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STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2758

By: Caldwell (Trey)

COMMITTEE SUBSTITUTE

[transportation - financing - Fund - provisions -
allocations - methodologies - ratio - apportionment
- taxes - codification - effective date -
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:

A. There is hereby created in the State Treasury a revolving fund to be known as the "Preserving and Advancing County Transportation Fund" (PACT Fund). The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies directed for deposit to the fund by law including, but not limited to, apportionments made pursuant to paragraph 10 of

1 subsection B of Section 1004 of Title 68 of the Oklahoma Statutes.

2 All monies accruing to the credit of said fund are hereby
3 appropriated and may be allocated, budgeted, and expended pursuant
4 to subsection B of this section. Expenditures from said fund shall
5 be made upon warrants issued by the State Treasurer against claims
6 filed as prescribed by law with the Director of the Office of
7 Management and Enterprise Services for approval and payment.

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

10 a. to the various counties in a manner that increases a
11 county's per county mile highway construction and
12 maintenance ratio to a target ratio of Four Thousand
13 Dollars (\$4,000.00) per county road mile, prioritizing
14 counties with the lowest such ratio, until all of the
15 various counties reach such target ratio, and

16 b. any remaining amounts as follows:

17 (1) fifty percent (50%) shall be allocated to the
18 various counties in the proportion which the
19 certified county road miles of each county bears
20 to the sum of county road miles in the state, and

21 (2) fifty percent (50%) shall be allocated to the
22 various counties in the proportion which the
23 number of county bridges in each county according
24 to the most recent ODOT Bridge Summary Report for

County Bridges bears to the total sum of county bridges in the state according to such report, and

2. One-third (1/3) of the monies deposited to the credit of the PACT Fund shall be allocated to the various counties in the proportion which the number of county bridges in each county according to the most recent ODOT 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 constructing and maintaining the county highway system.

SECTION 2. AMENDATORY 68 O.S. 2021, Section 1004, as amended by Section 1, Chapter 111, O.S.L. 2022 (68 O.S. Supp. 2024, 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 of Equalization pursuant to Section 34.103 of Title 62 of the Oklahoma Statutes; and

2. "Moving five-year average amount for oil" means, for purposes of the apportionments prescribed by this section, the

1 amount of gross production tax on oil collected for each of the five
2 (5) complete fiscal years, as computed by the State Board of
3 Equalization pursuant to Section 34.103 of Title 62 of the Oklahoma
4 Statutes.

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

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

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

16 b. seven and fourteen one-hundredths percent (7.14%) of
17 the sum collected from natural gas and/or casinghead
18 gas or asphalt or ores bearing uranium, lead, zinc,
19 jack, gold, silver or copper shall be paid to the
20 various county treasurers to be credited to the County
21 Highway Fund as follows: Each county shall receive a
22 proportionate share of the funds available based upon
23 the proportion of the total value of production from
24

1 such county in the corresponding month of the
2 preceding year, and

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

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

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

1 Section 34.102 of Title 62 of the Oklahoma Statutes,
2 the amount of revenue, if any, which exceeds the
3 moving five-year average amount for gas as defined
4 pursuant to paragraph 1 of subsection A of this
5 section,

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

15 c. before any other apportionment of revenue has been
16 made pursuant to this paragraph, seven and fourteen
17 one-hundredths percent (7.14%) of the sum collected
18 from natural gas and/or casinghead gas shall be paid
19 to the various county treasurers to be credited to the
20 County Highway Fund as follows: Each county shall
21 receive a proportionate share of the funds available
22 based upon the proportion of the total value of
23 production from such county in the corresponding month
24 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 daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction;

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

a. after the total revenue apportioned to the General Revenue Fund as prescribed by subparagraph b of this paragraph equals the moving five-year average amount for gas as defined by paragraph 1 of subsection A of this section, there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on natural gas and/or casinghead gas to the Revenue Stabilization Fund created pursuant

1 to Section 34.102 of Title 62 of the Oklahoma
2 Statutes, the amount of revenue, if any, which exceeds
3 the moving five-year average amount for gas as defined
4 pursuant to paragraph 1 of subsection A of this
5 section,

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

14 c. before any other apportionment of revenue has been
15 made pursuant to this paragraph, twelve and one-half
16 percent (12.5%) of the sum collected from natural gas
17 and/or casinghead gas shall be paid to the various
18 county treasurers to be credited to the County Highway
19 Fund as follows: Each county shall receive a
20 proportionate share of the funds available based upon
21 the proportion of the total value of production from
22 such county in the corresponding month of the
23 preceding year, and
24

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

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

16 a. fifty percent (50%) of the sum collected from natural
17 gas and/or casinghead gas shall be paid to the various
18 county treasurers to be credited to the County Highway
19 Fund as follows: Each county shall receive a
20 proportionate share of the funds available based upon
21 the proportion of the total value of production from
22 such county in the corresponding month of the
23 preceding year, and
24

