

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 476

By: Thompson of the Senate

and

Sears of the House

8  
9 COMMITTEE SUBSTITUTE

10 An Act relating to the motor vehicle taxes and fees;  
11 amending 47 O.S. 2011, Section 1104, as last amended  
12 by Section 1, Chapter 350, O.S.L. 2015 (47 O.S. Supp.  
13 2016, Section 1104), which relates to apportionment;  
14 conforming basis for apportionment to schools and  
15 counties with specified limitations; providing an  
16 effective date; and declaring an emergency.

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

17 SECTION 1. AMENDATORY 47 O.S. 2011, Section 1104, as  
18 last amended by Section 1, Chapter 350, O.S.L. 2015 (47 O.S. Supp.  
19 2016, Section 1104), is amended to read as follows:

20 Section 1104. A. Unless otherwise provided by law, all fees,  
21 taxes and penalties collected or received pursuant to the Oklahoma  
22 Vehicle License and Registration Act or Section 1-101 et seq. of  
23 this title shall be apportioned and distributed monthly by the  
24 Oklahoma Tax Commission in accordance with this section.

1 B. 1. The following percentages of the monies referred to in  
2 subsection A of this section shall be apportioned to the various  
3 school districts in accordance with paragraph 2 of this subsection:

4 a. from October 1, 2000, until June 30, 2001, thirty-five  
5 and forty-six one-hundredths percent (35.46%),

6 b. for the year beginning July 1, 2001, and ending June  
7 30, 2002, thirty-five and ninety-one one-hundredths  
8 percent (35.91%),

9 c. for the year beginning July 1, 2002, through the year  
10 ending on June 30, 2015, thirty-six and twenty one-  
11 hundredths percent (36.20%), and

12 d. for the year beginning July 1, 2015, and all  
13 subsequent years, thirty-six and twenty one-hundredths  
14 percent (36.20%), but in no event shall the amount  
15 apportioned in any fiscal year pursuant to this  
16 subparagraph exceed the total amount apportioned for  
17 the fiscal year ending on June 30, 2015. Any amounts  
18 in excess of such limitation shall be placed to the  
19 credit of the General Revenue Fund.

20 2. The monies apportioned pursuant to subparagraphs a through e  
21 d of paragraph 1 of this subsection shall be apportioned to the  
22 ~~various school districts as follows:~~

23 ~~a. except as otherwise provided in this subparagraph,~~  
24 ~~each district shall receive the same amount of funds~~

1 ~~as such district received from the taxes and fees~~  
2 ~~provided in this title in the corresponding month of~~  
3 ~~the preceding year. Any district eligible for funds~~  
4 ~~pursuant to the provisions of this section that was~~  
5 ~~not eligible the preceding year shall receive an~~  
6 ~~amount equal to the average daily attendance of the~~  
7 ~~applicable year multiplied by the average daily~~  
8 ~~attendance apportionment within such county for each~~  
9 ~~appropriate month. For fiscal year 1995 and~~  
10 ~~thereafter, any district which received less than~~  
11 ~~twenty five percent (25%) of the average apportionment~~  
12 ~~of the monies made to school districts in this state~~  
13 ~~based on average daily attendance in fiscal year 1995~~  
14 ~~shall receive an amount equal to the average daily~~  
15 ~~attendance in the 1994-1995 school year multiplied by~~  
16 ~~the average daily attendance apportionment within the~~  
17 ~~county in which the district is located for each~~  
18 ~~appropriate month, and~~

19 ~~b. any funds remaining unallocated following the~~  
20 ~~allocation provided in subparagraph a of this~~  
21 ~~paragraph shall be apportioned to the various school~~  
22 ~~districts so that each district shall first receive~~  
23 ~~the cumulative total of the monthly apportionments for~~  
24 ~~which it is otherwise eligible under subparagraph a of~~

1           ~~this paragraph and then~~ an amount based upon the  
2           proportion that each district's average daily  
3           attendance bears to the total average daily attendance  
4           of those districts entitled to receive funds pursuant  
5           to this section as certified by the State Department  
6           of Education.

7           Each district's allocation of funds shall be remitted to the  
8           county treasurer of the county wherein the administrative  
9           headquarters of the district are located.

10          No district shall be eligible for the funds herein provided  
11          unless the district makes an ad valorem tax levy of fifteen (15)  
12          mills and maintains nine (9) years of instruction and pursuant to  
13          the rules of the State Board of Education, is authorized to maintain  
14          ten (10) years of instruction.

