

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL NO. 859

By: David and Fields of the
Senate

and

Osborn (Leslie) and Wallace
of the House

COMMITTEE SUBSTITUTE

An Act relating to motor vehicle taxes and fees;
amending 47 O.S. 2011, Section 1104, as last amended
by Section 1, Chapter 350, O.S.L. 2015 (47 O.S. Supp.
2016, Section 1104), which relates to apportionment;
redirecting certain revenue apportioned to school
districts to the Education Reform Revolving Fund;
updating reference and conforming language; providing
an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1104, as
last amended by Section 1, Chapter 350, O.S.L. 2015 (47 O.S. Supp.
2016, Section 1104), is amended to read as follows:

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

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

3 B. ~~1.~~ The following percentages of the monies referred to in
4 subsection A of this section shall be ~~apportioned to the various~~
5 ~~school districts in accordance with paragraph 2 of this subsection~~
6 remitted to the State Treasurer to be credited to the Education
7 Reform Revolving Fund of the State Department of Education:

8 a. ~~from~~

9 1. From October 1, 2000, until June 30, 2001, thirty-five and
10 forty-six one-hundredths percent (35.46%) ;

11 b. ~~for~~

12 2. For the year beginning July 1, 2001, and ending June 30,
13 2002, thirty-five and ninety-one one-hundredths percent (35.91%) ;

14 c. ~~for~~

15 3. For the year beginning July 1, 2002, through the year ending
16 on June 30, 2015, thirty-six and twenty one-hundredths percent
17 (36.20%) ; and

18 d. ~~for~~

19 4. For the year beginning July 1, 2015, and all subsequent
20 years, thirty-six and twenty one-hundredths percent (36.20%), but in
21 no event shall the amount apportioned in any fiscal year pursuant to
22 this subparagraph exceed the total amount apportioned for the fiscal
23 year ending on June 30, 2015. Any amounts in excess of such
24

1 limitation shall be placed to the credit of the General Revenue
2 Fund.

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

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

1 ~~county in which the district is located for each~~
2 ~~appropriate month, and~~

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

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

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

23 C. The following percentages of the monies referred to in
24 subsection A of this section shall be remitted to the State

1 Treasurer to be credited to the General Revenue Fund of the State
2 Treasury:

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

5 2. For the year beginning July 1, 2001, and ending June 30,
6 2002, forty-five and twenty-nine one-hundredths percent (45.29%);

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

10 4. For the year beginning July 1, 2007, and ending June 30,
11 2008, thirty-nine and eighty-four one-hundredths percent (39.84%);

12 5. For the year beginning July 1, 2008, and ending June 30,
13 2009, thirty-four and eighty-four one-hundredths percent (34.84%);

14 6. For the period beginning July 1, 2009, and ending December
15 31, 2012, twenty-nine and eighty-four one-hundredths percent
16 (29.84%);

17 7. For the period beginning January 1, 2013, and ending June
18 30, 2013, twenty-nine and thirty-four one-hundredths percent
19 (29.34%);

20 8. For the year beginning July 1, 2013, and ending June 30,
21 2014, twenty-six and eighty-four one-hundredths percent (26.84%);
22 and

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

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

4 1. From October 1, 2000, until June 30, 2001, thirty one-
5 hundredths percent (0.30%);

6 2. For the year beginning July 1, 2001, through the year ending
7 on June 30, 2015, thirty-one one-hundredths percent (0.31%); and

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

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

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

19 b. for the year beginning July 1, 2001, and ending June
20 30, 2002, seven and eighteen one-hundredths percent
21 (7.18%),

22 c. for the year beginning July 1, 2002, through the year
23 ending on June 30, 2015, seven and twenty-four one-
24 hundredths percent (7.24%), and

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

2. The monies apportioned pursuant to subparagraphs a through e d of paragraph 1 of this subsection shall be apportioned as follows: forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. The funds shall be used for the purpose of constructing and maintaining county highways, provided, however, the county treasurer may deposit so much of the funds in the sinking fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such

1 deposits to the sinking fund shall not exceed forty percent (40%) of
2 the funds allocated to a county pursuant to this paragraph.

