

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 2758

By: Caldwell (Trey), Burns,
Fetgatter, Cantrell,
Crosswhite Hader, and
Miller of the House

and

Haste and Woods of the
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to Transportation; creating the
Preserving and Advancing County Transportation Fund;
providing for allocation of funds; requiring certain
confirmation from Department of Transportation;
amending 68 O.S. 2021, Section 1004, as amended by
Section 1, Chapter 111, O.S.L. 2022 (68 O.S. Supp.
2024, Section 1004), which relates to apportionment
of gross production tax proceeds; modifying certain
apportionment for certain fiscal years; limiting
amount of certain apportionment; providing an
effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 508 of Title 69, unless there is
created a duplication in numbering, reads as follows:

1 A. There is hereby created in the State Treasury a revolving
2 fund to be designated as the "Preserving and Advancing County
3 Transportation Fund" (PACT Fund). The fund shall be a continuing
4 fund, not subject to fiscal year limitations, and shall consist of
5 all monies directed for deposit to the fund by law including, but
6 not limited to, apportionments made pursuant to paragraph 10 of
7 subsection B of Section 1004 of Title 68 of the Oklahoma Statutes.
8 All monies accruing to the credit of said fund are hereby
9 appropriated and may be allocated, budgeted, and expended pursuant
10 to subsection B of this section. Expenditures from said fund shall
11 be made upon warrants issued by the State Treasurer against claims
12 filed as prescribed by law with the Director of the Office of
13 Management and Enterprise Services for approval and payment.

14 B. 1. Two-thirds (2/3) of the monies deposited to the credit
15 of the PACT Fund shall be allocated as follows:

- 16 a. to the various counties in a manner that increases a
17 county's per county mile highway construction and
18 maintenance ratio to a target ratio of Four Thousand
19 Dollars (\$4,000.00) per county road mile, prioritizing
20 counties with the lowest such ratio, until all of the
21 various counties reach such target ratio, and
- 22 b. any remaining amounts as follows:
 - 23 (1) fifty percent (50%) shall be allocated to the
 - 24 various counties in the proportion which the

1 certified county road miles of each county bears
2 to the sum of county road miles in the state, and
3 (2) fifty percent (50%) shall be allocated to the
4 various counties in the proportion which the
5 number of county bridges in each county according
6 to the most recent ODOT Bridge Summary Report for
7 County Bridges bears to the total sum of county
8 bridges in the state according to such report.

9 Each county treasurer shall deposit such funds to the county's
10 county highway fund and such funds shall be used for constructing
11 and maintaining the county highway system.

12 2. One-third (1/3) of the monies deposited to the credit of the
13 PACT Fund shall be used as necessary for the reconstruction of
14 county bridges on the portion of the county highway system defined
15 as major collector routes in accordance with the provisions of
16 Section 654 of Title 69 of the Oklahoma Statutes. Prior to any
17 funds for such projects being allocated, the counties shall submit
18 the proposed projects to the Department of Transportation, which
19 shall evaluate and confirm whether the proposed projects are in
20 accordance with the criteria provided for in this subsection.
21 Bridges proposed for reconstruction will be generally evaluated
22 based on the state of project innovation, readiness, structural
23 adequacy, safety, serviceability, functional obsolescence,
24 essentiality for public use, structural deficiency ranking as

1 captured in the most recent ODOT bridge summary report at the time
2 of submission, and special reductions for characteristics such as
3 detour length, traffic safety features, and current school bus
4 routes. Upon confirmation by the Department of Transportation that
5 a proposed project is in accordance with the criteria provided for
6 in this subsection, funds shall be allocated to the county for use
7 in such project.

8 SECTION 2. AMENDATORY 68 O.S. 2021, Section 1004, as
9 amended by Section 1, Chapter 111, O.S.L. 2022 (68 O.S. Supp. 2024,
10 Section 1004), is amended to read as follows:

11 Section 1004. A. As used in this section:

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

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

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

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

6 a. eighty-five and seventy-two one-hundredths percent
7 (85.72%) shall be paid to the State Treasurer of the
8 state to be placed in the General Revenue Fund of the
9 state and used for the general expense of state
10 government, to be paid out pursuant to direct
11 appropriation by the Legislature,

12 b. seven and fourteen one-hundredths percent (7.14%) of
13 the sum collected from natural gas and/or casinghead
14 gas or asphalt or ores bearing uranium, lead, zinc,
15 jack, gold, silver or copper shall be paid to the
16 various county treasurers to be credited to the County
17 Highway Fund as follows: Each county shall receive a
18 proportionate share of the funds available based upon
19 the proportion of the total value of production from
20 such county in the corresponding month of the
21 preceding year, and

