

1 ENGROSSED SENATE  
2 BILL NO. 1569

By: Schulz of the Senate

3 and

4 McCall of the House

5  
6 An Act relating to revenue and taxation; specifying  
7 circumstances under which certain apportionments may  
8 not exceed prior year amount; specifying duties of  
9 State Board of Equalization; amending 68 O.S. 2011,  
10 Sections 113, as amended by Section 530, Chapter 304,  
11 O.S.L. 2012, 302-5, 402-3, 500.6, as amended by  
12 Section 4, Chapter 375, O.S.L. 2013, 500.7, 1004, as  
13 last amended by Section 2, Chapter 355, O.S.L. 2017,  
14 1353 and 1403, as last amended by Sections 1 and 2,  
15 Chapter 349, O.S.L. 2015 and 2352, as last amended by  
16 Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp.  
17 2017, Sections 113, 500.6, 1004, 1353, 1403 and  
18 2352), which relate to apportionment of statutory  
19 revenues; amending 69 O.S. 2011, Section 1521, as  
20 last amended by Section 93, Chapter 15, O.S.L. 2013  
21 (69 O.S. Supp. 2017, Section 1521), which relates to  
22 the Rebuilding Oklahoma Access and Driver Safety  
23 Fund; limiting amounts to be apportioned to various  
24 sources under certain circumstances; updating  
statutory references; providing for codification;  
providing an effective date; and declaring an  
emergency.

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

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 34.2.1 of Title 62, unless there  
is created a duplication in numbering, reads as follows:

A. For any fiscal year for which the amount of revenue  
available for appropriation by the Legislature, as determined by the

1 State Board of Equalization at its February meeting pursuant to the  
2 provisions of Section 23 of Article X of the Oklahoma Constitution,  
3 is less than the amount of revenue determined by the Board at its  
4 preceding June meeting to be available for appropriation by the  
5 Legislature for the then-current fiscal year, any apportionment of  
6 revenue provided for by law to a fund or source other than the  
7 General Revenue Fund shall be reduced by the same percentage that  
8 the amount available for appropriation by the Legislature for the  
9 upcoming fiscal year is less than such amount for the then-current  
10 fiscal year.

11 B. At its February meeting each year, the Board shall determine  
12 the amount of revenue available for appropriation by the Legislature  
13 assuming apportionments of revenue to all sources as provided by law  
14 without an adjustment pursuant to the provisions of this section.  
15 If such amount is less than the amount determined by the Board at  
16 its preceding June meeting to be available for appropriation for the  
17 then-current fiscal year, the Board shall make a finding that the  
18 provisions of subsection A of this section shall be in effect. In  
19 such event, the Board shall determine the amount of revenue  
20 available for appropriation assuming apportionments of revenue to  
21 all funds or sources other than the General Revenue Fund shall not  
22 exceed the amount apportioned thereto for the then-current fiscal  
23 year and shall certify such adjusted amount as the amount available  
24 for appropriation by the Legislature.

1 SECTION 2. AMENDATORY 68 O.S. 2011, Section 113, as  
2 amended by Section 530, Chapter 304, O.S.L. 2012 (68 O.S. Supp.  
3 2017, Section 113), is amended to read as follows:

4 Section 113. A. There is hereby created in the State Treasury  
5 a revolving fund for the Oklahoma Tax Commission to be known as the  
6 "Tax Commission Reimbursement Fund". ~~Said~~ The revolving fund shall  
7 consist of any funds received by the Tax Commission for data  
8 processing services or equipment rental and any funds received by  
9 the Tax Commission from any incorporated city, town, or county  
10 pursuant to a contractual agreement for the augmentation of the  
11 enforcement and collection of municipal or county taxes entered into  
12 pursuant to the provisions of Sections 1371 or 2702 of this title.  
13 The Tax Commission is authorized to hire full-time-equivalent  
14 employees as necessary to perform such duties as to fulfill  
15 contractual agreements authorized pursuant to Sections 1371 and 2702  
16 of this title, however, such employees hired to perform such  
17 contractual duties shall be supported solely by funds in the Tax  
18 Commission Reimbursement Fund which are collected by the Tax  
19 Commission from incorporated cities, towns, and counties pursuant to  
20 such contractual agreements and such employees shall be terminated  
21 upon the discontinuation of such funds or inadequate funds to  
22 support such positions. Such full-time-equivalent employees shall  
23 be in the unclassified service and shall not be subject to any  
24 provisions of the Oklahoma Personnel Act or to the Merit Rules for

1 Employment except leave regulations. All fees collected and  
2 apportioned to this fund under the Oklahoma Vehicle License and  
3 Registration Act, Section 1101 et seq. of Title 47 of the Oklahoma  
4 Statutes, may be used by the Motor Vehicle Division of the Oklahoma  
5 Tax Commission to pay all costs incurred in the issuance of  
6 certificates of title and inspection of vehicles, including, but not  
7 limited to, additional computer costs for the Tax Commission and  
8 motor license agents and the check verification system authorized  
9 pursuant to the provisions of paragraph 1 of subsection A of Section  
10 1144 of Title 47 of the Oklahoma Statutes or be used for capital  
11 expenditures as authorized by the Oklahoma State Legislature. For  
12 the fiscal year beginning July 1, 2004, disbursements from the fund  
13 shall be exempt from all agency budget limits.

14 B. Notwithstanding any other provision in the Oklahoma Statutes  
15 except subsection F of Section 316 ~~and~~, subsection D of Section 418  
16 of this title, ~~beginning July 1, 2009,~~ and Section 1 of this act,  
17 all revenue from fees and penalties collected pursuant to Sections  
18 304, 316, 415 and 418 of this title shall be apportioned to the Tax  
19 Commission Reimbursement Fund for administrative expenses incurred  
20 in connection with enforcement of the provisions of Section 301 et  
21 seq., Section 346 et seq., Section 401 et seq. and Section 424 et  
22 seq. of this title.

23 SECTION 3. AMENDATORY 68 O.S. 2011, Section 302-5, is  
24 amended to read as follows:

1 Section 302-5. A. Effective January 1, 2005, in addition to  
2 the tax levied in Sections 302, 302-1, 302-2, 302-3 and 302-4 of  
3 this title, there is hereby levied upon the sale, use, gift,  
4 possession, or consumption of cigarettes, as defined in Sections 301  
5 through 325 of this title, within this state, a tax at the rate of  
6 forty (40) mills per cigarette.

7 B. Except as provided in subsection D of this section and  
8 Section 1 of this act, the revenue resulting from the additional tax  
9 levied in subsection A of this section shall be apportioned by the  
10 Oklahoma Tax Commission and transmitted to the State Treasurer as  
11 follows:

12 1. Twenty-two and six-hundredths percent (22.06%) shall be  
13 placed to the credit of the Health Employee and Economy Improvement  
14 Act Revolving Fund created in Section 1010.1 of Title 56 of the  
15 Oklahoma Statutes;

16 2. Three and nine-hundredths percent (3.09%) shall be placed to  
17 the credit of the Comprehensive Cancer Center Debt Service Revolving  
18 Fund created in Section 160.1 of Title 62 of the Oklahoma Statutes;

19 3. Before July 1, 2008, seven and fifty-hundredths percent  
20 (7.50%) shall be placed to the credit of the Trauma Care Assistance  
21 Revolving Fund created in Section 1-2530.9 of Title 63 of the  
22 Oklahoma Statutes. On and after July 1, 2008, seven and fifty-  
23 hundredths percent (7.50%) shall be allocated as follows:

24

1 a. every month, an amount equal to the actual amount  
2 placed to the credit of the Trauma Care Assistance  
3 Revolving Fund pursuant to this paragraph for the same  
4 month of the 2008 fiscal year shall be credited to the  
5 Trauma Care Assistance Revolving Fund,

6 b. every month, any amount over and above the amount  
7 placed to the credit of the Trauma Care Assistance  
8 Revolving Fund pursuant to subparagraph a of this  
9 paragraph shall be credited to the Oklahoma Emergency  
10 Response Systems Stabilization and Improvement  
11 Revolving Fund as created in Section ~~8 of this act~~ 1-  
12 2512.1 of Title 63 of the Oklahoma Statutes until the  
13 combined amount credited to the Oklahoma Emergency  
14 Response Systems Stabilization and Improvement  
15 Revolving Fund pursuant to this section and Section  
16 402-3 of this title is equal to a total of Two Million  
17 Five Hundred Thousand Dollars (\$2,500,000.00) each  
18 year, and

19 c. any additional revenue allocated pursuant to this  
20 paragraph shall be placed to the credit of the Trauma  
21 Care Assistance Revolving Fund;

22 4. Three and nine-hundredths percent (3.09%) shall be placed to  
23 the credit of the Oklahoma State University College of Osteopathic  
24

1 Medicine Revolving Fund created in Section 160.2 of Title 62 of the  
2 Oklahoma Statutes;

3 5. Twenty-six and thirty-eight-hundredths percent (26.38%)  
4 shall be placed to the credit of the Oklahoma Health Care Authority  
5 Medicaid Program Fund created in Section 5020 of Title 63 of the  
6 Oklahoma Statutes for the purposes of maintaining programs and  
7 services funded under the federal "Jobs and Growth Tax Relief  
8 Reconciliation Act of 2003", reimbursing city/county-owned  
9 hospitals, increasing emergency room physician rates, and providing  
10 TEFRA 134, also known as "Katie Beckett" services;

11 6. Two and sixty-five-hundredths percent (2.65%) shall be  
12 placed to the credit of the Department of Mental Health and  
13 Substance Abuse Services Revolving Fund created in Section 2-303 of  
14 Title 43A of the Oklahoma Statutes;

15 7. Forty-four-hundredths of one percent (0.44%) shall be placed  
16 to the credit of the Belle Maxine Hilliard Breast and Cervical  
17 Cancer Treatment Revolving Fund created in Section 1-559 of Title 63  
18 of the Oklahoma Statutes;

19 8. One percent (1%) shall be placed to the credit of the  
20 Teachers' Retirement System Revolving Fund created in Section 158 of  
21 Title 62 of the Oklahoma Statutes;

22 9. Two and seven-hundredths percent (2.07%) shall be placed to  
23 the credit of the Education Reform Revolving Fund created in Section  
24 41.29b of Title 62 of the Oklahoma Statutes;

1        10. Sixty-six-hundredths percent (0.66%) shall be placed to the  
2 credit of the Tobacco Prevention and Cessation Revolving Fund  
3 created in Section 1-105d of Title 63 of the Oklahoma Statutes;

4        11. Sixteen and eighty-three-hundredths percent (16.83%) shall  
5 be placed to the credit of the General Revenue Fund; and

6        12. For fiscal years beginning July 1, 2004, and ending June  
7 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)  
8 shall be apportioned to municipalities and counties that levy a  
9 sales tax, in the proportions which total municipal and county sales  
10 tax revenue was apportioned by the Tax Commission in the preceding  
11 month.