3 F. 1. The following percentages of the monies referred to in
4 subsection A of this section shall be remitted to the county
5 treasurers of the respective counties and by them deposited in a
6 separate special revenue fund to be used by the county commissioners
7 in accordance with paragraph 2 of this subsection:

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

10 b. for the year beginning July 1, 2001, and ending June
11 30, 2002, two and fifty-six one-hundredths percent
12 (2.56%),

13 c. for the year beginning July 1, 2002, through the year
14 ending on June 30, 2015, two and fifty-nine one-
15 hundredths percent (2.59%), and

16 d. for the year beginning July 1, 2015, and all
17 subsequent years, two and fifty-nine one-hundredths
18 percent (2.59%), but in no event shall the amount
19 apportioned in any fiscal year pursuant to this
20 subparagraph exceed the total amount apportioned for
21 the fiscal year ending on June 30, 2015. Any amounts
22 in excess of such limitation shall be placed to the
23 credit of the General Revenue Fund.
24

1 2. The monies apportioned pursuant to subparagraphs a through e
2 d of paragraph 1 of this subsection shall be used for the primary
3 purpose of matching federal funds for the construction of federal
4 aid projects on county roads, or constructing and maintaining county
5 or township highways and permanent bridges of such counties. The
6 distribution of monies apportioned by this paragraph shall be made
7 upon the basis of the current formula based upon road mileage, area
8 and population as related to county road improvement and maintenance
9 costs. Provided, however, the Department of Transportation may
10 update the formula factors from time to time as necessary to account
11 for changing conditions.

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

- 16 a. from October 1, 2000, until June 30, 2001, three and
17 fifty-five one-hundredths percent (3.55%),
18 b. for the year beginning July 1, 2001, and ending June
19 30, 2002, three and fifty-nine one-hundredths percent
20 (3.59%),
21 c. for the year beginning July 1, 2002, through the year
22 ending on June 30, 2015, three and sixty-two one-
23 hundredths percent (3.62%), and
24

1 d. for the year beginning July 1, 2015, and all
2 subsequent years, three and sixty-two one-hundredths
3 percent (3.62%), but in no event shall the amount
4 apportioned in any fiscal year pursuant to this
5 subparagraph exceed the total amount apportioned for
6 the fiscal year ending on June 30, 2015. Any amounts
7 in excess of such limitation shall be placed to the
8 credit of the General Revenue Fund.

9 2. The monies apportioned pursuant to subparagraphs a through e
10 d of paragraph 1 of this subsection shall be transmitted to the
11 various counties on the basis of a formula to be developed by the
12 Department of Transportation. Such formula shall be similar to that
13 currently used for the distribution of County Bridge Program Funds,
14 but also taking into consideration the effect of terrain and traffic
15 volume as related to county road improvement and maintenance costs.
16 Provided, however, the Department of Transportation may update the
17 formula factors from time to time as necessary to account for
18 changing conditions. The funds shall be transmitted to the various
19 county treasurers to be deposited in the county highway fund of
20 their respective counties.

21 H. 1. The following percentages of the monies referred to in
22 subsection A of this section shall be apportioned to the various
23 counties as set forth in paragraph 2 of this subsection:
24

- 1 a. from October 1, 2000, until June 30, 2001, eighty-one
2 one-hundredths percent (0.81%),
3 b. for the year beginning July 1, 2001, and ending June
4 30, 2002, eighty-two one-hundredths percent (0.82%),
5 c. for the year beginning July 1, 2002, through the year
6 ending on June 30, 2015, eighty-three one-hundredths
7 percent (0.83%), and
8 d. for the year beginning July 1, 2015, and all
9 subsequent years, eighty-three one-hundredths percent
10 (0.83%), but in no event shall the amount apportioned
11 in any fiscal year pursuant to this subparagraph
12 exceed the total amount apportioned for the fiscal
13 year ending on June 30, 2015. Any amounts in excess
14 of such limitation shall be placed to the credit of
15 the General Revenue Fund.

16 2. The monies apportioned pursuant to subparagraphs a through e
17 d of paragraph 1 of this subsection shall be apportioned to the
18 various counties ~~as follows:~~

- 19 ~~a. each county shall receive the same amount of funds as~~
20 ~~such county received from the taxes and fees provided~~
21 ~~for in the 1985 fiscal year, and~~
22 ~~b. any funds remaining unallocated following the~~
23 ~~allocation provided in subparagraph a of this~~
24 ~~paragraph shall be apportioned to the various counties~~

1 based upon the proportion that each county's
2 population bears to the total state population.

