

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

SENATE BILL NO. 932

By: Bergstrom

AS INTRODUCED

An Act relating to the gross production tax code; amending 68 O.S. 2011, Section 1004, as last amended by Section 8, Chapter 8, 2nd Extraordinary Session, O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), which relates to the apportionment and use of proceeds of tax; modifying certain apportionment by redirecting funds to the Oklahoma Quick Action Closing Fund; updating statutory references; providing an effective; and declaring an emergency.

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

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

Section 1004. A. As used in this section:

1. "Moving five-year average amount for gas" means, for purposes of the apportionments prescribed by this section, the amount of gross production tax on natural gas collected for each of the five (5) complete fiscal years, as computed by the State Board

1 of Equalization pursuant to Section 34.103 of Title 62 of the  
2 Oklahoma Statutes; and

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

9 B. Beginning July 1, 2017, the gross production tax provided  
10 for in Section 1001 of this title is hereby levied and shall be  
11 collected and apportioned as follows:

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

14 a. eighty-five and seventy-two one-hundredths percent  
15 (85.72%) shall be paid to the State Treasurer of the  
16 state to be placed in the General Revenue Fund of the  
17 state and used for the general expense of state  
18 government, to be paid out pursuant to direct  
19 appropriation by the Legislature,

20 b. seven and fourteen one-hundredths percent (7.14%) of  
21 the sum collected from natural gas and/or casinghead  
22 gas or asphalt or ores bearing uranium, lead, zinc,  
23 jack, gold, silver or copper shall be paid to the  
24 various county treasurers to be credited to the County

1 Highway Fund as follows: Each county shall receive a  
2 proportionate share of the funds available based upon  
3 the proportion of the total value of production from  
4 such county in the corresponding month of the  
5 preceding year, and

- 6 c. seven and fourteen one-hundredths percent (7.14%)  
7 shall be allocated to each county as provided for in  
8 subparagraph b of this paragraph and shall be  
9 apportioned, on an average daily attendance per capita  
10 distribution basis, as certified by the State  
11 Superintendent of Public Instruction to the school  
12 districts of the county where such pupils attend  
13 school regardless of residence of such pupil, provided  
14 the school district makes an ad valorem tax levy of  
15 fifteen (15) mills for the current year and maintains  
16 twelve (12) years of instruction;

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

- 20 a. after the total revenue apportioned to the General  
21 Revenue Fund as prescribed by subparagraph b of this  
22 paragraph equals the moving five-year average amount  
23 for gas as defined by paragraph 1 of subsection A of  
24 this section, there shall be apportioned from the  
25

1 gross production tax levy imposed pursuant to Section  
2 1001 of this title on natural gas and/or casinghead  
3 gas to the Revenue Stabilization Fund created by  
4 Section 34.102 of Title 62 of the Oklahoma Statutes,  
5 the amount of revenue, if any, which exceeds the  
6 moving five-year average amount for gas as defined  
7 pursuant to paragraph 1 of subsection A of this  
8 section,

9 b. until the apportionment to the General Revenue Fund  
10 equals the moving five-year average amount for gas as  
11 prescribed by paragraph 1 of subsection A of this  
12 section, eighty-five and seventy-two one-hundredths  
13 percent (85.72%) shall be paid to the State Treasurer  
14 of the state to be placed in the General Revenue Fund  
15 of the state and used for the general expense of state  
16 government, to be paid out pursuant to direct  
17 appropriation by the Legislature,

18 c. before any other apportionment of revenue has been  
19 made pursuant to this paragraph, seven and fourteen  
20 one-hundredths percent (7.14%) of the sum collected  
21 from natural gas and/or casinghead gas shall be paid  
22 to the various county treasurers to be credited to the  
23 County Highway Fund as follows: Each county shall  
24 receive a proportionate share of the funds available  
25

1 based upon the proportion of the total value of  
2 production from such county in the corresponding month  
3 of the preceding year, and

