

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 564

By: Newhouse

4  
5  
6 AS INTRODUCED

7 An Act relating to passenger rail funding; amending  
8 69 O.S. 2011, Section 1521, as last amended by  
9 Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.  
10 2016, Section 1521), which relates to the Rebuilding  
11 Oklahoma Access and Driver Safety Fund; deleting  
12 certain apportionment language; amending 66 O.S.  
13 2011, Section 325, which relates to the Oklahoma  
14 Tourism and Passenger Rail Fund; directing certain  
15 appropriation for certain rail project; and providing  
16 an effective date.

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

18 SECTION 1. AMENDATORY 69 O.S. 2011, Section 1521, as  
19 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.  
20 2016, Section 1521), is amended to read as follows:

21 Section 1521. A. There is hereby created in the State Treasury  
22 a fund to be known as the "Rebuilding Oklahoma Access and Driver  
23 Safety Fund". The fund shall be a continuing fund, not subject to  
24 fiscal year limitations, and shall consist of all appropriations and  
transfers made by the Legislature. All monies accruing to the  
credit of the fund are hereby appropriated and may be budgeted and  
expended each fiscal year by the Department of Transportation for

1 the purposes authorized by subsection G of this section.  
2 Expenditures from the fund shall be made upon warrants issued by the  
3 State Treasurer against claims filed as prescribed by law with the  
4 Director of the Office of Management and Enterprise Services for  
5 approval and payment.

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

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

17 a. for the fiscal year beginning July 1, 2011, the first  
18 Thirty-five Million Seven Hundred Thousand Dollars  
19 (\$35,700,000.00), for the fiscal year beginning July  
20 1, 2012, the first Forty-one Million Seven Hundred  
21 Thousand Dollars (\$41,700,000.00) and for the fiscal  
22 year beginning July 1, 2013, and for each fiscal year  
23 thereafter, Fifty-nine Million Seven Hundred Thousand  
24 Dollars (\$59,700,000.00), which shall be allocated and

1 used by the Department of Transportation first for the  
2 purpose of making any required payments for principal,  
3 interest or other costs of borrowing with respect to  
4 the obligations issued pursuant to Section 341 of  
5 Title 73 of the Oklahoma Statutes and after any such  
6 required payment has been made then for the purposes  
7 otherwise authorized by this section, plus

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

15 c. an additional incremental amount which shall not be in  
16 excess of the amount prescribed by subparagraph a of  
17 this paragraph and that is required in order for the  
18 total apportionment for such fiscal year to equal Five  
19 Hundred Seventy-five Million Dollars  
20 (\$575,000,000.00).

21 All amounts apportioned pursuant to this paragraph shall be  
22 divided into twelve equal amounts to be apportioned each month  
23 during the fiscal year except the amount specified in subparagraph a  
24 of this paragraph which amount shall be allocated in its full amount

1 in cash not later than July 30 each year or such later date as may  
2 be required in order for the amount to be allocated in cash;

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

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

11 b. the next Three Million Dollars (\$3,000,000.00) shall  
12 be apportioned to the Public Transit Revolving Fund  
13 created pursuant to Section 4031 of this title to be  
14 used for purposes authorized by law other than the  
15 purpose described by ~~subparagraph a of this paragraph~~  
16 subsection B of Section 325 of Title 66 of the  
17 Oklahoma Statutes.

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; and

21 3. For each fiscal year after the first fiscal year in which  
22 the total apportionment to the Rebuilding Oklahoma Access and Driver  
23 Safety Fund as provided by paragraph 1 of this subsection equals  
24 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the

1 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)  
2 collected pursuant to subsections A, B and E of Section 2355 of  
3 Title 68 of the Oklahoma Statutes and apportioned pursuant to  
4 Section 2352 of Title 68 of the Oklahoma Statutes that would  
5 otherwise be apportioned to the General Revenue Fund shall be  
6 apportioned to the Rebuilding Oklahoma Access and Driver Safety  
7 Fund. With the exception of the amount prescribed by subparagraph a  
8 of paragraph 1 of this subsection, all amounts apportioned pursuant  
9 to this paragraph shall be divided into twelve equal amounts to be  
10 apportioned each month during the fiscal year.