12        For fiscal years beginning July 1, 2006, and thereafter, the  
13 apportionment percentage specified in paragraph 12 of this  
14 subsection will be adjusted by dividing the total municipal and  
15 county sales tax revenue collected in the calendar year immediately  
16 preceding the commencement of the fiscal year by the sum of the  
17 state sales tax revenue and total municipal and county sales tax  
18 revenue collected in the same year. This ratio shall be divided by  
19 the ratio of the total municipal and county sales tax revenue  
20 collected in the calendar year beginning January 1, 2004, and ending  
21 December 31, 2004, divided by the sum of the state sales tax revenue  
22 and total municipal and county sales tax revenue collected in the  
23 same year. The resulting quotient shall be multiplied by fourteen  
24



1 and twenty-three-hundredths percent (14.23%) to determine the  
2 apportionment percentage for the fiscal year.

3 For fiscal years beginning July 1, 2006, and thereafter, any  
4 adjustment to the percentage of revenues apportioned to  
5 municipalities and counties shall be reflected in the percent of  
6 revenues apportioned to the General Revenue Fund.

7 C. The tax shall be evidenced by tax stamps as now provided  
8 for; however, as to cigarette packages of less than ten cigarettes  
9 for free distribution as samples, the tax herein levied shall be  
10 computed and paid as provided for other cigarette taxes without  
11 affixing stamps on each such package.

12 D. ~~The~~ Except as otherwise provided in Section 1 of this act,  
13 the net amount of any revenue resulting from a payment in lieu of  
14 excise taxes on cigarettes levied by this section, pursuant to a  
15 compact with a federally recognized Indian tribe or nation after  
16 deductions for deposits into trust accounts pursuant to such  
17 compacts, shall be apportioned by the Tax Commission and transmitted  
18 to the State Treasurer as follows:

19 1. Thirty-three and forty-nine-hundredths percent (33.49%)  
20 shall be placed to the credit of the Health Employee and Economy  
21 Improvement Act Revolving Fund created in Section 1010.1 of Title 56  
22 of the Oklahoma Statutes;

23 2. Four and sixty-nine-hundredths percent (4.69%) shall be  
24 placed to the credit of the Comprehensive Cancer Center Debt Service

1 Revolving Fund created in Section 160.1 of Title 62 of the Oklahoma  
2 Statutes;

3 3. Before July 1, 2008, eleven and thirty-nine-hundredths  
4 percent (11.39%) shall be placed to the credit of the Trauma Care  
5 Assistance Revolving Fund created in Section 1-2522 of Title 63 of  
6 the Oklahoma Statutes. On and after July 1, 2008, eleven and  
7 thirty-nine-hundredths percent (11.39%) shall be allocated as  
8 follows:

- 9 a. every month, an amount equal to the actual amount  
10 placed to the credit of the Trauma Care Assistance  
11 Revolving Fund pursuant to this paragraph for the same  
12 month of the 2008 fiscal year shall be credited to the  
13 Trauma Care Assistance Revolving Fund,
- 14 b. every month, any amount over and above the amount  
15 placed to the credit of the Trauma Care Assistance  
16 Revolving Fund pursuant to subparagraph a of this  
17 paragraph shall be credited to the Oklahoma Emergency  
18 Response Systems Stabilization and Improvement  
19 Revolving Fund as created in Section ~~8 of this act~~ 1-  
20 2512.1 of Title 63 of the Oklahoma Statutes until the  
21 combined amount credited to the Oklahoma Emergency  
22 Response Systems Stabilization and Improvement  
23 Revolving Fund pursuant to this section and Section  
24 402-3 of this title is equal to a total of Two Million

1           Five Hundred Thousand Dollars (\$2,500,000.00) each  
2           year, and

3           c.   any additional revenue allocated pursuant to this  
4           paragraph shall be placed to the credit of the Trauma  
5           Care Assistance Revolving Fund;

6           4.   Four and sixty-nine-hundredths percent (4.69%) shall be  
7           placed to the credit of the Oklahoma State University College of  
8           Osteopathic Medicine Revolving Fund created in Section 160.2 of  
9           Title 62 of the Oklahoma Statutes;

10          5.   Forty and six-hundredths percent (40.06%) shall be placed to  
11          the credit of the Oklahoma Health Care Authority Medicaid Program  
12          Fund created in Section 5020 of Title 63 of the Oklahoma Statutes  
13          for the purposes of maintaining programs and services funded under  
14          the federal "Jobs and Growth Tax Relief Reconciliation Act of 2003",  
15          reimbursing city/county-owned hospitals, increasing emergency room  
16          physician rates, and providing TEFRA 134, also known as "Katie  
17          Beckett" services;

18          6.   Four and one-hundredths percent (4.01%) shall be placed to  
19          the credit of the Department of Mental Health and Substance Abuse  
20          Services Revolving Fund created in Section 2-303 of Title 43A of the  
21          Oklahoma Statutes;

22          7.   Sixty-seven-hundredths percent (0.67%) shall be placed to  
23          the credit of the Belle Maxine Hilliard Breast and Cervical Cancer  
24

1 Treatment Revolving Fund created in Section 1-559 of Title 63 of the  
2 Oklahoma Statutes; and

3 8. One percent (1%) shall be placed to the credit of the  
4 Tobacco Prevention and Cessation Revolving Fund created in Section  
5 1-105d of Title 63 of the Oklahoma Statutes.

6 E. No part of the revenues resulting from the additional taxes  
7 levied in this section shall be used in determining the amount of  
8 cigarette tax collections to be paid into:

9 1. The State of Oklahoma Building Bonds of 1961 Sinking Fund  
10 pursuant to the provisions of Sections 57.31 through 57.43 of Title  
11 62 of the Oklahoma Statutes;

12 2. The State of Oklahoma Institutional Building Bonds of 1965  
13 Sinking Fund pursuant to the provisions of Sections 57.61 through  
14 57.73 of Title 62 of the Oklahoma Statutes;

15 3. The State of Oklahoma Institutional Building Bonds of 1965  
16 Sinking Fund Series C and Series D pursuant to Sections 57.81  
17 through 57.112 of Title 62 of the Oklahoma Statutes;

18 4. The State of Oklahoma Building Bonds of 1968 Sinking Fund  
19 pursuant to the provisions of Sections 57.121 through 57.193 of  
20 Title 62 of the Oklahoma Statutes; or

21 5. The Oklahoma Building Bonds of 1992 Sinking Fund pursuant to  
22 the provisions of Sections 57.300 through 57.313 of Title 62 of the  
23 Oklahoma Statutes.

24

1 F. The cigarette taxes levied in this section shall be  
2 collected and administered in all respects not inconsistent with as  
3 now or hereafter provided for by law for other cigarette taxes now  
4 levied, collected, and administered pursuant to the provisions of  
5 Sections 301 through 325 of this title.

6 SECTION 4. AMENDATORY 68 O.S. 2011, Section 402-3, is  
7 amended to read as follows:

8 Section 402-3. A. In addition to the tax levied in Sections  
9 402, 402-1 and 402-2 of this title, effective January 1, 2005, there  
10 shall be levied, assessed, collected, and paid in respect to the  
11 articles containing tobacco enumerated in Section 401 et seq. of  
12 this title, a tax in the following amounts:

13 1. Little Cigars. Upon cigars of all descriptions made of  
14 tobacco, or any substitute therefor, and weighing not more than  
15 three (3) pounds per thousand, twenty-seven (27) mills for each  
16 cigar. Provided, that the tax levied on the products coming under  
17 this paragraph shall not apply if the tax on such products is  
18 reported and paid as cigarette tax under Sections 301 through 325 of  
19 this title;

20 2. Cigars. Upon all other cigars of all descriptions made of  
21 tobacco, or any substitute therefor, and weighing more than three  
22 (3) pounds per thousand, Ninety Dollars (\$90.00) per thousand. For  
23 the purpose of computing the tax, cheroots, stogies, etc., are  
24 hereby classed as cigars;

1           3. Smoking Tobacco. Upon all smoking tobacco including  
2 granulated, plug cut, crimp cut, ready rubbed and other kinds and  
3 forms of tobacco prepared in such manner as to be suitable for  
4 smoking in a pipe or cigarette, the tax shall be forty percent (40%)  
5 of the factory list price exclusive of any trade discount, special  
6 discount or deals; and

7           4. Chewing Tobacco. Upon chewing tobacco, smokeless tobacco,  
8 and snuff, the tax shall be thirty percent (30%) of the factory list  
9 price exclusive of any trade discount, special discount or deals.

