

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

SENATE BILL 1569

By: Schulz

AS INTRODUCED

An Act relating to revenue and taxation; specifying circumstances under which certain apportionments may not exceed prior year amount; specifying duties of State Board of Equalization; 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; providing an effective date; and declaring an emergency.

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

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

1 A. For any fiscal year for which the amount of revenue
2 available for appropriation by the Legislature, as determined by the
3 State Board of Equalization at its February meeting pursuant to the
4 provisions of Section 23 of Article X of the Oklahoma Constitution,
5 is less than the amount of revenue determined by the Board at its
6 preceding June meeting to be available for appropriation by the
7 Legislature for the then-current fiscal year, any apportionment of
8 revenue provided for by law to a fund or source other than the
9 General Revenue Fund shall be reduced by the same percentage that
10 the amount available for appropriation by the Legislature for the
11 upcoming fiscal year is less than such amount for the then-current
12 fiscal year.

13 B. At its February meeting each year, the Board shall determine
14 the amount of revenue available for appropriation by the Legislature
15 assuming apportionments of revenue to all sources as provided by law
16 without an adjustment pursuant to the provisions of this section.
17 If such amount is less than the amount determined by the Board at
18 its preceding June meeting to be available for appropriation for the
19 then-current fiscal year, the Board shall make a finding that the
20 provisions of subsection A of this section shall be in effect. In
21 such event, the Board shall determine the amount of revenue
22 available for appropriation assuming apportionments of revenue to
23 all funds or sources other than the General Revenue Fund shall not
24 exceed the amount apportioned thereto for the then-current fiscal

1 year and shall certify such adjusted amount as the amount available
2 for appropriation by the Legislature.

3 SECTION 2. AMENDATORY 68 O.S. 2011, Section 113, as
4 amended by Section 530, Chapter 304, O.S.L. 2012 (68 O.S. Supp.
5 2017, Section 113), is amended to read as follows:

6 Section 113. A. There is hereby created in the State Treasury
7 a revolving fund for the Oklahoma Tax Commission to be known as the
8 "Tax Commission Reimbursement Fund". ~~Said~~ The revolving fund shall
9 consist of any funds received by the Tax Commission for data
10 processing services or equipment rental and any funds received by
11 the Tax Commission from any incorporated city, town, or county
12 pursuant to a contractual agreement for the augmentation of the
13 enforcement and collection of municipal or county taxes entered into
14 pursuant to the provisions of Sections 1371 or 2702 of this title.
15 The Tax Commission is authorized to hire full-time-equivalent
16 employees as necessary to perform such duties as to fulfill
17 contractual agreements authorized pursuant to Sections 1371 and 2702
18 of this title, however, such employees hired to perform such
19 contractual duties shall be supported solely by funds in the Tax
20 Commission Reimbursement Fund which are collected by the Tax
21 Commission from incorporated cities, towns, and counties pursuant to
22 such contractual agreements and such employees shall be terminated
23 upon the discontinuation of such funds or inadequate funds to
24 support such positions. Such full-time-equivalent employees shall

1 be in the unclassified service and shall not be subject to any
2 provisions of the Oklahoma Personnel Act or to the Merit Rules for
3 Employment except leave regulations. All fees collected and
4 apportioned to this fund under the Oklahoma Vehicle License and
5 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma
6 Statutes, may be used by the Motor Vehicle Division of the Oklahoma
7 Tax Commission to pay all costs incurred in the issuance of
8 certificates of title and inspection of vehicles, including, but not
9 limited to, additional computer costs for the Tax Commission and
10 motor license agents and the check verification system authorized
11 pursuant to the provisions of paragraph 1 of subsection A of Section
12 1144 of Title 47 of the Oklahoma Statutes or be used for capital
13 expenditures as authorized by the Oklahoma State Legislature. For
14 the fiscal year beginning July 1, 2004, disbursements from the fund
15 shall be exempt from all agency budget limits.

16 B. Notwithstanding any other provision in the Oklahoma Statutes
17 except subsection F of Section 316 ~~and~~, subsection D of Section 418
18 of this title, ~~beginning July 1, 2009,~~ and Section 1 of this act,
19 all revenue from fees and penalties collected pursuant to Sections
20 304, 316, 415 and 418 of this title shall be apportioned to the Tax
21 Commission Reimbursement Fund for administrative expenses incurred
22 in connection with enforcement of the provisions of Section 301 et
23 seq., Section 346 et seq., Section 401 et seq. and Section 424 et
24 seq. of this title.

1 SECTION 3. AMENDATORY 68 O.S. 2011, Section 302-5, is
2 amended to read as follows:

3 Section 302-5. A. Effective January 1, 2005, in addition to
4 the tax levied in Sections 302, 302-1, 302-2, 302-3 and 302-4 of
5 this title, there is hereby levied upon the sale, use, gift,
6 possession, or consumption of cigarettes, as defined in Sections 301
7 through 325 of this title, within this state, a tax at the rate of
8 forty (40) mills per cigarette.