15          C. The following percentages of the monies referred to in  
16          subsection A of this section shall be remitted to the State  
17          Treasurer to be credited to the General Revenue Fund of the State  
18          Treasury:

19           1. From October 1, 2000, until June 30, 2001, forty-five and  
20           ninety-seven one-hundredths percent (45.97%);

21           2. For the year beginning July 1, 2001, and ending June 30,  
22           2002, forty-five and twenty-nine one-hundredths percent (45.29%);  
23  
24

1 3. For the year beginning July 1, 2002, and for the subsequent  
2 fiscal years ending June 30, 2007, forty-four and eighty-four one-  
3 hundredths percent (44.84%);

4 4. For the year beginning July 1, 2007, and ending June 30,  
5 2008, thirty-nine and eighty-four one-hundredths percent (39.84%);

6 5. For the year beginning July 1, 2008, and ending June 30,  
7 2009, thirty-four and eighty-four one-hundredths percent (34.84%);

8 6. For the period beginning July 1, 2009, and ending December  
9 31, 2012, twenty-nine and eighty-four one-hundredths percent  
10 (29.84%);

11 7. For the period beginning January 1, 2013, and ending June  
12 30, 2013, twenty-nine and thirty-four one-hundredths percent  
13 (29.34%);

14 8. For the year beginning July 1, 2013, and ending June 30,  
15 2014, twenty-six and eighty-four one-hundredths percent (26.84%);  
16 and

17 9. For the year beginning July 1, 2014, and all subsequent  
18 years, twenty-four and eighty-four one-hundredths percent (24.84%).

19 D. The following percentages of the monies referred to in  
20 subsection A of this section shall be remitted to the State  
21 Treasurer to be credited to the State Transportation Fund:

22 1. From October 1, 2000, until June 30, 2001, thirty one-  
23 hundredths percent (0.30%);

24

1        2. For the year beginning July 1, 2001, through the year ending  
2 on June 30, 2015, thirty-one one-hundredths percent (0.31%); and

3        3. For the year beginning July 1, 2015, and all subsequent  
4 years, thirty-one one-hundredths percent (0.31%), but in no event  
5 shall the amount apportioned in any fiscal year pursuant to this  
6 paragraph exceed the total amount apportioned for the fiscal year  
7 ending on June 30, 2015. Any amounts in excess of such limitation  
8 shall be placed to the credit of the General Revenue Fund.

9        E. 1. The following percentages of the monies referred to in  
10 subsection A of this section shall be apportioned to the various  
11 counties as set forth in paragraph 2 of this section:

12            a. from October 1, 2000, until June 30, 2001, seven and  
13                nine one-hundredths percent (7.09%),

14            b. for the year beginning July 1, 2001, and ending June  
15                30, 2002, seven and eighteen one-hundredths percent  
16                (7.18%),

17            c. for the year beginning July 1, 2002, through the year  
18                ending on June 30, 2015, seven and twenty-four one-  
19                hundredths percent (7.24%), and

20            d. for the year beginning July 1, 2015, and all  
21                subsequent years, seven and twenty-four one-hundredths  
22                percent (7.24%), but in no event shall the amount  
23                apportioned in any fiscal year pursuant to this  
24                subparagraph exceed the total amount apportioned for

1 the fiscal year ending on June 30, 2015. Any amounts  
2 in excess of such limitation shall be placed to the  
3 credit of the General Revenue Fund.

4 2. The monies apportioned pursuant to subparagraphs a through e  
5 d of paragraph 1 of this subsection shall be apportioned as follows:  
6 forty percent (40%) of such sum shall be distributed to the various  
7 counties in that proportion which the county road mileage of each  
8 county bears to the entire state road mileage as certified by the  
9 Transportation Commission and the remaining sixty percent (60%) of  
10 such sum shall be distributed to the various counties on the basis  
11 which the population and area of each county bears to the total  
12 population and area of the state. The population shall be as shown  
13 by the last Federal Census or the most recent annual estimate  
14 provided by the United States Bureau of the Census. The funds shall  
15 be used for the purpose of constructing and maintaining county  
16 highways, provided, however, the county treasurer may deposit so  
17 much of the funds in the sinking fund as may be necessary for the  
18 retirement of interest and annual accrual of indebtedness created by  
19 the issuance of county or township bonds for road purposes. Such  
20 deposits to the sinking fund shall not exceed forty percent (40%) of  
21 the funds allocated to a county pursuant to this paragraph.