10          B. Except as provided in subsection C of this section and  
11 Section 1 of this act, the revenue resulting from the additional tax  
12 levied in subsection A of this section shall be apportioned by the  
13 Oklahoma Tax Commission and transmitted to the State Treasurer as  
14 follows:

15           1. Twenty-two and six-hundredths percent (22.06%) shall be  
16 placed to the credit of the Health Employee and Economy Improvement  
17 Act Revolving Fund created in Section 1010.1 of Title 56 of the  
18 Oklahoma Statutes;

19           2. Three and nine-hundredths percent (3.09%) shall be placed to  
20 the credit of the Comprehensive Cancer Center Debt Service Revolving  
21 Fund created in Section 160.1 of Title 62 of the Oklahoma Statutes;

22           3. Before July 1, 2008, seven and fifty-hundredths percent  
23 (7.50%) shall be placed to the credit of the Trauma Care Assistance  
24 Revolving Fund created in Section 1-2522 of Title 63 of the Oklahoma

1 Statutes. On and after July 1, 2008, seven and fifty-hundredths  
2 percent (7.50%) shall be allocated as follows:

3 a. every month, an amount equal to the actual amount  
4 placed to the credit of the Trauma Care Assistance  
5 Revolving Fund pursuant to this paragraph for the same  
6 month of the 2008 fiscal year shall be credited to the  
7 Trauma Care Assistance Revolving Fund,

8 b. every month, any amount over and above the amount  
9 placed to the credit of the Trauma Care Assistance  
10 Revolving Fund pursuant to subparagraph a of this  
11 paragraph shall be credited to the Oklahoma Emergency  
12 Response Systems Stabilization and Improvement  
13 Revolving Fund as created in Section ~~8~~ of this act 1-  
14 2512.1 of Title 63 of the Oklahoma Statutes until the  
15 combined amount credited to the Oklahoma Emergency  
16 Response Systems Stabilization and Improvement  
17 Revolving Fund pursuant to this section and Section  
18 302-5 of this title is equal to Two Million Five  
19 Hundred Thousand Dollars (\$2,500,000.00) each year,  
20 and

21 c. any additional revenue allocated pursuant to this  
22 paragraph shall be placed to the credit of the Trauma  
23 Care Assistance Revolving Fund;

1           4. Three and nine-hundredths percent (3.09%) shall be placed to  
2 the credit of the Oklahoma State University College of Osteopathic  
3 Medicine Revolving Fund created in Section 160.2 of Title 62 of the  
4 Oklahoma Statutes;

5           5. Twenty-six and thirty-eight-hundredths percent (26.38%)  
6 shall be placed to the credit of the Oklahoma Health Care Authority  
7 Medicaid Program Fund created in Section 5020 of Title 63 of the  
8 Oklahoma Statutes for the purposes of maintaining programs and  
9 services funded under the federal "Jobs and Growth Tax Relief  
10 Reconciliation Act of 2003", reimbursing city/county-owned  
11 hospitals, increasing emergency room physician rates, and providing  
12 TEFRA 134, also known as "Katie Beckett" services;

13           6. Two and sixty-five-hundredths percent (2.65%) shall be  
14 placed to the credit of the Department of Mental Health and  
15 Substance Abuse Services Revolving Fund created in Section 2-303 of  
16 Title 43A of the Oklahoma Statutes;

17           7. Forty-four-hundredths of one percent (0.44%) shall be placed  
18 to the credit of the Belle Maxine Hilliard Breast and Cervical  
19 Cancer Treatment Revolving Fund created in Section 1-559 of Title 63  
20 of the Oklahoma Statutes;

21           8. One percent (1%) shall be placed to the credit of the  
22 Teachers' Retirement System Revolving Fund created in Section 158 of  
23 Title 62 of the Oklahoma Statutes;

24



1           9. Two and seven-hundredths percent (2.07%) shall be placed to  
2 the credit of the Education Reform Revolving Fund created in Section  
3 41.29b of Title 62 of the Oklahoma Statutes;

4           10. Sixty-six-hundredths percent (.66%) shall be placed to the  
5 credit of the Tobacco Prevention and Cessation Revolving Fund  
6 created in Section 1-105d of Title 63 of the Oklahoma Statutes;

7           11. Sixteen and eighty-three-hundredths percent (16.83%) shall  
8 be placed to the credit of the General Revenue Fund; and

9           12. For fiscal years beginning July 1, 2004, and ending June  
10 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)  
11 shall be apportioned to municipalities and counties that levy a  
12 sales tax, in the proportions which total municipal and county sales  
13 tax revenue was apportioned by the Tax Commission in the preceding  
14 month.

15           For fiscal years beginning July 1, 2006, and thereafter, the  
16 apportionment percentage specified in paragraph 12 of this  
17 subsection will be adjusted by dividing the total municipal and  
18 county sales tax revenue collected in the calendar year immediately  
19 preceding the commencement of the fiscal year by the sum of the  
20 state sales tax revenue and total municipal and county sales tax  
21 revenue collected in the same year. This ratio shall be divided by  
22 the ratio of the total municipal and county sales tax revenue  
23 collected in the calendar year beginning January 1, 2004, and ending  
24 December 31, 2004, divided by the sum of the state sales tax revenue

1 and total municipal and county sales tax revenue collected in the  
2 same year. The resulting quotient shall be multiplied by fourteen  
3 and twenty-three-hundredths percent (14.23%) to determine the  
4 apportionment percentage for the fiscal year.

5 For fiscal years beginning July 1, 2006, and thereafter, any  
6 adjustment to the percentage of revenues apportioned to  
7 municipalities and counties shall be reflected in the percent of  
8 revenues apportioned to the General Revenue Fund.

9 C. The Except as otherwise provided in Section 1 of this act,  
10 the net amount of any revenue resulting from a payment in lieu of  
11 excise taxes on little cigars, cigars, smoking tobacco and chewing  
12 tobacco levied by this section, pursuant to a compact with a  
13 federally recognized Indian tribe or nation after deductions for  
14 deposits into trust accounts pursuant to such compacts, shall be  
15 apportioned by the Tax Commission and transmitted to the State  
16 Treasurer as follows:

17 1. Thirty-three and forty-nine-hundredths percent (33.49%)  
18 shall be placed to the credit of the Health Employee and Economy  
19 Improvement Act Revolving Fund created in Section 1010.1 of Title 56  
20 of the Oklahoma Statutes;

21 2. Four and sixty-nine-hundredths percent (4.69%) shall be  
22 placed to the credit of the Comprehensive Cancer Center Debt Service  
23 Revolving Fund created in Section 160.1 of Title 62 of the Oklahoma  
24 Statutes;

1           3. Before July 1, 2008, eleven and thirty-nine-hundredths  
2 percent (11.39%) shall be placed to the credit of the Trauma Care  
3 Assistance Revolving Fund created in Section 1-2522 of Title 63 of  
4 the Oklahoma Statutes. On and after July 1, 2008, eleven and  
5 thirty-nine-hundredths percent (11.39%) shall be allocated as  
6 follows:

7           a. every month, an amount equal to the actual amount  
8 placed to the credit of the Trauma Care Assistance  
9 Revolving Fund pursuant to this paragraph for the same  
10 month of the 2008 fiscal year shall be credited to the  
11 Trauma Care Assistance Revolving Fund,

12           b. every month, any amount over and above the amount  
13 placed to the credit of the Trauma Care Assistance  
14 Revolving Fund pursuant to subparagraph a of this  
15 paragraph shall be credited to the Oklahoma Emergency  
16 Response Systems Stabilization and Improvement  
17 Revolving Fund as created in Section ~~8 of this act~~ 1-  
18 2512.1 of Title 63 of the Oklahoma Statutes until the  
19 combined amount credited to the Oklahoma Emergency  
20 Response Systems Stabilization and Improvement  
21 Revolving Fund pursuant to this section and Section  
22 302-5 of this title is equal to Two Million Five  
23 Hundred Thousand Dollars (\$2,500,000.00) each year,  
24 and

1 c. any additional revenue allocated pursuant to this  
2 paragraph shall be placed to the credit of the Trauma  
3 Care Assistance Revolving Fund;

4 4. Four and sixty-nine-hundredths percent (4.69%) shall be  
5 placed to the credit of the Oklahoma State University College of  
6 Osteopathic Medicine Revolving Fund created in Section 160.2 of  
7 Title 62 of the Oklahoma Statutes;

8 5. Forty and six-hundredths percent (40.06%) shall be placed to  
9 the credit of the Oklahoma Health Care Authority Medicaid Program  
10 Fund created in Section 5020 of Title 63 of the Oklahoma Statutes  
11 for the purposes of maintaining programs and services funded under  
12 the federal "Jobs and Growth Tax Relief Reconciliation Act of 2003",  
13 reimbursing city/county-owned hospitals, increasing emergency room  
14 physician rates, and providing TEFRA 134, also known as "Katie  
15 Beckett" services;

16 6. Four and one-hundredths percent (4.01%) shall be placed to  
17 the credit of the Department of Mental Health and Substance Abuse  
18 Services Revolving Fund created in Section 2-303 of Title 43A of the  
19 Oklahoma Statutes;

20 7. Sixty-seven-hundredths percent (0.67%) shall be placed to  
21 the credit of the Belle Maxine Hilliard Breast and Cervical Cancer  
22 Treatment Revolving Fund created in Section 1-559 of Title 63 of the  
23 Oklahoma Statutes; and  
24

1           8. One percent (1%) shall be placed to the credit of the  
2 Tobacco Prevention and Cessation Revolving Fund created in Section  
3 1-105d of Title 63 of the Oklahoma Statutes.

4           D. It shall not be permissible for a retailer to advertise that  
5 the retailer will absorb the tax due on the taxable merchandise  
6 described herein. Such tax shall be paid by the consumer.