- 4 d. before any other apportionment of revenue has been  
5 made pursuant to this paragraph, seven and fourteen  
6 one-hundredths percent (7.14%) shall be allocated to  
7 each county as provided for in subparagraph c of this  
8 paragraph and shall be apportioned, on an average  
9 daily attendance per capita distribution basis, as  
10 certified by the State Superintendent of Public  
11 Instruction to the school districts of the county  
12 where such pupils attend school regardless of  
13 residence of such pupil, provided the school district  
14 makes an ad valorem tax levy of fifteen (15) mills for  
15 the current year and maintains twelve (12) years of  
16 instruction;

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

- 20 a. after the total revenue apportioned to the General  
21 Revenue Fund as prescribed by subparagraph b of this  
22 paragraph equals the moving five-year average amount  
23 for gas as defined by paragraph 1 of subsection A of  
24 this section, there shall be apportioned from the  
25

1 gross production tax levy imposed pursuant to Section  
2 1001 of this title on natural gas and/or casinghead  
3 gas to the Revenue Stabilization Fund created pursuant  
4 to Section 34.102 of Title 62 of the Oklahoma  
5 Statutes, the amount of revenue, if any, which exceeds  
6 the moving five-year average amount for gas as defined  
7 pursuant to paragraph 1 of subsection A of this  
8 section,

9 b. until the apportionment to the General Revenue Fund  
10 equals the moving five-year average amount for gas as  
11 prescribed by paragraph 1 of subsection A of this  
12 section, seventy-five percent (75%) shall be paid to  
13 the State Treasurer of the state to be placed in the  
14 General Revenue Fund of the state and used for the  
15 general expense of state government, to be paid out  
16 pursuant to direct appropriation by the Legislature<sup>7</sup>;  
17 provided, the first Ten Million Dollars  
18 (\$10,000,000.00) shall be deposited in the Oklahoma  
19 Quick Action Closing Fund created in Section 48.2 of  
20 Title 62 of the Oklahoma Statutes,

21 c. before any other apportionment of revenue has been  
22 made pursuant to this paragraph, twelve and one-half  
23 percent (12.5%) of the sum collected from natural gas  
24 and/or casinghead gas shall be paid to the various

1 county treasurers to be credited to the County Highway  
2 Fund as follows: Each county shall receive a  
3 proportionate share of the funds available based upon  
4 the proportion of the total value of production from  
5 such county in the corresponding month of the  
6 preceding year, and

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

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

- 22 a. fifty percent (50%) of the sum collected from natural  
23 gas and/or casinghead gas shall be paid to the various  
24 county treasurers to be credited to the County Highway

1 Fund as follows: Each county shall receive a  
2 proportionate share of the funds available based upon  
3 the proportion of the total value of production from  
4 such county in the corresponding month of the  
5 preceding year, and

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

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

- 20 a. after the total revenue apportioned to the General  
21 Revenue Fund as prescribed by subparagraph b of this  
22 paragraph equals the moving five-year average amount  
23 for gas as defined by paragraph 1 of subsection A of  
24 this section, there shall be apportioned from the  
25



gross production tax levy imposed pursuant to Section 1001 of this title on gas to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, the amount of revenue, if any, which exceeds the moving five-year average amount for natural gas and/or casinghead gas as defined pursuant to paragraph 1 of subsection A of this section,

b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for gas as prescribed by paragraph 1 of subsection A of this section, fifty percent (50%) shall be paid to the State Treasurer 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,

c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five percent (25%) of the sum collected from natural gas and/or casinghead gas 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

1           d.   before any other apportionment of revenue has been  
2               made pursuant to this paragraph, twenty-five percent  
3               (25%) shall be allocated to each county as provided  
4               for in subparagraph c 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;

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

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

1 exceeds the moving five-year average amount for oil as  
2 defined pursuant to paragraph 2 of subsection A of  
3 this section,

