

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 SENATE BILL NO. 681

By: Montgomery

4
5
6 AS INTRODUCED

7 An Act relating to apportionment of tax revenue;
8 amending 68 O.S. 2011, Section 1004, as last amended
9 by Section 8, Chapter 8, 2nd Extraordinary Session,
10 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), which
11 relates to apportionment of gross production tax;
12 modifying apportionment after specified date to
13 eliminate apportionment based on tax rate levied;
14 deleting apportionment to specified funds; modifying
15 amounts apportioned; amending 68 O.S. 2011, Section
16 2352, as last amended by Section 5, Chapter 337,
17 O.S.L. 2016 (68 O.S. Supp. 2018, Section 2352), which
18 relates to income tax apportionment; modifying
19 apportionment of individual income tax revenue;
20 deleting obsolete language; providing for
21 apportionment of certain revenue to specified funds
22 after certain date; updating statutory references;
23 providing an effective date; and declaring an
24 emergency.

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

19 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1004, as
20 last amended by Section 8, Chapter 8, 2nd Extraordinary Session,
21 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), is amended to read
22 as follows:

23 Section 1004. A. As used in this section:
24
25

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

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

13 B. Beginning ~~July 1, 2017~~ July 1, 2019, the gross production
14 tax provided for in Section 1001 of this title is hereby levied and
15 shall be collected and apportioned as follows:

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

- 18 a. eighty-five and seventy-two one-hundredths percent
19 (85.72%) shall be paid to the State Treasurer of the
20 state to be placed in the General Revenue Fund of the
21 state and used for the general expense of state
22 government, to be paid out pursuant to direct
23 appropriation by the Legislature,

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

11 c. seven and fourteen one-hundredths percent (7.14%)
12 shall be allocated to each county as provided for in
13 subparagraph b 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 2. For all monies collected from the tax levied on natural gas
23 and/or casinghead gas ~~at a tax rate of seven percent (7%)~~ and oil
24

1 pursuant to the provisions of subsection B of Section 1001 of this
2 title:

3 a. after the total revenue apportioned to the General
4 Revenue Fund as prescribed by subparagraph b of this
5 paragraph equals the moving five-year average amount
6 for gas as defined by paragraph 1 or for oil as
7 defined by paragraph 2 of subsection A of this
8 section, there shall be apportioned from the gross
9 production tax levy imposed pursuant to Section 1001
10 of this title on natural gas and/or casinghead gas or
11 oil to the Revenue Stabilization Fund created by
12 Section 34.102 of Title 62 of the Oklahoma Statutes,
13 the amount of revenue, if any, which exceeds the
14 moving five-year average amount ~~for gas as defined~~
15 ~~pursuant to paragraph 1 of subsection A of this~~
16 ~~section,~~

17 b. until the apportionment to the General Revenue Fund
18 equals the moving five-year average amount for gas ~~as~~
19 ~~prescribed by paragraph 1 of subsection A of this~~
20 ~~section, eighty-five and seventy-two one-hundredths~~
21 ~~percent (85.72%)~~ and oil all amounts not otherwise
22 apportioned pursuant to this subsection shall be paid
23 to the State Treasurer of the state to be placed in
24 the General Revenue Fund of the state and used for the

1 general expense of state government, to be paid out
2 pursuant to direct appropriation by the Legislature,
3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, ~~seven and fourteen~~
5 ~~one-hundredths percent (7.14%)~~ of the sum collected
6 from natural gas and/or casinghead gas and oil, an
7 amount equal to the average annual amount apportioned
8 for fiscal years 2014 through 2018 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, ~~seven and fourteen~~
17 ~~one-hundredths percent (7.14%)~~ an amount equal to the
18 average annual amount apportioned for fiscal years
19 2014 through 2018 shall be allocated to each county as
20 provided for in subparagraph c of this paragraph and
21 shall be apportioned, on an average daily attendance
22 per capita distribution basis, as certified by the
23 State Superintendent of Public Instruction to the
24 school districts of the county where such pupils

1 attend school regardless of residence of such pupil,
2 provided the school district makes an ad valorem tax
3 levy of fifteen (15) mills for the current year and
4 maintains twelve (12) years of instruction;

