Commission, and
4 (2) the remaining sixty percent (60%) of such sum
5 shall be distributed to the various counties on
6 the basis which the population and area of each
7 county bears to the total population and area of
8 the state. The population shall be as shown by
9 the last Federal Decennial Census or the most
10 recent annual estimate provided by the U.S.

11 Bureau of the Census,

- 12 b. twenty-three and one-tenth percent (23.1%) of the
13 monies apportioned under this paragraph shall be
14 distributed to the counties in the following manner:
15 One-third (1/3) on area; one-third (1/3) on rural
16 population, defined as including the population of all
17 municipalities with a population of less than five
18 thousand (5,000) according to the latest Federal
19 Decennial Census; and one-third (1/3) on county road
20 mileage, as last certified by the Department of
21 Transportation, as each county bears to the entire
22 area, rural population and road mileage of the state,
23 and
24

1 c. eleven and six-tenths percent (11.6%) of the monies
2 apportioned under this paragraph shall be distributed
3 to the various counties of the state based on a
4 formula developed by the Department of Transportation
5 and approved by the Department of Transportation
6 County Advisory Board created pursuant to Section
7 302.1 of Title 69 of the Oklahoma Statutes. The
8 formula shall be similar to the formula currently used
9 for the distribution of monies in the County Bridge
10 Program funds, but shall also take into consideration
11 the effect of the terrain and traffic volume as
12 related to county road improvement and maintenance
13 costs;

14 5. Three and one hundred twenty-five one-thousandths percent
15 (3.125%) of the levy shall be distributed to the various counties of
16 the state based on a formula developed by the Department of
17 Transportation and approved by the Department of Transportation
18 County Advisory Board created pursuant to Section 302.1 of Title 69
19 of the Oklahoma Statutes. The formula shall be similar to the
20 formula currently used for the distribution of monies in the County
21 Bridge Program funds, but shall also take into consideration the
22 effect of the terrain and traffic volume as related to county road
23 improvement and maintenance costs;

1 6. Two and two hundred ninety-seven one-thousandths percent
2 (2.297%) of the levy shall be distributed to the various counties of
3 the state for deposit into the County Bridge and Road Improvement
4 Fund of each county based on a formula developed by the Department
5 of Transportation and approved by the Department of Transportation
6 County Advisory Board created pursuant to Section 302.1 of Title 69
7 of the Oklahoma Statutes to be used for the purposes set forth in
8 the County Bridge and Road Improvement Act. The formula shall be
9 similar to the formula currently used for the distribution of monies
10 in the County Bridge Program funds, but shall also take into
11 consideration the effect of the terrain and traffic volume as
12 related to county road improvement and maintenance costs;

13 7. One and eight hundred seventy-five one-thousandths percent
14 (1.875%) of the levy shall be transmitted by the Tax Commission to
15 the treasurers of the various incorporated cities and towns of the
16 state in the percentage which the population, as shown by the last
17 Federal Decennial Census or the most recent annual estimate provided
18 by the U.S. Bureau of the Census, bears to the total population of
19 all the incorporated cities and towns in this state. The funds
20 shall be expended for the construction, repair and maintenance of
21 the streets and alleys of the incorporated cities and towns of this
22 state; and

23 8. Three hundred twenty-eight one-thousandths percent (0.328%)
24 of the levy shall be transmitted by the Tax Commission to the

1 Statewide Circuit Engineering District Revolving Fund as created in
2 Section 687.2 of Title 69 of the Oklahoma Statutes.

3 B. 1. The funds apportioned or transmitted pursuant to
4 subparagraphs a, b, and c of paragraph 4 of subsection A of this
5 section, subsection B of Section 500.7 of this title, subsection B
6 of Section 704 of this title, Section 706 of this title, and
7 paragraph 2 of subsection D of Section 707.3 of this title shall be
8 sent to the respective county treasurers and deposited in the county
9 highway fund to be used by the county commissioners for the purpose
10 of constructing and maintaining county highways and bridges.

11 2. The funds received by any county shall not be diverted to
12 any other county of the state, and shall only be expended under the
13 direction and control of the board of county commissioners in the
14 county to which the funds are appropriated. If any part of the
15 funds is diverted for any other purpose, the county commissioners
16 shall be liable on their bond for double the amount of the money so
17 diverted. This paragraph shall not prohibit counties from entering
18 into cooperative agreements pertaining to the maintenance and
19 construction of roads and bridges.

20 3. Where any county highway has been laid out over a road
21 already constructed in any county by the use of money raised from
22 county bond issues for that purpose, either alone or by the use of
23 federal or state aid, or both, the county commissioners may set
24 aside out of the funds apportioned to that county, as provided in

1 this section, an amount of money equal to the value of any part
2 thereof, of the interest of such county in such highway or bridge,
3 which amount of money shall be considered by the excise board in
4 reducing the levy for the purpose of retiring the bonded
5 indebtedness and interest thereon of the county, and shall be used
6 for investment or deposit in the same manner as provided by law for
7 the disposition of other sinking fund money.

8 4. In all counties where the county excise board may find it
9 necessary, because of insufficient revenue, to maintain county
10 government out of the general fund, after a levy of ten (10) mills
11 has been made for any fiscal year, the county excise board may
12 appropriate out of any such funds apportioned to the county an
13 amount sufficient to pay the salaries of the county commissioners of
14 the county for the fiscal year.

15 5. Counties may use funds deposited in the county highway fund
16 for the purpose of matching federal or state funds, provided such
17 funds are available, as necessary to secure assistance in the
18 construction or improvement of the county road system.