4 b. before any other apportionment of revenue has been  
5 made pursuant to this paragraph, twenty-five and  
6 seventy-two one-hundredths percent (25.72%) shall be  
7 paid to the State Treasurer to be placed in the Common  
8 Education Technology Revolving Fund created in Section  
9 34.90 of Title 62 of the Oklahoma Statutes,

10 c. before any other apportionment of revenue has been  
11 made pursuant to this paragraph, twenty-five and  
12 seventy-two one-hundredths percent (25.72%) shall be  
13 paid to the State Treasurer to be placed in the Higher  
14 Education Capital Revolving Fund created in Section  
15 34.91 of Title 62 of the Oklahoma Statutes,

16 d. before any other apportionment of revenue has been  
17 made pursuant to this paragraph, twenty-five and  
18 seventy-two one-hundredths percent (25.72%) shall be  
19 paid to the State Treasurer to be placed in the  
20 Oklahoma Student Aid Revolving Fund created in Section  
21 34.92 of Title 62 of the Oklahoma Statutes,

22 e. before any other apportionment of revenue has been  
23 made pursuant to this paragraph, three and seven  
24 hundred forty-five one-thousandths percent (3.745%)

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

15 f. before any other apportionment of revenue has been  
16 made pursuant to this paragraph, four and twenty-eight  
17 one-hundredths percent (4.28%) shall be paid to the  
18 State Treasurer to be apportioned to:

19 (1) the following sources and in the following  
20 amounts through the fiscal year ending June 30,  
21 2019:

22 (a) thirty-three and one-third percent (33 1/3%)  
23 to the Oklahoma Tourism and Recreation  
24 Department Capital Expenditure Revolving  
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, seven and fourteen  
19 one-hundredths percent (7.14%) of the sum collected  
20 from oil shall be paid to the various county  
21 treasurers, to be credited to the County Highway Fund  
22 as follows: Each county shall receive a proportionate  
23 share of the funds available based upon the proportion  
24

- 1 of the total value of production from such county in  
2 the corresponding month of the preceding year,  
3 h. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, seven and fourteen  
5 one-hundredths percent (7.14%) shall be allocated to  
6 each county as provided in subparagraph g of this  
7 paragraph and shall be apportioned, on an average  
8 daily attendance per capita distribution basis, as  
9 certified by the State Superintendent of Public  
10 Instruction, to the school districts of the county  
11 where such pupils attend school regardless of  
12 residence of such pupil, provided the school district  
13 makes an ad valorem tax levy of fifteen (15) mills for  
14 the current year and maintains twelve (12) years of  
15 instruction, and  
16 i. before any other apportionment of revenue has been  
17 made pursuant to this paragraph, five hundred thirty-  
18 five one-thousandths percent (0.535%) of the levy  
19 shall be transmitted by the Oklahoma Tax Commission to  
20 the Statewide Circuit Engineering District Revolving  
21 Fund as created in Section 687.2 of Title 69 of the  
22 Oklahoma Statutes;  
23  
24

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

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

16          b. before any other apportionment of revenue has been  
17 made pursuant to this paragraph, twenty-two and one-  
18 half percent (22.5%) shall be paid to the State  
19 Treasurer to be placed in the Common Education  
20 Technology Revolving Fund created in Section 34.90 of  
21 Title 62 of the Oklahoma Statutes,

22          c. before any other apportionment of revenue has been  
23 made pursuant to this paragraph, twenty-two and one-  
24 half percent (22.5%) shall be paid to the State

1           Treasurer to be placed in the Higher Education Capital  
2           Revolving Fund created in Section 34.91 of Title 62 of  
3           the Oklahoma Statutes,

4           d.   before any other apportionment of revenue has been  
5               made pursuant to this paragraph, twenty-two and one-  
6               half percent (22.5%) shall be paid to the State  
7               Treasurer to be placed in the Oklahoma Student Aid  
8               Revolving Fund created in Section 34.92 of Title 62 of  
9               the Oklahoma Statutes,

