

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1426

By: Lepak

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5
6 AS INTRODUCED

7 An Act relating to motor fuels tax; imposing tax on
8 diesel fuel; establishing amount of tax per gallon;
9 requiring deposit of revenue in certain fund;
10 amending 69 O.S. 2011, Section 1521, as last amended
11 by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.
2016, Section 1521), which relates to the Rebuilding
12 Oklahoma Access and Driver Safety Fund; allowing for
13 the accrediting of funds to the Fund; providing for
14 codification; and providing an effective date.

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

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 500.4B of Title 68, unless there
18 is created a duplication in numbering, reads as follows:

19 A. In addition to the tax imposed by Section 500.4 of Title 68
20 of the Oklahoma Statutes, there is hereby imposed a tax of three
21 cents (\$0.03) per gallon on all diesel fuel used or consumed in this
22 state.

23 B. All revenue from the tax imposed by subsection A of this
24 section, and penalties and interest thereon, collected by the
Oklahoma Tax Commission shall be deposited in the State Treasury to

1 the credit of the Rebuilding Oklahoma Access and Driver Safety Fund
2 created pursuant to Section 1521 of Title 69 of the Oklahoma
3 Statutes.

4 SECTION 2. AMENDATORY 69 O.S. 2011, Section 1521, as
5 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.
6 2016, Section 1521), is amended to read as follows:

7 Section 1521. A. There is hereby created in the State Treasury
8 a fund to be known as the "Rebuilding Oklahoma Access and Driver
9 Safety Fund". The fund shall be a continuing fund, not subject to
10 fiscal year limitations, and shall consist of all appropriations and
11 transfers made by the Legislature and such other monies accredited
12 to the fund pursuant to law. All monies accruing to the credit of
13 the fund are hereby appropriated and may be budgeted and expended
14 each fiscal year by the Department of Transportation for the
15 purposes authorized by subsection G of this section. Expenditures
16 from the fund shall be made upon warrants issued by the State
17 Treasurer against claims filed as prescribed by law with the
18 Director of the Office of Management and Enterprise Services for
19 approval and payment.

20 B. There shall be apportioned to the funds specified in this
21 subsection from the monies that would otherwise be apportioned to
22 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma
23 Statutes from the revenues derived pursuant to subsections A, B and
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1 E of Section 2355 of Title 68 of the Oklahoma Statutes amounts as
2 follows:

3 1. For each fiscal year, subject to the provisions of paragraph
4 3 of this subsection, and, except for the amount prescribed by
5 subparagraph a of this paragraph, subject to any reductions required
6 by subsection F of this section, there shall be apportioned to the
7 Rebuilding Oklahoma Access and Driver Safety Fund:

- 8 a. for the fiscal year beginning July 1, 2011, the first
9 Thirty-five Million Seven Hundred Thousand Dollars
10 (\$35,700,000.00), for the fiscal year beginning July
11 1, 2012, the first Forty-one Million Seven Hundred
12 Thousand Dollars (\$41,700,000.00) and for the fiscal
13 year beginning July 1, 2013, and for each fiscal year
14 thereafter, Fifty-nine Million Seven Hundred Thousand
15 Dollars (\$59,700,000.00), which shall be allocated and
16 used by the Department of Transportation first for the
17 purpose of making any required payments for principal,
18 interest or other costs of borrowing with respect to
19 the obligations issued pursuant to Section 341 of
20 Title 73 of the Oklahoma Statutes and after any such
21 required payment has been made then for the purposes
22 otherwise authorized by this section, plus
23 b. the total amount apportioned to the Rebuilding
24 Oklahoma Access and Driver Safety Fund for the

1 preceding fiscal year which, except for the amount
2 prescribed by subparagraph a of this paragraph, shall
3 be apportioned before any other amount is apportioned
4 pursuant to Section 2352 of Title 68 of the Oklahoma
5 Statutes, plus

- 6 c. an additional incremental amount which shall not be in
7 excess of the amount prescribed by subparagraph a of
8 this paragraph and that is required in order for the
9 total apportionment for such fiscal year to equal Five
10 Hundred Seventy-five Million Dollars
11 (\$575,000,000.00).

12 All amounts apportioned pursuant to this paragraph shall be
13 divided into twelve equal amounts to be apportioned each month
14 during the fiscal year except the amount specified in subparagraph a
15 of this paragraph which amount shall be allocated in its full amount
16 in cash not later than July 30 each year or such later date as may
17 be required in order for the amount to be allocated in cash;

18 2. For each fiscal year after the apportionments required by
19 paragraph 1 of this subsection have been made:

- 20 a. the next Two Million Dollars (\$2,000,000.00) shall be
21 apportioned to the Oklahoma Tourism and Passenger Rail
22 Revolving Fund created pursuant to Section 325 of
23 Title 66 of the Oklahoma Statutes to be used for
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1 capital and operating costs for the "Heartland Flyer"
2 rail project, and

3 b. the next Three Million Dollars (\$3,000,000.00) shall
4 be apportioned to the Public Transit Revolving Fund
5 created pursuant to Section 4031 of this title to be
6 used for purposes authorized by law other than the
7 purpose described by subparagraph a of this paragraph.

