

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 1390

By: Jech

AS INTRODUCED

An Act relating to gross production tax; amending 68 O.S. 2021, Section 1004, as last amended by Section 2, Chapter 490, O.S.L. 2025 (68 O.S. Supp. 2025, Section 1004), which relates to apportionments; modifying apportionments for certain fiscal years; modifying annual limitation on apportionment amounts for certain fiscal years; updating statutory language; updating statutory reference; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 1004, as last amended by Section 2, Chapter 490, O.S.L. 2025 (68 O.S. Supp. 2025, 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

1 the five (5) complete fiscal years, as computed by the State Board
2 of Equalization pursuant to Section 34.103 of Title 62 of the
3 Oklahoma Statutes; and

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

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

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

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

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

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

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

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

- 22 a. after the total revenue apportioned to the General
23 Revenue Fund as prescribed by subparagraph b of this
24 paragraph equals the moving five-year average amount
25

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

11 b. until the apportionment to the General Revenue Fund
12 equals the moving five-year average amount for gas as
13 prescribed by paragraph 1 of subsection A of this
14 section, eighty-five and seventy-two one-hundredths
15 percent (85.72%) shall be paid to the State Treasurer
16 ~~of the state~~ to be placed in the General Revenue Fund
17 ~~of the state~~ and used for the general expense of state
18 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, seven and fourteen
22 one-hundredths percent (7.14%) of the sum collected
23 from natural gas ~~and/or~~ and casinghead gas shall be
24 paid to the various county treasurers to be credited

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

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

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

- 23 a. after the total revenue apportioned to the General
24 Revenue Fund as prescribed by subparagraph b of this

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

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

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

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

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

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

- 21 a. fifty percent (50%) of the sum collected from natural
22 gas ~~and/or~~ and casinghead gas shall be paid to the
23 various county treasurers to be credited to the ~~County~~
24 ~~Highway Fund~~ county highway fund as follows: Each

1 county shall receive a proportionate share of the
2 funds available based upon the proportion of the total
3 value of production from such county in the
4 corresponding month 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 5. For all monies collected from the tax levied on natural gas
16 ~~and/or~~ and casinghead gas at a tax rate of two percent (2%) pursuant
17 to the provisions of paragraph 3 of subsection B of Section 1001 of
18 this title:

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

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

8 b. until the apportionment to the General Revenue Fund
9 equals the moving five-year average amount for gas as
10 prescribed by paragraph 1 of subsection A of this
11 section, fifty percent (50%) shall be paid to the
12 State Treasurer to be placed in the General Revenue
13 Fund ~~of the state~~ and used for the general expense of
14 state government, to be paid out pursuant to direct
15 appropriation by the Legislature,

16 c. before any other apportionment of revenue has been
17 made pursuant to this paragraph, twenty-five percent
18 (25%) of the sum collected from natural gas ~~and/or~~ and
19 casinghead gas shall be paid to the various county
20 treasurers to be credited to the ~~County Highway Fund~~
21 county highway fund as follows: Each county shall
22 receive a proportionate share of the funds available
23 based upon the proportion of the total value of
24

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

- 3 d. before any other apportionment of revenue has been
4 made pursuant to this paragraph, twenty-five percent
5 (25%) shall be allocated to each county as provided
6 for in subparagraph c of this paragraph and shall be
7 apportioned on an average daily attendance per capita
8 distribution basis, as certified by the ~~State~~
9 Superintendent of Public Instruction, to the school
10 districts of the county where such pupils attend
11 school regardless of residence of such pupil, provided
12 the school district makes an ad valorem tax levy of
13 fifteen (15) mills for the current year and maintains
14 twelve (12) years of instruction;

15 6. For all monies collected from the tax levied on oil at a tax
16 rate of seven percent (7%) pursuant to the provisions of subsection
17 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, after the applicable maximum amount
23 prescribed by subsection C of this section has been
24 deposited to the funds therein specified, the amount

1 of revenue, if any, which would otherwise be
2 apportioned to the General Revenue Fund and which
3 exceeds the moving five-year average amount for oil as
4 defined pursuant to paragraph 2 of subsection A of
5 this section,

6 b. before any other apportionment of revenue has been
7 made pursuant to this paragraph, twenty-five and
8 seventy-two one-hundredths percent (25.72%) shall be
9 paid to the State Treasurer to be placed in the Common
10 Education Technology Revolving Fund created in Section
11 34.90 of Title 62 of the Oklahoma Statutes,

