

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 2202

By: Hilbert of the House

4 and

5 Montgomery of the Senate

6
7 AS INTRODUCED

8 An Act relating to revenue and taxation; amending 68
9 O.S. 2011, Section 1004, as last amended by Section
10 8, Chapter 8, 2nd Extraordinary Session, O.S.L. 2018
11 (68 O.S. Supp. 2018, Section 1004), which relates to
12 the apportionment of gross production tax; providing
13 for modifications to apportionments of revenue to
14 counties, school districts and funds based upon
15 certain voting outcome at the General Election to be
16 held in November 2020; providing for contingent
17 effect; and providing an effective date.

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

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

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

24 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

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:

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:

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,
24

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:

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:

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 D. The apportionments to counties and school districts impacted
19 by the deposit of gross production tax revenues to the Redbud Future
20 Fund as provided in House Joint Resolution No. [] of the 1st
21 Session of the 57th Oklahoma Legislature shall be adjusted to
22 compensate such jurisdictions and other governmental entities or
23 funds from modifications to the apportionments otherwise prescribed
24 by this section or from apportionments of other state revenues as

1 provided by law. The provisions of this act shall not be effective
2 as law unless the provisions of House Joint Resolution No. []
3 are adopted at the General Election in November 2020, and shall not
4 become effective until July 1, 2021, if the provisions are adopted
5 at such General Election.

6 SECTION 2. This act shall become effective July 1, 2021.

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