22 c. seven and fourteen one-hundredths percent (7.14%)
23 shall be allocated to each county as provided for in
24 subparagraph b of this paragraph and shall be

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

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

12 a. after the total revenue apportioned to the General
13 Revenue Fund as prescribed by subparagraph b of this
14 paragraph equals the moving five-year average amount
15 for gas as defined by paragraph 1 of subsection A of
16 this section, there shall be apportioned from the
17 gross production tax levy imposed pursuant to Section
18 1001 of this title on natural gas and/or casinghead
19 gas to the Revenue Stabilization Fund created by
20 Section 34.102 of Title 62 of the Oklahoma Statutes,
21 the amount of revenue, if any, which exceeds the
22 moving five-year average amount for gas as defined
23 pursuant to paragraph 1 of subsection A of this
24 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, eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state 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, seven and fourteen one-hundredths percent (7.14%) 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
- d. before any other apportionment of revenue has been made pursuant to this paragraph, seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph c of this paragraph and shall be apportioned, on an average

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

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

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

1 b. until the apportionment to the General Revenue Fund
2 equals the moving five-year average amount for gas as
3 prescribed by paragraph 1 of subsection A of this
4 section, seventy-five percent (75%) shall be paid to
5 the State Treasurer of the state to be placed in the
6 General Revenue Fund of the state and used for the
7 general expense of state government, to be paid out
8 pursuant to direct appropriation by the Legislature,

9 c. before any other apportionment of revenue has been
10 made pursuant to this paragraph, twelve and one-half
11 percent (12.5%) of the sum collected from natural gas
12 and/or casinghead gas shall be paid to the various
13 county treasurers to be credited to the County Highway
14 Fund as follows: Each county shall receive a
15 proportionate share of the funds available based upon
16 the proportion of the total value of production from
17 such county in the corresponding month of the
18 preceding year, and

19 d. before any other apportionment of revenue has been
20 made pursuant to this paragraph, twelve and one-half
21 percent (12.5%) shall be allocated to each county as
22 provided for in subparagraph c of this paragraph and
23 shall be apportioned, on an average daily attendance
24 per capita distribution basis, as certified by the

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

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

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

18 b. fifty percent (50%) shall be allocated to each county
19 as provided for in subparagraph a of this paragraph
20 and shall be apportioned, on an average daily
21 attendance per capita distribution basis, as certified
22 by the State Superintendent of Public Instruction to
23 the school districts of the county where such pupils
24 attend school regardless of residence of such pupil,

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

4 5. For all monies collected from the tax levied on natural gas
5 and/or casinghead gas at a tax rate of two percent (2%) pursuant to
6 the provisions of paragraph 3 of subsection B of Section 1001 of
7 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 gas to the Revenue Stabilization
15 Fund created by Section 34.102 of Title 62 of the
16 Oklahoma Statutes, the amount of revenue, if any,
17 which exceeds the moving five-year average amount for
18 natural gas and/or casinghead gas as defined pursuant
19 to paragraph 1 of subsection A of this section,
- 20 b. until the apportionment to the General Revenue Fund
21 equals the moving five-year average amount for gas as
22 prescribed by paragraph 1 of subsection A of this
23 section, fifty percent (50%) shall be paid to the
24 State Treasurer to be placed in the General Revenue

1 Fund of the state and used for the general expense of
2 state government, to be paid out pursuant to direct
3 appropriation by the Legislature,

4 c. before any other apportionment of revenue has been
5 made pursuant to this paragraph, twenty-five percent
6 (25%) of the sum collected from natural gas and/or
7 casinghead gas shall be paid to the various county
8 treasurers to be credited to the County Highway Fund
9 as follows: Each county shall receive a proportionate
10 share of the funds available based upon the proportion
11 of the total value of production from such county in
12 the corresponding month of the preceding year, and

13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twenty-five percent
15 (25%) shall be allocated to each county as provided
16 for in subparagraph c of this paragraph and shall be
17 apportioned on an average daily attendance per capita
18 distribution basis, as certified by the State
19 Superintendent of Public Instruction, to the school
20 districts of the county where such pupils attend
21 school regardless of residence of such pupil, provided
22 the school district makes an ad valorem tax levy of
23 fifteen (15) mills for the current year and maintains
24 twelve (12) years of instruction;

1 6. For all monies collected from the tax levied on oil at a tax
2 rate of seven percent (7%) pursuant to the provisions of subsection
3 B 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-five and
18 seventy-two one-hundredths percent (25.72%) shall be
19 paid to the State Treasurer to be placed in the Common
20 Education Technology Revolving Fund created in Section
21 34.90 of Title 62 of the Oklahoma Statutes,