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

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

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

21 3. Before July 1, 2008, seven and fifty-hundredths percent
22 (7.50%) shall be placed to the credit of the Trauma Care Assistance
23 Revolving Fund created in Section 1-2530.9 of Title 63 of the
24

Oklahoma Statutes. On and after July 1, 2008, seven and fifty-hundredths percent (7.50%) shall be allocated as follows:

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

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

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

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

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

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

1 9. Two and seven-hundredths percent (2.07%) shall be placed to
2 the credit of the Education Reform Revolving Fund created in Section
3 41.29b of Title 62 of the Oklahoma Statutes;

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

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

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

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

1 and total municipal and county sales tax revenue collected in the
2 same year. The resulting quotient shall be multiplied by fourteen
3 and twenty-three-hundredths percent (14.23%) to determine the
4 apportionment percentage for the fiscal year.

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

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

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

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

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

5 3. Before July 1, 2008, eleven and thirty-nine-hundredths
6 percent (11.39%) shall be placed to the credit of the Trauma Care
7 Assistance Revolving Fund created in Section 1-2522 of Title 63 of
8 the Oklahoma Statutes. On and after July 1, 2008, eleven and
9 thirty-nine-hundredths percent (11.39%) shall be allocated as
10 follows:

- 11 a. every month, an amount equal to the actual amount
12 placed to the credit of the Trauma Care Assistance
13 Revolving Fund pursuant to this paragraph for the same
14 month of the 2008 fiscal year shall be credited to the
15 Trauma Care Assistance Revolving Fund,
- 16 b. every month, any amount over and above the amount
17 placed to the credit of the Trauma Care Assistance
18 Revolving Fund pursuant to subparagraph a of this
19 paragraph shall be credited to the Oklahoma Emergency
20 Response Systems Stabilization and Improvement
21 Revolving Fund as created in Section ~~8 of this act~~ 1-
22 2512.1 of Title 63 of the Oklahoma Statutes until the
23 combined amount credited to the Oklahoma Emergency
24 Response Systems Stabilization and Improvement

1 Revolving Fund pursuant to this section and Section
2 402-3 of this title is equal to a total of Two Million
3 Five Hundred Thousand Dollars (\$2,500,000.00) each
4 year, and

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

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

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

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

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

5 8. One percent (1%) shall be placed to the credit of the
6 Tobacco Prevention and Cessation Revolving Fund created in Section
7 1-105d of Title 63 of the Oklahoma Statutes.

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

11 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund
12 pursuant to the provisions of Sections 57.31 through 57.43 of Title
13 62 of the Oklahoma Statutes;

14 2. The State of Oklahoma Institutional Building Bonds of 1965
15 Sinking Fund pursuant to the provisions of Sections 57.61 through
16 57.73 of Title 62 of the Oklahoma Statutes;

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

20 4. The State of Oklahoma Building Bonds of 1968 Sinking Fund
21 pursuant to the provisions of Sections 57.121 through 57.193 of
22 Title 62 of the Oklahoma Statutes; or
23
24

1 5. The Oklahoma Building Bonds of 1992 Sinking Fund pursuant to
2 the provisions of Sections 57.300 through 57.313 of Title 62 of the
3 Oklahoma Statutes.

4 F. The cigarette taxes levied in this section shall be
5 collected and administered in all respects not inconsistent with as
6 now or hereafter provided for by law for other cigarette taxes now
7 levied, collected, and administered pursuant to the provisions of
8 Sections 301 through 325 of this title.

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

11 Section 402-3. A. In addition to the tax levied in Sections
12 402, 402-1 and 402-2 of this title, effective January 1, 2005, there
13 shall be levied, assessed, collected, and paid in respect to the
14 articles containing tobacco enumerated in Section 401 et seq. of
15 this title, a tax in the following amounts:

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

23 2. Cigars. Upon all other cigars of all descriptions made of
24 tobacco, or any substitute therefor, and weighing more than three

1 (3) pounds per thousand, Ninety Dollars (\$90.00) per thousand. For
2 the purpose of computing the tax, cheroots, stogies, etc., are
3 hereby classed as cigars;

4 3. Smoking Tobacco. Upon all smoking tobacco including
5 granulated, plug cut, crimp cut, ready rubbed and other kinds and
6 forms of tobacco prepared in such manner as to be suitable for
7 smoking in a pipe or cigarette, the tax shall be forty percent (40%)
8 of the factory list price exclusive of any trade discount, special
9 discount or deals; and

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

13 B. Except as provided in subsection C of this section and
14 Section 1 of this act, the revenue resulting from the additional tax
15 levied in subsection A of this section shall be apportioned by the
16 Oklahoma Tax Commission and transmitted to the State Treasurer as
17 follows:

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

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

1 3. Before July 1, 2008, seven and fifty-hundredths percent
2 (7.50%) shall be placed to the credit of the Trauma Care Assistance
3 Revolving Fund created in Section 1-2522 of Title 63 of the Oklahoma
4 Statutes. On and after July 1, 2008, seven and fifty-hundredths
5 percent (7.50%) shall be allocated as follows:

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

11 b. every month, any amount over and above the amount
12 placed to the credit of the Trauma Care Assistance
13 Revolving Fund pursuant to subparagraph a of this
14 paragraph shall be credited to the Oklahoma Emergency
15 Response Systems Stabilization and Improvement
16 Revolving Fund as created in Section ~~8 of this act~~ 1-
17 2512.1 of Title 63 of the Oklahoma Statutes until the
18 combined amount credited to the Oklahoma Emergency
19 Response Systems Stabilization and Improvement
20 Revolving Fund pursuant to this section and Section
21 302-5 of this title is equal to Two Million Five
22 Hundred Thousand Dollars (\$2,500,000.00) each year,
23 and
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. Three and nine-hundredths percent (3.09%) shall be placed to
5 the credit of the Oklahoma State University College of Osteopathic
6 Medicine Revolving Fund created in Section 160.2 of Title 62 of the
7 Oklahoma Statutes;