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

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

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

1 ~~the State Treasurer of the state to be placed in the~~
2 ~~General Revenue Fund of the state and used for the~~
3 ~~general expense of state government, to be paid out~~
4 ~~pursuant to direct appropriation by the Legislature,~~
5 ~~c. before any other apportionment of revenue has been~~
6 ~~made pursuant to this paragraph, twelve and one-half~~
7 ~~percent (12.5%) of the sum collected from natural gas~~
8 ~~and/or casinghead gas shall be paid to the various~~
9 ~~county treasurers to be credited to the County Highway~~
10 ~~Fund as follows: Each county shall receive a~~
11 ~~proportionate share of the funds available based upon~~
12 ~~the proportion of the total value of production from~~
13 ~~such county in the corresponding month of the~~
14 ~~preceding year, and~~

15 ~~d. before any other apportionment of revenue has been~~
16 ~~made pursuant to this paragraph, twelve and one-half~~
17 ~~percent (12.5%) shall be allocated to each county as~~
18 ~~provided for in subparagraph c of this paragraph and~~
19 ~~shall be apportioned, on an average daily attendance~~
20 ~~per capita distribution basis, as certified by the~~
21 ~~State Superintendent of Public Instruction to the~~
22 ~~school districts of the county where such pupils~~
23 ~~attend school regardless of residence of such pupil,~~
24 ~~provided the school district makes an ad valorem tax~~

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 ~~e. 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,~~

1 ~~d. before any other apportionment of revenue has been~~
2 ~~made pursuant to this paragraph, twenty five and~~
3 ~~seventy two one hundredths percent (25.72%) shall be~~
4 ~~paid to the State Treasurer to be placed in the~~
5 ~~Oklahoma Student Aid Revolving Fund created in Section~~
6 ~~34.92 of Title 62 of the Oklahoma Statutes,~~

7 e. before any other apportionment of revenue has been
8 made pursuant to this paragraph, ~~three and seven~~
9 ~~hundred forty five one thousandths percent (3.745%)~~ an
10 amount equal to the average annual amount apportioned
11 for fiscal years 2014 through 2018 shall be
12 distributed to the various counties of the state for
13 deposit into the County Bridge and Road Improvement
14 Fund of each county based on a formula developed by
15 the Department of Transportation and approved by the
16 Department of Transportation County Advisory Board
17 created pursuant to Section 302.1 of Title 69 of the
18 Oklahoma Statutes to be used for the purposes set
19 forth in the County Bridge and Road Improvement Act.
20 The formula shall be similar to the formula currently
21 used for the distribution of monies in the County
22 Bridge Program funds, but shall also take into
23 consideration the effect of the terrain and traffic

1 volume as related to county road improvement and
2 maintenance costs, and

3 f. ~~before any other apportionment of revenue has been~~
4 ~~made pursuant to this paragraph, four and twenty eight~~
5 ~~one hundredths percent (4.28%) shall be paid to the~~
6 ~~State Treasurer to be apportioned to:~~

7 ~~(1) the following sources and in the following~~
8 ~~amounts through the fiscal year ending June 30,~~
9 ~~2019:~~

10 ~~(a) thirty three and one third percent (33 1/3%)~~
11 ~~to the Oklahoma Tourism and Recreation~~
12 ~~Department Capital Expenditure Revolving~~
13 ~~Fund created pursuant to Section 2254.1 of~~
14 ~~Title 74 of the Oklahoma Statutes,~~

15 ~~(b) thirty three and one third percent (33 1/3%)~~
16 ~~to the Oklahoma Conservation Commission~~
17 ~~Infrastructure Revolving Fund created~~
18 ~~pursuant to Section 3-2-110 of Title 27A of~~
19 ~~the Oklahoma Statutes, and~~

20 ~~(c) thirty three and one third percent (33 1/3%)~~
21 ~~to the Community Water Infrastructure~~
22 ~~Development Revolving Fund created pursuant~~
23 ~~to Section 1085.7A of Title 82 of the~~
24 ~~Oklahoma Statutes, and~~

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

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

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

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

3 ~~i.~~ before any other apportionment of revenue has been
4 made pursuant to this paragraph, ~~five hundred thirty-~~
5 ~~five one-thousandths percent (0.535%)~~ an amount equal
6 to the average annual amount apportioned for fiscal
7 years 2014 through 2018 of the levy shall be
8 transmitted by the Oklahoma Tax Commission to the
9 Statewide Circuit Engineering District Revolving Fund
10 as created in Section 687.2 of Title 69 of the
11 Oklahoma Statutes;