10          e.   before any other apportionment of revenue has been  
11               made pursuant to this paragraph, three and twenty-  
12               eight one-hundredths percent (3.28%) shall be  
13               distributed to the various counties of the state for  
14               deposit into the County Bridge and Road Improvement  
15               Fund of each county based on a formula developed by  
16               the Department of Transportation and approved by the  
17               Department of Transportation County Advisory Board  
18               created pursuant to Section 302.1 of Title 69 of the  
19               Oklahoma Statutes to be used for the purposes set  
20               forth in the County Bridge and Road Improvement Act.  
21               The formula shall be similar to the formula currently  
22               used for the distribution of monies in the County  
23               Bridge Program funds, but shall also take into  
24               consideration the effect of the terrain and traffic



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

3 f. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, three and seventy-  
5 five one-hundredths percent (3.75%) shall be paid to  
6 the 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  
25

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, twelve and one-half  
7 percent (12.5%) of the sum collected from oil shall be  
8 paid to the various county treasurers, to be credited  
9 to the County Highway Fund as follows: Each county  
10 shall receive a proportionate share of the funds  
11 available based upon the proportion of the total value  
12 of production from such county in the corresponding  
13 month of the preceding year,

14 h. 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 in subparagraph g of this paragraph and shall  
18 be apportioned on an average daily attendance per  
19 capita distribution basis, as certified by the State  
20 Superintendent of Public Instruction, to the school  
21 districts of the county where such pupils attend  
22 school regardless of residence of such pupil, provided  
23 the school district makes an ad valorem tax levy of  
24

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

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

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

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

- 19           b.   fifty percent (50%) shall be allocated to each county  
20           as provided for in subparagraph a of this paragraph  
21           and shall be apportioned on an average daily  
22           attendance per capita distribution basis, as certified  
23           by the State Superintendent of Public Instruction, to  
24           the 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 9. For all monies collected from the tax levied on oil at a tax  
6 rate of two percent (2%) pursuant to the provisions of subparagraph  
7 c of paragraph 3 of subsection B of Section 1001 of this title:

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

16 b. until the apportionment to the General Revenue Fund  
17 equals the moving five-year average amount for oil as  
18 prescribed by paragraph 2 of subsection A of this  
19 section, fifty percent (50%) shall be paid to the  
20 State Treasurer to be placed in the General Revenue  
21 Fund of the state and used for the general expense of  
22 state government, to be paid out pursuant to direct  
23 appropriation by the Legislature,  
24

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 oil shall be paid to  
4 the various county treasurers, to be credited to the  
5 County Highway Fund as follows: Each county shall  
6 receive a proportionate share of the funds available  
7 based upon the proportion of the total value of  
8 production from such county in the corresponding month  
9 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 in  
13 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 10. On or after ~~the effective date of this act~~ July 17, 2018,  
23 the gross production tax levied on natural gas or casinghead gas at  
24 the rate of five percent (5%) provided for in paragraph 3 of

1 subsection B of Section 1001 of this title shall be apportioned as  
2 follows:

- 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 of subsection A of  
7               this section, there shall be apportioned from the  
8               gross production tax levy imposed pursuant to Section  
9               1001 of this title on natural gas and/or casinghead  
10              gas to the Revenue Stabilization Fund created pursuant  
11              to Section 34.102 of Title 62 of the Oklahoma  
12              Statutes, the amount of revenue, if any, which exceeds  
13              the moving five-year average amount for gas as defined  
14              pursuant to paragraph 1 of subsection A of this  
15              section,
- 16           b.    until the apportionment to the General Revenue Fund  
17               equals the moving five-year average amount for gas as  
18               prescribed by paragraph 1 of subsection A of this  
19               section, eighty percent (80%) shall be paid to the  
20               State Treasurer of the state to be placed in the  
21               General Revenue Fund of the state and used for the  
22               general expense of state government, to be paid out  
23               pursuant to direct appropriation by the Legislature,