7           SECTION 5.        AMENDATORY        68 O.S. 2011, Section 500.6, as  
8 amended by Section 4, Chapter 375, O.S.L. 2013 (68 O.S. Supp. 2017,  
9 Section 500.6), is amended to read as follows:

10           Section 500.6. A. ~~The~~ Except as otherwise provided in Section  
11 1 of this act, the tax of sixteen cents (\$0.16) per gallon of  
12 gasoline that is levied by paragraph 1 of subsection A of Section  
13 500.4 of this title, the tax upon compressed natural gas levied by  
14 paragraph 3 of subsection A of Section 500.4 of this title, the tax  
15 upon liquefied natural gas levied by paragraph 4 of subsection A of  
16 Section 500.4 of this title and the tax of two and eight one-  
17 hundredths cents (\$0.0208) per gallon of gasoline that is levied by  
18 subsection C of Section 500.4 of this title, and penalties and  
19 interest thereon, collected by the Oklahoma Tax Commission under the  
20 levy shall be apportioned and distributed monthly as follows:

21           1. The first Two Hundred Fifty Thousand Dollars (\$250,000.00)  
22 of the levy collected each month shall be deposited in the State  
23 Treasury to the credit of the State Transportation Fund;

24

1           2. One and six hundred twenty-five one-thousandths percent  
2 (1.625%) of the levy shall be remitted to the State Treasurer to the  
3 credit of the High Priority State Bridge Revolving Fund as created  
4 in Section 506 of Title 69 of the Oklahoma Statutes;

5           3. Sixty-three and seventy-five one-hundredths percent (63.75%)  
6 of the levy shall be deposited in the State Treasury to the credit  
7 of the State Transportation Fund to be apportioned as follows:

8           a. the first Eight Hundred Fifty Thousand Dollars  
9                 (\$850,000.00) collected each fiscal year shall be  
10                 transferred to the Public Transit Revolving Fund,  
11                 created in Section 4031 of Title 69 of the Oklahoma  
12                 Statutes, and

13           b. the second Eight Hundred Fifty Thousand Dollars  
14                 (\$850,000.00) collected each fiscal year shall be  
15                 transferred to the Oklahoma Tourism and Passenger Rail  
16                 Revolving Fund and shall be used by the Department of  
17                 Transportation:

18                 (1) to contract railroad passenger services,  
19                         including but not limited to a route linking  
20                         stations in Oklahoma and Tulsa Counties with  
21                         other primary points in the national railroad  
22                         passenger system and passenger rail service  
23                         within the state, and a route beginning at a  
24

1 station in Oklahoma County and extending north to  
2 the Kansas state line in Kay County, and  
3 (2) to provide necessary facility, signaling, and  
4 track improvements for those contracted services,

5 c. forty-one and two-tenths percent (41.2%) of the monies  
6 apportioned to the State Transportation Fund shall be  
7 used for any purpose provided for in Section 1502 of  
8 Title 69 of the Oklahoma Statutes,

9 d. nine and eight-tenths percent (9.8%) of the monies  
10 apportioned to the State Transportation Fund shall be  
11 used to provide funds for the construction and  
12 maintenance of farm-to-market roads on the state  
13 highway system, and other rural farm-to-market roads  
14 and bridges, and

15 e. any remaining amount of the apportionment shall be  
16 deposited into the State Transportation Fund;

17 4. Twenty-seven percent (27%) of the levy shall be transmitted  
18 by the Tax Commission to the various counties of the state, to be  
19 apportioned and used as follows:

20 a. sixty-five and three-tenths percent (65.3%) of the  
21 monies apportioned under this paragraph shall be used  
22 on the following basis:

23 (1) forty percent (40%) of such sum shall be  
24 distributed to the various counties in the

1 proportion which the county road mileage of each  
2 county bears to the entire state road mileage as  
3 certified by the Transportation Commission, and  
4 (2) the remaining sixty percent (60%) of such sum  
5 shall be distributed to the various counties on  
6 the basis which the population and area of each  
7 county bears to the total population and area of  
8 the state. The population shall be as shown by  
9 the last Federal Decennial Census or the most  
10 recent annual estimate provided by the U.S.  
11 Bureau of the Census,

12 b. twenty-three and one-tenth percent (23.1%) of the  
13 monies apportioned under this paragraph shall be  
14 distributed to the counties in the following manner:  
15 One-third (1/3) on area; one-third (1/3) on rural  
16 population, defined as including the population of all  
17 municipalities with a population of less than five  
18 thousand (5,000) according to the latest Federal  
19 Decennial Census; and one-third (1/3) on county road  
20 mileage, as last certified by the Department of  
21 Transportation, as each county bears to the entire  
22 area, rural population and road mileage of the state,  
23 and  
24



1 c. eleven and six-tenths percent (11.6%) of the monies  
2 apportioned under this paragraph shall be distributed  
3 to the various counties of the state based on a  
4 formula developed by the Department of Transportation  
5 and approved by the Department of Transportation  
6 County Advisory Board created pursuant to Section  
7 302.1 of Title 69 of the Oklahoma Statutes. The  
8 formula shall be similar to the formula currently used  
9 for the distribution of monies in the County Bridge  
10 Program funds, but shall also take into consideration  
11 the effect of the terrain and traffic volume as  
12 related to county road improvement and maintenance  
13 costs;

14 5. Three and one hundred twenty-five one-thousandths percent  
15 (3.125%) of the levy shall be distributed to the various counties of  
16 the state based on a formula developed by the Department of  
17 Transportation and approved by the Department of Transportation  
18 County Advisory Board created pursuant to Section 302.1 of Title 69  
19 of the Oklahoma Statutes. The formula shall be similar to the  
20 formula currently used for the distribution of monies in the County  
21 Bridge Program funds, but shall also take into consideration the  
22 effect of the terrain and traffic volume as related to county road  
23 improvement and maintenance costs;

1           6. Two and two hundred ninety-seven one-thousandths percent  
2 (2.297%) of the levy shall be distributed to the various counties of  
3 the state for deposit into the County Bridge and Road Improvement  
4 Fund of each county based on a formula developed by the Department  
5 of Transportation and approved by the Department of Transportation  
6 County Advisory Board created pursuant to Section 302.1 of Title 69  
7 of the Oklahoma Statutes to be used for the purposes set forth in  
8 the County Bridge and Road Improvement Act. The formula shall be  
9 similar to the formula currently used for the distribution of monies  
10 in the County Bridge Program funds, but shall also take into  
11 consideration the effect of the terrain and traffic volume as  
12 related to county road improvement and maintenance costs;

13           7. One and eight hundred seventy-five one-thousandths percent  
14 (1.875%) of the levy shall be transmitted by the Tax Commission to  
15 the treasurers of the various incorporated cities and towns of the  
16 state in the percentage which the population, as shown by the last  
17 Federal Decennial Census or the most recent annual estimate provided  
18 by the U.S. Bureau of the Census, bears to the total population of  
19 all the incorporated cities and towns in this state. The funds  
20 shall be expended for the construction, repair and maintenance of  
21 the streets and alleys of the incorporated cities and towns of this  
22 state; and

23           8. Three hundred twenty-eight one-thousandths percent (0.328%)  
24 of the levy shall be transmitted by the Tax Commission to the

1 Statewide Circuit Engineering District Revolving Fund as created in  
2 Section 687.2 of Title 69 of the Oklahoma Statutes.

3 B. 1. The funds apportioned or transmitted pursuant to  
4 subparagraphs a, b, and c of paragraph 4 of subsection A of this  
5 section, subsection B of Section 500.7 of this title, subsection B  
6 of Section 704 of this title, Section 706 of this title, and  
7 paragraph 2 of subsection D of Section 707.3 of this title shall be  
8 sent to the respective county treasurers and deposited in the county  
9 highway fund to be used by the county commissioners for the purpose  
10 of constructing and maintaining county highways and bridges.

11 2. The funds received by any county shall not be diverted to  
12 any other county of the state, and shall only be expended under the  
13 direction and control of the board of county commissioners in the  
14 county to which the funds are appropriated. If any part of the  
15 funds is diverted for any other purpose, the county commissioners  
16 shall be liable on their bond for double the amount of the money so  
17 diverted. This paragraph shall not prohibit counties from entering  
18 into cooperative agreements pertaining to the maintenance and  
19 construction of roads and bridges.

20 3. Where any county highway has been laid out over a road  
21 already constructed in any county by the use of money raised from  
22 county bond issues for that purpose, either alone or by the use of  
23 federal or state aid, or both, the county commissioners may set  
24 aside out of the funds apportioned to that county, as provided in

1 this section, an amount of money equal to the value of any part  
2 thereof, of the interest of such county in such highway or bridge,  
3 which amount of money shall be considered by the excise board in  
4 reducing the levy for the purpose of retiring the bonded  
5 indebtedness and interest thereon of the county, and shall be used  
6 for investment or deposit in the same manner as provided by law for  
7 the disposition of other sinking fund money.

8 4. In all counties where the county excise board may find it  
9 necessary, because of insufficient revenue, to maintain county  
10 government out of the general fund, after a levy of ten (10) mills  
11 has been made for any fiscal year, the county excise board may  
12 appropriate out of any such funds apportioned to the county an  
13 amount sufficient to pay the salaries of the county commissioners of  
14 the county for the fiscal year.

15 5. Counties may use funds deposited in the county highway fund  
16 for the purpose of matching federal or state funds, provided such  
17 funds are available, as necessary to secure assistance in the  
18 construction or improvement of the county road system.

19 C. With regards to the apportionment of the levy as set forth  
20 in paragraph 5 of subsection A of this section, paragraph 5 of  
21 subsection A of Section 500.7 of this title, and subsection C of  
22 Section 707.2 of this title:

23 1. If any county has an accrued balance of funds which were  
24 appropriated to or otherwise accrued in a restricted road

1 maintenance fund, such funds shall be deposited directly to the  
2 county highway fund of the county;

3 2. If any county has an accrued balance of funds which were  
4 appropriated to or otherwise accrued in the County Road Improvement  
5 Fund, or the County Bridge Improvement Fund, such funds shall, by  
6 resolution approved by a majority of the board of county  
7 commissioners and filed with the Department of Transportation, be  
8 deposited in the county highway fund of the county;

9 3. If any county has an accrued balance of funds which were  
10 appropriated to or otherwise accrued in the County Bridge and Road  
11 Improvement Fund, ninety-nine percent (99%) of such funds shall be  
12 remitted to the respective county treasurer for deposit in the  
13 appropriate County Bridge and Road Improvement Fund to be used for  
14 the purpose set forth in the County Bridge and Road Improvement Act.  
15 The remaining one percent (1%) of such funds will be remitted to the  
16 Statewide Circuit Engineering District Revolving Fund; and

17 4. If any county has an advanced funding agreement with the  
18 Department of Transportation, the Department of Transportation shall  
19 notify the Tax Commission as to the amount the county is obligated  
20 to pay according to the terms of the advanced funding agreement.  
21 The obligated amount shall be transferred each month by the Tax  
22 Commission to the Department of Transportation to the credit of the  
23 County Bridge and Road Improvement Fund from the funds apportioned  
24 to the county pursuant to paragraph 5 of subsection A of this

1 section. A county may elect to increase the monthly amount to be  
2 repaid pursuant to the advanced funding agreement from the funds  
3 apportioned to the county, but a county shall not be permitted to  
4 reduce the amount agreed to pursuant to the advanced funding  
5 agreement.