19 C. With regards to the apportionment of the levy as set forth
20 in paragraph 5 of subsection A of this section, paragraph 5 of
21 subsection A of Section 500.7 of this title, and subsection C of
22 Section 707.2 of this title:

23 1. If any county has an accrued balance of funds which were
24 appropriated to or otherwise accrued in a restricted road

1 maintenance fund, such funds shall be deposited directly to the
2 county highway fund of the county;

3 2. If any county has an accrued balance of funds which were
4 appropriated to or otherwise accrued in the County Road Improvement
5 Fund, or the County Bridge Improvement Fund, such funds shall, by
6 resolution approved by a majority of the board of county
7 commissioners and filed with the Department of Transportation, be
8 deposited in the county highway fund of the county;

9 3. If any county has an accrued balance of funds which were
10 appropriated to or otherwise accrued in the County Bridge and Road
11 Improvement Fund, ninety-nine percent (99%) of such funds shall be
12 remitted to the respective county treasurer for deposit in the
13 appropriate County Bridge and Road Improvement Fund to be used for
14 the purpose set forth in the County Bridge and Road Improvement Act.
15 The remaining one percent (1%) of such funds will be remitted to the
16 Statewide Circuit Engineering District Revolving Fund; and

17 4. If any county has an advanced funding agreement with the
18 Department of Transportation, the Department of Transportation shall
19 notify the Tax Commission as to the amount the county is obligated
20 to pay according to the terms of the advanced funding agreement.
21 The obligated amount shall be transferred each month by the Tax
22 Commission to the Department of Transportation to the credit of the
23 County Bridge and Road Improvement Fund from the funds apportioned
24 to the county pursuant to paragraph 5 of subsection A of this

1 section. A county may elect to increase the monthly amount to be
2 repaid pursuant to the advanced funding agreement from the funds
3 apportioned to the county, but a county shall not be permitted to
4 reduce the amount agreed to pursuant to the advanced funding
5 agreement.

6 D. The tax levied on gasoline pursuant to Section 500.4A of
7 this title, and the penalties and interest thereon, collected by the
8 Tax Commission under the levy shall be apportioned and distributed
9 on a monthly basis to the State Highway Construction and Maintenance
10 Fund for the purposes authorized by Section 1502 of Title 69 of the
11 Oklahoma Statutes.

12 SECTION 7. AMENDATORY 68 O.S. 2011, Section 500.7, is
13 amended to read as follows:

14 Section 500.7 A. ~~The~~ Except as otherwise provided in Section 1
15 of this act, the tax of thirteen cents (\$0.13) per gallon of diesel
16 fuel that is levied by Section 500.4 of this title, and all
17 penalties and interest thereon, collected by the Oklahoma Tax
18 Commission under the levy shall be apportioned and distributed
19 monthly as follows:

20 1. The first Eighty-three Thousand Three Hundred Thirty-three
21 Dollars and thirty-three cents (\$83,333.33) of the levy collected
22 each month shall be deposited in the State Treasury to the credit of
23 the State Transportation Fund;
24

1 2. One and thirty-nine one-hundredths percent (1.39%) of the
2 levy shall be paid by the Commission to the State Treasurer to the
3 credit of the High Priority State Bridge Revolving Fund as created
4 in Section 506 of Title 69 of the Oklahoma Statutes;

5 3. Sixty-four and thirty-four one-hundredths percent (64.34%)
6 of the levy shall be deposited in the State Treasury to the credit
7 of the State Transportation Fund;

8 4. Twenty-six and fifty-eight one-hundredths percent (26.58%)
9 of the levy shall be transmitted by the Commission to various
10 counties of the state, to be apportioned as follows:

11 a. forty-two and one-tenth percent (42.1%) of the monies
12 apportioned under this paragraph shall be transmitted
13 to the various counties in the percentage which the
14 population and area of each county bears to the
15 population and area of the entire state. The
16 population shall be as shown by the last Federal
17 Decennial Census or the most recent annual estimate
18 provided by the U.S. Bureau of the Census,

19 b. fourteen and five-tenths percent (14.5%) of the monies
20 apportioned under this paragraph shall be distributed
21 as follows:

22 Forty percent (40%) of such sum shall be distributed
23 to the various counties in that proportion which the
24 county road mileage of each county bears to the entire

1 state road mileage as certified by the Transportation
2 Commission, and the remaining sixty percent (60%) of
3 such sum shall be distributed to the various counties
4 on the basis which the population and area of each
5 county bears to the total population and area of the
6 state. The population shall be as shown by the last
7 Federal Decennial Census or the most recent annual
8 estimate provided by the U.S. Bureau of the Census,
9 c. twenty-eight and nine-tenths percent (28.9%) of the
10 monies apportioned under this paragraph shall be
11 distributed to the several counties in the following
12 manner: one-third (1/3) on area, one-third (1/3) on
13 rural population (defined as including the population
14 of all municipalities with a population of less than
15 five thousand (5,000) according to the latest Federal
16 Decennial Census), and one-third (1/3) on county road
17 mileage, as last certified by the Department of
18 Transportation, as each county bears to the entire
19 area, rural population and road mileage of the state,
20 and
21 d. fourteen and five-tenths percent (14.5%) of the monies
22 apportioned under this paragraph shall be distributed
23 to the various counties of the state based on a
24 formula developed by the Department of Transportation

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

9 5. Three and eighty-five one-hundredths percent (3.85%) of the
10 levy shall be distributed based on a formula developed by the
11 Department of Transportation and approved by the Department of
12 Transportation County Advisory Board created pursuant to Section
13 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be
14 similar to the formula currently used for the distribution of the
15 County Bridge Program funds, but shall also take into consideration
16 the effect of the terrain and traffic volume as related to the
17 county road improvement and maintenance costs. The apportionment of
18 the levy as set forth in this paragraph shall be subject to the
19 provisions of subsection C of Section 500.6 of this title; and

20 6. Three and thirty-six one-hundredths percent (3.36%) of the
21 levy shall be distributed to the various counties of the state for
22 deposit into the County Bridge and Road Improvement Fund of each
23 county based on a formula developed by the Department of
24 Transportation and approved by the Department of Transportation

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

8 7. Forty-eight one-hundredths percent (0.48%) of the levy shall
9 be transmitted by the Tax Commission to the Statewide Circuit
10 Engineering District Revolving Fund as created in Section 687.2 of
11 Title 69 of the Oklahoma Statutes.

