1	HOUSE OF REPRESENTATIVES - FLOOR VERSION					
2	STATE OF OKLAHOMA					
3	1st Session of the 57th Legislature (2019)					
4	COMMITTEE SUBSTITUTE					
5	FOR HOUSE BILL NO. 2766 By: Wallace and Hilbert of the House					
6	And					
7	Thompson and Rader of the					
8	Senate					
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L1						
L2	<u>COMMITTEE SUBSTITUTE</u>					
L3	An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 1353, as last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp. 2018, Section 1353), which relates to sales tax apportionments; providing for certain apportionments to certain funds during certain periods; stating legislative intent; providing for noncodification;					
L 4						
L 5						
L 6						
L7	and declaring an emergency.					
L8						
L9	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:					
20	SECTION 1. AMENDATORY 68 O.S. 2011, Section 1353, as					
21	last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp.					
22	2018, Section 1353), is amended to read as follows:					
23	Section 1353. A. It is hereby declared to be the purpose of					
24	the Oklahoma Sales Tax Code to provide funds for the financing of					

1	the program provided for by the Oklahoma Social Security Act and to
2	provide revenues for the support of the functions of the state
3	government of Oklahoma, and for this purpose it is hereby expressly
4	provided that, revenues derived pursuant to the provisions of the
5	Oklahoma Sales Tax Code, subject to the apportionment requirements
6	for the Oklahoma Tax Commission and Office of Management and
7	Enterprise Services Joint Computer Enhancement Fund provided by
8	Section 265 of this title, shall be apportioned as follows:

1. except as provided in subsection C of this section, the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal	
year thereafter	83.61%

b. in the event that additional monies are necessary pursuant to paragraph 6 of this subsection, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant

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1	to	paragraph	. 3 of	Section	2355	5.1B	of t	this	titl	e from
2	the	e monies a	.pporti	ioned to	the	Gene	ral	Reve	enue	Fund;

- 2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one-hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;
- 3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System

 Dedicated Revenue Revolving Fund:

14	Fiscal Year	Amount
15	FY 2003 and FY 2004	3.54%
16	FY 2005	3.75%
17	FY 2006	4.0%
18	FY 2007	4.5%
19	FY 2008 and each fiscal	
20	year thereafter	5.0%

4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-

hundredths percent (0.87%) shall be paid to the State

Treasurer to be further apportioned as follows:

- (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and
- (2) sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital Improvement Revolving Fund, but in no event shall such apportionment exceed Nine Million Dollars (\$9,000,000.00) in any fiscal year, and
- b. any amounts which exceed the limitations of subparagraph a of this paragraph shall be placed to the credit of the General Revenue Fund;
- 5. For the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this paragraph for the fiscal year ending on June 30, 2015. Any amounts which exceed the limitations of this paragraph shall be placed to the credit of the General Revenue Fund; and

- 6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this subsection, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this subsection, paragraph 3 of Section 1403 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.
 - B. Provided, for the fiscal year beginning July 1, 2007, and every fiscal year thereafter, an amount of revenue shall be apportioned to each municipality or county which levies a sales tax subject to the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title equal to the amount of sales tax revenue of such municipality or county exempted by the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title. The Oklahoma Tax Commission shall promulgate and adopt rules necessary to implement the provisions of this subsection.
 - C. From the monies that would otherwise be apportioned to the General Revenue Fund pursuant to subsection A of this section, there shall be apportioned the following amounts:
 - 1. For the month ending August 31, 2018 2019:
 - a. Twenty-five Million Dollars (\$25,000,000.00) Nine

 Million Six Hundred Thousand Dollars (\$9,600,000.00)

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to the credit of the State Highway Construction and Maintenance Fund created in Section 1501 of Title 69 of the Oklahoma Statutes, and

- b. Four Million Dollars (\$4,000,000.00) Two Million

 Dollars (\$2,000,000.00) to the credit of the Oklahoma

 Railroad Maintenance Revolving Fund created in Section

 309 of Title 66 of the Oklahoma Statutes;
- 2. For the month ending September 30, 2018 2019:
 - a. Twenty-five Million Dollars (\$25,000,000.00) Twenty

 Million Dollars (\$20,000,000.00) to the credit of the

 State Highway Construction and Maintenance Fund

 created in Section 1501 of Title 69 of the Oklahoma

 Statutes, and
 - b. Four Million Dollars (\$4,000,000.00) Two Million

 Dollars (\$2,000,000.00) to the credit of the Oklahoma

 Railroad Maintenance Revolving Fund created in Section

 309 of Title 66 of the Oklahoma Statutes; and
- 3. For the month ending October 31, 2018 2019:
 - a. Thirty Million Dollars (\$30,000,000.00) Twenty Million

 Dollars (\$20,000,000.00) to the credit of the State

 Highway Construction and Maintenance Fund created in

 Section 1501 of Title 69 of the Oklahoma Statutes, and
 - b. Four Million Dollars (\$4,000,000.00) Two Million

 Dollars (\$2,000,000.00) to the credit of the Oklahoma

1		Railroad Maintenance Revolving Fund created in Section	
2		309 of Title 66 of the Oklahoma Statutes <u>;</u>	
3	<u>4. For t</u>	the month ending November 30, 2019:	
4	<u>a.</u>	Twenty Million Dollars (\$20,000,000.00) to the credit	
5		of the State Highway Construction and Maintenance Fund	
6		created in Section 1501 of Title 69 of the Oklahoma	
7		Statutes, and	
8	<u>b.</u>	Two Million Dollars (\$2,000,000.00) to the credit of	
9		the Oklahoma Railroad Maintenance Revolving Fund	
10		created in Section 309 of Title 66 of the Oklahoma	
11		Statutes; and	
12	<u>5. For t</u>	the month ending December 31, 2019:	
13	<u>a.</u>	Twenty Million Dollars (\$20,000,000.00) to the credit	
14		of the State Highway Construction and Maintenance Fund	
15		created in Section 1501 of Title 69 of the Oklahoma	
16		Statutes, and	
17	<u>b.</u>	Two Million Dollars (\$2,000,000.00) to the credit of	
18		the Oklahoma Railroad Maintenance Revolving Fund	
19		created in Section 309 of Title 66 of the Oklahoma	
20		Statutes.	
21	SECTION 2	. NEW LAW A new section of law not to be	
22	codified in t	he Oklahoma Statutes reads as follows:	
23	It is the intent of the Legislature that the provisions of this		
24	measure are d	esigned to restore funds appropriated from the State	

1	Highway Construction and Maintenance Fund and the Oklahoma Railroad
2	Maintenance Revolving Fund by Enrolled House Bill No. 2765 of the
3	1st Session of the 57th Oklahoma Legislature.
4	SECTION 3. It being immediately necessary for the preservation
5	of the public peace, health or safety, an emergency is hereby
6	declared to exist, by reason whereof this act shall take effect and
7	be in full force from and after its passage and approval.
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9	COMMITTEE REPORT BY: COMMITTEE ON JOINT COMMITTEE ON APPROPRIATIONS
10	AND BUDGET, dated 05/16/2019 - DO PASS, As Amended.
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HB2766 HFLR BOLD FACE denotes Committee Amendments.