

An Act

ENROLLED HOUSE
BILL NO. 2892

By: Wallace and Hilbert of the
House

and

Thompson and Hall of the
Senate

An Act relating to transportation; amending 47 O.S. 2011, Section 1104, as last amended by Section 2, Chapter 153, O.S.L. 2020 (47 O.S. Supp. 2020, Section 1104), which relates to apportionment of Oklahoma Vehicle License and Registration Act collections; modifying certain apportionment for future fiscal years; requiring certain amounts be distributed utilizing certain formulas for certain fiscal years; clarifying language; providing an effective date; and declaring an emergency.

SUBJECT: Transportation

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

SECTION 1. AMENDATORY 47 O.S. 2011, Section 1104, as last amended by Section 2, Chapter 153, O.S.L. 2020 (47 O.S. Supp. 2020, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of this title shall be apportioned and distributed monthly by the Oklahoma Tax Commission in accordance with this section.

B. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various school districts in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%),
- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, thirty-six and twenty one-hundredths percent (36.20%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, thirty-six and twenty one-hundredths percent (36.20%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and
- e. for the year beginning July 1, 2019, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be apportioned to the various school districts so that each district shall receive an amount based upon the proportion that each district's average daily attendance bears to the total average daily attendance of those districts entitled to receive funds pursuant to this section as certified by the State Department of Education.

Each district's allocation of funds shall be remitted to the county treasurer of the county wherein the administrative headquarters of the district are located.

No district shall be eligible for the funds herein provided unless the district makes an ad valorem tax levy of fifteen (15)

mills and maintains nine (9) years of instruction and pursuant to the rules of the State Board of Education, is authorized to maintain ten (10) years of instruction.

C. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the General Revenue Fund of the State Treasury:

1. From October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%);

3. For the year beginning July 1, 2002, and for the subsequent fiscal years ending June 30, 2007, forty-four and eighty-four one-hundredths percent (44.84%);

4. For the year beginning July 1, 2007, and ending June 30, 2008, thirty-nine and eighty-four one-hundredths percent (39.84%);

5. For the year beginning July 1, 2008, and ending June 30, 2009, thirty-four and eighty-four one-hundredths percent (34.84%);

6. For the period beginning July 1, 2009, and ending December 31, 2012, twenty-nine and eighty-four one-hundredths percent (29.84%);

7. For the period beginning January 1, 2013, and ending June 30, 2013, twenty-nine and thirty-four one-hundredths percent (29.34%);

8. For the year beginning July 1, 2013, and ending June 30, 2014, twenty-six and eighty-four one-hundredths percent (26.84%);
and

9. For the year beginning July 1, 2014, through the year ending June 30, 2019, twenty-four and eighty-four one-hundredths percent (24.84%).

D. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund:

1. From October 1, 2000, until June 30, 2001, thirty one-hundredths percent (0.30%);

2. For the year beginning July 1, 2001, through the year ending on June 30, 2015, thirty-one one-hundredths percent (0.31%);

3. For the year beginning July 1, 2015, through the year ending on June 30, 2019, thirty-one one-hundredths percent (0.31%), but in no event shall the amount apportioned in any fiscal year pursuant to this paragraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund; and

4. For the year beginning July 1, 2019, and all subsequent years, thirty-one one-hundredths percent (0.31%), but in no event shall the amount apportioned in any fiscal year pursuant to this paragraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

E. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this section:

- a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%),
- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, seven and twenty-four one-hundredths percent (7.24%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, seven and twenty-four one-hundredths percent (7.24%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts

in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

- e. for the year beginning July 1, 2019, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be apportioned as follows: forty percent (40%) of such sum shall be distributed to the various counties in that proportion which the county road mileage of each county bears to the entire state road mileage as certified by the Transportation Commission and the remaining sixty percent (60%) of such sum shall be distributed to the various counties on the basis which the population and area of each county bears to the total population and area of the state. The population shall be as shown by the last Federal Census or the most recent annual estimate provided by the United States Bureau of the Census. The funds shall be used for the purpose of constructing and maintaining county highways; provided, however, the county treasurer may deposit so much of the funds in the sinking fund as may be necessary for the retirement of interest and annual accrual of indebtedness created by the issuance of county or township bonds for road purposes. Such deposits to the sinking fund shall not exceed forty percent (40%) of the funds allocated to a county pursuant to this paragraph.

F. 1. The following percentages of the monies referred to in subsection A of this section shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners in accordance with paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%),

- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, two and fifty-nine one-hundredths percent (2.59%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, two and fifty-nine one-hundredths percent (2.59%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and
- e. for the year beginning July 1, 2019, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be used for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

G. 1. The following percentages of the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),

- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%),
- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, three and sixty-two one-hundredths percent (3.62%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, three and sixty-two one-hundredths percent (3.62%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and
- e. for the year beginning July 1, 2019, and all subsequent years, three and sixty-two one-hundredths percent (3.62%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be transmitted to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties.

H. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%),
- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, eighty-three one-hundredths percent (0.83%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, eighty-three one-hundredths percent (0.83%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and
- e. for the year beginning July 1, 2019, and all subsequent years, eighty-three one-hundredths percent (0.83%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be apportioned to the various counties based upon the proportion that each county's population bears to the total state population.