12 B. The funds apportioned or transmitted pursuant to the
13 provisions of subparagraphs a, b, and c of paragraph 4 of subsection
14 A of this section shall be used in accordance with and subject to
15 the provisions of subsection B of Section 500.6 of this title.

16 C. The tax levied on diesel fuel pursuant to Section 500.4A of
17 this title, and all penalties and interest thereon, collected by the
18 Commission under the levy shall be apportioned and distributed on a
19 monthly basis to the State Highway Construction and Maintenance Fund
20 for the purposes authorized by Section 1502 of Title 69 of the
21 Oklahoma Statutes.

22 SECTION 8. AMENDATORY 68 O.S. 2011, Section 1004, as
23 last amended by Section 2, Chapter 355, O.S.L. 2017 (68 O.S. Supp.
24 2017, Section 1004), is amended to read as follows:

1 Section 1004. A. As used in this section:

2 1. "Moving five-year average amount for gas" means, for
3 purposes of the apportionments prescribed by this section, the
4 amount of gross production tax on natural gas collected for each of
5 the five (5) complete fiscal years, as computed by the State Board
6 of Equalization pursuant to Section 34.103 of Title 62 of the
7 Oklahoma Statutes; and

8 2. "Moving five-year average amount for oil" means, for
9 purposes of the apportionments prescribed by this section, the
10 amount of gross production tax on oil collected for each of the five
11 (5) complete fiscal years, as computed by the State Board of
12 Equalization pursuant to Section 34.103 of Title 62 of the Oklahoma
13 Statutes.

14 B. Beginning July 1, 2017, except as otherwise provided in
15 Section 1 of this act, the gross production tax provided for in
16 Section 1001 of this title is hereby levied and shall be collected
17 and apportioned as follows:

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

20 a. eighty-five and seventy-two one-hundredths percent
21 (85.72%) shall be paid to the State Treasurer of the
22 state to be placed in the General Revenue Fund of the
23 state and used for the general expense of state
24

1 government, to be paid out pursuant to direct
2 appropriation by the Legislature,

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

13 c. seven and fourteen one-hundredths percent (7.14%)
14 shall be allocated to each county as provided for in
15 subparagraph b 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;

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

4 a. after the total revenue apportioned to the General
5 Revenue Fund as prescribed by subparagraph b of this
6 paragraph equals the moving five-year average amount
7 for gas as defined by paragraph 1 of subsection A of
8 this section, there shall be apportioned from the
9 gross production tax levy imposed pursuant to Section
10 1001 of this title on natural gas and/or casinghead
11 gas to the Revenue Stabilization Fund created by
12 Section 34.102 of Title 62 of the Oklahoma Statutes,
13 the amount of revenue, if any, which exceeds the
14 moving five-year average amount for gas as defined
15 pursuant to paragraph 1 of subsection A of this
16 section,

17 b. until the apportionment to the General Revenue Fund
18 equals the moving five-year average amount for gas as
19 prescribed by paragraph 1 of subsection A of this
20 section, eighty-five and seventy-two one-hundredths
21 percent (85.72%) shall be paid to the State Treasurer
22 of the state to be placed in the General Revenue Fund
23 of the state and used for the general expense of state
24

1 government, to be paid out pursuant to direct
2 appropriation by the Legislature,

3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, seven and fourteen
5 one-hundredths percent (7.14%) of the sum collected
6 from natural gas and/or casinghead gas shall be paid
7 to the 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, and

13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, seven and fourteen
15 one-hundredths percent (7.14%) shall be allocated to
16 each county as provided for in subparagraph c of this
17 paragraph and shall be apportioned, on an average
18 daily attendance per capita distribution basis, as
19 certified by the State Superintendent of Public
20 Instruction to the school districts of the county
21 where such pupils attend school regardless of
22 residence of such pupil, provided the school district
23 makes an ad valorem tax levy of fifteen (15) mills for
24

1 the current year and maintains twelve (12) years of
2 instruction;

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 subsections B and E of Section 1001 of this title:

6 a. after the total revenue apportioned to the General
7 Revenue Fund as prescribed by subparagraph b of this
8 paragraph equals the moving five-year average amount
9 for gas as defined by paragraph 1 of subsection A of
10 this section, there shall be apportioned from the
11 gross production tax levy imposed pursuant to Section
12 1001 of this title on natural gas and/or casinghead
13 gas to the Revenue Stabilization Fund created pursuant
14 to Section 34.102 of Title 62 of the Oklahoma
15 Statutes, the amount of revenue, if any, which exceeds
16 the moving five-year average amount for gas as defined
17 pursuant to paragraph 1 of subsection A of this
18 section,

19 b. until the apportionment to the General Revenue Fund
20 equals the moving five-year average amount for gas as
21 prescribed by paragraph 1 of subsection A of this
22 section, seventy-five percent (75%) shall be paid to
23 the State Treasurer of the state to be placed in the
24 General Revenue Fund of the state and used for the