8 All amounts apportioned pursuant to this paragraph shall be
9 divided into twelve equal amounts to be apportioned each month
10 during the fiscal year; and

11 3. For each fiscal year after the first fiscal year in which
12 the total apportionment to the Rebuilding Oklahoma Access and Driver
13 Safety Fund as provided by paragraph 1 of this subsection equals
14 Five Hundred Seventy-five Million Dollars (\$575,000,000.00), the
15 first Five Hundred Seventy-five Million Dollars (\$575,000,000.00)
16 collected pursuant to subsections A, B and E of Section 2355 of
17 Title 68 of the Oklahoma Statutes and apportioned pursuant to
18 Section 2352 of Title 68 of the Oklahoma Statutes that would
19 otherwise be apportioned to the General Revenue Fund shall be
20 apportioned to the Rebuilding Oklahoma Access and Driver Safety
21 Fund. With the exception of the amount prescribed by subparagraph a
22 of paragraph 1 of this subsection, all amounts apportioned pursuant
23 to this paragraph shall be divided into twelve equal amounts to be
24 apportioned each month during the fiscal year.

1 C. The apportionments of revenues required by subparagraphs a,
2 b and c of paragraph 1 of subsection B of this section shall be made
3 until the total annual apportionment to the Rebuilding Oklahoma
4 Access and Driver Safety Fund equals Five Hundred Seventy-five
5 Million Dollars (\$575,000,000.00). After such annual apportionment
6 level is reached, the apportionment to the fund shall be governed by
7 the provisions of paragraph 3 of subsection B of this section.

8 D. The monies apportioned to the Rebuilding Oklahoma Access and
9 Driver Safety Fund shall not be used to supplant or replace existing
10 state funds used for transportation purposes.

11 E. In order to ensure that the funds from the ROADS Fund are
12 used to enhance and not supplant state funding for the Department of
13 Transportation, the State Board of Equalization shall examine and
14 investigate expenditures from the fund each year. For purposes of
15 this examination, monies used to retire outstanding debt obligations
16 for which the Department of Transportation is responsible shall be
17 excluded. At the meeting of the State Board of Equalization held
18 within five (5) days after the monthly apportionment in February of
19 each year, the State Board of Equalization shall issue a finding and
20 report which shall state whether expenditures from the ROADS Fund
21 were used to enhance or supplant state funding for the Department of
22 Transportation. If the State Board of Equalization finds that state
23 funding for the Department of Transportation was supplanted by funds
24 from the ROADS Fund, the Board shall specify the amount by which

1 such funding was supplanted. In this event, the Legislature shall
2 not make any appropriations for the ensuing fiscal year until an
3 appropriation in that amount is made to replenish state funding for
4 the Department of Transportation.

5 F. In the event that the Director of the Office of Management
6 and Enterprise Services declares a General Revenue Fund revenue
7 failure pursuant to Section 34.49 of Title 62 of the Oklahoma
8 Statutes, and agency allocations are reduced pursuant to the
9 provisions of Section 34.49 of Title 62 of the Oklahoma Statutes,
10 the amounts that would otherwise be apportioned to the ROADS Fund
11 by:

12 1. Subparagraph a of paragraph 1 of subsection B of this
13 section, only to the extent that the amount is not required for debt
14 service related to the obligations authorized pursuant to Section
15 341 of Title 73 of the Oklahoma Statutes;

16 2. Subparagraphs b and c of paragraph 1 of subsection B of this
17 section; and

18 3. Subparagraphs a and b of paragraph 2 of subsection B of this
19 section,

20 shall be reduced by a percentage equal to that required of the
21 General Revenue Fund appropriations to state agencies and such
22 reductions shall occur during the entire fiscal year and for any
23 month during which such reductions are required by the Office of
24 Management and Enterprise Services and by the same percentage as

1 that required of the agencies for such General Revenue Fund
2 appropriations.

3 G. The Department of Transportation shall use the monies in the
4 Rebuilding Oklahoma Access and Driver Safety Fund for:

5 1. The construction and maintenance of state roads, bridges and
6 highways;

7 2. The direct expenses of operating and maintaining the state
8 highway system, including bridges;

9 3. Direct expenses incurred in constructing, repairing, and
10 maintaining state highways, farm-to-market roads, county highways
11 and bridges as authorized by law;

12 4. Matching federal funds;

13 5. The purchase of materials, tools, machinery, motor vehicles,
14 and equipment necessary or convenient for the construction and
15 maintenance of the state highway system and bridges;

16 6. Debt service incurred prior to January 1, 2006, for Capital
17 Improvement Program bonds sold pursuant to Section 2001 of this
18 title; and

19 7. Debt service incurred on or after July 1, 2009, with respect
20 to obligations authorized to be issued pursuant to Section 341 of
21 Title 73 of the Oklahoma Statutes.

22 H. From the monies allocated pursuant to the provisions of
23 subparagraph a of paragraph 1 of subsection B of this section each
24 fiscal year, the Department of Transportation shall make payments

1 required for the payment of principal, interest and other costs
2 related to the obligations issued by the Oklahoma Capitol
3 Improvement Authority as authorized by Section 341 of Title 73 of
4 the Oklahoma Statutes and such payments shall be made by the
5 Department each fiscal year before such monies are used for any
6 other purpose.

7 SECTION 3. This act shall become effective November 1, 2017.

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