

**Bill Summary**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 539</b>
<b>Version:</b>	<b>INT</b>
<b>Request No.:</b>	<b>1582</b>
<b>Author:</b>	<b>Sen. Jech</b>
<b>Date:</b>	<b>01/24/2019</b>

**Bill Analysis**

SB 539 extends the sunset date for the 4.28% apportionment of gross production taxes to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund, the Oklahoma Conservation Commission Infrastructure Revolving Fund, and the Community Water Infrastructure Development Revolving Fund from July 1, 2019, to July 1, 2022.

Prepared by: Kalen Taylor

**Fiscal Analysis**

Impact: None

SB 539 extends the sunset provision on apportionments to three state agencies. There is no fiscal impact due to the fact that the apportionment would instead be deposited in the REAP Water Projects Fund.

Prepared by: Fiscal Staff

**OKLAHOMA TAX COMMISSION**

**REVENUE IMPACT STATEMENT  
FIRST REGULAR SESSION, FIFTY-SEVENTH OKLAHOMA LEGISLATURE**

**DATE OF IMPACT STATEMENT:** 2/8/2019

**BILL NUMBER:** SB 539 **STATUS AND DATE OF BILL:** Introduced 1/17/2019

**AUTHORS:** House n/a Senate Jech

**TAX TYPE (S):** Gross Production **SUBJECT:** Apportionment

**PROPOSAL:** Amendatory

SB 539 proposes to amend 68 § 1004 providing for an extension of the sunset date for apportionment of oil revenues collected at five percent (5%) and seven percent (7%) rates to three funds.

**EFFECTIVE DATE:** Emergency- July 1, 2019

**REVENUE IMPACT:**

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 20: \$2,889,000 increase to the Oklahoma Tourism and Recreation  
Department Capital Expenditure Revolving Fund  
\$2,889,000 increase to the Oklahoma Conservation Commission  
Infrastructure Revolving Fund  
\$2,889,000 increase to the Community Water Infrastructure  
Development Revolving Fund  
\$8,666,000 decrease to the Oklahoma Water Resources Board Rural  
Economic Action Plan Water Projects Fund

Feb 12, 2019  
DATE

Rick Miller  
DIVISION DIRECTOR

kl

2-13-2019  
DATE

Huan Gong  
HUAN GONG, ECONOMIST

2-13-19  
DATE

Jimmy White  
FOR THE COMMISSION

*The estimated revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.*

**Attachment to Revenue Impact SB 539 [Introduced] February 8, 2019**

SB 539 proposes to amend 68 § 1004 providing for an extension of the sunset date for apportionment of oil revenues collected at the five percent (5%) and seven percent (7%) rates to three funds.

Currently, five percent (5%) and four and twenty-eight one-hundredths percent (4.28%) of monies collected on oil at the five percent (5%) and seven percent (7%) rates, respectively, are paid to the State Treasurer. These monies are apportioned thirty-three and one-third percent (33 1/3%) to the following three funds until June 30, 2019: (1) the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund, (2) the Oklahoma Conservation Commission Infrastructure Revolving Fund and (3) the Community Water Infrastructure Development Revolving Fund. After June 30, 2019, the monies previously apportioned to these three funds will be apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund. SB 539 proposes to extend the sunset date for apportionment to these three funds from June 30, 2019, until June 30, 2022. Therefore, the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund would not receive these monies until July 1, 2022, instead of beginning July 1, 2019.

**Net Revenue Impact  
FY 20:**

\$2,889,000 increase to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund

\$2,889,000 increase to the Oklahoma Conservation Commission Infrastructure Revolving Fund

\$2,889,000 increase to the Community Water Infrastructure Development Revolving Fund

\$8,666,000 decrease to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund

There is no net revenue impact on collections as a result of this measure.

Detail may not add due to rounding.