- 1 general expense of state government, to be paid out
2 pursuant to direct appropriation by the Legislature,
3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, twelve and one-half
5 percent (12.5%) of the sum collected from natural gas
6 and/or casinghead gas shall be paid to the various
7 county treasurers to be credited to the County Highway
8 Fund as follows: Each county shall receive a
9 proportionate share of the funds available based upon
10 the proportion of the total value of production from
11 such county in the corresponding month of the
12 preceding year, and
13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twelve and one-half
15 percent (12.5%) shall be allocated to each county as
16 provided for in subparagraph c of this paragraph and
17 shall be apportioned, on an average daily attendance
18 per capita distribution basis, as certified by the
19 State Superintendent of Public Instruction to the
20 school districts of the county where such pupils
21 attend school regardless of residence of such pupil,
22 provided the school district makes an ad valorem tax
23 levy of fifteen (15) mills for the current year and
24 maintains twelve (12) years of instruction;

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

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

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

22 5. For all monies collected from the tax levied on natural gas
23 and/or casinghead gas at a tax rate of two percent (2%) pursuant to
24

1 the provisions of subparagraph c of paragraph 3 of subsection B of
2 Section 1001 of this title:

- 3 a. after the total revenue apportioned to the General
4 Revenue Fund as prescribed by subparagraph b of this
5 paragraph equals the moving five-year average amount
6 for gas as defined by paragraph 1 of subsection A of
7 this section, there shall be apportioned from the
8 gross production tax levy imposed pursuant to Section
9 1001 of this title on gas to the Revenue Stabilization
10 Fund created by Section 34.102 of Title 62 of the
11 Oklahoma Statutes, the amount of revenue, if any,
12 which exceeds the moving five-year average amount for
13 natural gas and/or casinghead gas as defined pursuant
14 to paragraph 1 of subsection A of this section,
- 15 b. until the apportionment to the General Revenue Fund
16 equals the moving five-year average amount for gas as
17 prescribed by paragraph 1 of subsection A of this
18 section, fifty percent (50%) shall be paid to the
19 State Treasurer to be placed in the General Revenue
20 Fund of the state and used for the general expense of
21 state government, to be paid out pursuant to direct
22 appropriation by the Legislature,
- 23 c. before any other apportionment of revenue has been
24 made pursuant to this paragraph, twenty-five percent

(25%) 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

d. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five percent (25%) shall be allocated to each county as provided for in subparagraph c 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;

6. 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. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this

1 title on oil to the Revenue Stabilization Fund created
2 by Section 34.102 of Title 62 of the Oklahoma
3 Statutes, after the applicable maximum amount
4 prescribed by subsection C of this section has been
5 deposited to the funds therein specified, the amount
6 of revenue, if any, which would otherwise be
7 apportioned to the General Revenue Fund and which
8 exceeds the moving five-year average amount for oil as
9 defined pursuant to paragraph 2 of subsection A of
10 this section,

11 b. before any other apportionment of revenue has been
12 made pursuant to this paragraph, twenty-five and
13 seventy-two one-hundredths percent (25.72%) shall be
14 paid to the State Treasurer to be placed in the Common
15 Education Technology Revolving Fund created in Section
16 34.90 of Title 62 of the Oklahoma Statutes,

17 c. before any other apportionment of revenue has been
18 made pursuant to this paragraph, twenty-five and
19 seventy-two one-hundredths percent (25.72%) shall be
20 paid to the State Treasurer to be placed in the Higher
21 Education Capital Revolving Fund created in Section
22 34.91 of Title 62 of the Oklahoma Statutes,

23 d. before any other apportionment of revenue has been
24 made pursuant to this paragraph, 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,

- e. before any other apportionment of revenue has been made pursuant to this paragraph, 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 funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,
- f. before any other apportionment of revenue has been made pursuant to this paragraph, 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, 2019:

(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

(2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year beginning July 1, 2019, and for each fiscal year thereafter,

- 1 g. before any other apportionment of revenue has been
2 made pursuant to this paragraph, seven and fourteen
3 one-hundredths percent (7.14%) of the sum collected
4 from oil shall be paid to the various county
5 treasurers, to be credited to the County Highway Fund
6 as follows: Each county shall receive a proportionate
7 share of the funds available based upon the proportion
8 of the total value of production from such county in
9 the corresponding month of the preceding year,
- 10 h. before any other apportionment of revenue has been
11 made pursuant to this paragraph, seven and fourteen
12 one-hundredths percent (7.14%) shall be allocated to
13 each county as provided in subparagraph g of this
14 paragraph and shall be apportioned, on an average
15 daily attendance per capita distribution basis, as
16 certified by the State Superintendent of Public
17 Instruction, to the school districts of the county
18 where such pupils attend school regardless of
19 residence of such pupil, provided the school district
20 makes an ad valorem tax levy of fifteen (15) mills for
21 the current year and maintains twelve (12) years of
22 instruction, and
- 23 i. before any other apportionment of revenue has been
24 made pursuant to this paragraph, five hundred thirty-

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

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

9 a. there shall be apportioned from the gross production
10 tax levy imposed pursuant to Section 1001 of this
11 title on oil to the Revenue Stabilization Fund created
12 by Section 34.102 of Title 62 of the Oklahoma
13 Statutes, after the applicable maximum amount
14 prescribed by subsection C of this section has been
15 deposited to the funds therein specified, the amount
16 of revenue, if any, which would otherwise be
17 apportioned to the General Revenue Fund and which
18 exceeds the moving five-year average amount for oil as
19 defined pursuant to paragraph 2 of subsection A of
20 this section,

21 b. before any other apportionment of revenue has been
22 made pursuant to this paragraph, twenty-two and one-
23 half percent (22.5%) shall be paid to the State
24 Treasurer to be placed in the Common Education

1 Technology Revolving Fund created in Section 34.90 of
2 Title 62 of the Oklahoma Statutes,

3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, twenty-two and one-
5 half percent (22.5%) shall be paid to the State
6 Treasurer to be placed in the Higher Education Capital
7 Revolving Fund created in Section 34.91 of Title 62 of
8 the Oklahoma Statutes,