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

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

1 ~~defined pursuant to paragraph 2 of subsection A of~~
2 ~~this section,~~

3 ~~b. before any other apportionment of revenue has been~~
4 ~~made pursuant to this paragraph, twenty two and one~~
5 ~~half percent (22.5%) shall be paid to the State~~
6 ~~Treasurer to be placed in the Common Education~~
7 ~~Technology Revolving Fund created in Section 34.90 of~~
8 ~~Title 62 of the Oklahoma Statutes,~~

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

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

21 ~~e. before any other apportionment of revenue has been~~
22 ~~made pursuant to this paragraph, three and twenty~~
23 ~~eight one hundredths percent (3.28%) shall be~~
24 ~~distributed to the various counties of the state for~~

1 ~~deposit into the County Bridge and Road Improvement~~
2 ~~Fund of each county based on a formula developed by~~
3 ~~the Department of Transportation and approved by the~~
4 ~~Department of Transportation County Advisory Board~~
5 ~~created pursuant to Section 302.1 of Title 69 of the~~
6 ~~Oklahoma Statutes to be used for the purposes set~~
7 ~~forth in the County Bridge and Road Improvement Act.~~
8 ~~The formula shall be similar to the formula currently~~
9 ~~used for the distribution of monies in the County~~
10 ~~Bridge Program funds, but shall also take into~~
11 ~~consideration the effect of the terrain and traffic~~
12 ~~volume as related to county road improvement and~~
13 ~~maintenance costs,~~

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

18 ~~(1) the following sources and in the following~~
19 ~~amounts through the fiscal year ending June 30,~~
20 ~~2019:~~

21 ~~(a) thirty three and one third percent (33 1/3%)~~
22 ~~to the Oklahoma Tourism and Recreation~~
23 ~~Department Capital Expenditure Revolving~~
24
25

1 Fund created pursuant to Section 2254.1 of
2 Title 74 of the Oklahoma Statutes,

3 ~~(b) thirty-three and one-third percent (33 1/3%)~~
4 ~~to the Oklahoma Conservation Commission~~
5 ~~Infrastructure Revolving Fund created~~
6 ~~pursuant to Section 3-2-110 of Title 27A of~~
7 ~~the Oklahoma Statutes, and~~

8 ~~(c) thirty-three and one-third percent (33 1/3%)~~
9 ~~to the Community Water Infrastructure~~
10 ~~Development Revolving Fund created pursuant~~
11 ~~to Section 1085.7A of Title 82 of the~~
12 ~~Oklahoma Statutes, and~~

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

17 ~~g. before any other apportionment of revenue has been~~
18 ~~made pursuant to this paragraph, twelve and one-half~~
19 ~~percent (12.5%) of the sum collected from oil shall be~~
20 ~~paid to the various county treasurers, to be credited~~
21 ~~to the County Highway Fund as follows: Each county~~
22 ~~shall receive a proportionate share of the funds~~
23 ~~available based upon the proportion of the total value~~

1 ~~of production from such county in the corresponding~~
2 ~~month of the preceding year,~~

3 ~~h. before any other apportionment of revenue has been~~
4 ~~made pursuant to this paragraph, twelve and one-half~~
5 ~~percent (12.5%) shall be allocated to each county as~~
6 ~~provided in subparagraph g of this paragraph and shall~~
7 ~~be apportioned on an average daily attendance per~~
8 ~~capita distribution basis, as certified by the State~~
9 ~~Superintendent of Public Instruction, to the school~~
10 ~~districts of the county where such pupils attend~~
11 ~~school regardless of residence of such pupil, provided~~
12 ~~the school district makes an ad valorem tax levy of~~
13 ~~fifteen (15) mills for the current year and maintains~~
14 ~~twelve (12) years of instruction, and~~

15 ~~i. before any other apportionment of revenue has been~~
16 ~~made pursuant to this paragraph, forty-seven one-~~
17 ~~hundredths percent (0.47%) of the levy shall be~~
18 ~~transmitted by the Tax Commission to the Statewide~~
19 ~~Circuit Engineering District Revolving Fund as created~~
20 ~~in Section 687.2 of Title 69 of the Oklahoma Statutes;~~