6 D. The tax levied on gasoline pursuant to Section 500.4A of  
7 this title, and the penalties and interest thereon, collected by the  
8 Tax Commission under the levy shall be apportioned and distributed  
9 on a monthly basis to the State Highway Construction and Maintenance  
10 Fund for the purposes authorized by Section 1502 of Title 69 of the  
11 Oklahoma Statutes.

12 SECTION 6. AMENDATORY 68 O.S. 2011, Section 500.7, is  
13 amended to read as follows:

14 Section 500.7. A. ~~The~~ Except as otherwise provided in Section  
15 1 of this act, the tax of thirteen cents (\$0.13) per gallon of  
16 diesel fuel that is levied by Section 500.4 of this title, and all  
17 penalties and interest thereon, collected by the Oklahoma Tax  
18 Commission under the levy shall be apportioned and distributed  
19 monthly as follows:

20 1. The first Eighty-three Thousand Three Hundred Thirty-three  
21 Dollars and thirty-three cents (\$83,333.33) of the levy collected  
22 each month shall be deposited in the State Treasury to the credit of  
23 the State Transportation Fund;

24

1           2. One and thirty-nine one-hundredths percent (1.39%) of the  
2 levy shall be paid by the Commission to the State Treasurer to the  
3 credit of the High Priority State Bridge Revolving Fund as created  
4 in Section 506 of Title 69 of the Oklahoma Statutes;

5           3. Sixty-four and thirty-four one-hundredths percent (64.34%)  
6 of the levy shall be deposited in the State Treasury to the credit  
7 of the State Transportation Fund;

8           4. Twenty-six and fifty-eight one-hundredths percent (26.58%)  
9 of the levy shall be transmitted by the Commission to various  
10 counties of the state, to be apportioned as follows:

11           a. forty-two and one-tenth percent (42.1%) of the monies  
12           apportioned under this paragraph shall be transmitted  
13           to the various counties in the percentage which the  
14           population and area of each county bears to the  
15           population and area of the entire state. The  
16           population shall be as shown by the last Federal  
17           Decennial Census or the most recent annual estimate  
18           provided by the U.S. Bureau of the Census,

19           b. fourteen and five-tenths percent (14.5%) of the monies  
20           apportioned under this paragraph shall be distributed  
21           as follows:

22           Forty percent (40%) of such sum shall be distributed  
23           to the various counties in that proportion which the  
24           county road mileage of each county bears to the entire

1 state road mileage as certified by the Transportation  
2 Commission, and the remaining sixty percent (60%) of  
3 such sum shall be distributed to the various counties  
4 on the basis which the population and area of each  
5 county bears to the total population and area of the  
6 state. The population shall be as shown by the last  
7 Federal Decennial Census or the most recent annual  
8 estimate provided by the U.S. Bureau of the Census,  
9 c. twenty-eight and nine-tenths percent (28.9%) of the  
10 monies apportioned under this paragraph shall be  
11 distributed to the several counties in the following  
12 manner: one-third (1/3) on area, one-third (1/3) on  
13 rural population (defined as including the population  
14 of all municipalities with a population of less than  
15 five thousand (5,000) according to the latest Federal  
16 Decennial Census), and one-third (1/3) on county road  
17 mileage, as last certified by the Department of  
18 Transportation, as each county bears to the entire  
19 area, rural population and road mileage of the state,  
20 and  
21 d. fourteen and five-tenths percent (14.5%) of the monies  
22 apportioned under this paragraph shall be distributed  
23 to the various counties of the state based on a  
24 formula developed by the Department of Transportation



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

9 5. Three and eighty-five one-hundredths percent (3.85%) of the  
10 levy shall be distributed based on a formula developed by the  
11 Department of Transportation and approved by the Department of  
12 Transportation County Advisory Board created pursuant to Section  
13 302.1 of Title 69 of the Oklahoma Statutes. The formula shall be  
14 similar to the formula currently used for the distribution of the  
15 County Bridge Program funds, but shall also take into consideration  
16 the effect of the terrain and traffic volume as related to the  
17 county road improvement and maintenance costs. The apportionment of  
18 the levy as set forth in this paragraph shall be subject to the  
19 provisions of subsection C of Section 500.6 of this title; and

20 6. Three and thirty-six one-hundredths percent (3.36%) of the  
21 levy shall be distributed to the various counties of the state for  
22 deposit into the County Bridge and Road Improvement Fund of each  
23 county based on a formula developed by the Department of  
24 Transportation and approved by the Department of Transportation

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

8 7. Forty-eight one-hundredths percent (0.48%) of the levy shall  
9 be transmitted by the Tax Commission to the Statewide Circuit  
10 Engineering District Revolving Fund as created in Section 687.2 of  
11 Title 69 of the Oklahoma Statutes.

12 B. The funds apportioned or transmitted pursuant to the  
13 provisions of subparagraphs a, b, and c of paragraph 4 of subsection  
14 A of this section shall be used in accordance with and subject to  
15 the provisions of subsection B of Section 500.6 of this title.

16 C. The tax levied on diesel fuel pursuant to Section 500.4A of  
17 this title, and all penalties and interest thereon, collected by the  
18 Commission under the levy shall be apportioned and distributed on a  
19 monthly basis to the State Highway Construction and Maintenance Fund  
20 for the purposes authorized by Section 1502 of Title 69 of the  
21 Oklahoma Statutes.

22 SECTION 7. AMENDATORY 68 O.S. 2011, Section 1004, as  
23 last amended by Section 2, Chapter 355, O.S.L. 2017 (68 O.S. Supp.  
24 2017, Section 1004), is amended to read as follows:

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

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

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

14 B. Beginning July 1, 2017, except as otherwise provided in  
15 Section 1 of this act, the gross production tax provided for in  
16 Section 1001 of this title is hereby levied and shall be collected  
17 and apportioned as follows:

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

20 a. eighty-five and seventy-two one-hundredths percent  
21 (85.72%) shall be paid to the State Treasurer of the  
22 state to be placed in the General Revenue Fund of the  
23 state and used for the general expense of state  
24

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

3 b. seven and fourteen one-hundredths percent (7.14%) of  
4 the sum collected from natural gas and/or casinghead  
5 gas or asphalt or ores bearing uranium, lead, zinc,  
6 jack, gold, silver or copper shall be paid to the  
7 various county treasurers to be credited to the County  
8 Highway Fund as follows: Each county shall receive a  
9 proportionate share of the funds available based upon  
10 the proportion of the total value of production from  
11 such county in the corresponding month of the  
12 preceding year, and

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

24

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

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

17           b. until the apportionment to the General Revenue Fund  
18 equals the moving five-year average amount for gas as  
19 prescribed by paragraph 1 of subsection A of this  
20 section, eighty-five and seventy-two one-hundredths  
21 percent (85.72%) shall be paid to the State Treasurer  
22 of the state to be placed in the General Revenue Fund  
23 of the state and used for the general expense of state  
24

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

3 c. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, seven and fourteen  
5 one-hundredths percent (7.14%) of the sum collected  
6 from natural gas and/or casinghead gas shall be paid  
7 to the various county treasurers to be credited to the  
8 County Highway Fund as follows: Each county shall  
9 receive a proportionate share of the funds available  
10 based upon the proportion of the total value of  
11 production from such county in the corresponding month  
12 of the preceding year, and

13 d. before any other apportionment of revenue has been  
14 made pursuant to this paragraph, seven and fourteen  
15 one-hundredths percent (7.14%) shall be allocated to  
16 each county as provided for in subparagraph c of this  
17 paragraph and shall be apportioned, on an average  
18 daily attendance per capita distribution basis, as  
19 certified by the State Superintendent of Public  
20 Instruction to the school districts of the county  
21 where such pupils attend school regardless of  
22 residence of such pupil, provided the school district  
23 makes an ad valorem tax levy of fifteen (15) mills for  
24

1 the current year and maintains twelve (12) years of  
2 instruction;

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

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

19 b. until the apportionment to the General Revenue Fund  
20 equals the moving five-year average amount for gas as  
21 prescribed by paragraph 1 of subsection A of this  
22 section, seventy-five percent (75%) shall be paid to  
23 the State Treasurer of the state to be placed in the  
24 General Revenue Fund of the state and used for the

- 1           general expense of state government, to be paid out  
2           pursuant to direct appropriation by the Legislature,  
3       c.     before any other apportionment of revenue has been  
4           made pursuant to this paragraph, twelve and one-half  
5           percent (12.5%) of the sum collected from natural gas  
6           and/or casinghead gas shall be paid to the various  
7           county treasurers to be credited to the County Highway  
8           Fund as follows: Each county shall receive a  
9           proportionate share of the funds available based upon  
10          the proportion of the total value of production from  
11          such county in the corresponding month of the  
12          preceding year, and
- 13       d.     before any other apportionment of revenue has been  
14           made pursuant to this paragraph, twelve and one-half  
15           percent (12.5%) shall be allocated to each county as  
16           provided for in subparagraph c of this paragraph and  
17           shall be apportioned, on an average daily attendance  
18           per capita distribution basis, as certified by the  
19           State Superintendent of Public Instruction to the  
20           school districts of the county where such pupils  
21           attend school regardless of residence of such pupil,  
22           provided the school district makes an ad valorem tax  
23           levy of fifteen (15) mills for the current year and  
24           maintains twelve (12) years of instruction;



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

4           a. fifty percent (50%) of the sum collected from natural  
5 gas and/or casinghead gas shall be paid to the various  
6 county treasurers to be credited to the County Highway  
7 Fund as follows: Each county shall receive a  
8 proportionate share of the funds available based upon  
9 the proportion of the total value of production from  
10 such county in the corresponding month of the  
11 preceding year, and