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

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

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

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

4 9. Two and seven-hundredths percent (2.07%) shall be placed to
5 the credit of the Education Reform Revolving Fund created in Section
6 41.29b of Title 62 of the Oklahoma Statutes;

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

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

12 12. For fiscal years beginning July 1, 2004, and ending June
13 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)
14 shall be apportioned to municipalities and counties that levy a
15 sales tax, in the proportions which total municipal and county sales
16 tax revenue was apportioned by the Tax Commission in the preceding
17 month.

18 For fiscal years beginning July 1, 2006, and thereafter, the
19 apportionment percentage specified in paragraph 12 of this
20 subsection will be adjusted by dividing the total municipal and
21 county sales tax revenue collected in the calendar year immediately
22 preceding the commencement of the fiscal year by the sum of the
23 state sales tax revenue and total municipal and county sales tax
24 revenue collected in the same year. This ratio shall be divided by

1 the ratio of the total municipal and county sales tax revenue
2 collected in the calendar year beginning January 1, 2004, and ending
3 December 31, 2004, divided by the sum of the state sales tax revenue
4 and total municipal and county sales tax revenue collected in the
5 same year. The resulting quotient shall be multiplied by fourteen
6 and twenty-three-hundredths percent (14.23%) to determine the
7 apportionment percentage for the fiscal year.

8 For fiscal years beginning July 1, 2006, and thereafter, any
9 adjustment to the percentage of revenues apportioned to
10 municipalities and counties shall be reflected in the percent of
11 revenues apportioned to the General Revenue Fund.

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

20 1. Thirty-three and forty-nine-hundredths percent (33.49%)
21 shall be placed to the credit of the Health Employee and Economy
22 Improvement Act Revolving Fund created in Section 1010.1 of Title 56
23 of the Oklahoma Statutes;
24

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

5 3. Before July 1, 2008, eleven and thirty-nine-hundredths
6 percent (11.39%) shall be placed to the credit of the Trauma Care
7 Assistance Revolving Fund created in Section 1-2522 of Title 63 of
8 the Oklahoma Statutes. On and after July 1, 2008, eleven and
9 thirty-nine-hundredths percent (11.39%) shall be allocated as
10 follows:

- 11 a. every month, an amount equal to the actual amount
12 placed to the credit of the Trauma Care Assistance
13 Revolving Fund pursuant to this paragraph for the same
14 month of the 2008 fiscal year shall be credited to the
15 Trauma Care Assistance Revolving Fund,
- 16 b. every month, any amount over and above the amount
17 placed to the credit of the Trauma Care Assistance
18 Revolving Fund pursuant to subparagraph a of this
19 paragraph shall be credited to the Oklahoma Emergency
20 Response Systems Stabilization and Improvement
21 Revolving Fund as created in Section ~~8 of this act~~ 1-
22 2512.1 of Title 63 of the Oklahoma Statutes until the
23 combined amount credited to the Oklahoma Emergency
24 Response Systems Stabilization and Improvement

1 Revolving Fund pursuant to this section and Section
2 302-5 of this title is equal to Two Million Five
3 Hundred Thousand Dollars (\$2,500,000.00) each year,
4 and

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

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

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

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

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

5 8. One percent (1%) shall be placed to the credit of the
6 Tobacco Prevention and Cessation Revolving Fund created in Section
7 1-105d of Title 63 of the Oklahoma Statutes.

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

11 SECTION 5. AMENDATORY 68 O.S. 2011, Section 500.6, as
12 amended by Section 4, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2017,
13 Section 500.6), is amended to read as follows:

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

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

4 2. One and six hundred twenty-five one-thousandths percent
5 (1.625%) of the levy shall be remitted to the State Treasurer to the
6 credit of the High Priority State Bridge Revolving Fund as created
7 in Section 506 of Title 69 of the Oklahoma Statutes;

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

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

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

21 (1) to contract railroad passenger services,
22 including but not limited to a route linking
23 stations in Oklahoma and Tulsa Counties with
24 other primary points in the national railroad

passenger system and passenger rail service within the state, and a route beginning at a station in Oklahoma County and extending north to the Kansas state line in Kay County, and

(2) to provide necessary facility, signaling, and track improvements for those contracted services,

c. forty-one and two-tenths percent (41.2%) of the monies apportioned to the State Transportation Fund shall be used for any purpose provided for in Section 1502 of Title 69 of the Oklahoma Statutes,

d. nine and eight-tenths percent (9.8%) of the monies apportioned to the State Transportation Fund shall be used to provide funds for the construction and maintenance of farm-to-market roads on the state highway system, and other rural farm-to-market roads and bridges, and

e. any remaining amount of the apportionment shall be deposited into the State Transportation Fund;

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

a. sixty-five and three-tenths percent (65.3%) of the monies apportioned under this paragraph shall be used on the following basis:

1 (1) forty percent (40%) of such sum shall be
2 distributed to the various counties in the
3 proportion which the county road mileage of each
4 county bears to the entire state road mileage as
5 certified by the Transportation Commission, and
6 (2) the remaining sixty percent (60%) of such sum
7 shall be distributed to the various counties on
8 the basis which the population and area of each
9 county bears to the total population and area of
10 the state. The population shall be as shown by
11 the last Federal Decennial Census or the most
12 recent annual estimate provided by the U.S.
13 Bureau of the Census,

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

1 area, rural population and road mileage of the state,
2 and

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

16 5. Three and one hundred twenty-five one-thousandths percent
17 (3.125%) of the levy shall be distributed to the various counties of
18 the state based on a formula developed by the Department of
19 Transportation and approved by the Department of Transportation
20 County Advisory Board created pursuant to Section 302.1 of Title 69
21 of the Oklahoma Statutes. The formula shall be similar to the
22 formula currently used for the distribution of monies in the County
23 Bridge Program funds, but shall also take into consideration the
24

1 effect of the terrain and traffic volume as related to county road
2 improvement and maintenance costs;

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

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

1 8. Three hundred twenty-eight one-thousandths percent (0.328%)
2 of the levy shall be transmitted by the Tax Commission to the
3 Statewide Circuit Engineering District Revolving Fund as created in
4 Section 687.2 of Title 69 of the Oklahoma Statutes.

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

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

22 3. Where any county highway has been laid out over a road
23 already constructed in any county by the use of money raised from
24 county bond issues for that purpose, either alone or by the use of

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

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

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

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

1 1. If any county has an accrued balance of funds which were
2 appropriated to or otherwise accrued in a restricted road
3 maintenance fund, such funds shall be deposited directly to the
4 county highway fund of the county;

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

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

19 4. If any county has an advanced funding agreement with the
20 Department of Transportation, the Department of Transportation shall
21 notify the Tax Commission as to the amount the county is obligated
22 to pay according to the terms of the advanced funding agreement.
23 The obligated amount shall be transferred each month by the Tax
24 Commission to the Department of Transportation to the credit of the

1 County Bridge and Road Improvement Fund from the funds apportioned
2 to the county pursuant to paragraph 5 of subsection A of this
3 section. A county may elect to increase the monthly amount to be
4 repaid pursuant to the advanced funding agreement from the funds
5 apportioned to the county, but a county shall not be permitted to
6 reduce the amount agreed to pursuant to the advanced funding
7 agreement.

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

14 SECTION 6. AMENDATORY 68 O.S. 2011, Section 500.7, is
15 amended to read as follows:

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

22 1. The first Eighty-three Thousand Three Hundred Thirty-three
23 Dollars and thirty-three cents (\$83,333.33) of the levy collected
24

1 each month shall be deposited in the State Treasury to the credit of
2 the State Transportation Fund;

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

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

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

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

21 b. fourteen and five-tenths percent (14.5%) of the monies
22 apportioned under this paragraph shall be distributed
23 as follows:
24

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 Decennial Census or the most recent annual estimate provided by the U.S. Bureau of the Census,

c. twenty-eight and nine-tenths percent (28.9%) of the monies apportioned under this paragraph shall be distributed to the several counties in the following manner: one-third ($1/3$) on area, one-third ($1/3$) on rural population (defined as including the population of all municipalities with a population of less than five thousand (5,000) according to the latest Federal Decennial Census), and one-third ($1/3$) on county road mileage, as last certified by the Department of Transportation, as each county bears to the entire area, rural population and road mileage of the state, and

1 d. fourteen and five-tenths percent (14.5%) 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 the County Bridge Program
10 funds, but shall also take into consideration the
11 effect of the terrain and traffic volume as related to
12 the county road improvement and maintenance costs;

13 5. Three and eighty-five one-hundredths percent (3.85%) of the
14 levy shall be distributed based on a formula developed by the
15 Department of Transportation and approved by the Department of
16 Transportation County Advisory Board created pursuant to Section
17 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be
18 similar to the formula currently used for the distribution of the
19 County Bridge Program funds, but shall also take into consideration
20 the effect of the terrain and traffic volume as related to the
21 county road improvement and maintenance costs. The apportionment of
22 the levy as set forth in this paragraph shall be subject to the
23 provisions of subsection C of Section 500.6 of this title; and
24

1 6. Three and thirty-six one-hundredths percent (3.36%) of the
2 levy shall be distributed to the various counties of the state for
3 deposit into the County Bridge and Road Improvement Fund of each
4 county based on a formula developed by the Department of
5 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; and

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

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

21 C. The tax levied on diesel fuel pursuant to Section 500.4A of
22 this title, and all penalties and interest thereon, collected by the
23 Commission under the levy shall be apportioned and distributed on a
24 monthly basis to the State Highway Construction and Maintenance Fund

1 for the purposes authorized by Section 1502 of Title 69 of the
2 Oklahoma Statutes.