Each county's allocation of funds shall be remitted to the various county treasurers to be deposited in the general fund of the county and used for the support of county government.

I. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various cities and incorporated towns as set forth in paragraph 2 of this subsection:

- a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),
- b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%),
- c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, three and ten one-hundredths percent (3.10%),
- d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and
- e. for the year beginning July 1, 2019, and all subsequent years, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be apportioned to the various cities and incorporated towns based upon the proportion that each city or incorporated town's population bears to the total population of all cities and incorporated towns in the state. Such funds shall be remitted to the various county treasurers for allocation to the various cities and incorporated towns. All such funds shall be used for the construction, maintenance, repair, improvement and lighting of streets and alleys. Provided, however, the governing board of any city or town may, with the approval of the county excise board, transfer any surplus funds to the general revenue fund of such city or town whenever an emergency requires such a transfer.

J. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Oklahoma Law Enforcement Retirement Fund:

1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%).

K. Three one-hundredths of one percent ($3/100$ of 1%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of the funds shall be used for fish habitat restoration and twenty-five percent (25%) of the funds shall be used in the fish hatchery system for fish production.

L. 1. For the year beginning July 1, 2007, and ending June 30, 2008, five percent (5%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

2. For the year beginning July 1, 2008, and ending June 30, 2009, ten percent (10%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

3. For the period beginning July 1, 2009, and ending December 31, 2012, fifteen percent (15%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

4. For the period beginning January 1, 2013, and ending June 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

5. For the year beginning July 1, 2013, and ending June 30, 2014, eighteen percent (18%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

6. For the year beginning July 1, 2014, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

7. For the year beginning July 1, 2015, through the year ending on June 30, 2019, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes, but in no event shall the total amount apportioned in any fiscal year pursuant to this paragraph exceed One Hundred Twenty Million Dollars (\$120,000,000.00). Any amounts in excess of One Hundred Twenty Million Dollars (\$120,000,000.00) shall be placed to the credit of the General Revenue Fund.

8. a. Except as provided in subparagraph b of this paragraph, for the year beginning July 1, 2019, and all subsequent years, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes, but in no event shall the total amount apportioned in any fiscal year pursuant to this paragraph exceed One Hundred Twenty Million Dollars (\$120,000,000.00). Any amounts in excess of One Hundred Twenty Million Dollars (\$120,000,000.00) shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes~~+~~1 and

b. ~~For~~

- (1) for the fiscal year ending June 30, 2021
beginning July 1, 2021, through the fiscal year
ending June 30, 2026, the Oklahoma Tax Commission

shall remit ~~thirty-five percent (35%)~~ twenty-five percent (25%) of the monthly allocation, otherwise scheduled to be credited to the County Improvements for Roads and Bridges Fund, to the various counties of the state. The Commission shall distribute such funds monthly to each county treasurer in the same manner as monies are apportioned under the provisions of subparagraph b of paragraph 4 of subsection A of Section 500.6 of Title 68 of the Oklahoma Statutes as follows:

- (a) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the area of each county bears to the total area of the state,
 - (b) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the certified county road miles of each county bear to the total sum of county road miles in the state, and
 - (c) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the total replacement cost for obsolete or deficient bridges according to the most recent ODOT yearly Bridge Summary Report for County Bridges for each county bears to the total amount of such cost for all such county bridges in the state, and
- (2) for the fiscal year beginning July 1, 2026, and all subsequent fiscal years thereafter, the Oklahoma Tax Commission shall remit twenty-five percent (25%) of the monthly allocation, otherwise scheduled to be credited to the County Improvements for Roads and Bridges Fund, to the various counties of the state. The Commission shall distribute such funds monthly to each county treasurer as follows:
- (a) one-third (1/3) of such funds shall be distributed to the various counties in the

proportion which the area of each county bears to the total area of the state,

(b) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the certified county road miles of each county bear to the total sum of county road miles in the state, and

(c) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the number of county bridges in each county according to the ODOT 2020 Bridge Summary Report for County Bridges bears to the total sum of county bridges in the state according to such report.

Each county treasurer shall deposit such funds to the county's county highway fund and such funds shall be used for maintenance and operations. In no event shall the total amount ~~of monies credited and remitted to the County Improvements for Roads and Bridges Fund and county highway funds during the fiscal year ending June 30, 2021,~~ apportioned in any fiscal year pursuant to the provisions of subparagraphs a and b of this paragraph, exceed One Hundred Twenty Million Dollars (\$120,000,000.00).

M. Twenty-four and eighty-four one-hundredths percent (24.84%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

N. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source; provided, not more than fifteen percent (15%) can be encumbered during any month.

O. Notwithstanding any other provisions of this section, for the fiscal year beginning July 1, 2003, the first One Hundred Thousand Dollars (\$100,000.00) of the monies collected or received by the Tax Commission pursuant to the registration of motorcycles

and mopeds in this state shall be placed to the credit of the Oklahoma Tax Commission Revolving Fund.

SECTION 2. This act shall become effective July 1, 2021.

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

Passed the House of Representatives the 18th day of May, 2021.

Presiding Officer of the House
of Representatives

Passed the Senate the 20th day of May, 2021.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____

Approved by the Governor of the State of Oklahoma this _____
day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____
day of _____, 20_____, at _____ o'clock _____ M.
By: _____