12           b. fifty percent (50%) shall be allocated to each county  
13 as provided for in subparagraph a of this paragraph  
14 and shall be apportioned, on an average daily  
15 attendance per capita distribution basis, as certified  
16 by the State Superintendent of Public Instruction to  
17 the school districts of the county where such pupils  
18 attend school regardless of residence of such pupil,  
19 provided the school district makes an ad valorem tax  
20 levy of fifteen (15) mills for the current year and  
21 maintains twelve (12) years of instruction;

22           5. For all monies collected from the tax levied on natural gas  
23 and/or casinghead gas at a tax rate of two percent (2%) pursuant to  
24

1 the provisions of subparagraph c of paragraph 3 of subsection B of  
2 Section 1001 of this title:

- 3 a. after the total revenue apportioned to the General  
4 Revenue Fund as prescribed by subparagraph b of this  
5 paragraph equals the moving five-year average amount  
6 for gas as defined by paragraph 1 of subsection A of  
7 this section, there shall be apportioned from the  
8 gross production tax levy imposed pursuant to Section  
9 1001 of this title on gas to the Revenue Stabilization  
10 Fund created by Section 34.102 of Title 62 of the  
11 Oklahoma Statutes, the amount of revenue, if any,  
12 which exceeds the moving five-year average amount for  
13 natural gas and/or casinghead gas as defined pursuant  
14 to paragraph 1 of subsection A of this section,
- 15 b. until the apportionment to the General Revenue Fund  
16 equals the moving five-year average amount for gas as  
17 prescribed by paragraph 1 of subsection A of this  
18 section, fifty percent (50%) shall be paid to the  
19 State Treasurer to be placed in the General Revenue  
20 Fund of the state and used for the general expense of  
21 state government, to be paid out pursuant to direct  
22 appropriation by the Legislature,
- 23 c. before any other apportionment of revenue has been  
24 made pursuant to this paragraph, twenty-five percent

1 (25%) of the sum collected from natural gas and/or  
2 casinghead gas shall be paid to the various county  
3 treasurers to be credited to the County Highway Fund  
4 as follows: Each county shall receive a proportionate  
5 share of the funds available based upon the proportion  
6 of the total value of production from such county in  
7 the corresponding month of the preceding year, and

8 d. before any other apportionment of revenue has been  
9 made pursuant to this paragraph, twenty-five percent  
10 (25%) shall be allocated to each county as provided  
11 for in subparagraph c 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;

20 6. For all monies collected from the tax levied on oil at a tax  
21 rate of seven percent (7%) pursuant to the provisions of subsection  
22 B of Section 1001 of this title:

23 a. there shall be apportioned from the gross production  
24 tax levy imposed pursuant to Section 1001 of this

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

11 b. before any other apportionment of revenue has been  
12 made pursuant to this paragraph, twenty-five and  
13 seventy-two one-hundredths percent (25.72%) shall be  
14 paid to the State Treasurer to be placed in the Common  
15 Education Technology Revolving Fund created in Section  
16 34.90 of Title 62 of the Oklahoma Statutes,

17 c. before any other apportionment of revenue has been  
18 made pursuant to this paragraph, twenty-five and  
19 seventy-two one-hundredths percent (25.72%) shall be  
20 paid to the State Treasurer to be placed in the Higher  
21 Education Capital Revolving Fund created in Section  
22 34.91 of Title 62 of the Oklahoma Statutes,

23 d. before any other apportionment of revenue has been  
24 made pursuant to this paragraph, twenty-five and

1           seventy-two one-hundredths percent (25.72%) shall be  
2           paid to the State Treasurer to be placed in the  
3           Oklahoma Student Aid Revolving Fund created in Section  
4           34.92 of Title 62 of the Oklahoma Statutes,

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

22          f.   before any other apportionment of revenue has been  
23          made pursuant to this paragraph, four and twenty-eight  
24

1 one-hundredths percent (4.28%) shall be paid to the  
2 State Treasurer to be apportioned to:

3 (1) the following sources and in the following  
4 amounts through the fiscal year ending June 30,  
5 2019:

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

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

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

21 (2) the Oklahoma Water Resources Board Rural Economic  
22 Action Plan Water Projects Fund for the fiscal  
23 year beginning July 1, 2019, and for each fiscal  
24 year thereafter,

1 g. before any other apportionment of revenue has been  
2 made pursuant to this paragraph, seven and fourteen  
3 one-hundredths percent (7.14%) of the sum collected  
4 from oil shall be paid to the various county  
5 treasurers, to be credited to the County Highway Fund  
6 as follows: Each county shall receive a proportionate  
7 share of the funds available based upon the proportion  
8 of the total value of production from such county in  
9 the corresponding month of the preceding year,

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

23 i. before any other apportionment of revenue has been  
24 made pursuant to this paragraph, five hundred thirty-

1 five one-thousandths percent (0.535%) of the levy  
2 shall be transmitted by the Oklahoma Tax Commission to  
3 the Statewide Circuit Engineering District Revolving  
4 Fund as created in Section 687.2 of Title 69 of the  
5 Oklahoma Statutes;

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

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

21 b. before any other apportionment of revenue has been  
22 made pursuant to this paragraph, twenty-two and one-  
23 half percent (22.5%) shall be paid to the State  
24 Treasurer to be placed in the Common Education



1 Technology Revolving Fund created in Section 34.90 of  
2 Title 62 of the Oklahoma Statutes,

3 c. before any other apportionment of revenue has been  
4 made pursuant to this paragraph, twenty-two and one-  
5 half percent (22.5%) shall be paid to the State  
6 Treasurer to be placed in the Higher Education Capital  
7 Revolving Fund created in Section 34.91 of Title 62 of  
8 the Oklahoma Statutes,

9 d. before any other apportionment of revenue has been  
10 made pursuant to this paragraph, twenty-two and one-  
11 half percent (22.5%) shall be paid to the State  
12 Treasurer to be placed in the Oklahoma Student Aid  
13 Revolving Fund created in Section 34.92 of Title 62 of  
14 the Oklahoma Statutes,

15 e. before any other apportionment of revenue has been  
16 made pursuant to this paragraph, three and twenty-  
17 eight one-hundredths percent (3.28%) shall be  
18 distributed to the various counties of the state for  
19 deposit into the County Bridge and Road Improvement  
20 Fund of each county based on a formula developed by  
21 the Department of Transportation and approved by the  
22 Department of Transportation County Advisory Board  
23 created pursuant to Section 302.1 of Title 69 of the  
24 Oklahoma Statutes to be used for the purposes set

1           forth in the County Bridge and Road Improvement Act.  
2           The formula shall be similar to the formula currently  
3           used for the distribution of monies in the County  
4           Bridge Program funds, but shall also take into  
5           consideration the effect of the terrain and traffic  
6           volume as related to county road improvement and  
7           maintenance costs,

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

12          (1)   the following sources and in the following  
13               amounts through the fiscal year ending June 30,  
14               2019:

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

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

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

6 (2) the Oklahoma Water Resources Board Rural Economic  
7 Action Plan Water Projects Fund for the fiscal  
8 year beginning July 1, 2019, and for each fiscal  
9 year thereafter,

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

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

1 Superintendent of Public Instruction, to the school  
2 districts of the county where such pupils attend  
3 school regardless of residence of such pupil, provided  
4 the school district makes an ad valorem tax levy of  
5 fifteen (15) mills for the current year and maintains  
6 twelve (12) years of instruction, and

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

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

- 16 a. fifty percent (50%) of the sum collected shall be paid  
17 to the various county treasurers, to be credited to  
18 the County Highway Fund as follows: Each county shall  
19 receive a proportionate share of the funds available  
20 based upon the proportion of the total value of  
21 production from such county in the corresponding month  
22 of the preceding year, and
- 23 b. fifty percent (50%) shall be allocated to each county  
24 as provided for in subparagraph a of this paragraph

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

9 9. For all monies collected from the tax levied on oil at a tax  
10 rate of two percent (2%) pursuant to the provisions of subparagraph  
11 c of paragraph 3 of subsection B of Section 1001 of this title:

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

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

1 Fund of the state and used for the general expense of  
2 state government, to be paid out pursuant to direct  
3 appropriation by the Legislature,

4 c. before any other apportionment of revenue has been  
5 made pursuant to this paragraph, twenty-five percent  
6 (25%) of the sum collected from oil shall be paid to  
7 the various county treasurers, to be credited to the  
8 County Highway Fund as follows: Each county shall  
9 receive a proportionate share of the funds available  
10 based upon the proportion of the total value of  
11 production from such county in the corresponding month  
12 of the preceding year, and

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

1 C. Provided, notwithstanding any other provision of this  
2 section, the total amounts deposited to the Common Education  
3 Technology Revolving Fund, the Higher Education Capital Revolving  
4 Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic  
5 Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation  
6 Department Capital Expenditure Revolving Fund, the Oklahoma  
7 Conservation Commission Infrastructure Revolving Fund and the  
8 Community Water Infrastructure Development Revolving Fund pursuant  
9 to paragraphs 6 and 7 of subsection B of this section shall not  
10 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any  
11 fiscal year. Except as otherwise provided in this subsection, all  
12 sums in excess of One Hundred Fifty Million Dollars  
13 (\$150,000,000.00) in any fiscal year which would otherwise be  
14 deposited in such funds shall be apportioned by the Oklahoma Tax  
15 Commission to the General Revenue Fund of the state.