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

1 ~~a. fifty percent (50%) of the sum collected shall be paid~~
2 ~~to the various county treasurers, to be credited to~~
3 ~~the County Highway Fund as follows: Each county shall~~
4 ~~receive a proportionate share of the funds available~~
5 ~~based upon the proportion of the total value of~~
6 ~~production from such county in the corresponding month~~
7 ~~of the preceding year, and~~

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

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

21 ~~a. there shall be apportioned from the gross production~~
22 ~~tax levy imposed pursuant to Section 1001 of this~~
23 ~~title on oil to the Revenue Stabilization Fund created~~
24 ~~by Section 34.102 of Title 62 of the Oklahoma~~

1 ~~Statutes, the amount of revenue, if any, which exceeds~~
2 ~~the moving five year average amount for oil as defined~~
3 ~~pursuant to paragraph 2 of subsection A of this~~
4 ~~section,~~

5 ~~b. until the apportionment to the General Revenue Fund~~
6 ~~equals the moving five year average amount for oil as~~
7 ~~prescribed by paragraph 2 of subsection A of this~~
8 ~~section, fifty percent (50%) shall be paid to the~~
9 ~~State Treasurer to be placed in the General Revenue~~
10 ~~Fund of the state and used for the general expense of~~
11 ~~state government, to be paid out pursuant to direct~~
12 ~~appropriation by the Legislature,~~

13 ~~c. before any other apportionment of revenue has been~~
14 ~~made pursuant to this paragraph, twenty five percent~~
15 ~~(25%) of the sum collected from oil shall be paid to~~
16 ~~the various county treasurers, to be credited to the~~
17 ~~County Highway Fund as follows: Each county shall~~
18 ~~receive a proportionate share of the funds available~~
19 ~~based upon the proportion of the total value of~~
20 ~~production from such county in the corresponding month~~
21 ~~of the preceding year, and~~

22 ~~d. before any other apportionment of revenue has been~~
23 ~~made pursuant to this paragraph, twenty five percent~~
24 ~~(25%) shall be allocated to each county as provided in~~

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

10 ~~10. On or after the effective date of this act, the gross~~
11 ~~production tax levied on natural gas or casinghead gas at the rate~~
12 ~~of five percent (5%) provided for in paragraph 3 of subsection B of~~
13 ~~Section 1001 of this title shall be apportioned as follows:~~

14 ~~a. after the total revenue apportioned to the General~~
15 ~~Revenue Fund as prescribed by subparagraph b of this~~
16 ~~paragraph equals the moving five-year average amount~~
17 ~~for gas as defined by paragraph 1 of subsection A of~~
18 ~~this section, there shall be apportioned from the~~
19 ~~gross production tax levy imposed pursuant to Section~~
20 ~~1001 of this title on natural gas and/or casinghead~~
21 ~~gas to the Revenue Stabilization Fund created pursuant~~
22 ~~to Section 34.102 of Title 62 of the Oklahoma~~
23 ~~Statutes, the amount of revenue, if any, which exceeds~~
24 ~~the moving five-year average amount for gas as defined~~

1 ~~pursuant to paragraph 1 of subsection A of this~~
2 ~~section,~~

3 ~~b. until the apportionment to the General Revenue Fund~~
4 ~~equals the moving five year average amount for gas as~~
5 ~~prescribed by paragraph 1 of subsection A of this~~
6 ~~section, eighty percent (80%) shall be paid to the~~
7 ~~State Treasurer of the state to be placed in the~~
8 ~~General Revenue Fund of the state and used for the~~
9 ~~general expense of state government, to be paid out~~
10 ~~pursuant to direct appropriation by the Legislature,~~

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

20 ~~d. before any other apportionment of revenue has been~~
21 ~~made pursuant to this paragraph, ten percent (10%)~~
22 ~~shall be allocated to each county as provided for in~~
23 ~~subparagraph c of this paragraph and shall be~~
24 ~~apportioned, on an average daily attendance per capita~~

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

8 ~~11. On or after the effective date of this act, the gross~~
9 ~~production tax on oil levied at the rate of five percent (5%)~~
10 ~~provided for in paragraph 3 of subsection B of this title shall be~~
11 ~~apportioned as follows:~~

