

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                           1st Session of the 59th Legislature (2023)

4 COMMITTEE SUBSTITUTE  
5 FOR ENGROSSED  
6 SENATE BILL NO. 314

By: Coleman and Bergstrom of  
the Senate

and

Moore and **Fetgatter** of the  
House

11                                   COMMITTEE SUBSTITUTE

12                   [ sales tax code - apportionment of revenues - limit  
13                   - effective date ]

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

18           SECTION 1.           AMENDATORY           68 O.S. 2021, Section 1353, as  
19 last amended by Section 3, Chapter 412, O.S.L. 2022 (68 O.S. Supp.  
20 2022, Section 1353), is amended to read as follows:

21           Section 1353. A. It is hereby declared to be the purpose of  
22 the Oklahoma Sales Tax Code to provide funds for the financing of  
23 the program provided for by the Oklahoma Social Security Act and to  
24 provide revenues for the support of the functions of the state

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

7 1. Except as provided in subsections C and D of this section,  
8 the following amounts shall be paid to the State Treasurer to be  
9 placed to the credit of the General Revenue Fund to be paid out  
10 pursuant to direct appropriation by the Legislature:

11 Fiscal Year	Amount
12 FY 2003 and FY 2004	86.04%
13 FY 2005	85.83%
14 FY 2006	85.54%
15 FY 2007	85.04%
16 FY 2008 through FY 2022	83.61%
17 FY 2023 through FY 2027	83.36%
18 FY 2028 and each fiscal year thereafter	83.61%;

19 2. The following amounts shall be paid to the State Treasurer  
20 to be placed to the credit of the Education Reform Revolving Fund of  
21 the State Department of Education:

22 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two  
23 one-hundredths percent (10.42%),  
24

1           b.    for FY 2006 through FY 2020, ten and forty-six one-  
2                    hundredths percent (10.46%),

3           c.    for FY 2021:

4                   (1)  for the month beginning July 1, 2020, through the  
5                    month ending August 31, 2020, ten and forty-six  
6                    one-hundredths percent (10.46%), and

7                   (2)  for the month beginning September 1, 2020,  
8                    through the month ending June 30, 2021, eleven  
9                    and ninety-six one-hundredths percent (11.96%),

10                   and

11           d.    for FY 2022 and each fiscal year thereafter, ten and  
12                    forty-six one-hundredths percent (10.46%);

13           3.    The following amounts shall be paid to the State Treasurer  
14   to be placed to the credit of the Teachers' Retirement System  
15   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 through FY 2020	5.0%
FY 2021:	

1 a. for the month beginning July  
2 1, 2020, through the month  
3 ending August 31, 2020 5.0%

4 b. for the month beginning  
5 September 1, 2020, through  
6 the month ending June 30,  
7 2021 3.5%

8 FY 2022 5.0%

9 FY 2023 through FY 2027 5.25%

10 FY 2028 and each fiscal year thereafter 5.0%;

11 4. a. except as otherwise provided in subparagraph b of this  
12 paragraph, for the fiscal year beginning July 1, 2022,  
13 and for each fiscal year thereafter, eighty-seven one-  
14 hundredths percent (0.87%) shall be paid to the State  
15 Treasurer to be further apportioned as follows:

16 (1) twenty-four percent (24%) shall be placed to the  
17 credit of the Oklahoma Tourism Promotion  
18 Revolving Fund, but in no event shall such  
19 apportionment exceed Five Million Dollars  
20 (\$5,000,000.00) in any fiscal year for fiscal  
21 years 2016 through 2024, Six Million Dollars  
22 (\$6,000,000.00) for fiscal year 2025, Six Million  
23 Five Hundred Thousand Dollars (\$6,500,000.00) for  
24 fiscal year 2026, and Seven Million Five Hundred

1 Thousand Dollars (\$7,500,000.00) for fiscal year  
2 2027 and subsequent fiscal years,

3 (2) forty-four percent (44%) 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~~ for the fiscal year ending  
8 June 30, 2023. For the fiscal year beginning  
9 July 1, 2023, and each subsequent fiscal year  
10 thereafter, the maximum amount of such  
11 apportionment shall not exceed the amount set  
12 pursuant to subsection B of Section 2205 of Title  
13 74 of the Oklahoma Statutes, and

14 (3) thirty-two percent (32%) shall be placed to the  
15 credit of the Oklahoma Route 66 Commission  
16 Revolving Fund, but in no event shall such  
17 apportionment exceed Six Million Six Hundred  
18 Thousand Dollars (\$6,600,000.00) in any fiscal  
19 year, and

20 b. any amounts which exceed the limitations of  
21 subparagraph a of this paragraph shall be placed to  
22 the credit of the General Revenue Fund; and

23 5. For the fiscal year beginning July 1, 2015, and for each  
24 fiscal year thereafter, six one-hundredths percent (0.06%) shall be

1 placed to the credit of the Oklahoma Historical Society Capital  
2 Improvement and Operations Revolving Fund, but in no event shall  
3 such apportionment exceed the total amount apportioned pursuant to  
4 this paragraph for the fiscal year ending on June 30, 2015. Any  
5 amounts which exceed the limitations of this paragraph shall be  
6 placed to the credit of the General Revenue Fund.