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

11 5. For all monies collected from the tax levied on natural gas
12 and/or casinghead gas at a tax rate of two percent (2%) pursuant to
13 the provisions of paragraph 3 of subsection B of Section 1001 of
14 this title:

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

- 1 natural gas and/or casinghead gas as defined pursuant
2 to paragraph 1 of subsection A of this section,
- 3 b. until the apportionment to the General Revenue Fund
4 equals the moving five-year average amount for gas as
5 prescribed by paragraph 1 of subsection A of this
6 section, 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 natural gas and/or
14 casinghead gas shall be paid to the various county
15 treasurers to be credited to the County Highway Fund
16 as follows: Each county shall receive a proportionate
17 share of the funds available based upon the proportion
18 of the total value of production from such county in
19 the corresponding month 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
23 for in 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 6. For all monies collected from the tax levied on oil at a tax
9 rate of seven percent (7%) pursuant to the provisions of subsection
10 B of Section 1001 of this title:

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

1 seventy-two one-hundredths percent (25.72%) shall be
2 paid to the State Treasurer to be placed in the Common
3 Education Technology Revolving Fund created in Section
4 34.90 of Title 62 of the Oklahoma Statutes,

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

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

17 e. before any other apportionment of revenue has been
18 made pursuant to this paragraph, three and seven
19 hundred forty-five one-thousandths percent (3.745%)
20 shall be distributed to the various counties of the
21 state for deposit into the County Bridge and Road
22 Improvement Fund of each county based on a formula
23 developed by the Department of Transportation and
24 approved by the Department of Transportation County

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

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

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

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

22 (b) thirty-three and one-third percent (33 1/3%)
23 to the Oklahoma Conservation Commission
24 Infrastructure Revolving Fund created

1 pursuant to Section 3-2-110 of Title 27A of
2 the Oklahoma Statutes, and

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

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

12 g. before any other apportionment of revenue has been
13 made pursuant to this paragraph, seven and fourteen
14 one-hundredths percent (7.14%) of the sum collected
15 from oil shall be paid to the various county
16 treasurers, to be credited to the County Highway Fund
17 as follows: Each county shall receive a proportionate
18 share of the funds available based upon the proportion
19 of the total value of production from such county in
20 the corresponding month of the preceding year,

21 h. before any other apportionment of revenue has been
22 made pursuant to this paragraph, seven and fourteen
23 one-hundredths percent (7.14%) shall be allocated to
24 each county as provided in subparagraph g 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 districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and maintains twelve (12) years of instruction, and

- i. before any other apportionment of revenue has been made pursuant to this paragraph, five hundred thirty-five one-thousandths percent (0.535%) of the levy shall be transmitted by the Oklahoma Tax Commission to the Statewide Circuit Engineering District Revolving Fund as created in Section 687.2 of Title 69 of the Oklahoma Statutes;

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

- a. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on oil to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, after the applicable maximum amount

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

8 b. before any other apportionment of revenue has been
9 made pursuant to this paragraph, twenty-two and one-
10 half percent (22.5%) shall be paid to the State
11 Treasurer to be placed in the Common Education
12 Technology Revolving Fund created in Section 34.90 of
13 Title 62 of the Oklahoma Statutes,

14 c. before any other apportionment of revenue has been
15 made pursuant to this paragraph, twenty-two and one-
16 half percent (22.5%) shall be paid to the State
17 Treasurer to be placed in the Higher Education Capital
18 Revolving Fund created in Section 34.91 of Title 62 of
19 the Oklahoma Statutes,

20 d. before any other apportionment of revenue has been
21 made pursuant to this paragraph, twenty-two and one-
22 half percent (22.5%) shall be paid to the State
23 Treasurer to be placed in the Oklahoma Student Aid
24

1 Revolving Fund created in Section 34.92 of Title 62 of
2 the Oklahoma Statutes,

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

20 f. before any other apportionment of revenue has been
21 made pursuant to this paragraph, three and seventy-
22 five one-hundredths percent (3.75%) shall be paid to
23 the State Treasurer to be apportioned to:
24

1 (1) the following sources and in the following
2 amounts through the fiscal year ending June 30,
3 2027:

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

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

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

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

23 g. before any other apportionment of revenue has been
24 made pursuant to this paragraph, twelve and one-half

1 percent (12.5%) of the sum collected from oil shall be
2 paid to the various county treasurers, to be credited
3 to the County Highway Fund as follows: Each county
4 shall receive a proportionate share of the funds
5 available based upon the proportion of the total value
6 of production from such county in the corresponding
7 month of the preceding year,

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

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

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

1 9. For all monies collected from the tax levied on oil at a tax
2 rate of two percent (2%) pursuant to the provisions of paragraph 3
3 of subsection 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, the amount of revenue, if any, which exceeds
9 the moving five-year average amount for oil as defined
10 pursuant to paragraph 2 of subsection A of this
11 section,