3 SECTION 7. AMENDATORY 68 O.S. 2011, Section 1004, as
4 last amended by Section 2, Chapter 355, O.S.L. 2017 (68 O.S. Supp.
5 2017, Section 1004), is amended to read as follows:

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

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

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

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

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

- a. eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- b. seven and fourteen one-hundredths percent (7.14%) of the sum collected from natural gas and/or casinghead gas or asphalt or ores bearing uranium, lead, zinc, jack, gold, silver or copper shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and
- c. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph b of this paragraph and shall be 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

1 the school district makes an ad valorem tax levy of
2 fifteen (15) mills for the current year and maintains
3 twelve (12) years of instruction;

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

7 a. after the total revenue apportioned to the General
8 Revenue Fund as prescribed by subparagraph b of this
9 paragraph equals the moving five-year average amount
10 for gas as defined by paragraph 1 of subsection A of
11 this section, there shall be apportioned from the
12 gross production tax levy imposed pursuant to Section
13 1001 of this title on natural gas and/or casinghead
14 gas to the Revenue Stabilization Fund created by
15 Section 34.102 of Title 62 of the Oklahoma Statutes,
16 the amount of revenue, if any, which exceeds the
17 moving five-year average amount for gas as defined
18 pursuant to paragraph 1 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 gas as
22 prescribed by paragraph 1 of subsection A of this
23 section, eighty-five and seventy-two one-hundredths
24 percent (85.72%) shall be paid to the State Treasurer

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

5 c. before any other apportionment of revenue has been
6 made pursuant to this paragraph, seven and fourteen
7 one-hundredths percent (7.14%) of the sum collected
8 from natural gas and/or casinghead gas shall be paid
9 to the various county treasurers to be credited to the
10 County Highway Fund as follows: Each county shall
11 receive a proportionate share of the funds available
12 based upon the proportion of the total value of
13 production from such county in the corresponding month
14 of the preceding year, and

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

1 makes an ad valorem tax levy of fifteen (15) mills for
2 the current year and maintains twelve (12) years of
3 instruction;

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

7 a. after the total revenue apportioned to the General
8 Revenue Fund as prescribed by subparagraph b of this
9 paragraph equals the moving five-year average amount
10 for gas as defined by paragraph 1 of subsection A of
11 this section, there shall be apportioned from the
12 gross production tax levy imposed pursuant to Section
13 1001 of this title on natural gas and/or casinghead
14 gas to the Revenue Stabilization Fund created pursuant
15 to 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 gas as defined
18 pursuant to paragraph 1 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 gas as
22 prescribed by paragraph 1 of subsection A of this
23 section, seventy-five percent (75%) shall be paid to
24 the State Treasurer of the state to be placed in the

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

1 levy of fifteen (15) mills for the current year and
2 maintains twelve (12) years of instruction;

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

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

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

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

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

- 1 c. before any other apportionment of revenue has been
2 made pursuant to this paragraph, twenty-five percent
3 (25%) of the sum collected from natural gas and/or
4 casinghead gas 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, and
- 10 d. before any other apportionment of revenue has been
11 made pursuant to this paragraph, twenty-five percent
12 (25%) shall be allocated to each county as provided
13 for in subparagraph c of this paragraph and shall be
14 apportioned on an average daily attendance per capita
15 distribution basis, as certified by the State
16 Superintendent of Public Instruction, to the school
17 districts of the county where such pupils attend
18 school regardless of residence of such pupil, provided
19 the school district makes an ad valorem tax levy of
20 fifteen (15) mills for the current year and maintains
21 twelve (12) years of instruction;

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

- 1 a. there shall be apportioned from the gross production
2 tax levy imposed pursuant to Section 1001 of this
3 title on oil to the Revenue Stabilization Fund created
4 by Section 34.102 of Title 62 of the Oklahoma
5 Statutes, after the applicable maximum amount
6 prescribed by subsection C of this section has been
7 deposited to the funds therein specified, the amount
8 of revenue, if any, which would otherwise be
9 apportioned to the General Revenue Fund and which
10 exceeds the moving five-year average amount for oil as
11 defined pursuant to paragraph 2 of subsection A of
12 this section,
- 13 b. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twenty-five and
15 seventy-two one-hundredths percent (25.72%) shall be
16 paid to the State Treasurer to be placed in the Common
17 Education Technology Revolving Fund created in Section
18 34.90 of Title 62 of the Oklahoma Statutes,
- 19 c. before any other apportionment of revenue has been
20 made pursuant to this paragraph, twenty-five and
21 seventy-two one-hundredths percent (25.72%) shall be
22 paid to the State Treasurer to be placed in the Higher
23 Education Capital Revolving Fund created in Section
24 34.91 of Title 62 of the Oklahoma Statutes,

- d. before any other apportionment of revenue has been 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

1 year beginning July 1, 2019, and for each fiscal
2 year thereafter,

3 g. 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 oil shall be paid to the various county
7 treasurers, to be credited to the County Highway Fund
8 as follows: Each county shall receive a proportionate
9 share of the funds available based upon the proportion
10 of the total value of production from such county in
11 the corresponding month of the preceding year,

12 h. before any other apportionment of revenue has been
13 made pursuant to this paragraph, seven and fourteen
14 one-hundredths percent (7.14%) shall be allocated to
15 each county as provided in subparagraph g of this
16 paragraph and shall be apportioned, on an average
17 daily attendance per capita distribution basis, as
18 certified by the State Superintendent of Public
19 Instruction, to the school districts of the county
20 where such pupils attend school regardless of
21 residence of such pupil, provided the school district
22 makes an ad valorem tax levy of fifteen (15) mills for
23 the current year and maintains twelve (12) years of
24 instruction, and