16 SECTION 8. AMENDATORY 68 O.S. 2011, Section 1353, as  
17 last amended by Section 1, Chapter 349, O.S.L. 2015 (68 O.S. Supp.  
18 2017, Section 1353), is amended to read as follows:

19 Section 1353. A. It is hereby declared to be the purpose of  
20 the Oklahoma Sales Tax Code to provide funds for the financing of  
21 the program provided for by the Oklahoma Social Security Act and to  
22 provide revenues for the support of the functions of the state  
23 government of Oklahoma, and for this purpose and except as provided  
24 in Section 1 of this act, it is hereby expressly provided that,

1 revenues derived pursuant to the provisions of the Oklahoma Sales  
2 Tax Code, subject to the apportionment requirements for the Oklahoma  
3 Tax Commission and Office of Management and Enterprise Services  
4 Joint Computer Enhancement Fund provided by Section 265 of this  
5 title, shall be apportioned as follows:

6 1. a. the following amounts shall be paid to the State  
7 Treasurer to be placed to the credit of the General  
8 Revenue Fund to be paid out pursuant to direct  
9 appropriation by the Legislature:

10	Fiscal Year	Amount
11	FY 2003 and FY 2004	86.04%
12	FY 2005	85.83%
13	FY 2006	85.54%
14	FY 2007	85.04%
15	FY 2008 and each fiscal	
16	year thereafter	83.61%

17 b. in the event that additional monies are necessary  
18 pursuant to paragraph 6 of this subsection, such  
19 additional monies shall be deducted in the proportion  
20 determined by the State Board of Equalization pursuant  
21 to paragraph 3 of Section 2355.1B of this title from  
22 the monies apportioned to the General Revenue Fund;

23 2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-  
24 hundredths percent (10.42%), shall be paid to the State Treasurer to



1 be placed to the credit of the Education Reform Revolving Fund of  
2 the State Department of Education and for FY 2006 and each fiscal  
3 year thereafter, ten and forty-six one-hundredths percent (10.46%)  
4 shall be paid to the State Treasurer to be placed to the credit of  
5 the Education Reform Revolving Fund of the State Department of  
6 Education;

7 3. The following amounts shall be paid to the State Treasurer  
8 to be placed to the credit of the Teachers' Retirement System  
9 Dedicated Revenue Revolving Fund:

10	Fiscal Year	Amount
11	FY 2003 and FY 2004	3.54%
12	FY 2005	3.75%
13	FY 2006	4.0%
14	FY 2007	4.5%
15	FY 2008 and each fiscal	
16	year thereafter	5.0%

17 4. a. except as otherwise provided in subparagraph b of this  
18 paragraph, for the fiscal year beginning July 1, 2015,  
19 and for each fiscal year thereafter, eighty-seven one-  
20 hundredths percent (0.87%) shall be paid to the State  
21 Treasurer to be further apportioned as follows:

22 (1) thirty-six percent (36%) shall be placed to the  
23 credit of the Oklahoma Tourism Promotion  
24 Revolving Fund, but in no event shall such

1                   apportionment exceed Five Million Dollars  
2                   (\$5,000,000.00) in any fiscal year, and

3           (2)   sixty-four percent (64%) shall be placed to the  
4           credit of the Oklahoma Tourism Capital

5           Improvement Revolving Fund, but in no event shall  
6           such apportionment exceed Nine Million Dollars  
7           (\$9,000,000.00) in any fiscal year, and

8           b.   any amounts which exceed the limitations of  
9           subparagraph a of this paragraph shall be placed to  
10          the credit of the General Revenue Fund;

11          5.   For the fiscal year beginning July 1, 2015, and for each  
12   fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
13   placed to the credit of the Oklahoma Historical Society Capital  
14   Improvement and Operations Revolving Fund, but in no event shall  
15   such apportionment exceed the total amount apportioned pursuant to  
16   this paragraph for the fiscal year ending on June 30, 2015. Any  
17   amounts which exceed the limitations of this paragraph shall be  
18   placed to the credit of the General Revenue Fund; and

19          6.   During the first fiscal year after the State Board of  
20   Equalization has made a determination as provided in Section 2355.1B  
21   of this title, regarding a baseline amount of revenue apportioned  
22   pursuant to paragraph 3 of this subsection, and for each fiscal year  
23   thereafter, in no event shall monies apportioned pursuant to  
24   paragraph 3 of this subsection, paragraph 3 of Section 1403 of this

1 title and subparagraph c of paragraph 1 of Section 2352 of this  
2 title be less than such baseline amount.

3 B. Provided, for the fiscal year beginning July 1, 2007, and  
4 every fiscal year thereafter, an amount of revenue shall be  
5 apportioned to each municipality or county which levies a sales tax  
6 subject to the provisions of Section 1357.10 of this title and  
7 subsection F of Section 2701 of this title equal to the amount of  
8 sales tax revenue of such municipality or county exempted by the  
9 provisions of Section 1357.10 of this title and subsection F of  
10 Section 2701 of this title. The Oklahoma Tax Commission shall  
11 promulgate and adopt rules necessary to implement the provisions of  
12 this subsection.

13 SECTION 9. AMENDATORY 68 O.S. 2011, Section 1403, as  
14 last amended by Section 2, Chapter 349, O.S.L. 2015 (68 O.S. Supp.  
15 2017, Section 1403), is amended to read as follows:

16 Section 1403. It is hereby declared to be the purpose of  
17 Section 1401 et seq. of this title to provide for the support of the  
18 functions of the state and local government of Oklahoma; and for  
19 this purpose and to this end and except as provided in Section 1 of  
20 this act, it is hereby expressly provided that the revenues derived  
21 hereunder, subject to the apportionment requirements for the  
22 Oklahoma Tax Commission and Office of Management and Enterprise  
23 Services Joint Computer Enhancement Fund provided by Section 265 of  
24 this title, are hereby apportioned as follows:

1       1.    a.    the following amounts shall be paid by the Tax  
2                   Commission to the State Treasurer and placed to the  
3                   credit of the General Revenue Fund to be paid out  
4                   pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2004	85.35%
FY 2005	85.14%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

12         b.    in the event that additional monies are necessary  
13                   pursuant to paragraph 6 of this section, such  
14                   additional monies shall be deducted in the proportion  
15                   determined by the State Board of Equalization pursuant  
16                   to paragraph 3 of Section 2355.1B of this title from  
17                   the monies apportioned to the General Revenue Fund;

18         2.    Ten and forty-six one-hundredths percent (10.46%) shall be  
19    paid to the State Treasurer to be placed to the credit of the  
20    Education Reform Revolving Fund of the State Department of  
21    Education;

22         3.    The following amounts shall be paid to the State Treasurer  
23    to be placed to the credit of the Teachers' Retirement System  
24    Dedicated Revenue Revolving Fund:

1	Fiscal Year	Amount
2	FY 2003 and FY 2004	3.54%
3	FY 2005	3.75%
4	FY 2006	4.0%
5	FY 2007	4.5%
6	FY 2008 and each fiscal	
7	year thereafter	5.0%

8 4. a. except as otherwise provided in subparagraph b of this  
9 paragraph, for the fiscal year beginning July 1, 2015,  
10 and for each fiscal year thereafter, eighty-seven one-  
11 hundredths percent (0.87%) shall be paid to the State  
12 Treasurer to be further apportioned as follows:

13 (1) thirty-six percent (36%) shall be placed to the  
14 credit of the Oklahoma Tourism Promotion  
15 Revolving Fund, but in no event shall such  
16 apportionment exceed the total amount apportioned  
17 pursuant to this division for the fiscal year  
18 ending on June 30, 2015, and

19 (2) sixty-four percent (64%) shall be placed to the  
20 credit of the Oklahoma Tourism Capital  
21 Improvement Revolving Fund, but in no event shall  
22 such apportionment exceed the total amount  
23 apportioned pursuant to this division for the  
24 fiscal year ending on June 30, 2015, and

1           b.    any amounts which exceed the limitations of  
2                    subparagraph a of this paragraph shall be placed to  
3                    the credit of the General Revenue Fund;

4           5.    For the fiscal year beginning July 1, 2015, and for each  
5   fiscal year thereafter, six one-hundredths percent (0.06%) shall be  
6   placed to the credit of the Oklahoma Historical Society Capital  
7   Improvement and Operations Revolving Fund, but in no event shall  
8   such apportionment exceed the total amount apportioned pursuant to  
9   this paragraph for the fiscal year ending on June 30, 2015. Any  
10   amounts which exceed the limitations of this paragraph shall be  
11   placed to the credit of the General Revenue Fund; and

12           6.    During the first fiscal year after the State Board of  
13   Equalization has made a determination as provided in Section 2355.1B  
14   of this title, regarding a baseline amount of revenue apportioned  
15   pursuant to paragraph 3 of this section, and for each fiscal year  
16   thereafter, in no event shall monies apportioned pursuant to  
17   paragraph 3 of this section, paragraph 3 of Section 1353 of this  
18   title and subparagraph c of paragraph 1 of Section 2352 of this  
19   title be less than such baseline amount.

20           SECTION 10.        AMENDATORY        68 O.S. 2011, Section 2352, as  
21   last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp.  
22   2017, Section 2352), is amended to read as follows:

23           Section 2352. It is hereby declared to be the purpose of  
24   Section 2351 et seq. of this title to provide revenue for general

1 governmental functions of state government; and, for that purpose  
2 and to that end and except as provided in Section 1 of this act, it  
3 is expressly declared that the revenue derived herefrom and  
4 penalties and interest thereon, subject to the apportionment  
5 requirements for the Rebuilding Oklahoma Access and Driver Safety  
6 Fund, the Oklahoma Tourism and Passenger Rail Revolving Fund and the  
7 Public Transit Revolving Fund to be derived from income tax revenue  
8 that would otherwise be apportioned to the General Revenue Fund as  
9 provided by Section 1521 of Title 69 of the Oklahoma Statutes,  
10 subject to the apportionment requirements for the Oklahoma Tax  
11 Commission and Office of Management and Enterprise Services Joint  
12 Computer Enhancement Fund provided by Section 265 of this title, and  
13 subject to the apportionment requirements for the Oklahoma State  
14 Capitol Building Repair and Restoration Fund provided by Section 19  
15 of Title 73 of the Oklahoma Statutes, shall be distributed as  
16 follows:

17 1. For the fiscal year beginning July 1, 2002, the first Five  
18 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue  
19 derived pursuant to the provisions of subsections A, B and E of  
20 Section 2355 of this title shall be apportioned to the Education  
21 Reform Revolving Fund. The remainder of such revenue for the fiscal  
22 year beginning July 1, 2002, and all such revenue for each fiscal  
23 year thereafter shall be apportioned monthly as follows:

24

1 a. (1) the following amounts shall be paid to the State  
2 Treasurer to be placed to the credit of the  
3 General Revenue Fund of the state for such fiscal  
4 year for the support of the state government to  
5 be paid out only pursuant to appropriation by the  
6 Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%
FY 2008 and each fiscal year thereafter	85.66%