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

20 c. before any other apportionment of revenue has been
21 made pursuant to this paragraph, twenty-five percent
22 (25%) of the sum collected from oil shall be paid to
23 the various county treasurers, to be credited to the
24 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 d. before any other apportionment of revenue has been
6 made pursuant to this paragraph, twenty-five percent
7 (25%) shall be allocated to each county as provided in
8 subparagraph c 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 10. On or after June 28, 2018, the gross production tax levied
18 on natural gas or casinghead gas at the rate of five percent (5%)
19 provided for in paragraph 3 of subsection B of Section 1001 of this
20 title shall be apportioned as follows:

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

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

10 b. until the apportionment to the General Revenue Fund
11 equals the moving five-year average amount for gas as
12 prescribed by paragraph 1 of subsection A of this
13 section, ~~eighty percent (80%)~~ sixty percent (60%)
14 shall be paid to the State Treasurer of the state to
15 be placed in the General Revenue Fund of the state and
16 used for the general expense of state government, to
17 be paid out pursuant to direct appropriation by the
18 Legislature,

19 c. before any other apportionment of revenue has been
20 made pursuant to this paragraph, ten percent (10%) of
21 the sum collected from natural gas and/or casinghead
22 gas shall be paid to the various county treasurers to
23 be credited to the County Highway Fund as follows:
24 Each county shall receive a proportionate share of the

1 funds available based upon the proportion of the total
2 value of production from such county in the
3 corresponding month of the preceding year, ~~and~~
4 d. before any other apportionment of revenue has been
5 made pursuant to this paragraph, ten percent (10%)
6 shall be allocated to each county as provided for in
7 subparagraph c of this paragraph and shall be
8 apportioned, on an average daily attendance per capita
9 distribution basis, as certified by the State
10 Superintendent of Public Instruction to the school
11 districts of the county where such pupils attend
12 school regardless of residence of such pupil, provided
13 the school district makes an ad valorem tax levy of
14 fifteen (15) mills for the current year and maintains
15 twelve (12) years of instruction, and
16 e. before any other apportionment of revenue has been
17 made pursuant to this paragraph, twenty percent (20%)
18 shall be remitted to the State Treasurer to be
19 credited to the Preserving and Advancing County
20 Transportation Fund created in Section 1 of this act,
21 but in no event shall the total amount apportioned in
22 any fiscal year pursuant to this subparagraph exceed
23 Seventy-five Million Dollars (\$75,000,000.00). Any
24 amounts in excess of Seventy-five Million Dollars

1 (\$75,000,000.00) shall be placed in the General
2 Revenue Fund of the state and used for the general
3 expense of state government, to be paid out pursuant
4 to direct appropriation by the Legislature; and

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

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

21 b. 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 Common

- 1 Education Technology Revolving Fund created in Section
2 34.90 of Title 62 of the Oklahoma Statutes,
- 3 c. 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 Higher
7 Education Capital Revolving Fund created in Section
8 34.91 of Title 62 of the Oklahoma Statutes,
- 9 d. 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
13 Oklahoma Student Aid Revolving Fund created in Section
14 34.92 of Title 62 of the Oklahoma Statutes,
- 15 e. before any other apportionment of revenue has been
16 made pursuant to this paragraph, three and twenty-
17 eight one-hundredths percent (3.28%) shall be
18 distributed to the various counties of the state for
19 deposit into the County Bridge and Road Improvement
20 Fund of each county based on a formula developed by
21 the Department of Transportation and approved by the
22 Department of Transportation County Advisory Board
23 created pursuant to Section 302.1 of Title 69 of the
24 Oklahoma Statutes to be used for the purposes set

1 forth in the County Bridge and Road Improvement Act.

2 The formula shall be similar to the formula currently
3 used for the distribution of monies in the County
4 Bridge Program funds, but shall also take into
5 consideration the effect of the terrain and traffic
6 volume as related to county road improvement and
7 maintenance costs,

8 f. before any other apportionment of revenue has been
9 made pursuant to this paragraph, five percent (5%)
10 shall be paid to the State Treasurer to be apportioned
11 to:

12 (1) the following sources and in the following
13 amounts through the fiscal year ending June 30,
14 2027:

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

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

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

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

10 g. before any other apportionment of revenue has been
11 made pursuant to this paragraph, ten percent (10%) of
12 the sum collected from oil shall be paid to the
13 various county treasurers, to be credited to the
14 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,

19 h. before any other apportionment of revenue has been
20 made pursuant to this paragraph, ten percent (10%)
21 shall be allocated to each county as provided in
22 subparagraph g of this paragraph and shall be
23 apportioned on an average daily attendance per capita
24 distribution basis, as certified by the State

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

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

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

1 (\$150,000,000.00) in any fiscal year which would otherwise be
2 deposited in such funds shall be apportioned by the Oklahoma Tax
3 Commission to the General Revenue Fund of the state.

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

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

9
10 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
11 03/06/2025 - DO PASS, As Amended.
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