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

10 d. before any other apportionment of revenue has been  
11 made pursuant to this paragraph, ten percent (10%)  
12 shall be allocated to each county as provided for in  
13 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; and

22 11. On or after ~~the effective date of this act~~ July 17, 2018,  
23 the gross production tax on oil levied at the rate of five percent  
24

1 (5%) provided for in paragraph 3 of subsection B of this title shall  
2 be apportioned as follows:

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

15 b. before any other apportionment of revenue has been  
16 made pursuant to this paragraph, twenty-three and  
17 seventy-five one-hundredths percent (23.75%) shall be  
18 paid to the State Treasurer to be placed in the Common  
19 Education Technology Revolving Fund created in Section  
20 34.90 of Title 62 of the Oklahoma Statutes,

21 c. before any other apportionment of revenue has been  
22 made pursuant to this paragraph, twenty-three and  
23 seventy-five one-hundredths percent (23.75%) shall be  
24 paid to the State Treasurer to be placed in the Higher  
25



1 Education Capital Revolving Fund created in Section  
2 34.91 of Title 62 of the Oklahoma Statutes,

3 d. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, twenty-three and  
5 seventy-five one-hundredths percent (23.75%) shall be  
6 paid to the State Treasurer to be placed in the  
7 Oklahoma Student Aid Revolving Fund created in Section  
8 34.92 of Title 62 of the Oklahoma Statutes,

9 e. before any other apportionment of revenue has been  
10 made pursuant to this paragraph, three and twenty-  
11 eight one-hundredths percent (3.28%) 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  
24

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

3 f. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, five percent (5%)  
5 shall be paid to the State Treasurer to be apportioned  
6 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, ten percent (10%) of  
7 the sum collected from oil shall be paid to the  
8 various county treasurers, to be credited to the  
9 County Highway Fund as follows: Each county shall  
10 receive a proportionate share of the funds available  
11 based upon the proportion of the total value of  
12 production from such county in the corresponding month  
13 of the preceding year,

14 h. before any other apportionment of revenue has been  
15 made pursuant to this paragraph, ten percent (10%)  
16 shall be allocated to each county as provided in  
17 subparagraph g of this paragraph and shall be  
18 apportioned on an average daily attendance per capita  
19 distribution basis, as certified by the State  
20 Superintendent of Public Instruction, to the school  
21 districts of the county where such pupils attend  
22 school regardless of residence of such pupil, provided  
23 the school district makes an ad valorem tax levy of  
24

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

- 3           i.   before any other apportionment of revenue has been  
4           made pursuant to this paragraph, forty-seven one-  
5           hundredths percent (0.47%) of the levy shall be  
6           transmitted by the Tax Commission to the Statewide  
7           Circuit Engineering District Revolving Fund as created  
8           in Section 687.2 of Title 69 of the Oklahoma Statutes.

9           C.   Provided, notwithstanding any other provision of this  
10          section, the total amounts deposited to the Common Education  
11          Technology Revolving Fund, the Higher Education Capital Revolving  
12          Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic  
13          Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation  
14          Department Capital Expenditure Revolving Fund, the Oklahoma  
15          Conservation Commission Infrastructure Revolving Fund and the  
16          Community Water Infrastructure Development Revolving Fund pursuant  
17          to paragraphs 6, 7 and 11 of subsection B of this section shall not  
18          exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any  
19          fiscal year. Except as otherwise provided in this subsection, all  
20          sums in excess of One Hundred Fifty Million Dollars  
21          (\$150,000,000.00) in any fiscal year which would otherwise be  
22          deposited in such funds shall be apportioned by the Oklahoma Tax  
23          Commission to the General Revenue Fund of the state.

24          SECTION 2. This act shall become effective July 1, 2019.

1       SECTION 3. It being immediately necessary for the preservation  
2 of the public peace, health or safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.  
5

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