14 (2) in the event that additional monies are necessary  
15 pursuant to paragraph 3 of this section, such  
16 additional monies shall be deducted in the  
17 proportion determined by the State Board of  
18 Equalization pursuant to paragraph 3 of Section  
19 2355.1B of this title from the monies apportioned  
20 to the General Revenue Fund,

21 b. for FY 2003 and each fiscal year thereafter, eight and  
22 thirty-four one-hundredths percent (8.34%) shall be  
23 paid to the State Treasurer to be placed to the credit  
24 of the Education Reform Revolving Fund,



1 c. the following amounts shall be paid to the State  
2 Treasurer to be placed to the credit of the Teachers'  
3 Retirement System Dedicated Revenue Revolving Fund:

4 Fiscal Year	Amount
5 FY 2003 and FY 2004	3.54%
6 FY 2005	3.75%
7 FY 2006	4.0%
8 FY 2007	4.5%
9 FY 2008 and each fiscal	
10 year thereafter	5.0%

11 d. for FY 2003 and each fiscal year thereafter, one  
12 percent (1%) shall be placed to the credit of the Ad  
13 Valorem Reimbursement Fund;

14 2. Beginning July 1, 2003, for any period of time as certified  
15 by the Oklahoma Development Finance Authority and the Oklahoma  
16 Department of Commerce to be necessary for the repayment of  
17 obligations issued by the Oklahoma Development Finance Authority  
18 pursuant to Section 3654 of this title if the other sources of  
19 revenue paid to or apportioned to the Quality Jobs Program Incentive  
20 Leverage Fund are not adequate, including the proceeds from payment  
21 pursuant to the guaranty required by subsection M of Section 3654 of  
22 this title, an amount certified by the Oklahoma Development Finance  
23 Authority to the Oklahoma Tax Commission shall be apportioned to the  
24 Quality Jobs Program Incentive Leverage Fund before any other

1 apportionments are made as otherwise authorized by this paragraph.  
2 The Oklahoma Development Finance Authority shall certify to the  
3 Oklahoma Tax Commission the time as of which the revenue authorized  
4 for apportionment pursuant to this paragraph is no longer required.  
5 After the certification, the revenue derived from the income tax  
6 shall be apportioned in the manner otherwise provided by this  
7 section. Except as otherwise provided by this paragraph, for the  
8 fiscal year beginning July 1, 2002, the first Forty-One Million One  
9 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of  
10 revenue derived pursuant to the provisions of subsections D and E of  
11 Section 2355 of this title shall be apportioned to the Education  
12 Reform Revolving Fund. The remainder of such revenue for the fiscal  
13 year beginning July 1, 2002, and all such revenue for each fiscal  
14 year thereafter, subject to the apportionment requirements for the  
15 Oklahoma Tax Commission and Office of Management and Enterprise  
16 Services Joint Computer Enhancement Fund provided by Section 265 of  
17 this title, shall be apportioned monthly as follows:

18       a. the following amounts shall be paid to the State  
19             Treasurer to be placed to the credit of the General  
20             Revenue Fund of the state for such fiscal year for the  
21             support of the state government to be paid out only  
22             pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%

1 FY 2005 78.75%  
2 FY 2006 78.50%  
3 FY 2007 78.0%

4 (1) FY 2018 and each fiscal  
5 year thereafter until the  
6 apportionment to the  
7 General Revenue Fund  
8 equals the moving five-  
9 year average amount for  
10 corporate income tax as  
11 prescribed by paragraph 4  
12 of this section 77.50%

13 (2) there shall be apportioned from the tax  
14 levy imposed on corporate income tax to  
15 the Revenue Stabilization Fund created by  
16 ~~Section 1 of this act~~ 34.102 of Title 62  
17 of the Oklahoma Statutes, or to the  
18 Constitutional Reserve Fund, as provided  
19 by ~~Section 1 of this act~~ 34.102 of Title  
20 62 of the Oklahoma Statutes, the amount  
21 of revenue, if any, which exceeds the  
22 moving five-year average amount as  
23 defined pursuant to paragraph 4 of this  
24 section,

1           b.    for FY 2003 and each fiscal year thereafter, sixteen  
2                    and five-tenths percent (16.5%) shall be paid to the  
3                    State Treasurer to be placed to the credit of the  
4                    Education Reform Revolving Fund of the State  
5                    Department of Education,

6           c.    the following amounts shall be paid to the State  
7                    Treasurer to be placed to the credit of the Teachers'  
8                    Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 and each fiscal year thereafter	5.0%

16           d.    for FY 2003 and each fiscal year thereafter, one  
17                    percent (1%) shall be placed to the credit of the Ad  
18                    Valorem Reimbursement Fund;

19           3.    During the first fiscal year after the State Board of  
20 Equalization has made a determination as provided in Section 2355.1B  
21 of this title, regarding a baseline amount of revenue apportioned  
22 pursuant to subparagraph c of paragraph 1 of this section, and for  
23 each fiscal year thereafter, in no event shall monies apportioned  
24 pursuant to subparagraph c of paragraph 1 of this section, paragraph

1 3 of Section 1353 of this title and paragraph 3 of Section 1403 of  
2 this title be less than such baseline amount; and

3 4. "Moving five-year average for corporate income tax" means,  
4 for purposes of the apportionments prescribed by this section, the  
5 amount of income tax on corporations, as determined by the State  
6 Board of Equalization in the manner prescribed by Section ~~2 of this~~  
7 ~~act~~ 34.103 of Title 62 of the Oklahoma Statutes.

8 SECTION 11. AMENDATORY 69 O.S. 2011, Section 1521, as  
9 last amended by Section 93, Chapter 15, O.S.L. 2013 (69 O.S. Supp.  
10 2017, Section 1521), is amended to read as follows:

11 Section 1521. A. There is hereby created in the State Treasury  
12 a fund to be known as the "Rebuilding Oklahoma Access and Driver  
13 Safety Fund". The fund shall be a continuing fund, not subject to  
14 fiscal year limitations, and shall consist of all appropriations and  
15 transfers made by the Legislature. All monies accruing to the  
16 credit of the fund are hereby appropriated and may be budgeted and  
17 expended each fiscal year by the Department of Transportation for  
18 the purposes authorized by subsection G of this section.

19 Expenditures from the fund shall be made upon warrants issued by the  
20 State Treasurer against claims filed as prescribed by law with the  
21 Director of the Office of Management and Enterprise Services for  
22 approval and payment.

23 B. There shall be apportioned to the funds specified in this  
24 subsection from the monies that would otherwise be apportioned to

1 the General Revenue Fund by Section 2352 of Title 68 of the Oklahoma  
2 Statutes from the revenues derived pursuant to subsections A, B and  
3 E of Section 2355 of Title 68 of the Oklahoma Statutes, except as  
4 provided in Section 1 of this act, amounts as follows:

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

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

1           b.    the total amount apportioned to the Rebuilding  
2                Oklahoma Access and Driver Safety Fund for the  
3                preceding fiscal year which, except for the amount  
4                prescribed by subparagraph a of this paragraph, shall  
5                be apportioned before any other amount is apportioned  
6                pursuant to Section 2352 of Title 68 of the Oklahoma  
7                Statutes, plus

8           c.    an additional incremental amount which shall not be in  
9                excess of the amount prescribed by subparagraph a of  
10               this paragraph and that is required in order for the  
11               total apportionment for such fiscal year to equal Five  
12               Hundred Seventy-five Million Dollars  
13               (\$575,000,000.00).

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

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

22           a.    the next Two Million Dollars (\$2,000,000.00) shall be  
23                apportioned to the Oklahoma Tourism and Passenger Rail  
24                Revolving Fund created pursuant to Section 325 of

1 Title 66 of the Oklahoma Statutes to be used for  
2 capital and operating costs for the "Heartland Flyer"  
3 rail project, and

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

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

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



1 to this paragraph shall be divided into twelve equal amounts to be  
2 apportioned each month during the fiscal year.

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

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

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

1 funding for the Department of Transportation was supplanted by funds  
2 from the ROADS Fund, the Board shall specify the amount by which  
3 such funding was supplanted. In this event, the Legislature shall  
4 not make any appropriations for the ensuing fiscal year until an  
5 appropriation in that amount is made to replenish state funding for  
6 the Department of Transportation.

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

14 1. Subparagraph a of paragraph 1 of subsection B of this  
15 section, only to the extent that the amount is not required for debt  
16 service related to the obligations authorized pursuant to Section  
17 341 of Title 73 of the Oklahoma Statutes;

18 2. Subparagraphs b and c of paragraph 1 of subsection B of this  
19 section; and

20 3. Subparagraphs a and b of paragraph 2 of subsection B of this  
21 section,  
22 shall be reduced by a percentage equal to that required of the  
23 General Revenue Fund appropriations to state agencies and such  
24 reductions shall occur during the entire fiscal year and for any

1 month during which such reductions are required by the Office of  
2 Management and Enterprise Services and by the same percentage as  
3 that required of the agencies for such General Revenue Fund  
4 appropriations.

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

7 1. The construction and maintenance of state roads, bridges and  
8 highways;

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

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

14 4. Matching federal funds;

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

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

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

24

1 H. From the monies allocated pursuant to the provisions of  
2 subparagraph a of paragraph 1 of subsection B of this section each  
3 fiscal year, the Department of Transportation shall make payments  
4 required for the payment of principal, interest and other costs  
5 related to the obligations issued by the Oklahoma Capitol  
6 Improvement Authority as authorized by Section 341 of Title 73 of  
7 the Oklahoma Statutes and such payments shall be made by the  
8 Department each fiscal year before such monies are used for any  
9 other purpose.

10 SECTION 12. This act shall become effective July 1, 2018.

11 SECTION 13. It being immediately necessary for the preservation  
12 of the public peace, health or safety, an emergency is hereby  
13 declared to exist, by reason whereof this act shall take effect and  
14 be in full force from and after its passage and approval.

15 Passed the Senate the 7th day of March, 2018.

16

17

\_\_\_\_\_  
Presiding Officer of the Senate

18

19 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
20 2018.

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\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

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