

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 HOUSE BILL 1895

By: Newton

4  
5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2011, Section 1004, as last amended by Section  
9 8, Chapter 8, 2nd Extraordinary Session, O.S.L. 2018  
10 (68 O.S. Supp. 2018, Section 1004), which relates to  
11 the apportionment of gross production taxes;  
12 modifying provisions related to the Oklahoma Tourism  
13 and Recreation Department Capital Expenditure  
14 Revolving Fund; modifying date reference; providing  
15 an effective date; and declaring an emergency.

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

17 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1004, as  
18 last amended by Section 8, Chapter 8, 2nd Extraordinary Session,  
19 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), is amended to read  
20 as follows:

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

22 1. "Moving five-year average amount for gas" means, for  
23 purposes of the apportionments prescribed by this section, the  
24 amount of gross production tax on natural gas collected for each of  
the five (5) complete fiscal years, as computed by the State Board

1 of Equalization pursuant to Section 34.103 of Title 62 of the  
2 Oklahoma Statutes; and

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

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

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

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

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

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

6 c. seven and fourteen one-hundredths percent (7.14%)  
7 shall be allocated to each county as provided for in  
8 subparagraph b 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 2. For all monies collected from the tax levied on natural gas  
18 and/or casinghead gas at a tax rate of seven percent (7%) pursuant  
19 to the provisions of subsection B of Section 1001 of this title:

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

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

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

18 c. before any other apportionment of revenue has been  
19 made pursuant to this paragraph, seven and fourteen  
20 one-hundredths percent (7.14%) of the sum collected  
21 from natural gas and/or casinghead gas shall be paid  
22 to the various county treasurers to be credited to the  
23 County Highway Fund as follows: Each county shall  
24 receive a proportionate share of the funds available

1 based upon the proportion of the total value of  
2 production from such county in the corresponding month  
3 of the preceding year, and

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

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

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

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

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

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

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

3 d. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, twelve and one-half  
5 percent (12.5%) shall be allocated to each county as  
6 provided for in subparagraph c of this paragraph and  
7 shall be apportioned, on an average daily attendance  
8 per capita distribution basis, as certified by the  
9 State Superintendent of Public Instruction to the  
10 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 4. For all monies collected from the tax levied on natural gas  
16 and/or casinghead gas at a tax rate of one percent (1%) pursuant to  
17 the provisions of subsection B of Section 1001 of this title:

18 a. fifty percent (50%) of the sum collected from natural  
19 gas and/or casinghead gas shall be paid to the various  
20 county treasurers to be credited to the County Highway  
21 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 b. fifty percent (50%) shall be allocated to each county  
4 as provided for in subparagraph a of this paragraph  
5 and shall be apportioned, on an average daily  
6 attendance per capita distribution basis, as certified  
7 by the State Superintendent of Public Instruction to  
8 the 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 5. For all monies collected from the tax levied on natural gas  
14 and/or casinghead gas at a tax rate of two percent (2%) pursuant to  
15 the provisions of subparagraph c of paragraph 3 of subsection B of  
16 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 gas to the Revenue Stabilization  
24 Fund created by Section 34.102 of Title 62 of the



1 Oklahoma Statutes, the amount of revenue, if any,  
2 which exceeds the moving five-year average amount for  
3 natural gas and/or casinghead gas as defined pursuant  
4 to paragraph 1 of subsection A of this section,

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

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

22 d. before any other apportionment of revenue has been  
23 made pursuant to this paragraph, twenty-five percent  
24 (25%) shall be allocated to each county as provided

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

10 6. For all monies collected from the tax levied on oil at a tax  
11 rate of seven percent (7%) pursuant to the provisions of subsection  
12 B 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,