1 i. before any other apportionment of revenue has been
2 made pursuant to this paragraph, five hundred thirty-
3 five one-thousandths percent (0.535%) of the levy
4 shall be transmitted by the Oklahoma Tax Commission to
5 the Statewide Circuit Engineering District Revolving
6 Fund as created in Section 687.2 of Title 69 of the
7 Oklahoma Statutes;

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

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

23 b. before any other apportionment of revenue has been
24 made pursuant to this paragraph, twenty-two and one-

1 half percent (22.5%) shall be paid to the State
2 Treasurer to be placed in the Common Education
3 Technology Revolving Fund created in Section 34.90 of
4 Title 62 of the Oklahoma Statutes,

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

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

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

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

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

14 (1) the following sources and in the following
15 amounts through the fiscal year ending June 30,
16 2019:

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

22 (b) thirty-three and one-third percent (33 1/3%)
23 to the Oklahoma Conservation Commission
24 Infrastructure Revolving Fund created

1 pursuant to Section 3-2-110 of Title 27A of
2 the Oklahoma Statutes, and

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

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

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

21 h. before any other apportionment of revenue has been
22 made pursuant to this paragraph, twelve and one-half
23 percent (12.5%) shall be allocated to each county as
24 provided in subparagraph g of this paragraph and shall

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

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

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

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

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

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

14 a. there shall be apportioned from the gross production
15 tax levy imposed pursuant to Section 1001 of this
16 title on oil to the Revenue Stabilization Fund created
17 by Section 34.102 of Title 62 of the Oklahoma
18 Statutes, the amount of revenue, if any, which exceeds
19 the moving five-year average amount for oil as defined
20 pursuant to paragraph 2 of subsection A of this
21 section,

22 b. until the apportionment to the General Revenue Fund
23 equals the moving five-year average amount for oil as
24 prescribed by paragraph 2 of subsection A of this

1 section, fifty percent (50%) shall be paid to the
2 State Treasurer to be placed in the General Revenue
3 Fund of the state and used for the general expense of
4 state government, to be paid out pursuant to direct
5 appropriation by the Legislature,

6 c. before any other apportionment of revenue has been
7 made pursuant to this paragraph, twenty-five percent
8 (25%) of the sum collected from oil shall be paid to
9 the various county treasurers, to be credited to the
10 County Highway Fund as follows: Each county shall
11 receive a proportionate share of the funds available
12 based upon the proportion of the total value of
13 production from such county in the corresponding month
14 of the preceding year, and

15 d. before any other apportionment of revenue has been
16 made pursuant to this paragraph, twenty-five percent
17 (25%) shall be allocated to each county as provided in
18 subparagraph c of this paragraph and shall be
19 apportioned on an average daily attendance per capita
20 distribution basis, as certified by the State
21 Superintendent of Public Instruction, to the school
22 districts of the county where such pupils attend
23 school regardless of residence of such pupil, provided
24 the school district makes an ad valorem tax levy of

1 fifteen (15) mills for the current year and maintains
2 twelve (12) years of instruction.

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

18 SECTION 8. AMENDATORY 68 O.S. 2011, Section 1353, as
19 last amended by Section 1, Chapter 349, O.S.L. 2015 (68 O.S. Supp.
20 2017, Section 1353), is amended to read as follows:

21 Section 1353. A. It is hereby declared to be the purpose of
22 the Oklahoma Sales Tax Code to provide funds for the financing of
23 the program provided for by the Oklahoma Social Security Act and to
24 provide revenues for the support of the functions of the state

government of Oklahoma, and for this purpose and except as provided
in Section 1 of this act, it is hereby expressly provided that,
revenues derived pursuant to the provisions of the Oklahoma Sales
Tax Code, subject to the apportionment requirements for the Oklahoma
Tax Commission and Office of Management and Enterprise Services
Joint Computer Enhancement Fund provided by Section 265 of this
title, shall be apportioned as follows:

1. a. the following amounts shall be paid to the State
Treasurer to be placed to the credit of the General
Revenue Fund to be paid out pursuant to direct
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%

- b. in the event that additional monies are necessary
pursuant to paragraph 6 of this subsection, 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. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), 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 and for FY 2006 and each fiscal year thereafter, 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 (1) thirty-six percent (36%) shall be placed to the
2 credit of the Oklahoma Tourism Promotion
3 Revolving Fund, but in no event shall such
4 apportionment exceed Five Million Dollars
5 (\$5,000,000.00) in any fiscal year, and

6 (2) sixty-four percent (64%) shall be placed to the
7 credit of the Oklahoma Tourism Capital
8 Improvement Revolving Fund, but in no event shall
9 such apportionment exceed Nine Million Dollars
10 (\$9,000,000.00) in any fiscal year, and

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

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

22 6. During the first fiscal year after the State Board of
23 Equalization has made a determination as provided in Section 2355.1B
24 of this title, regarding a baseline amount of revenue apportioned

1 pursuant to paragraph 3 of this subsection, and for each fiscal year
2 thereafter, in no event shall monies apportioned pursuant to
3 paragraph 3 of this subsection, paragraph 3 of Section 1403 of this
4 title and subparagraph c of paragraph 1 of Section 2352 of this
5 title be less than such baseline amount.

