

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 57th Legislature (2019)

4 ENGROSSED SENATE
5 BILL NO. 519

By: David of the Senate

6 and

7 O'Donnell of the House

8
9
10 [Oil and Gas Division Revolving Fund - apportionment
11 - ~~effective date~~ -
12 emergency]

13
14 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

15 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1103, as
16 last amended by Section 4, Chapter 153, O.S.L. 2016 (68 O.S. Supp.
17 2018, Section 1103), is amended to read as follows:

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

- 23 a. except as provided in subsection C of this section,
24 eighty-two and six hundred thirty-four thousandths

1 percent (82.634%) of ~~said~~ the excise tax shall be
2 credited to the ~~General Revenue Fund of the State~~
3 ~~Treasury; provided, in each fiscal year beginning on~~
4 ~~or after July 1, 2013, the first One Million Three~~
5 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
6 ~~would otherwise have been apportioned to the General~~
7 ~~Revenue Fund pursuant to this subparagraph shall be~~
8 ~~transferred to the Oil and Gas Division Revolving Fund~~
9 of the Oklahoma Corporation Commission,

10 b. ten and five hundred twenty-six thousandths percent
11 (10.526%) shall be credited and apportioned to a
12 separate and distinct fund to be known as the
13 "Corporation Commission Plugging Fund", and

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

19 2. Prior to July 1, 2021, and as provided in Section 1103.1 of
20 this title, all monies derived from the levy of the excise tax on
21 natural gas and/or casinghead gas provided for by Section 1102 of
22 this title shall be deposited with the State Treasurer, who shall
23 credit and apportion the same as follows:
24

- 1 a. except as provided in subsection C of this section,
2 eighty-two and six thousand forty-five ten thousandths
3 percent (82.6045%) of ~~said~~ the excise tax shall be
4 credited to the ~~General Revenue Fund of the State~~
5 ~~Treasury; provided, in each fiscal year beginning on~~
6 ~~or after July 1, 2013, the first One Million Three~~
7 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
8 ~~would otherwise have been apportioned to the General~~
9 ~~Revenue Fund pursuant to this subparagraph shall be~~
10 ~~transferred to the~~ Oil and Gas Division Revolving Fund
11 of the Oklahoma Corporation Commission,
- 12 b. ten and five thousand five hundred fifty-five ten
13 thousandths percent (10.5555%) shall be credited and
14 apportioned to the Corporation Commission Plugging
15 Fund, and
- 16 c. six and eighty-four hundredths percent (6.84%) of ~~said~~
17 the excise tax shall be credited and apportioned to
18 The Interstate Oil Compact Fund of Oklahoma.

19 3. Prior to July 1, 2021, and as provided in Section 1103.1 of
20 this title, all monies to accrue to "The Interstate Oil Compact Fund
21 of Oklahoma" under the provisions of this article, together with all
22 monies remaining unexpended in "The Interstate Oil Compact Fund of
23 Oklahoma" created under this subsection are hereby appropriated and
24 shall be used for the payment of the compensation of the assistant

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

1 petroleum oil, natural gas and/or casinghead gas levied by this
2 article shall be levied, collected and deposited in the General
3 Revenue Fund of the State Treasury.

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

7 The provisions of this subsection shall terminate on June 30,
8 2021.

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

13 a. except as provided in subsection C of this section,
14 ninety-two and thirty-five hundredths percent (92.35%)
15 of ~~said~~ the excise tax shall be credited and
16 apportioned to the ~~General Revenue Fund of the State~~
17 ~~Treasury; provided, in each fiscal year beginning on~~
18 ~~or after July 1, 2013, the first One Million Three~~
19 ~~Hundred Fifty Thousand Dollars (\$1,350,000.00) which~~
20 ~~would otherwise have been apportioned to the General~~
21 ~~Revenue Fund pursuant to this subparagraph shall be~~
22 ~~transferred to the~~ Oil and Gas Division Revolving Fund
23 of the Oklahoma Corporation Commission, and
24

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

6 2. Beginning on July 1, 2021, all monies derived from the levy
7 of the excise tax on natural gas and/or casinghead gas provided for
8 by Section 1102 of this title shall be deposited with the State
9 Treasurer, who shall 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. seven and sixty-five hundredths percent (7.65%) of
22 ~~said~~ the excise tax shall be credited and apportioned
23 to The Interstate Oil Compact Fund of Oklahoma.

1 3. Beginning on July 1, 2021, all monies to accrue to "The
2 Interstate Oil Compact Fund of Oklahoma" under the provisions of
3 this article, together with all monies remaining unexpended in "The
4 Interstate Oil Compact Fund of Oklahoma" created under this
5 subsection are hereby appropriated and shall be used for the payment
6 of the compensation of the assistant representative of the State of
7 Oklahoma on "The Interstate Oil Compact Commission", the
8 compensation of such clerical, technical, and legal assistants as he
9 or she may with the consent of the Governor employ; the actual and
10 necessary traveling expenses of the assistant representative and
11 employees, and of the Governor when traveling in the Governor's
12 capacity as official representative of the State of Oklahoma on "The
13 Interstate Oil Compact Commission"; all items of office expense,
14 including the cost of office supplies and equipment; such
15 contributions as the Governor shall deem necessary and proper to pay
16 to "The Interstate Oil Compact Commission" to defray its expenses;
17 and such other necessary expenses as may be incurred in enabling the
18 State of Oklahoma to fully cooperate in accomplishing the objects of
19 the Interstate Compact to conserve oil and gas. The fund shall be
20 disbursed by the State Treasurer upon sworn, itemized claims
21 approved by the assistant representative and the Governor; provided,
22 that if at the end of any fiscal year any part of the special fund
23 shall remain unexpended, such balance shall be transferred by the
24 State Treasurer to, and become a part of, the General Revenue Fund

1 of the State Treasury for the ensuing fiscal year. Provided,
2 further, that if the State of Oklahoma withdraws from the Interstate
3 Compact to conserve oil and gas, any unencumbered monies in "The
4 Interstate Oil Compact Fund of Oklahoma" shall be transferred to and
5 become a part of the General Revenue Fund of the State Treasury and
6 thereafter the excise tax on petroleum oil, natural gas and/or
7 casinghead gas levied by this article shall be levied, collected and
8 deposited in the General Revenue Fund of the State Treasury.

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

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

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

21
22 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES,
23 dated 04/02/2019 - DO PASS, As Amended.
24