12 c. before any other apportionment of revenue has been
13 made pursuant to this paragraph, twenty-five and
14 seventy-two one-hundredths percent (25.72%) shall be
15 paid to the State Treasurer to be placed in the Higher
16 Education Capital Revolving Fund created in Section
17 34.91 of Title 62 of the Oklahoma Statutes,

18 d. before any other apportionment of revenue has been
19 made pursuant to this paragraph, twenty-five and
20 seventy-two one-hundredths percent (25.72%) shall be
21 paid to the State Treasurer to be placed in the
22 Oklahoma Student Aid Revolving Fund created in Section
23 34.92 of Title 62 of the Oklahoma Statutes,
24

1 e. before any other apportionment of revenue has been
2 made pursuant to this paragraph, three and seven
3 hundred forty-five one-thousandths percent (3.745%)
4 shall be distributed to the various counties of the
5 state for deposit into the County Bridge and Road
6 Improvement Fund of each county based on a formula
7 developed by the Department of Transportation and
8 approved by the Department of Transportation County
9 Advisory Board created pursuant to Section 302.1 of
10 Title 69 of the Oklahoma Statutes to be used for the
11 purposes set forth in the County Bridge and Road
12 Improvement Act. The formula shall be similar to the
13 formula currently used for the distribution of monies
14 in the County Bridge Program funds, but shall also
15 take into consideration the effect of the terrain and
16 traffic volume as related to county road improvement
17 and maintenance costs,

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

22 (1) the following sources and in the following
23 amounts through the fiscal year ending ~~June 30,~~
24 ~~2027~~ June 30, 2032:

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

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

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

16 (2) the Oklahoma Water Resources Board Rural Economic
17 Action Plan Water Projects Fund for the fiscal
18 year beginning ~~July 1, 2027~~ July 1, 2032, and for
19 each fiscal year thereafter,

20 g. before any other apportionment of revenue has been
21 made pursuant to this paragraph, seven and fourteen
22 one-hundredths percent (7.14%) of the sum collected
23 from oil shall be paid to the various county
24 treasurers, to be credited to the ~~County Highway Fund~~

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

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

19 i. before any other apportionment of revenue has been
20 made pursuant to this paragraph, five hundred thirty-
21 five one-thousandths percent (0.535%) of the levy
22 shall be transmitted by the Oklahoma Tax Commission to
23 the Statewide Circuit Engineering District Revolving
24

1 Fund as created in Section 687.2 of Title 69 of the
2 Oklahoma Statutes;

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

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

18 b. before any other apportionment of revenue has been
19 made pursuant to this paragraph, twenty-two and one-
20 half percent (22.5%) shall be paid to the State
21 Treasurer to be placed in the Common Education
22 Technology Revolving Fund created in Section 34.90 of
23 Title 62 of the Oklahoma Statutes,
24

- 1 c. before any other apportionment of revenue has been
2 made pursuant to this paragraph, twenty-two and one-
3 half percent (22.5%) shall be paid to the State
4 Treasurer to be placed in the Higher Education Capital
5 Revolving Fund created in Section 34.91 of Title 62 of
6 the Oklahoma Statutes,
- 7 d. before any other apportionment of revenue has been
8 made pursuant to this paragraph, twenty-two and one-
9 half percent (22.5%) shall be paid to the State
10 Treasurer to be placed in the Oklahoma Student Aid
11 Revolving Fund created in Section 34.92 of Title 62 of
12 the Oklahoma Statutes,
- 13 e. before any other apportionment of revenue has been
14 made pursuant to this paragraph, three and twenty-
15 eight one-hundredths percent (3.28%) shall be
16 distributed to the various counties of the state for
17 deposit into the County Bridge and Road Improvement
18 Fund of each county based on a formula developed by
19 the Department of Transportation and approved by the
20 Department of Transportation County Advisory Board
21 created pursuant to Section 302.1 of Title 69 of the
22 Oklahoma Statutes to be used for the purposes set
23 forth in the County Bridge and Road Improvement Act.
24 The formula shall be similar to the formula currently

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

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

10 (1) the following sources and in the following
11 amounts through the fiscal year ending ~~June 30,~~
12 ~~2027~~ June 30, 2032:

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

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

23 (c) thirty-three and one-third percent (33 1/3%)
24 to the Community Water Infrastructure
25

1 Development Revolving Fund created pursuant
2 to Section 1085.7A of Title 82 of the
3 Oklahoma Statutes, and

4 (2) the Oklahoma Water Resources Board Rural Economic
5 Action Plan Water Projects Fund for the fiscal
6 year beginning ~~July 1, 2027~~ July 1, 2032, and for
7 each fiscal year thereafter,