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

17 C. From the monies that would otherwise be apportioned to the  
18 General Revenue Fund pursuant to subsection A of this section, there  
19 shall be apportioned the following amounts:

20 1. For the month ending August 31, 2019:

21 a. Nine Million Six Hundred Thousand Dollars  
22 (\$9,600,000.00) to the credit of the State Highway  
23 Construction and Maintenance Fund created in Section  
24 1501 of Title 69 of the Oklahoma Statutes, and

1           b.    Two Million Dollars (\$2,000,000.00) to the credit of  
2                    the Oklahoma Railroad Maintenance Revolving Fund  
3                    created in Section 309 of Title 66 of the Oklahoma  
4                    Statutes;

5        2.    For the month ending September 30, 2019:

6           a.    Twenty Million Dollars (\$20,000,000.00) to the credit  
7                    of the State Highway Construction and Maintenance Fund  
8                    created in Section 1501 of Title 69 of the Oklahoma  
9                    Statutes, and

10          b.    Two Million Dollars (\$2,000,000.00) to the credit of  
11                    the Oklahoma Railroad Maintenance Revolving Fund  
12                    created in Section 309 of Title 66 of the Oklahoma  
13                    Statutes;

14        3.    For the month ending October 31, 2019:

15           a.    Twenty Million Dollars (\$20,000,000.00) to the credit  
16                    of the State Highway Construction and Maintenance Fund  
17                    created in Section 1501 of Title 69 of the Oklahoma  
18                    Statutes, and

19          b.    Two Million Dollars (\$2,000,000.00) to the credit of  
20                    the Oklahoma Railroad Maintenance Revolving Fund  
21                    created in Section 309 of Title 66 of the Oklahoma  
22                    Statutes;

23        4.    For the month ending November 30, 2019:

24

1 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
2 of the State Highway Construction and Maintenance Fund  
3 created in Section 1501 of Title 69 of the Oklahoma  
4 Statutes, and

5 b. Two Million Dollars (\$2,000,000.00) to the credit of  
6 the Oklahoma Railroad Maintenance Revolving Fund  
7 created in Section 309 of Title 66 of the Oklahoma  
8 Statutes; and

9 5. For the month ending December 31, 2019:

10 a. Twenty Million Dollars (\$20,000,000.00) to the credit  
11 of the State Highway Construction and Maintenance Fund  
12 created in Section 1501 of Title 69 of the Oklahoma  
13 Statutes, and

14 b. Two Million Dollars (\$2,000,000.00) to the credit of  
15 the Oklahoma Railroad Maintenance Revolving Fund  
16 created in Section 309 of Title 66 of the Oklahoma  
17 Statutes.

18 D. For fiscal year 2023, and each subsequent fiscal year,  
19 before any other apportionment otherwise required by this section is  
20 made to the General Revenue Fund, there shall be apportioned to the  
21 State Public Common School Building Equalization Fund an amount, if  
22 any, as required pursuant to Section 3-104 of Title 70 of the  
23 Oklahoma Statutes, not to exceed the state sales tax generated by  
24



1 medical marijuana sales in the preceding fiscal year as reported by  
2 the Oklahoma Tax Commission.

3 SECTION 2. AMENDATORY 68 O.S. 2021, Section 1403, is  
4 amended to read as follows:

5 Section 1403. A. It is hereby declared to be the purpose of  
6 Section 1401 et seq. of this title to provide for the support of the  
7 functions of the state and local government of Oklahoma; and for  
8 this purpose and to this end, it is hereby expressly provided that  
9 the revenues derived hereunder, subject to the apportionment  
10 provided in subsection B of this section and to the apportionment  
11 requirements for the Oklahoma Tax Commission and Office of  
12 Management and Enterprise Services Joint Computer Enhancement Fund  
13 provided by Section 265 of this title, are hereby apportioned as  
14 follows:

15 1. The following amounts shall be paid by the Tax Commission to  
16 the State Treasurer and placed to the credit of the General Revenue  
17 Fund to be paid out pursuant to direct appropriation by the  
18 Legislature:

19	Fiscal Year	Amount
20	FY 2004	85.35%
21	FY 2005	85.14%
22	FY 2006	85.54%
23	FY 2007	85.04%
24	FY 2008 through FY 2022	83.61%

1 FY 2023 through FY 2027 83.36%  
2 FY 2028 and each fiscal year thereafter 83.61%;

3 2. The following amounts shall be paid to the State Treasurer  
4 to be placed to the credit of the Education Reform Revolving Fund of  
5 the State Department of Education:

6 a. for FY 2020, ten and forty-six one-hundredths percent  
7 (10.46%),

8 b. for FY 2021:

9 (1) for the month beginning July 1, 2020, through the  
10 month ending August 31, 2020, ten and forty-six  
11 one-hundredths percent (10.46%), and

