

1 ENGROSSED SENATE
2 BILL NO. 519

By: David of the Senate

3 and

4 O'Donnell of the House

5
6
7 [Oil and Gas Division Revolving Fund - apportionment
8 - ~~effective date~~ - emergency]

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

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1103, as
13 last amended by Section 4, Chapter 153, O.S.L. 2016 (68 O.S. Supp.
14 2018, Section 1103), is amended to read as follows:

15 Section 1103. A. 1. Prior to July 1, 2021, and as provided in
16 Section 1103.1 of this title, all monies derived from the levy of
17 the excise tax on petroleum oil provided for by Section 1101 of this
18 title shall be deposited with the State Treasurer, who shall credit
19 and apportion the same as follows:

20 a. except as provided in subsection C of this section,
21 eighty-two and six hundred thirty-four thousandths
22 percent (82.634%) of ~~said~~ the excise tax shall be
23 credited to the ~~General Revenue Fund of the State~~
24 ~~Treasury; provided, in each fiscal year beginning on~~

1 ~~or after July 1, 2013, the first One Million Three~~
2 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
3 ~~would otherwise have been apportioned to the General~~
4 ~~Revenue Fund pursuant to this subparagraph shall be~~
5 ~~transferred to the Oil and Gas Division Revolving Fund~~
6 of the Oklahoma Corporation Commission,

7 b. ten and five hundred twenty-six thousandths percent
8 (10.526%) shall be credited and apportioned to a
9 separate and distinct fund to be known as the
10 "Corporation Commission Plugging Fund", and

11 c. the remaining six and eighty-four hundredths percent
12 (6.84%) of ~~said~~ the excise tax shall be credited and
13 apportioned to a separate and distinct fund to be
14 known as "The Interstate Oil Compact Fund of
15 Oklahoma", which fund is hereby created.

16 2. Prior to July 1, 2021, and as provided in Section 1103.1 of
17 this title, all monies derived from the levy of the excise tax on
18 natural gas and/or casinghead gas provided for by Section 1102 of
19 this title shall be deposited with the State Treasurer, who shall
20 credit and apportion the same as follows:

21 a. except as provided in subsection C of this section,
22 eighty-two and six thousand forty-five ten thousandths
23 percent (82.6045%) of ~~said~~ the excise tax shall be
24 credited to the ~~General Revenue Fund of the State~~

1 ~~Treasury; provided, in each fiscal year beginning on~~
2 ~~or after July 1, 2013, the first One Million Three~~
3 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
4 ~~would otherwise have been apportioned to the General~~
5 ~~Revenue Fund pursuant to this subparagraph shall be~~
6 ~~transferred to the Oil and Gas Division Revolving Fund~~
7 ~~of the Oklahoma Corporation Commission,~~

8 b. ten and five thousand five hundred fifty-five ten
9 thousandths percent (10.5555%) shall be credited and
10 apportioned to the Corporation Commission Plugging
11 Fund, and

12 c. six and eighty-four hundredths percent (6.84%) of ~~said~~
13 the excise tax shall be credited and apportioned to
14 The Interstate Oil Compact Fund of Oklahoma.

15 3. Prior to July 1, 2021, and as provided in Section 1103.1 of
16 this title, all monies to accrue to "The Interstate Oil Compact Fund
17 of Oklahoma" under the provisions of this article, together with all
18 monies remaining unexpended in "The Interstate Oil Compact Fund of
19 Oklahoma" created under this subsection are hereby appropriated and
20 shall be used for the payment of the compensation of the assistant
21 representative of the State of Oklahoma on "The Interstate Oil
22 Compact Commission", the compensation of such clerical, technical,
23 and legal assistants as he or she may with the consent of the
24 Governor employ; the actual and necessary traveling expenses of the

1 assistant representative and employees, and of the Governor when
2 traveling in the Governor's capacity as official representative of
3 the State of Oklahoma on "The Interstate Oil Compact Commission";
4 all items of office expense, including the cost of office supplies
5 and equipment; such contributions as the Governor shall deem
6 necessary and proper to pay to "The Interstate Oil Compact
7 Commission" to defray its expenses; and such other necessary
8 expenses as may be incurred in enabling the State of Oklahoma to
9 fully cooperate in accomplishing the objects of the Interstate
10 Compact to conserve oil and gas. The fund shall be disbursed by the
11 State Treasurer upon sworn, itemized claims approved by the
12 assistant representative and the Governor; provided, that if at the
13 end of any fiscal year any part of the special fund shall remain
14 unexpended, such balance shall be transferred by the State Treasurer
15 to, and become a part of, the General Revenue Fund of the state for
16 the ensuing fiscal year. Provided, further, that if the State of
17 Oklahoma withdraws from the Interstate Compact to conserve oil and
18 gas, any unencumbered monies in "The Interstate Oil Compact Fund of
19 Oklahoma" shall be transferred to and become a part of the General
20 Revenue Fund of the State Treasury and thereafter the excise tax on
21 petroleum oil, natural gas and/or casinghead gas levied by this
22 article shall be levied, collected and deposited in the General
23 Revenue Fund of the State Treasury.

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1 4. All monies to accrue to the Corporation Commission Plugging
2 Fund are hereby appropriated and shall be used for payment of
3 expenses related to the statutory purpose of the fund.