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

6 I. 1. The following percentages of the monies referred to in
7 subsection A of this section shall be apportioned to the various
8 cities and incorporated towns as set forth in paragraph 2 of this
9 subsection:

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

12 b. for the year beginning July 1, 2001, and ending June
13 30, 2002, three and eight one-hundredths percent
14 (3.08%),

15 c. for the year beginning July 1, 2002, through the year
16 ending on June 30, 2015, three and ten one-hundredths
17 percent (3.10%), and

18 d. for the year beginning July 1, 2015, and all
19 subsequent years, three and ten one-hundredths percent
20 (3.10%), but in no event shall the amount apportioned
21 in any fiscal year pursuant to this subparagraph
22 exceed the total amount apportioned for the fiscal
23 year ending on June 30, 2015. Any amounts in excess
24

1 of such limitation shall be placed to the credit of
2 the General Revenue Fund.

3 2. The monies apportioned pursuant to subparagraphs a through e
4 d of paragraph 1 of this subsection shall be apportioned to the
5 various cities and incorporated towns based upon the proportion that
6 each city or incorporated town's population bears to the total
7 population of all cities and incorporated towns in the state. Such
8 funds shall be remitted to the various county treasurers for
9 allocation to the various cities and incorporated towns. All such
10 funds shall be used for the construction, maintenance, repair,
11 improvement and lighting of streets and alleys. Provided, however,
12 the governing board of any city or town may, with the approval of
13 the county excise board, transfer any surplus funds to the general
14 revenue fund of such city or town whenever an emergency requires
15 such a transfer.

16 J. The following percentages of the monies referred to in
17 subsection A of this section shall be remitted to the State
18 Treasurer to be credited to the Oklahoma Law Enforcement Retirement
19 Fund:

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

22 2. For the year beginning July 1, 2001, and ending June 30,
23 2002, one and twenty-three one-hundredths percent (1.23%); and
24

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

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

9 L. 1. For the year beginning July 1, 2007, and ending June 30,
10 2008, five percent (5%) of monies referred to in subsection A of
11 this section shall be remitted to the State Treasurer to be credited
12 to the County Improvements for Roads and Bridges Fund as created in
13 Section 507 of Title 69 of the Oklahoma Statutes.

14 2. For the year beginning July 1, 2008, and ending June 30,
15 2009, ten percent (10%) of monies referred to in subsection A of
16 this section shall be remitted to the State Treasurer to be credited
17 to the County Improvements for Roads and Bridges Fund as created in
18 Section 507 of Title 69 of the Oklahoma Statutes.

19 3. For the period beginning July 1, 2009, and ending December
20 31, 2012, fifteen percent (15%) of monies referred to in subsection
21 A of this section shall be remitted to the State Treasurer to be
22 credited to the County Improvements for Roads and Bridges Fund as
23 created in Section 507 of Title 69 of the Oklahoma Statutes.

1 4. For the period beginning January 1, 2013, and ending June
2 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of
3 monies referred to in subsection A of this section shall be remitted
4 to the State Treasurer to be credited to the County Improvements for
5 Roads and Bridges Fund as created in Section 507 of Title 69 of the
6 Oklahoma Statutes.

7 5. For the year beginning July 1, 2013, and ending June 30,
8 2014, eighteen percent (18%) of monies referred to in subsection A
9 of this section shall be remitted to the State Treasurer to be
10 credited to the County Improvements for Roads and Bridges Fund as
11 created in Section 507 of Title 69 of the Oklahoma Statutes.

12 6. For the year beginning July 1, 2014, twenty percent (20%) of
13 monies referred to in subsection A of this section shall be remitted
14 to the State Treasurer to be credited to the County Improvements for
15 Roads and Bridges Fund as created in Section 507 of Title 69 of the
16 Oklahoma Statutes.

17 7. For the year beginning July 1, 2015, and all subsequent
18 years, twenty percent (20%) of monies referred to in subsection A of
19 this section shall be remitted to the State Treasurer to be credited
20 to the County Improvements for Roads and Bridges Fund as created in
21 Section 507 of Title 69 of the Oklahoma Statutes, but in no event
22 shall the total amount apportioned in any fiscal year pursuant to
23 this paragraph exceed One Hundred Twenty Million Dollars
24 (\$120,000,000.00). Any amounts in excess of One Hundred Twenty

1 Million Dollars (\$120,000,000.00) shall be placed to the credit of
2 the General Revenue Fund.

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

8 N. Notwithstanding any other provisions of this section, for
9 the fiscal year beginning July 1, 2003, the first One Hundred
10 Thousand Dollars (\$100,000.00) of the monies collected or received
11 by the Tax Commission pursuant to the registration of motorcycles
12 and mopeds in this state shall be placed to the credit of the
13 Oklahoma Tax Commission Revolving Fund.

14 SECTION 2. This act shall become effective July 1, 2017.

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

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