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

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

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

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

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

- 14 a. fifty percent (50%) of the sum collected shall be paid
15 to the various county treasurers, to be credited to
16 the ~~County Highway Fund~~ county highway fund as
17 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, and
21 b. fifty percent (50%) shall be allocated to each county
22 as provided for in subparagraph a of this paragraph
23 and shall be apportioned on an average daily
24 attendance per capita distribution basis, as certified

1 by the ~~State~~ Superintendent of Public Instruction, to
2 the 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 9. For all monies collected from the tax levied on oil at a tax
8 rate of two percent (2%) pursuant to the provisions of paragraph 3
9 of subsection B of Section 1001 of this title:

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

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

1 state government, to be paid out pursuant to direct
2 appropriation by the Legislature,

- 3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, twenty-five percent
5 (25%) of the sum collected from oil shall be paid to
6 the various county treasurers, to be credited to the
7 ~~County Highway Fund~~ county highway fund as follows:
8 Each county shall receive a proportionate share of the
9 funds available based upon the proportion of the total
10 value of production from such county in the
11 corresponding month of the preceding year, and
12 d. before any other apportionment of revenue has been
13 made pursuant to this paragraph, twenty-five percent
14 (25%) shall be allocated to each county as provided in
15 subparagraph c of this paragraph and shall be
16 apportioned on an average daily attendance per capita
17 distribution basis, as certified by the ~~State~~
18 Superintendent of Public Instruction, to the school
19 districts of the county where such pupils attend
20 school regardless of residence of such pupil, provided
21 the school district makes an ad valorem tax levy of
22 fifteen (15) mills for the current year and maintains
23 twelve (12) years of instruction;
24

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

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

18 b. until the apportionment to the General Revenue Fund
19 equals the moving five-year average amount for gas as
20 prescribed by paragraph 1 of subsection A of this
21 section, eighty percent (80%) shall be paid to the
22 State Treasurer ~~of the state~~ to be placed in the
23 General Revenue Fund ~~of the state~~ and used for the
24

- 1 general expense of state government, to be paid out
2 pursuant to direct appropriation by the Legislature,
3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, ten percent (10%) of
5 the sum collected from natural gas ~~and/or~~ and
6 casinghead gas shall be paid to the various county
7 treasurers to be credited to the ~~County Highway Fund~~
8 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,
13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, ten percent (10%)
15 shall be allocated to each county as provided for in
16 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 11. Beginning July 1, 2025, the gross production tax levied on
2 natural gas or casinghead gas at the rate of five percent (5%)
3 provided for in paragraph 3 of subsection B of Section 1001 of this
4 title shall be apportioned as follows:

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

18 b. until the apportionment to the General Revenue Fund
19 equals the moving five-year average amount for gas as
20 prescribed by paragraph 1 of subsection A of this
21 section, forty percent (40%) shall be paid to the
22 State Treasurer ~~of the state~~ to be placed in the
23 General Revenue Fund ~~of the state~~ and used for the
24

- 1 general expense of state government, to be paid out
2 pursuant to direct appropriation by the Legislature,
3 c. before any other apportionment of revenue has been
4 made pursuant to this paragraph, ten percent (10%) of
5 the sum collected from natural gas ~~and/or~~ and
6 casinghead gas shall be paid to the various county
7 treasurers to be credited to the ~~County Highway Fund~~
8 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,
13 d. before any other apportionment of revenue has been
14 made pursuant to this paragraph, ten percent (10%)
15 shall be allocated to each county as provided for in
16 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, and

1 e. before any other apportionment of revenue has been
2 made pursuant to this paragraph, forty percent (40%)
3 shall be remitted to the State Treasurer to be
4 credited to the Preserving and Advancing County
5 Transportation Fund created in Section ~~1 of this act~~
6 508 of Title 69 of the Oklahoma Statutes, but in no
7 event shall the total amount apportioned in any fiscal
8 year pursuant to this subparagraph exceed Seventy-five
9 Million Dollars (\$75,000,000.00). Any amounts in
10 excess of Seventy-five Million Dollars
11 (\$75,000,000.00) shall be placed in the General
12 Revenue Fund ~~of the state~~ and used for the general
13 expense of state government, to be paid out pursuant
14 to direct appropriation by the Legislature; and