22 c. before any other apportionment of revenue has been
23 made pursuant to this paragraph, twenty-five and
24 seventy-two one-hundredths percent (25.72%) shall be

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

4 d. 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
8 Oklahoma Student Aid Revolving Fund created in Section
9 34.92 of Title 62 of the Oklahoma Statutes,

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

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

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 2027:

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, 2027, 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%) of the levy
6 shall be transmitted by the Oklahoma Tax Commission to
7 the Statewide Circuit Engineering District Revolving
8 Fund as created in Section 687.2 of Title 69 of the
9 Oklahoma Statutes;

10 7. For all monies collected from the tax levied on oil at a tax
11 rate of four percent (4%) pursuant to the provisions of subsection B
12 of Section 1001 of this title:

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

- b. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 34.90 of Title 62 of the Oklahoma Statutes,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 34.91 of Title 62 of the Oklahoma Statutes,
- d. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Oklahoma Student Aid Revolving Fund created in Section 34.92 of Title 62 of the Oklahoma Statutes,
- e. before any other apportionment of revenue has been made pursuant to this paragraph, three and twenty-eight one-hundredths percent (3.28%) shall be distributed to the various counties of the state for deposit into the County Bridge and Road Improvement 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, three and seventy-
14 five one-hundredths percent (3.75%) shall be paid to
15 the State Treasurer to be apportioned to:

16 (1) the following sources and in the following
17 amounts through the fiscal year ending June 30,
18 2027:

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,
24

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, 2027, and for each fiscal

14 year thereafter,

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

24

1 h. before any other apportionment of revenue has been
2 made pursuant to this paragraph, twelve and one-half
3 percent (12.5%) shall be allocated to each county as
4 provided in subparagraph g of this paragraph and shall
5 be apportioned on an average daily attendance per
6 capita 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 8. For all monies collected from the tax levied on oil at a tax
20 rate of one percent (1%) pursuant to the provisions of subsection B
21 of Section 1001 of this title:

22 a. fifty percent (50%) of the sum collected shall be paid
23 to the various county treasurers, to be credited to
24 the County Highway Fund as follows: Each county shall

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

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

15 9. For all monies collected from the tax levied on oil at a tax
16 rate of two percent (2%) pursuant to the provisions of paragraph 3
17 of subsection B of Section 1001 of this title:

- 18 a. there shall be apportioned from the gross production
19 tax levy imposed pursuant to Section 1001 of this
20 title on oil to the Revenue Stabilization Fund created
21 by Section 34.102 of Title 62 of the Oklahoma
22 Statutes, the amount of revenue, if any, which exceeds
23 the moving five-year average amount for oil as defined
24

1 pursuant to paragraph 2 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 oil as
5 prescribed by paragraph 2 of subsection A of this
6 section, fifty percent (50%) shall be paid to the
7 State Treasurer to be placed in the General Revenue
8 Fund of the state and used for the general expense of
9 state government, to be paid out pursuant to direct
10 appropriation by the Legislature,

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

20 d. before any other apportionment of revenue has been
21 made pursuant to this paragraph, twenty-five percent
22 (25%) shall be allocated to each county as provided 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;

8 10. On or after June 28, 2018 and before July 1, 2025, the
9 gross production tax levied on natural gas or casinghead gas at the
10 rate of five percent (5%) provided for in paragraph 3 of subsection
11 B of Section 1001 of this title shall be apportioned as follows:

12 a. after the total revenue apportioned to the General
13 Revenue Fund as prescribed by subparagraph b of this
14 paragraph equals the moving five-year average amount
15 for gas as defined by paragraph 1 of subsection A of
16 this section, there shall be apportioned from the
17 gross production tax levy imposed pursuant to Section
18 1001 of this title on natural gas and/or casinghead
19 gas to the Revenue Stabilization Fund created pursuant
20 to Section 34.102 of Title 62 of the Oklahoma
21 Statutes, the amount of revenue, if any, which exceeds
22 the moving five-year average amount for gas as defined
23 pursuant to paragraph 1 of subsection A of this
24 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, eighty percent (80%) shall be paid to the State Treasurer of the state 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, ten percent (10%) 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~~
- d. before any other apportionment of revenue has been made pursuant to this paragraph, ten percent (10%) shall be allocated to each county as provided for in subparagraph c of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school