9 d. before any other apportionment of revenue has been
10 made pursuant to this paragraph, twenty-two and one-
11 half percent (22.5%) shall be paid to the State
12 Treasurer to be placed in the Oklahoma Student Aid
13 Revolving Fund created in Section 34.92 of Title 62 of
14 the Oklahoma Statutes,

15 e. before any other apportionment of revenue has been
16 made pursuant to this paragraph, three and twenty-
17 eight one-hundredths percent (3.28%) shall be
18 distributed to the various counties of the state for
19 deposit into the County Bridge and Road Improvement
20 Fund of each county based on a formula developed by
21 the Department of Transportation and approved by the
22 Department of Transportation County Advisory Board
23 created pursuant to Section 302.1 of Title 69 of the
24 Oklahoma Statutes to be used for the purposes set

1 forth in the County Bridge and Road Improvement Act.

2 The formula shall be similar to the formula currently
3 used for the distribution of monies in the County
4 Bridge Program funds, but shall also take into
5 consideration the effect of the terrain and traffic
6 volume as related to county road improvement and
7 maintenance costs,

8 f. before any other apportionment of revenue has been
9 made pursuant to this paragraph, three and seventy-
10 five one-hundredths percent (3.75%) shall be paid to
11 the State Treasurer to be apportioned to:

12 (1) the following sources and in the following
13 amounts through the fiscal year ending June 30,
14 2019:

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

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

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

6 (2) the Oklahoma Water Resources Board Rural Economic
7 Action Plan Water Projects Fund for the fiscal
8 year beginning July 1, 2019, and for each fiscal
9 year thereafter,

10 g. before any other apportionment of revenue has been
11 made pursuant to this paragraph, twelve and one-half
12 percent (12.5%) of the sum collected from oil shall be
13 paid to the various county treasurers, to be credited
14 to the County Highway Fund as follows: Each county
15 shall receive a proportionate share of the funds
16 available based upon the proportion of the total value
17 of production from such county in the corresponding
18 month of the preceding year,

19 h. before any other apportionment of revenue has been
20 made pursuant to this paragraph, twelve and one-half
21 percent (12.5%) shall be allocated to each county as
22 provided in subparagraph g of this paragraph and shall
23 be apportioned on an average daily attendance per
24 capita distribution basis, as certified by the State

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

- 7 i. before any other apportionment of revenue has been
8 made pursuant to this paragraph, forty-seven one-
9 hundredths percent (0.47%) of the levy shall be
10 transmitted by the Tax Commission to the Statewide
11 Circuit Engineering District Revolving Fund as created
12 in Section 687.2 of Title 69 of the Oklahoma Statutes;

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

- 16 a. fifty percent (50%) of the sum collected shall be paid
17 to the various county treasurers, to be credited to
18 the County Highway Fund as follows: Each county shall
19 receive a proportionate share of the funds available
20 based upon the proportion of the total value of
21 production from such county in the corresponding month
22 of the preceding year, and
23 b. fifty percent (50%) shall be allocated to each county
24 as provided for in subparagraph a of this paragraph

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

9 9. For all monies collected from the tax levied on oil at a tax
10 rate of two percent (2%) pursuant to the provisions of subparagraph
11 c of paragraph 3 of subsection B of Section 1001 of this title:

- 12 a. there shall be apportioned from the gross production
13 tax levy imposed pursuant to Section 1001 of this
14 title on oil to the Revenue Stabilization Fund created
15 by Section 34.102 of Title 62 of the Oklahoma
16 Statutes, the amount of revenue, if any, which exceeds
17 the moving five-year average amount for oil as defined
18 pursuant to paragraph 2 of subsection A of this
19 section,
- 20 b. until the apportionment to the General Revenue Fund
21 equals the moving five-year average amount for oil as
22 prescribed by paragraph 2 of subsection A of this
23 section, fifty percent (50%) shall be paid to the
24 State Treasurer to be placed in the General Revenue

1 Fund of the state and used for the general expense of
2 state government, to be paid out pursuant to direct
3 appropriation by the Legislature,

4 c. before any other apportionment of revenue has been
5 made pursuant to this paragraph, twenty-five percent
6 (25%) of the sum collected from oil shall be paid to
7 the 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, and

13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twenty-five percent
15 (25%) shall be allocated to each county as provided in
16 subparagraph c 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.

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

16 SECTION 9. AMENDATORY 68 O.S. 2011, Section 1353, as
17 last amended by Section 1, Chapter 349, O.S.L. 2015 (68 O.S. Supp.
18 2017, Section 1353), is amended to read as follows:

19 Section 1353. A. It is hereby declared to be the purpose of
20 the Oklahoma Sales Tax Code to provide funds for the financing of
21 the program provided for by the Oklahoma Social Security Act and to
22 provide revenues for the support of the functions of the state
23 government of Oklahoma, and for this purpose and except as provided
24 in Section 1 of this act, it is hereby expressly provided that,

1 revenues derived pursuant to the provisions of the Oklahoma Sales
2 Tax Code, subject to the apportionment requirements for the Oklahoma
3 Tax Commission and Office of Management and Enterprise Services
4 Joint Computer Enhancement Fund provided by Section 265 of this
5 title, shall be apportioned as follows:

- 6 1. a. the following amounts shall be paid to the State
7 Treasurer to be placed to the credit of the General
8 Revenue Fund to be paid out pursuant to direct
9 appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

- 17 b. in the event that additional monies are necessary
18 pursuant to paragraph 6 of this subsection, such
19 additional monies shall be deducted in the proportion
20 determined by the State Board of Equalization pursuant
21 to paragraph 3 of Section 2355.1B of this title from
22 the monies apportioned to the General Revenue Fund;