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

19 a. there shall be apportioned from the gross production
20 tax levy imposed pursuant to Section 1001 of this
21 title on oil to the Revenue Stabilization Fund created
22 by Section 34.102 of Title 62 of the Oklahoma
23 Statutes, after the applicable maximum amount
24 prescribed by subsection C of this section has been

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

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

13 c. before any other apportionment of revenue has been
14 made pursuant to this paragraph, twenty-three and
15 seventy-five one-hundredths percent (23.75%) shall be
16 paid to the State Treasurer to be placed in the Higher
17 Education Capital Revolving Fund created in Section
18 34.91 of Title 62 of the Oklahoma Statutes,

19 d. before any other apportionment of revenue has been
20 made pursuant to this paragraph, twenty-three and
21 seventy-five one-hundredths percent (23.75%) shall be
22 paid to the State Treasurer to be placed in the
23 Oklahoma Student Aid Revolving Fund created in Section
24 34.92 of Title 62 of the Oklahoma Statutes,

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

18 f. before any other apportionment of revenue has been
19 made pursuant to this paragraph, five percent (5%)
20 shall be paid to the State Treasurer to be apportioned
21 to:

22 (1) the following sources and in the following
23 amounts through the fiscal year ending ~~June 30,~~
24 ~~2027~~ June 30, 2032:

1 (a) thirty-three and one-third percent (33 1/3%)

2 to the Oklahoma Tourism and Recreation

3 Department Capital Expenditure Revolving

4 Fund created pursuant to Section 2254.1 of

5 Title 74 of the Oklahoma Statutes,

6 (b) thirty-three and one-third percent (33 1/3%)

7 to the Oklahoma Conservation Commission

8 Infrastructure Revolving Fund created

9 pursuant to Section 3-2-110 of Title 27A of

10 the Oklahoma Statutes, and

11 (c) thirty-three and one-third percent (33 1/3%)

12 to the Community Water Infrastructure

13 Development Revolving Fund created pursuant

14 to Section 1085.7A of Title 82 of the

15 Oklahoma Statutes, and

16 (2) the Oklahoma Water Resources Board Rural Economic

17 Action Plan Water Projects Fund for the fiscal

18 year beginning ~~July 1, 2027~~ July 1, 2032, and for

19 each fiscal year thereafter,

20 g. before any other apportionment of revenue has been

21 made pursuant to this paragraph, ten percent (10%) of

22 the sum collected from oil shall be paid to the

23 various county treasurers, to be credited to the

24 ~~County Highway Fund~~ county highway fund as follows:

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

5 h. before any other apportionment of revenue has been
6 made pursuant to this paragraph, ten percent (10%)
7 shall be allocated to each county as provided in
8 subparagraph g 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, and

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

23 C. Provided, notwithstanding any other provision of this
24 section:
25

1 1. For fiscal years 2007 through 2026, the total amounts
2 deposited to the Common Education Technology Revolving Fund, the
3 Higher Education Capital Revolving Fund, the Oklahoma Student Aid
4 Revolving Fund, the Rural Economic Action Plan Water Projects Fund,
5 the Oklahoma Tourism and Recreation Department Capital Expenditure
6 Revolving Fund, the Oklahoma Conservation Commission Infrastructure
7 Revolving Fund and the Community Water Infrastructure Development
8 Revolving Fund pursuant to paragraphs 6, 7 and ~~11~~ 12 of subsection B
9 of this section shall not exceed One Hundred Fifty Million Dollars
10 (\$150,000,000.00) in any fiscal year; and

11 2. For fiscal year 2027 and subsequent fiscal years, the total
12 amounts deposited to the Common Education Technology Revolving Fund,
13 the Higher Education Capital Revolving Fund, and the Oklahoma
14 Student Aid Revolving Fund pursuant to paragraphs 6, 7 and 12 of
15 subsection B of this section shall not exceed One Hundred Fifty
16 Million Dollars (\$150,000,000.00) in any fiscal year.

17 Except as otherwise provided in this subsection, all sums in
18 excess of One Hundred Fifty Million Dollars (\$150,000,000.00) in any
19 fiscal year which would otherwise be deposited in such funds shall
20 be apportioned by the Oklahoma Tax Commission to the General Revenue
21 Fund ~~of the state.~~

22 SECTION 2. This act shall become effective July 1, 2026.

23 SECTION 3. It being immediately necessary for the preservation
24 of the public peace, health or safety, an emergency is hereby
25

1 declared to exist, by reason whereof this act shall take effect and
2 be in full force from and after its passage and approval.
3

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