22 F. 1. The following percentages of the monies referred to in  
23 subsection A of this section shall be remitted to the county  
24 treasurers of the respective counties and by them deposited in a

1 separate special revenue fund to be used by the county commissioners  
2 in accordance with paragraph 2 of this subsection:

3 a. from October 1, 2000, until June 30, 2001, two and  
4 fifty-three one-hundredths percent (2.53%),

5 b. for the year beginning July 1, 2001, and ending June  
6 30, 2002, two and fifty-six one-hundredths percent  
7 (2.56%),

8 c. for the year beginning July 1, 2002, through the year  
9 ending on June 30, 2015, two and fifty-nine one-  
10 hundredths percent (2.59%), and

11 d. for the year beginning July 1, 2015, and all  
12 subsequent years, two and fifty-nine one-hundredths  
13 percent (2.59%), but in no event shall the amount  
14 apportioned in any fiscal year pursuant to this  
15 subparagraph exceed the total amount apportioned for  
16 the fiscal year ending on June 30, 2015. Any amounts  
17 in excess of such limitation shall be placed to the  
18 credit of the General Revenue Fund.

19 2. The monies apportioned pursuant to subparagraphs a through e  
20 d of paragraph 1 of this subsection shall be used for the primary  
21 purpose of matching federal funds for the construction of federal  
22 aid projects on county roads, or constructing and maintaining county  
23 or township highways and permanent bridges of such counties. The  
24 distribution of monies apportioned by this paragraph shall be made



1 upon the basis of the current formula based upon road mileage, area  
2 and population as related to county road improvement and maintenance  
3 costs. Provided, however, the Department of Transportation may  
4 update the formula factors from time to time as necessary to account  
5 for changing conditions.

6 G. 1. The following percentages of the monies referred to in  
7 subsection A of this section shall be transmitted by the Tax  
8 Commission to the various counties as set forth in paragraph 2 of  
9 this subsection:

- 10 a. from October 1, 2000, until June 30, 2001, three and  
11 fifty-five one-hundredths percent (3.55%),
- 12 b. for the year beginning July 1, 2001, and ending June  
13 30, 2002, three and fifty-nine one-hundredths percent  
14 (3.59%),
- 15 c. for the year beginning July 1, 2002, through the year  
16 ending on June 30, 2015, three and sixty-two one-  
17 hundredths percent (3.62%), and
- 18 d. for the year beginning July 1, 2015, and all  
19 subsequent years, three and sixty-two one-hundredths  
20 percent (3.62%), but in no event shall the amount  
21 apportioned in any fiscal year pursuant to this  
22 subparagraph exceed the total amount apportioned for  
23 the fiscal year ending on June 30, 2015. Any amounts  
24

1 in excess of such limitation shall be placed to the  
2 credit of the General Revenue Fund.

3 2. The monies apportioned pursuant to subparagraphs a through e  
4 d of paragraph 1 of this subsection shall be transmitted to the  
5 various counties on the basis of a formula to be developed by the  
6 Department of Transportation. Such formula shall be similar to that  
7 currently used for the distribution of County Bridge Program Funds,  
8 but also taking into consideration the effect of terrain and traffic  
9 volume as related to county road improvement and maintenance costs.  
10 Provided, however, the Department of Transportation may update the  
11 formula factors from time to time as necessary to account for  
12 changing conditions. The funds shall be transmitted to the various  
13 county treasurers to be deposited in the county highway fund of  
14 their respective counties.

15 H. 1. The following percentages of the monies referred to in  
16 subsection A of this section shall be apportioned to the various  
17 counties as set forth in paragraph 2 of this subsection:

- 18 a. from October 1, 2000, until June 30, 2001, eighty-one  
19 one-hundredths percent (0.81%),  
20 b. for the year beginning July 1, 2001, and ending June  
21 30, 2002, eighty-two one-hundredths percent (0.82%),  
22 c. for the year beginning July 1, 2002, through the year  
23 ending on June 30, 2015, eighty-three one-hundredths  
24 percent (0.83%), and

1           d.    for the year beginning July 1, 2015, and all  
2                subsequent years, eighty-three one-hundredths percent  
3                (0.83%), but in no event shall the amount apportioned  
4                in any fiscal year pursuant to this subparagraph  
5                exceed the total amount apportioned for the fiscal  
6                year ending on June 30, 2015. Any amounts in excess  
7                of such limitation shall be placed to the credit of  
8                the General Revenue Fund.

9           2.    The monies apportioned pursuant to subparagraphs a through e  
10           d of paragraph 1 of this subsection shall be apportioned to the  
11           various counties ~~as follows:~~

12           ~~a.    each county shall receive the same amount of funds as~~  
13           ~~such county received from the taxes and fees provided~~  
14           ~~for in the 1985 fiscal year, and~~

15           ~~b.    any funds remaining unallocated following the~~  
16           ~~allocation provided in subparagraph a of this~~  
17           ~~paragraph shall be apportioned to the various counties~~  
18                based upon the proportion that each county's  
19                population bears to the total state population.