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

16 SECTION 9. AMENDATORY 68 O.S. 2011, Section 1403, as
17 last amended by Section 2, Chapter 349, O.S.L. 2015 (68 O.S. Supp.
18 2017, Section 1403), is amended to read as follows:

19 Section 1403. It is hereby declared to be the purpose of
20 Section 1401 et seq. of this title to provide for the support of the
21 functions of the state and local government of Oklahoma; and for
22 this purpose and to this end and except as provided in Section 1 of
23 this act, it is hereby expressly provided that the revenues derived
24 hereunder, subject to the apportionment requirements for the

Oklahoma Tax Commission and Office of Management and Enterprise Services Joint Computer Enhancement Fund provided by Section 265 of 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;

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

4 Fiscal Year	Amount
5 FY 2003 and FY 2004	3.54%
6 FY 2005	3.75%
7 FY 2006	4.0%
8 FY 2007	4.5%
9 FY 2008 and each fiscal	
10 year thereafter	5.0%

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

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

22 (2) sixty-four percent (64%) shall be placed to the
23 credit of the Oklahoma Tourism Capital
24 Improvement Revolving Fund, but in no event shall

1 such apportionment exceed the total amount
2 apportioned pursuant to this division for the
3 fiscal year ending on June 30, 2015, and

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

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

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

1 SECTION 10. AMENDATORY 68 O.S. 2011, Section 2352, as
2 last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp.
3 2017, Section 2352), is amended to read as follows:

4 Section 2352. It is hereby declared to be the purpose of
5 Section 2351 et seq. of this title to provide revenue for general
6 governmental functions of state government; and, for that purpose
7 and to that end and except as provided in Section 1 of this act, it
8 is expressly declared that the revenue derived herefrom and
9 penalties and interest thereon, subject to the apportionment
10 requirements for the Rebuilding Oklahoma Access and Driver Safety
11 Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and the
12 Public Transit Revolving Fund to be derived from income tax revenue
13 that would otherwise be apportioned to the General Revenue Fund as
14 provided by Section 1521 of Title 69 of the Oklahoma Statutes,
15 subject to the apportionment requirements for the Oklahoma Tax
16 Commission and Office of Management and Enterprise Services Joint
17 Computer Enhancement Fund provided by Section 265 of this title, and
18 subject to the apportionment requirements for the Oklahoma State
19 Capitol Building Repair and Restoration Fund provided by Section 19
20 of Title 73 of the Oklahoma Statutes, shall be distributed as
21 follows:

22 1. For the fiscal year beginning July 1, 2002, the first Five
23 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
24 derived pursuant to the provisions of subsections A, B and E of

Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter shall be apportioned monthly as follows:

- 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

1 pursuant to the guaranty required by subsection M of Section 3654 of
2 this title, an amount certified by the Oklahoma Development Finance
3 Authority to the Oklahoma Tax Commission shall be apportioned to the
4 Quality Jobs Program Incentive Leverage Fund before any other
5 apportionments are made as otherwise authorized by this paragraph.
6 The Oklahoma Development Finance Authority shall certify to the
7 Oklahoma Tax Commission the time as of which the revenue authorized
8 for apportionment pursuant to this paragraph is no longer required.
9 After the certification, the revenue derived from the income tax
10 shall be apportioned in the manner otherwise provided by this
11 section. Except as otherwise provided by this paragraph, for the
12 fiscal year beginning July 1, 2002, the first Forty-One Million One
13 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
14 revenue derived pursuant to the provisions of subsections D and E of
15 Section 2355 of this title shall be apportioned to the Education
16 Reform Revolving Fund. The remainder of such revenue for the fiscal
17 year beginning July 1, 2002, and all such revenue for each fiscal
18 year thereafter, subject to the apportionment requirements for the
19 Oklahoma Tax Commission and Office of Management and Enterprise
20 Services Joint Computer Enhancement Fund provided by Section 265 of
21 this title, shall be apportioned monthly as follows:

- 22 a. the following amounts shall be paid to the State
23 Treasurer to be placed to the credit of the General
24 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	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%

(1) FY 2018 and each fiscal
year thereafter until the
apportionment to the
General Revenue Fund
equals the moving five-
year average amount for
corporate income tax as
prescribed by paragraph 4
of this section 77.50%

(2) there shall be apportioned from the tax
levy imposed on corporate income tax to
the Revenue Stabilization Fund created by
~~Section 1 of this act~~ 34.102 of Title 62
of the Oklahoma Statutes, or to the
Constitutional Reserve Fund, as provided
by ~~Section 1 of this act~~ 34.102 of Title
62 of the Oklahoma Statutes, the amount

1 of revenue, if any, which exceeds the
2 moving five-year average amount as
3 defined pursuant to paragraph 4 of this
4 section,

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

10 c. the following amounts shall be paid to the State
11 Treasurer to be placed to the credit of the Teachers'
12 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%

18 FY 2008 and each fiscal
19 year thereafter
20 d. for FY 2003 and each fiscal year thereafter, one
21 percent (1%) shall be placed to the credit of the Ad
22 Valorem Reimbursement Fund;

23 3. During the first fiscal year after the State Board of
24 Equalization has made a determination as provided in Section 2355.1B

1 of this title, regarding a baseline amount of revenue apportioned
2 pursuant to subparagraph c of paragraph 1 of this section, and for
3 each fiscal year thereafter, in no event shall monies apportioned
4 pursuant to subparagraph c of paragraph 1 of this section, paragraph
5 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
6 this title be less than such baseline amount; and