- 23 2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-
24 hundredths percent (10.42%), shall be paid to the State Treasurer to

1 be placed to the credit of the Education Reform Revolving Fund of
2 the State Department of Education and for FY 2006 and each fiscal
3 year thereafter, ten and forty-six one-hundredths percent (10.46%)
4 shall be paid to the State Treasurer to be placed to the credit of
5 the Education Reform Revolving Fund of the State Department of
6 Education;

7 3. The following amounts shall be paid to the State Treasurer
8 to be placed to the credit of the Teachers' Retirement System
9 Dedicated Revenue Revolving Fund:

10	Fiscal Year	Amount
11	FY 2003 and FY 2004	3.54%
12	FY 2005	3.75%
13	FY 2006	4.0%
14	FY 2007	4.5%
15	FY 2008 and each fiscal	
16	year thereafter	5.0%

17 4. a. except as otherwise provided in subparagraph b of this
18 paragraph, for the fiscal year beginning July 1, 2015,
19 and for each fiscal year thereafter, eighty-seven one-
20 hundredths percent (0.87%) shall be paid to the State
21 Treasurer to be further apportioned as follows:

22 (1) thirty-six percent (36%) shall be placed to the
23 credit of the Oklahoma Tourism Promotion
24 Revolving Fund, but in no event shall such

1 apportionment exceed Five Million Dollars
2 (\$5,000,000.00) in any fiscal year, and

3 (2) sixty-four percent (64%) shall be placed to the
4 credit of the Oklahoma Tourism Capital
5 Improvement Revolving Fund, but in no event shall
6 such apportionment exceed Nine Million Dollars
7 (\$9,000,000.00) in any fiscal year, and

8 b. any amounts which exceed the limitations of
9 subparagraph a of this paragraph shall be placed to
10 the credit of the General Revenue Fund;

11 5. For the fiscal year beginning July 1, 2015, and for each
12 fiscal year thereafter, six one-hundredths percent (0.06%) shall be
13 placed to the credit of the Oklahoma Historical Society Capital
14 Improvement and Operations Revolving Fund, but in no event shall
15 such apportionment exceed the total amount apportioned pursuant to
16 this paragraph for the fiscal year ending on June 30, 2015. Any
17 amounts which exceed the limitations of this paragraph shall be
18 placed to the credit of the General Revenue Fund; and

19 6. During the first fiscal year after the State Board of
20 Equalization has made a determination as provided in Section 2355.1B
21 of this title, regarding a baseline amount of revenue apportioned
22 pursuant to paragraph 3 of this subsection, and for each fiscal year
23 thereafter, in no event shall monies apportioned pursuant to
24 paragraph 3 of this subsection, paragraph 3 of Section 1403 of this

1 title and subparagraph c of paragraph 1 of Section 2352 of this
2 title be less than such baseline amount.

3 B. Provided, for the fiscal year beginning July 1, 2007, and
4 every fiscal year thereafter, an amount of revenue shall be
5 apportioned to each municipality or county which levies a sales tax
6 subject to the provisions of Section 1357.10 of this title and
7 subsection F of Section 2701 of this title equal to the amount of
8 sales tax revenue of such municipality or county exempted by the
9 provisions of Section 1357.10 of this title and subsection F of
10 Section 2701 of this title. The Oklahoma Tax Commission shall
11 promulgate and adopt rules necessary to implement the provisions of
12 this subsection.

13 SECTION 10. AMENDATORY 68 O.S. 2011, Section 1403, as
14 last amended by Section 2, Chapter 349, O.S.L. 2015 (68 O.S. Supp.
15 2017, Section 1403), is amended to read as follows:

16 Section 1403. It is hereby declared to be the purpose of
17 Section 1401 et seq. of this title to provide for the support of the
18 functions of the state and local government of Oklahoma; and for
19 this purpose and to this end and except as provided in Section 1 of
20 this act, it is hereby expressly provided that the revenues derived
21 hereunder, subject to the apportionment requirements for the
22 Oklahoma Tax Commission and Office of Management and Enterprise
23 Services Joint Computer Enhancement Fund provided by Section 265 of
24 this title, are hereby apportioned as follows:

1. a. the following amounts shall be paid by the Tax Commission to the State Treasurer and placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

b. in the event that additional monies are necessary pursuant to paragraph 6 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund;

2. Ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State Treasurer to be further apportioned as follows:

(1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this division for the fiscal year ending on June 30, 2015, and

(2) sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this division for the fiscal year ending on June 30, 2015, and

b. any amounts which exceed the limitations of subparagraph a of this paragraph shall be placed to the credit of the General Revenue Fund;

5. For the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this paragraph for the fiscal year ending on June 30, 2015. Any amounts which exceed the limitations of this paragraph shall be placed to the credit of the General Revenue Fund; and

6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1353 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.

SECTION 11. AMENDATORY 68 O.S. 2011, Section 2352, as last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp. 2017, Section 2352), is amended to read as follows:

Section 2352. It is hereby declared to be the purpose of Section 2351 et seq. of this title to provide revenue for general

1 governmental functions of state government; and, for that purpose
2 and to that end and except as provided in Section 1 of this act, it
3 is expressly declared that the revenue derived herefrom and
4 penalties and interest thereon, subject to the apportionment
5 requirements for the Rebuilding Oklahoma Access and Driver Safety
6 Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and the
7 Public Transit Revolving Fund to be derived from income tax revenue
8 that would otherwise be apportioned to the General Revenue Fund as
9 provided by Section 1521 of Title 69 of the Oklahoma Statutes,
10 subject to the apportionment requirements for the Oklahoma Tax
11 Commission and Office of Management and Enterprise Services Joint
12 Computer Enhancement Fund provided by Section 265 of this title, and
13 subject to the apportionment requirements for the Oklahoma State
14 Capitol Building Repair and Restoration Fund provided by Section 19
15 of Title 73 of the Oklahoma Statutes, shall be distributed as
16 follows:

17 1. For the fiscal year beginning July 1, 2002, the first Five
18 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
19 derived pursuant to the provisions of subsections A, B and E of
20 Section 2355 of this title shall be apportioned to the Education
21 Reform Revolving Fund. The remainder of such revenue for the fiscal
22 year beginning July 1, 2002, and all such revenue for each fiscal
23 year thereafter shall be apportioned monthly as follows:

24

a. (1) the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%
FY 2008 and each fiscal year thereafter	85.66%

(2) in the event that additional monies are necessary pursuant to paragraph 3 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2355.1B of this title from the monies apportioned to the General Revenue Fund,

b. for FY 2003 and each fiscal year thereafter, eight and thirty-four one-hundredths percent (8.34%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund,

c. the following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of revenue paid to or apportioned to the Quality Jobs Program Incentive Leverage Fund are not adequate, including the proceeds from payment pursuant to the guaranty required by subsection M of Section 3654 of this title, an amount certified by the Oklahoma Development Finance Authority to the Oklahoma Tax Commission shall be apportioned to the Quality Jobs Program Incentive Leverage Fund before any other

1 apportionments are made as otherwise authorized by this paragraph.
2 The Oklahoma Development Finance Authority shall certify to the
3 Oklahoma Tax Commission the time as of which the revenue authorized
4 for apportionment pursuant to this paragraph is no longer required.
5 After the certification, the revenue derived from the income tax
6 shall be apportioned in the manner otherwise provided by this
7 section. Except as otherwise provided by this paragraph, for the
8 fiscal year beginning July 1, 2002, the first Forty-One Million One
9 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
10 revenue derived pursuant to the provisions of subsections D and E of
11 Section 2355 of this title shall be apportioned to the Education
12 Reform Revolving Fund. The remainder of such revenue for the fiscal
13 year beginning July 1, 2002, and all such revenue for each fiscal
14 year thereafter, subject to the apportionment requirements for the
15 Oklahoma Tax Commission and Office of Management and Enterprise
16 Services Joint Computer Enhancement Fund provided by Section 265 of
17 this title, shall be apportioned monthly as follows:

18 a. the following amounts shall be paid to the State
19 Treasurer to be placed to the credit of the General
20 Revenue Fund of the state for such fiscal year for the
21 support of the state government to be paid out only
22 pursuant to appropriation by the Legislature:

23	Fiscal Year	Amount
24	FY 2003 and FY 2004	78.96%

1	FY 2005	78.75%
2	FY 2006	78.50%
3	FY 2007	78.0%
4	(1) FY 2018 and each fiscal	
5	year thereafter until the	
6	apportionment to the	
7	General Revenue Fund	
8	equals the moving five-	
9	year average amount for	
10	corporate income tax as	
11	prescribed by paragraph 4	
12	of this section	77.50%
13	(2) there shall be apportioned from the tax	
14	levy imposed on corporate income tax to	
15	the Revenue Stabilization Fund created by	
16	Section 1 of this act <u>34.102 of Title 62</u>	
17	<u>of the Oklahoma Statutes</u> , or to the	
18	Constitutional Reserve Fund, as provided	
19	by Section 1 of this act <u>34.103 of Title</u>	
20	<u>62 of the Oklahoma Statutes</u> , the amount	
21	of revenue, if any, which exceeds the	
22	moving five-year average amount as	
23	defined pursuant to paragraph 4 of this	
24	section,	

b. for FY 2003 and each fiscal year thereafter, sixteen and five-tenths percent (16.5%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education,

c. the following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;

3. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to subparagraph c of paragraph 1 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to subparagraph c of paragraph 1 of this section, paragraph

1 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
2 this title be less than such baseline amount; and

3 4. "Moving five-year average for corporate income tax" means,
4 for purposes of the apportionments prescribed by this section, the
5 amount of income tax on corporations, as determined by the State
6 Board of Equalization in the manner prescribed by Section ~~2 of this~~
7 ~~act~~ 34.103 of Title 62 of the Oklahoma Statutes.

8 SECTION 12. AMENDATORY 69 O.S. 2011, Section 1521, as
9 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.
10 2017, Section 1521), is amended to read as follows:

11 Section 1521. A. There is hereby created in the State Treasury
12 a fund to be known as the "Rebuilding Oklahoma Access and Driver
13 Safety Fund". The fund shall be a continuing fund, not subject to
14 fiscal year limitations, and shall consist of all appropriations and
15 transfers made by the Legislature. All monies accruing to the
16 credit of the fund are hereby appropriated and may be budgeted and
17 expended each fiscal year by the Department of Transportation for
18 the purposes authorized by subsection G of this section.

19 Expenditures from the fund shall be made upon warrants issued by the
20 State Treasurer against claims filed as prescribed by law with the
21 Director of the Office of Management and Enterprise Services for
22 approval and payment.