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

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

21 E. In order to ensure that the funds from the ROADS Fund are  
22 used to enhance and not supplant state funding for the Department of  
23 Transportation, the State Board of Equalization shall examine and  
24 investigate expenditures from the fund each year. For purposes of

1 this examination, monies used to retire outstanding debt obligations  
2 for which the Department of Transportation is responsible shall be  
3 excluded. At the meeting of the State Board of Equalization held  
4 within five (5) days after the monthly apportionment in February of  
5 each year, the State Board of Equalization shall issue a finding and  
6 report which shall state whether expenditures from the ROADS Fund  
7 were used to enhance or supplant state funding for the Department of  
8 Transportation. If the State Board of Equalization finds that state  
9 funding for the Department of Transportation was supplanted by funds  
10 from the ROADS Fund, the Board shall specify the amount by which  
11 such funding was supplanted. In this event, the Legislature shall  
12 not make any appropriations for the ensuing fiscal year until an  
13 appropriation in that amount is made to replenish state funding for  
14 the Department of Transportation.

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

22 1. Subparagraph a of paragraph 1 of subsection B of this  
23 section, only to the extent that the amount is not required for debt  
24

1 service related to the obligations authorized pursuant to Section  
2 341 of Title 73 of the Oklahoma Statutes;

3 2. Subparagraphs b and c of paragraph 1 of subsection B of this  
4 section; and

5 3. ~~Subparagraphs a~~ Subsection B of Section 325 of Title 66 of  
6 the Oklahoma Statutes and ~~b~~ of paragraph 2 of subsection B of this  
7 section,

8 shall be reduced by a percentage equal to that required of the  
9 General Revenue Fund appropriations to state agencies and such  
10 reductions shall occur during the entire fiscal year and for any  
11 month during which such reductions are required by the Office of  
12 Management and Enterprise Services and by the same percentage as  
13 that required of the agencies for such General Revenue Fund  
14 appropriations.

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

17 1. The construction and maintenance of state roads, bridges and  
18 highways;

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

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

24 4. Matching federal funds;

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

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

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

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

19       SECTION 2.        AMENDATORY        66 O.S. 2011, Section 325, is  
20 amended to read as follows:

21       Section 325. A. There is hereby created in the State  
22 Treasurer's office a revolving fund for the Department of  
23 Transportation, to be designated the "Oklahoma Tourism and Passenger  
24 Rail Revolving Fund". The fund shall be a continuing fund, not

1 subject to fiscal year limitations, and shall be composed of all  
2 revenues generated pursuant to the federal Intercity Passenger Rail  
3 Trust Fund Act of 1995, together with any federal grants, or  
4 financial assistance payments or contributions by any state or  
5 agency thereof or any authority constituted by the state, private  
6 donation or the proceeds from any rail property sale or payments for  
7 the use of any rail property and any accumulated interest thereon,  
8 or any revenues apportioned thereto pursuant to the provisions of  
9 subparagraph b of paragraph 3 of subsection A of Section 500.6 of  
10 Title 68 of the Oklahoma Statutes. All monies accruing to the  
11 credit of the fund are hereby appropriated and may be budgeted and  
12 expended by the Department of Transportation in furtherance of the  
13 provisions of this act.

14 B. Each fiscal year, the Legislature shall appropriate Two  
15 Million Dollars (\$2,000,000.00) to the Oklahoma Tourism and  
16 Passenger Rail Revolving Fund created pursuant to subsection A of  
17 this section to be used for capital and operating costs for the  
18 "Heartland Flyer" rail project.

19 SECTION 3. This act shall become effective November 1, 2017.

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