4 The provisions of this subsection shall terminate on June 30,
5 2021.

6 B. 1. Beginning on July 1, 2021, all monies derived from the
7 levy of the excise tax on petroleum oil provided for by Section 1101
8 of this title shall be deposited with the State Treasurer, who shall
9 credit and apportion the same as follows:

10 a. except as provided in subsection C of this section,
11 ninety-two and thirty-five hundredths percent (92.35%)
12 of ~~said the~~ excise tax shall be credited and
13 apportioned to the ~~General Revenue Fund of the State~~
14 ~~Treasury; provided, in each fiscal year beginning on~~
15 ~~or after July 1, 2013, the first One Million Three~~
16 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
17 ~~would otherwise have been apportioned to the General~~
18 ~~Revenue Fund pursuant to this subparagraph shall be~~
19 ~~transferred to the Oil and Gas Division Revolving Fund~~
20 of the Oklahoma Corporation Commission, and

21 b. the remaining seven and sixty-five hundredths percent
22 (7.65%) of ~~said the~~ excise tax shall be credited and
23 apportioned to a separate and distinct fund to be
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1 known as "The Interstate Oil Compact Fund of
2 Oklahoma", which fund is hereby created.

3 2. Beginning on July 1, 2021, all monies derived from the levy
4 of the excise tax on natural gas and/or casinghead gas provided for
5 by Section 1102 of this title shall be deposited with the State
6 Treasurer, who shall credit and apportion the same as follows:

- 7 a. except as provided in subsection C of this section,
8 ninety-two and thirty-five hundredths percent (92.35%)
9 of ~~said~~ the excise tax shall be credited and
10 apportioned to the ~~General Revenue Fund of the State~~
11 ~~Treasury; provided, in each fiscal year beginning on~~
12 ~~or after July 1, 2013, the first One Million Three~~
13 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
14 ~~would otherwise have been apportioned to the General~~
15 ~~Revenue Fund pursuant to this subparagraph shall be~~
16 ~~transferred to the Oil and Gas Division Revolving Fund~~
17 of the Oklahoma Corporation Commission, and
18 b. seven and sixty-five hundredths percent (7.65%) of
19 ~~said~~ the excise tax shall be credited and apportioned
20 to The Interstate Oil Compact Fund of Oklahoma.

21 3. Beginning on July 1, 2021, all monies to accrue to "The
22 Interstate Oil Compact Fund of Oklahoma" under the provisions of
23 this article, together with all monies remaining unexpended in "The
24 Interstate Oil Compact Fund of Oklahoma" created under this

1 subsection are hereby appropriated and shall be used for the payment
2 of the compensation of the assistant representative of the State of
3 Oklahoma on "The Interstate Oil Compact Commission", the
4 compensation of such clerical, technical, and legal assistants as he
5 or she may with the consent of the Governor employ; the actual and
6 necessary traveling expenses of the assistant representative and
7 employees, and of the Governor when traveling in the Governor's
8 capacity as official representative of the State of Oklahoma on "The
9 Interstate Oil Compact Commission"; all items of office expense,
10 including the cost of office supplies and equipment; such
11 contributions as the Governor shall deem necessary and proper to pay
12 to "The Interstate Oil Compact Commission" to defray its expenses;
13 and such other necessary expenses as may be incurred in enabling the
14 State of Oklahoma to fully cooperate in accomplishing the objects of
15 the Interstate Compact to conserve oil and gas. The fund shall be
16 disbursed by the State Treasurer upon sworn, itemized claims
17 approved by the assistant representative and the Governor; provided,
18 that if at the end of any fiscal year any part of the special fund
19 shall remain unexpended, such balance shall be transferred by the
20 State Treasurer to, and become a part of, the General Revenue Fund
21 of the State Treasury for the ensuing fiscal year. Provided,
22 further, that if the State of Oklahoma withdraws from the Interstate
23 Compact to conserve oil and gas, any unencumbered monies in "The
24 Interstate Oil Compact Fund of Oklahoma" shall be transferred to and

1 become a part of the General Revenue Fund of the State Treasury and
2 thereafter the excise tax on petroleum oil, natural gas and/or
3 casinghead gas levied by this article shall be levied, collected and
4 deposited in the General Revenue Fund of the State Treasury.

5 C. The total combined apportionment of revenue for a fiscal
6 year to the Oil and Gas Division Revolving Fund, made pursuant to
7 this section from both the levy of tax on oil and the levy of tax on
8 natural gas and/or casinghead gas, shall be limited to Nine Million
9 Dollars (\$9,000,000.00). Any amounts in excess of Nine Million
10 Dollars (\$9,000,000.00) shall be credited to the General Revenue
11 Fund.

12 ~~SECTION 2. This act shall become effective July 1, 2019.~~

13 ~~SECTION 3. It being immediately necessary for the preservation~~
14 ~~of the public peace, health or safety, an emergency is hereby~~
15 ~~declared to exist, by reason whereof this act shall take effect and~~
16 ~~be in full force from and after its passage and approval.~~

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1 Passed the Senate the 11th day of March, 2019.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2019.

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8 _____
9 Presiding Officer of the House
10 of Representatives