- 1           b.   before any other apportionment of revenue has been  
2                   made pursuant to this paragraph, twenty-five and  
3                   seventy-two one-hundredths percent (25.72%) shall be  
4                   paid to the State Treasurer to be placed in the Common  
5                   Education Technology Revolving Fund created in Section  
6                   34.90 of Title 62 of the Oklahoma Statutes,
- 7           c.   before any other apportionment of revenue has been  
8                   made pursuant to this paragraph, twenty-five and  
9                   seventy-two one-hundredths percent (25.72%) shall be  
10                  paid to the State Treasurer to be placed in the Higher  
11                  Education Capital Revolving Fund created in Section  
12                  34.91 of Title 62 of the Oklahoma Statutes,
- 13          d.   before any other apportionment of revenue has been  
14                   made pursuant to this paragraph, twenty-five and  
15                   seventy-two one-hundredths percent (25.72%) shall be  
16                   paid to the State Treasurer to be placed in the  
17                   Oklahoma Student Aid Revolving Fund created in Section  
18                   34.92 of Title 62 of the Oklahoma Statutes,
- 19          e.   before any other apportionment of revenue has been  
20                   made pursuant to this paragraph, three and seven  
21                   hundred forty-five one-thousandths percent (3.745%)  
22                   shall be distributed to the various counties of the  
23                   state for deposit into the County Bridge and Road  
24                   Improvement Fund of each county based on a formula

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

12 f. before any other apportionment of revenue has been  
13 made pursuant to this paragraph, four and twenty-eight  
14 one-hundredths percent (4.28%) shall be paid to the  
15 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 ~~2019~~ 2020:

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, 2019, and for each fiscal  
14 year thereafter,

15 g. 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 oil shall be paid to the various county  
19 treasurers, to be credited to the County Highway Fund  
20 as follows: Each county shall receive a proportionate  
21 share of the funds available based upon the proportion  
22 of the total value of production from such county in  
23 the corresponding month of the preceding year,  
24

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

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

21 7. For all monies collected from the tax levied on oil at a tax  
22 rate of four percent (4%) pursuant to the provisions of subsections  
23 B and E of Section 1001 of this title:  
24

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

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

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

1           d.    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 Oklahoma Student Aid  
5                   Revolving Fund created in Section 34.92 of Title 62 of  
6                   the Oklahoma Statutes,

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



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

5 (1) the following sources and in the following  
6 amounts through the fiscal year ending June 30,  
7 ~~2019~~ 2020:

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

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

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

23 (2) the Oklahoma Water Resources Board Rural Economic  
24 Action Plan Water Projects Fund for the fiscal

1                   year beginning July 1, 2019, and for each fiscal  
2                   year thereafter,

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

12           h.   before any other apportionment of revenue has been  
13               made pursuant to this paragraph, twelve and one-half  
14               percent (12.5%) shall be allocated to each county as  
15               provided in subparagraph g of this paragraph and shall  
16               be apportioned on an average daily attendance per  
17               capita 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, and

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

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

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

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

1           levy of fifteen (15) mills for the current year and  
2           maintains twelve (12) years of instruction;

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

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

22           c. before any other apportionment of revenue has been  
23 made pursuant to this paragraph, twenty-five percent  
24 (25%) of the sum collected from oil shall be paid to

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

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

19 10. On or after the effective date of this act, the gross  
20 production tax levied on natural gas or casinghead gas at the rate  
21 of five percent (5%) provided for in paragraph 3 of subsection B of  
22 Section 1001 of this title shall be apportioned as follows:

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 casinghead  
6 gas to the Revenue Stabilization Fund created pursuant  
7 to 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 gas as defined  
10 pursuant to paragraph 1 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 gas as  
14 prescribed by paragraph 1 of subsection A of this  
15 section, eighty percent (80%) shall be paid to the  
16 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, ten percent (10%) of  
22 the sum collected from natural gas and/or casinghead  
23 gas shall be paid to the various county treasurers to  
24 be credited to the 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, and

- 5 d. 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 for 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; and

17 11. On or after the effective date of this act, the gross  
18 production tax on oil levied at the rate of five percent (5%)  
19 provided for in paragraph 3 of subsection B of this title shall be  
20 apportioned 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



1 Oklahoma Student Aid Revolving Fund created in Section  
2 34.92 of Title 62 of 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, five percent (5%)  
22 shall be paid to the State Treasurer to be apportioned  
23 to:  
24

1 (1) the following sources and in the following  
2 amounts through the fiscal year ending June 30,  
3 ~~2019~~ 2020:

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, 2019, and for each fiscal  
22 year thereafter,

23 g. before any other apportionment of revenue has been  
24 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 2. This act shall become effective July 1, 2019.

19 SECTION 3. 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.

23  
24 57-1-7672 MAH 01/16/19