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

1 ~~b. before any other apportionment of revenue has been~~
2 ~~made pursuant to this paragraph, twenty three and~~
3 ~~seventy five one hundredths percent (23.75%) shall be~~
4 ~~paid to the State Treasurer to be placed in the Common~~
5 ~~Education Technology Revolving Fund created in Section~~
6 ~~34.90 of Title 62 of the Oklahoma Statutes,~~

7 ~~c. before any other apportionment of revenue has been~~
8 ~~made pursuant to this paragraph, twenty three and~~
9 ~~seventy five one hundredths percent (23.75%) shall be~~
10 ~~paid to the State Treasurer to be placed in the Higher~~
11 ~~Education Capital Revolving Fund created in Section~~
12 ~~34.91 of Title 62 of the Oklahoma Statutes,~~

13 ~~d. before any other apportionment of revenue has been~~
14 ~~made pursuant to this paragraph, twenty three and~~
15 ~~seventy five one hundredths percent (23.75%) shall be~~
16 ~~paid to the State Treasurer to be placed in the~~
17 ~~Oklahoma Student Aid Revolving Fund created in Section~~
18 ~~34.92 of Title 62 of the Oklahoma Statutes,~~

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

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

12 ~~f. before any other apportionment of revenue has been~~
13 ~~made pursuant to this paragraph, five percent (5%)~~
14 ~~shall be paid to the State Treasurer to be apportioned~~
15 ~~to:~~

16 ~~(1) the following sources and in the following~~
17 ~~amounts through the fiscal year ending June 30,~~
18 ~~2019:~~

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

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

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

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

15 ~~g. before any other apportionment of revenue has been~~
16 ~~made pursuant to this paragraph, ten percent (10%) of~~
17 ~~the sum collected from oil shall be paid to the~~
18 ~~various county treasurers, to be credited to the~~
19 ~~County Highway Fund as follows: Each county shall~~
20 ~~receive a proportionate share of the funds available~~
21 ~~based upon the proportion of the total value of~~
22 ~~production from such county in the corresponding month~~
23 ~~of the preceding year,~~

1 ~~h. before any other apportionment of revenue has been~~
2 ~~made pursuant to this paragraph, ten percent (10%)~~
3 ~~shall be allocated to each county as provided in~~
4 ~~subparagraph g of this paragraph and shall be~~
5 ~~apportioned on an average daily attendance per capita~~
6 ~~distribution basis, as certified by the State~~
7 ~~Superintendent of Public Instruction, to the school~~
8 ~~districts of the county where such pupils attend~~
9 ~~school regardless of residence of such pupil, provided~~
10 ~~the school district makes an ad valorem tax levy of~~
11 ~~fifteen (15) mills for the current year and maintains~~
12 ~~twelve (12) years of instruction, and~~

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

19 ~~C. Provided, notwithstanding any other provision of this~~
20 ~~section, the total amounts deposited to the Common Education~~
21 ~~Technology Revolving Fund, the Higher Education Capital Revolving~~
22 ~~Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic~~
23 ~~Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation~~
24 ~~Department Capital Expenditure Revolving Fund, the Oklahoma~~

1 ~~Conservation Commission Infrastructure Revolving Fund and the~~
2 ~~Community Water Infrastructure Development Revolving Fund pursuant~~
3 ~~to paragraphs 6, 7 and 11 of subsection B of this section shall not~~
4 ~~exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any~~
5 ~~fiscal year. Except as otherwise provided in this subsection, all~~
6 ~~sums in excess of One Hundred Fifty Million Dollars~~
7 ~~(\$150,000,000.00) in any fiscal year which would otherwise be~~
8 ~~deposited in such funds shall be apportioned by the Oklahoma Tax~~
9 ~~Commission to the General Revenue Fund of the state.~~

10 SECTION 2. AMENDATORY 68 O.S. 2011, Section 2352, as
11 last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp.
12 2018, Section 2352), is amended to read as follows:

13 Section 2352. It is hereby declared to be the purpose of
14 Section 2351 et seq. of this title to provide revenue for general
15 governmental functions of state government; and, for that purpose
16 and to that end, it is expressly declared that the revenue derived
17 herefrom and penalties and interest thereon, subject to the
18 apportionment requirements for the Rebuilding Oklahoma Access and
19 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail
20 Revolving Fund and the Public Transit Revolving Fund to be derived
21 from income tax revenue that would otherwise be apportioned to the
22 General Revenue Fund as provided by Section 1521 of Title 69 of the
23 Oklahoma Statutes, subject to the apportionment requirements for the
24 Oklahoma Tax Commission and Office of Management and Enterprise

1 Services Joint Computer Enhancement Fund provided by Section 265 of
2 this title, and subject to the apportionment requirements for the
3 Oklahoma State Capitol Building Repair and Restoration Fund provided
4 by Section 19 of Title 73 of the Oklahoma Statutes, shall be
5 distributed as follows:

6 1. For the fiscal year beginning ~~July 1, 2002, the first Five~~
7 ~~Million Eight Hundred Thousand Dollars (\$5,800,000.00) of July 1,~~
8 2019, and all fiscal years thereafter, revenue derived pursuant to
9 the provisions of subsections A, B and E of Section 2355 of this
10 title shall be apportioned ~~to the Education Reform Revolving Fund.~~
11 ~~The remainder of such revenue for the fiscal year beginning July 1,~~
12 ~~2002, and all such revenue for each fiscal year thereafter shall be~~
13 ~~apportioned~~ monthly as follows:

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

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%

1 FY 2008 and each fiscal

2 year thereafter 85.66%

3 Provided, of the amount which would otherwise be
4 apportioned to the General Revenue Fund pursuant to
5 this subparagraph, there shall also be apportioned to
6 each of the following funds an amount equal to the
7 average annual amount apportioned for fiscal years
8 2014 through 2018 pursuant to Section 1004 of this
9 title:

10 (a) Common Education Technology Fund created in
11 Section 34.90 of Title 62 of the Oklahoma
12 Statutes,

13 (b) Higher Education Capital Revolving Fund
14 created in Section 34.91 of Title 62 of the
15 Oklahoma Statutes,

16 (c) Oklahoma Student Aid Revolving Fund created
17 in Section 34.92 of Title 62 of the Oklahoma
18 Statutes,

19 (d) Oklahoma Tourism and Recreation Department
20 Capital Expenditure Revolving Fund created
21 pursuant to Section 2254.1 of Title 74 of
22 the Oklahoma Statutes,

23 (e) Oklahoma Conservation Commission
24 Infrastructure Revolving Fund created
25

1 fiscal year beginning July 1, 2002, the first Forty-One Million One
2 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
3 revenue derived pursuant to the provisions of subsections D and E of
4 Section 2355 of this title shall be apportioned to the Education
5 Reform Revolving Fund. The remainder of such revenue for the fiscal
6 year beginning July 1, 2002, and all such revenue for each fiscal
7 year thereafter, subject to the apportionment requirements for the
8 Oklahoma Tax Commission and Office of Management and Enterprise
9 Services Joint Computer Enhancement Fund provided by Section 265 of
10 this title, shall be apportioned monthly as follows:

11 a. the following amounts shall be paid to the State
12 Treasurer to be placed to the credit of the General
13 Revenue Fund of the state for such fiscal year for the
14 support of the state government to be paid out only
15 pursuant to appropriation by the Legislature:

16 Fiscal Year	Amount
17 FY 2003 and FY 2004	78.96%
18 FY 2005	78.75%
19 FY 2006	78.50%
20 FY 2007	78.0%

21 (1) FY 2018 and each fiscal year thereafter until the
22 apportionment to the General Revenue Fund equals
23 the moving five-year average amount for corporate
24

1 income tax as prescribed by paragraph 4 of this
2 section 77.50%.

3 (2) there shall be apportioned from the tax levy
4 imposed on corporate income tax to the Revenue
5 Stabilization Fund created by Section ~~1 of this~~
6 ~~act~~ 34.102 of Title 62 of the Oklahoma Statutes,
7 or to the Constitutional Reserve Fund, as
8 provided by Section ~~1 of this act~~ 34.102 of Title
9 62 of the Oklahoma Statutes, the amount of
10 revenue, if any, which exceeds the moving five-
11 year average amount as defined pursuant to
12 paragraph 4 of this section,

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

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

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.

3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

57-1-475 JCR 1/28/2019 5:28:56 PM