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

12 SECTION 11. AMENDATORY 69 O.S. 2011, Section 1521, as
13 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.
14 2017, Section 1521), is amended to read as follows:

15 Section 1521. A. There is hereby created in the State Treasury
16 a fund to be known as the "Rebuilding Oklahoma Access and Driver
17 Safety Fund". The fund shall be a continuing fund, not subject to
18 fiscal year limitations, and shall consist of all appropriations and
19 transfers made by the Legislature. All monies accruing to the
20 credit of the fund are hereby appropriated and may be budgeted and
21 expended each fiscal year by the Department of Transportation for
22 the purposes authorized by subsection G of this section.
23 Expenditures from the fund shall be made upon warrants issued by the
24 State Treasurer against claims filed as prescribed by law with the

1 Director of the Office of Management and Enterprise Services for
2 approval and payment.

3 B. There shall be apportioned to the funds specified in this
4 subsection from the monies that would otherwise be apportioned to
5 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma
6 Statutes from the revenues derived pursuant to subsections A, B and
7 E of Section 2355 of Title 68 of the Oklahoma Statutes, except as
8 provided in Section 1 of this act, amounts as follows:

9 1. For each fiscal year, subject to the provisions of paragraph
10 3 of this subsection, and, except for the amount prescribed by
11 subparagraph a of this paragraph, subject to any reductions required
12 by subsection F of this section, there shall be apportioned to the
13 Rebuilding Oklahoma Access and Driver Safety Fund:

14 a. for the fiscal year beginning July 1, 2011, the first
15 Thirty-five Million Seven Hundred Thousand Dollars
16 (\$35,700,000.00), for the fiscal year beginning July
17 1, 2012, the first Forty-one Million Seven Hundred
18 Thousand Dollars (\$41,700,000.00) and for the fiscal
19 year beginning July 1, 2013, and for each fiscal year
20 thereafter, Fifty-nine Million Seven Hundred Thousand
21 Dollars (\$59,700,000.00), which shall be allocated and
22 used by the Department of Transportation first for the
23 purpose of making any required payments for principal,
24 interest or other costs of borrowing with respect to

1 the obligations issued pursuant to Section 341 of
2 Title 73 of the Oklahoma Statutes and after any such
3 required payment has been made then for the purposes
4 otherwise authorized by this section, plus

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

12 c. an additional incremental amount which shall not be in
13 excess of the amount prescribed by subparagraph a of
14 this paragraph and that is required in order for the
15 total apportionment for such fiscal year to equal Five
16 Hundred Seventy-five Million Dollars
17 (\$575,000,000.00) .

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

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

3 a. the next Two Million Dollars (\$2,000,000.00) shall be
4 apportioned to the Oklahoma Tourism and Passenger Rail
5 Revolving Fund created pursuant to Section 325 of
6 Title 66 of the Oklahoma Statutes to be used for
7 capital and operating costs for the "Heartland Flyer"
8 rail project, and

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

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; and

17 3. For each fiscal year after the first fiscal year in which
18 the total apportionment to the Rebuilding Oklahoma Access and Driver
19 Safety Fund as provided by paragraph 1 of this subsection equals
20 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the
21 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)
22 collected pursuant to subsections A, B and E of Section 2355 of
23 Title 68 of the Oklahoma Statutes and apportioned pursuant to
24 Section 2352 of Title 68 of the Oklahoma Statutes that would

1 otherwise be apportioned to the General Revenue Fund shall be
2 apportioned to the Rebuilding Oklahoma Access and Driver Safety
3 Fund. With the exception of the amount prescribed by subparagraph a
4 of paragraph 1 of this subsection, all amounts apportioned pursuant
5 to this paragraph shall be divided into twelve equal amounts to be
6 apportioned each month during the fiscal year.

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

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

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

1 each year, the State Board of Equalization shall issue a finding and
2 report which shall state whether expenditures from the ROADS Fund
3 were used to enhance or supplant state funding for the Department of
4 Transportation. If the State Board of Equalization finds that state
5 funding for the Department of Transportation was supplanted by funds
6 from the ROADS Fund, the Board shall specify the amount by which
7 such funding was supplanted. In this event, the Legislature shall
8 not make any appropriations for the ensuing fiscal year until an
9 appropriation in that amount is made to replenish state funding for
10 the Department of Transportation.

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

18 1. Subparagraph a of paragraph 1 of subsection B of this
19 section, only to the extent that the amount is not required for debt
20 service related to the obligations authorized pursuant to Section
21 341 of Title 73 of the Oklahoma Statutes;

22 2. Subparagraphs b and c of paragraph 1 of subsection B of this
23 section; and
24

1 3. Subparagraphs a and b of paragraph 2 of subsection B of this
2 section,
3 shall be reduced by a percentage equal to that required of the
4 General Revenue Fund appropriations to state agencies and such
5 reductions shall occur during the entire fiscal year and for any
6 month during which such reductions are required by the Office of
7 Management and Enterprise Services and by the same percentage as
8 that required of the agencies for such General Revenue Fund
9 appropriations.

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

12 1. The construction and maintenance of state roads, bridges and
13 highways;

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

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

19 4. Matching federal funds;

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

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

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

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

16 SECTION 12. This act shall become effective July 1, 2018.

17 SECTION 13. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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