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

6 11. Beginning July 1, 2025, the gross production tax levied on
7 natural gas or casinghead gas at the rate of five percent (5%)
8 provided for in paragraph 3 of subsection B of Section 1001 of this
9 title shall be apportioned as follows:

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

23 b. until the apportionment to the General Revenue Fund
24 equals the moving five-year average amount for gas as

1 prescribed by paragraph 1 of subsection A of this
2 section, forty percent (40%) shall be paid to the
3 State Treasurer of the state to be placed in the
4 General Revenue Fund of the state and used for the
5 general expense of state government, to be paid out
6 pursuant to direct appropriation by the Legislature,
7 c. before any other apportionment of revenue has been
8 made pursuant to this paragraph, ten percent (10%) of
9 the sum collected from natural gas and/or casinghead
10 gas shall be paid to the various county treasurers to
11 be credited to the County Highway Fund as follows:
12 Each county shall receive a proportionate share of the
13 funds available based upon the proportion of the total
14 value of production from such county in the
15 corresponding month of the preceding year,
16 d. before any other apportionment of revenue has been
17 made pursuant to this paragraph, ten percent (10%)
18 shall be allocated to each county as provided for in
19 subparagraph c of this paragraph and shall be
20 apportioned, on an average daily attendance per capita
21 distribution basis, as certified by the State
22 Superintendent of Public Instruction to the school
23 districts of the county where such pupils attend
24 school regardless of residence of such pupil, provided

1 the school district makes an ad valorem tax levy of
2 fifteen (15) mills for the current year and maintains
3 twelve (12) years of instruction, and
4 e. before any other apportionment of revenue has been
5 made pursuant to this paragraph, forty percent (40%)
6 shall be remitted to the State Treasurer to be
7 credited to the Preserving and Advancing County
8 Transportation Fund created in Section 1 of this act,
9 but in no event shall the total amount apportioned in
10 any fiscal year pursuant to this subparagraph exceed
11 Seventy-five Million Dollars (\$75,000,000.00). Any
12 amounts in excess of Seventy-five Million Dollars
13 (\$75,000,000.00) shall be placed in the General
14 Revenue Fund of the state and used for the general
15 expense of state government, to be paid out pursuant
16 to direct appropriation by the Legislature; and

17 12. On or after June 28, 2018, the gross production tax on oil
18 levied at the rate of five percent (5%) provided for in paragraph 3
19 of subsection B of Section 1001 of this title shall be apportioned
20 as follows:

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, after the applicable maximum amount
2 prescribed by subsection C of this section has been
3 deposited to the funds therein specified, the amount
4 of revenue, if any, which would otherwise be
5 apportioned to the General Revenue Fund and which
6 exceeds the moving five-year average amount for oil as
7 defined pursuant to paragraph 2 of subsection A of
8 this section,

9 b. before any other apportionment of revenue has been
10 made pursuant to this paragraph, twenty-three and
11 seventy-five one-hundredths percent (23.75%) shall be
12 paid to the State Treasurer to be placed in the Common
13 Education Technology Revolving Fund created in Section
14 34.90 of Title 62 of the Oklahoma Statutes,

15 c. 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 Higher
19 Education Capital Revolving Fund created in Section
20 34.91 of Title 62 of the Oklahoma Statutes,

21 d. 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

- Oklahoma Student Aid Revolving Fund created in Section 34.92 of Title 62 of the Oklahoma Statutes,
- e. before any other apportionment of revenue has been made pursuant to this paragraph, three and twenty-eight one-hundredths percent (3.28%) shall be distributed to the various counties of the state for deposit into the County Bridge and Road Improvement Fund of each county based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes to be used for the purposes set forth in the County Bridge and Road Improvement Act. The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,
- f. before any other apportionment of revenue has been made pursuant to this paragraph, five percent (5%) shall be paid to the State Treasurer to be apportioned to:

(1) the following sources and in the following amounts through the fiscal year ending June 30, 2027:

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

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

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

(2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year beginning July 1, 2027, and for each fiscal year thereafter,

g. before any other apportionment of revenue has been made pursuant to this paragraph, ten percent (10%) of

1 the sum collected from oil shall be paid to the
2 various county treasurers, to be credited to the
3 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,

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

20 i. before any other apportionment of revenue has been
21 made pursuant to this paragraph, forty-seven one-
22 hundredths percent (0.47%) of the levy shall be
23 transmitted by the Tax Commission to the Statewide
24

1 Circuit Engineering District Revolving Fund as created
2 in Section 687.2 of Title 69 of the Oklahoma Statutes.

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

18 SECTION 3. This act shall become effective July 1, 2025.

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

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24 60-1-13823 JM 05/21/25

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