23 B. There shall be apportioned to the funds specified in this
24 subsection from the monies that would otherwise be apportioned to

1 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma
2 Statutes from the revenues derived pursuant to subsections A, B and
3 E of Section 2355 of Title 68 of the Oklahoma Statutes, except as
4 provided in Section 1 of this act, amounts as follows:

5 1. For each fiscal year, subject to the provisions of paragraph
6 3 of this subsection, and, except for the amount prescribed by
7 subparagraph a of this paragraph, subject to any reductions required
8 by subsection F of this section, there shall be apportioned to the
9 Rebuilding Oklahoma Access and Driver Safety Fund:

10 a. for the fiscal year beginning July 1, 2011, the first
11 Thirty-five Million Seven Hundred Thousand Dollars
12 (\$35,700,000.00), for the fiscal year beginning July
13 1, 2012, the first Forty-one Million Seven Hundred
14 Thousand Dollars (\$41,700,000.00) and for the fiscal
15 year beginning July 1, 2013, and for each fiscal year
16 thereafter, Fifty-nine Million Seven Hundred Thousand
17 Dollars (\$59,700,000.00), which shall be allocated and
18 used by the Department of Transportation first for the
19 purpose of making any required payments for principal,
20 interest or other costs of borrowing with respect to
21 the obligations issued pursuant to Section 341 of
22 Title 73 of the Oklahoma Statutes and after any such
23 required payment has been made then for the purposes
24 otherwise authorized by this section, plus

1 b. the total amount apportioned to the Rebuilding
2 Oklahoma Access and Driver Safety Fund for the
3 preceding fiscal year which, except for the amount
4 prescribed by subparagraph a of this paragraph, shall
5 be apportioned before any other amount is apportioned
6 pursuant to Section 2352 of Title 68 of the Oklahoma
7 Statutes, plus

8 c. an additional incremental amount which shall not be in
9 excess of the amount prescribed by subparagraph a of
10 this paragraph and that is required in order for the
11 total apportionment for such fiscal year to equal Five
12 Hundred Seventy-five Million Dollars
13 (\$575,000,000.00).

14 All amounts apportioned pursuant to this paragraph shall be
15 divided into twelve equal amounts to be apportioned each month
16 during the fiscal year except the amount specified in subparagraph a
17 of this paragraph which amount shall be allocated in its full amount
18 in cash not later than July 30 each year or such later date as may
19 be required in order for the amount to be allocated in cash;

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

22 a. the next Two Million Dollars (\$2,000,000.00) shall be
23 apportioned to the Oklahoma Tourism and Passenger Rail
24 Revolving Fund created pursuant to Section 325 of

1 Title 66 of the Oklahoma Statutes to be used for
2 capital and operating costs for the "Heartland Flyer"
3 rail project, and

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

9 All amounts apportioned pursuant to this paragraph shall be
10 divided into twelve equal amounts to be apportioned each month
11 during the fiscal year; and

12 3. For each fiscal year after the first fiscal year in which
13 the total apportionment to the Rebuilding Oklahoma Access and Driver
14 Safety Fund as provided by paragraph 1 of this subsection equals
15 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the
16 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)
17 collected pursuant to subsections A, B and E of Section 2355 of
18 Title 68 of the Oklahoma Statutes and apportioned pursuant to
19 Section 2352 of Title 68 of the Oklahoma Statutes that would
20 otherwise be apportioned to the General Revenue Fund shall be
21 apportioned to the Rebuilding Oklahoma Access and Driver Safety
22 Fund. With the exception of the amount prescribed by subparagraph a
23 of paragraph 1 of this subsection, all amounts apportioned pursuant
24

1 to this paragraph shall be divided into twelve equal amounts to be
2 apportioned each month during the fiscal year.

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

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

13 E. In order to ensure that the funds from the ROADS Fund are
14 used to enhance and not supplant state funding for the Department of
15 Transportation, the State Board of Equalization shall examine and
16 investigate expenditures from the fund each year. For purposes of
17 this examination, monies used to retire outstanding debt obligations
18 for which the Department of Transportation is responsible shall be
19 excluded. At the meeting of the State Board of Equalization held
20 within five (5) days after the monthly apportionment in February of
21 each year, the State Board of Equalization shall issue a finding and
22 report which shall state whether expenditures from the ROADS Fund
23 were used to enhance or supplant state funding for the Department of
24 Transportation. If the State Board of Equalization finds that state

1 funding for the Department of Transportation was supplanted by funds
2 from the ROADS Fund, the Board shall specify the amount by which
3 such funding was supplanted. In this event, the Legislature shall
4 not make any appropriations for the ensuing fiscal year until an
5 appropriation in that amount is made to replenish state funding for
6 the Department of Transportation.

7 F. In the event that the Director of the Office of Management
8 and Enterprise Services declares a General Revenue Fund revenue
9 failure pursuant to Section 34.49 of Title 62 of the Oklahoma
10 Statutes, and agency allocations are reduced pursuant to the
11 provisions of Section 34.49 of Title 62 of the Oklahoma Statutes,
12 the amounts that would otherwise be apportioned to the ROADS Fund
13 by:

14 1. Subparagraph a of paragraph 1 of subsection B of this
15 section, only to the extent that the amount is not required for debt
16 service related to the obligations authorized pursuant to Section
17 341 of Title 73 of the Oklahoma Statutes;

18 2. Subparagraphs b and c of paragraph 1 of subsection B of this
19 section; and

20 3. Subparagraphs a and b of paragraph 2 of subsection B of this
21 section,
22 shall be reduced by a percentage equal to that required of the
23 General Revenue Fund appropriations to state agencies and such
24 reductions shall occur during the entire fiscal year and for any

1 month during which such reductions are required by the Office of
2 Management and Enterprise Services and by the same percentage as
3 that required of the agencies for such General Revenue Fund
4 appropriations.

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

7 1. The construction and maintenance of state roads, bridges and
8 highways;

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

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

14 4. Matching federal funds;

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

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

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

1 H. From the monies allocated pursuant to the provisions of
2 subparagraph a of paragraph 1 of subsection B of this section each
3 fiscal year, the Department of Transportation shall make payments
4 required for the payment of principal, interest and other costs
5 related to the obligations issued by the Oklahoma Capitol
6 Improvement Authority as authorized by Section 341 of Title 73 of
7 the Oklahoma Statutes and such payments shall be made by the
8 Department each fiscal year before such monies are used for any
9 other purpose.

10 SECTION 13. This act shall become effective November 1, 2018.

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12 56-2-10231 JM 03/29/18
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