12 (2) for the month beginning September 1, 2020,  
13 through the month ending June 30, 2021, eleven  
14 and ninety-six one-hundredths percent (11.96%),  
15 and

16 c. for FY 2022 and each fiscal year thereafter, ten and  
17 forty-six one-hundredths percent (10.46%);

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

21 Fiscal Year	Amount
22 FY 2003 and FY 2004	3.54%
23 FY 2005	3.75%
24 FY 2006	4.0%

1	FY 2007	4.5%
2	FY 2008 through FY 2020	5.0%
3	FY 2021:	
4	a. for the month beginning July	
5	1, 2020, through the month	
6	ending August 31, 2020	5.0%
7	b. for the month beginning	
8	September 1, 2020, through	
9	the month ending June 30,	
10	2021	3.5%
11	FY 2022	5.0%
12	FY 2023 through FY 2027	5.25%
13	FY 2028 and each fiscal year thereafter	5.0%;
14	4. a. except as otherwise provided in subparagraph b of this	
15	paragraph, for the fiscal year beginning July 1, 2015,	
16	and for each fiscal year thereafter, eighty-seven one-	
17	hundredths percent (0.87%) shall be paid to the State	
18	Treasurer to be further apportioned as follows:	
19	(1) thirty-six percent (36%) shall be placed to the	
20	credit of the Oklahoma Tourism Promotion	
21	Revolving Fund, but in no event shall such	
22	apportionment exceed the total amount apportioned	
23	pursuant to this division for the fiscal year	
24	ending on June 30, 2015, and	

1           (2) sixty-four percent (64%) shall be placed to the  
2           credit of the Oklahoma Tourism Capital  
3           Improvement Revolving Fund, but in no event for  
4           the fiscal year ending June 30, 2023, shall such  
5           apportionment exceed the total amount apportioned  
6           pursuant to this division for the fiscal year  
7           ending on June 30, 2015. For the fiscal year  
8           beginning July 1, 2023, and each subsequent  
9           fiscal year thereafter, the maximum amount of  
10           such apportionment shall not exceed the amount  
11           set pursuant to subsection B of Section 2205 of  
12           Title 74 of the Oklahoma Statutes, and

13           b. any amounts which exceed the limitations of  
14           subparagraph a of this paragraph shall be placed to  
15           the credit of the General Revenue Fund; and

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

1 B. Prior to the apportionments otherwise provided in this  
2 section, there shall be apportioned to the Education Reform  
3 Revolving Fund of the State Department of Education the following  
4 amounts in the following state fiscal years:

5 FY 2019 \$19,600,000.00; and  
6 FY 2020 and each year thereafter \$20,500,000.00.

7 SECTION 3. AMENDATORY 74 O.S. 2021, Section 2205, is  
8 amended to read as follows:

9 Section 2205. A. The Commission shall prepare and submit to  
10 the Governor and to the Legislature on the first day of each  
11 legislative session a report of the activities of the Department,  
12 together with all information and data in the possession of the  
13 Department as the Commission shall deem of value to the Governor,  
14 the Legislature and the people of ~~the State of Oklahoma~~ this state.  
15 Each report may contain recommendations for legislation as the  
16 Commission may deem necessary to give full effect to all the  
17 provisions of the Oklahoma Tourism, Parks and Recreation Enhancement  
18 Act. Each report shall also contain the most recent asset valuation  
19 and recommended maximum apportionment required pursuant to  
20 subsection B of this section.

21 B. Every third calendar year, the Commission shall conduct a  
22 valuation of the assets under the custody or control of the  
23 Commission.  
24

1       1. The valuation shall be performed by an independent third  
2 party and shall be completed by the second Tuesday of September.

3       2. The most recent asset valuation shall be included in the  
4 submissions required pursuant to Section 34.36 of Title 62 of the  
5 Oklahoma Statutes.

6       3. The asset valuation shall include, but not be limited to,  
7 the most recently assessed value of the asset, the recommended  
8 annual preventative maintenance costs, estimated replacement costs,  
9 recommended replacement date, and any current outstanding capital  
10 projects and deferred maintenance.

11       4. The asset valuation shall also include the recommended  
12 amount of annual funding to support the assets and the recommended  
13 annual maximum apportionments to the Oklahoma Tourism Capital  
14 Improvement Revolving Fund pursuant to Sections 1353 and 1403 of  
15 Title 68 of the Oklahoma Statutes.

16       C. 1. The annual maximum apportionments recommended pursuant  
17 to subsection B of this section shall become effective the following  
18 fiscal year unless such maximum apportionment is rejected or amended  
19 by law passed by a majority of each house of the Legislature.

20       2. If the Governor vetoes such a law, the procedure shall be  
21 the same as for the veto of any other bill or joint resolution.

22       3. The Commission shall provide to the Oklahoma Tax Commission  
23 the annual maximum apportionments determined pursuant to this  
24 section by July 1 of the applicable fiscal year.

SECTION 4. This act shall become effective November 1, 2023.

COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
04/17/2023 - DO PASS, As Amended and Coauthored.