20           Each county's allocation of funds shall be remitted to the  
21           various county treasurers to be deposited in the general fund of the  
22           county and used for the support of county government.

23           I.   1.   The following percentages of the monies referred to in  
24           subsection A of this section shall be apportioned to the various

1 cities and incorporated towns as set forth in paragraph 2 of this  
2 subsection:

3 a. from October 1, 2000, until June 30, 2001, three and  
4 four one-hundredths percent (3.04%),

5 b. for the year beginning July 1, 2001, and ending June  
6 30, 2002, three and eight one-hundredths percent  
7 (3.08%),

8 c. for the year beginning July 1, 2002, through the year  
9 ending on June 30, 2015, three and ten one-hundredths  
10 percent (3.10%), and

11 d. for the year beginning July 1, 2015, and all  
12 subsequent years, three and ten one-hundredths percent  
13 (3.10%), but in no event shall the amount apportioned  
14 in any fiscal year pursuant to this subparagraph  
15 exceed the total amount apportioned for the fiscal  
16 year ending on June 30, 2015. Any amounts in excess  
17 of such limitation shall be placed to the credit of  
18 the General Revenue Fund.

19 2. The monies apportioned pursuant to subparagraphs a through e  
20 d of paragraph 1 of this subsection shall be apportioned to the  
21 various cities and incorporated towns based upon the proportion that  
22 each city or incorporated town's population bears to the total  
23 population of all cities and incorporated towns in the state. Such  
24 funds shall be remitted to the various county treasurers for

1 allocation to the various cities and incorporated towns. All such  
2 funds shall be used for the construction, maintenance, repair,  
3 improvement and lighting of streets and alleys. Provided, however,  
4 the governing board of any city or town may, with the approval of  
5 the county excise board, transfer any surplus funds to the general  
6 revenue fund of such city or town whenever an emergency requires  
7 such a transfer.

8 J. The following percentages of the monies referred to in  
9 subsection A of this section shall be remitted to the State  
10 Treasurer to be credited to the Oklahoma Law Enforcement Retirement  
11 Fund:

12 1. From October 1, 2000, until June 30, 2001, one and twenty-  
13 two one-hundredths percent (1.22%);

14 2. For the year beginning July 1, 2001, and ending June 30,  
15 2002, one and twenty-three one-hundredths percent (1.23%); and

16 3. For the year beginning July 1, 2002, and all subsequent  
17 years, one and twenty-four one-hundredths percent (1.24%).

18 K. Three one-hundredths of one percent (3/100 of 1%) of the  
19 monies referred to in subsection A of this section shall be remitted  
20 to the State Treasurer to be credited to the Wildlife Conservation  
21 Fund. Seventy-five percent (75%) of the funds shall be used for  
22 fish habitat restoration and twenty-five percent (25%) of the funds  
23 shall be used in the fish hatchery system for fish production.

24

1 L. 1. For the year beginning July 1, 2007, and ending June 30,  
2 2008, five percent (5%) of monies referred to in subsection A of  
3 this section shall be remitted to the State Treasurer to be credited  
4 to the County Improvements for Roads and Bridges Fund as created in  
5 Section 507 of Title 69 of the Oklahoma Statutes.

6 2. For the year beginning July 1, 2008, and ending June 30,  
7 2009, ten percent (10%) of monies referred to in subsection A of  
8 this section shall be remitted to the State Treasurer to be credited  
9 to the County Improvements for Roads and Bridges Fund as created in  
10 Section 507 of Title 69 of the Oklahoma Statutes.

11 3. For the period beginning July 1, 2009, and ending December  
12 31, 2012, fifteen percent (15%) of monies referred to in subsection  
13 A of this section shall be remitted to the State Treasurer to be  
14 credited to the County Improvements for Roads and Bridges Fund as  
15 created in Section 507 of Title 69 of the Oklahoma Statutes.

16 4. For the period beginning January 1, 2013, and ending June  
17 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of  
18 monies referred to in subsection A of this section shall be remitted  
19 to the State Treasurer to be credited to the County Improvements for  
20 Roads and Bridges Fund as created in Section 507 of Title 69 of the  
21 Oklahoma Statutes.

22 5. For the year beginning July 1, 2013, and ending June 30,  
23 2014, eighteen percent (18%) of monies referred to in subsection A  
24 of this section shall be remitted to the State Treasurer to be

1 credited to the County Improvements for Roads and Bridges Fund as  
2 created in Section 507 of Title 69 of the Oklahoma Statutes.

3 6. For the year beginning July 1, 2014, twenty percent (20%) of  
4 monies referred to in subsection A of this section shall be remitted  
5 to the State Treasurer to be credited to the County Improvements for  
6 Roads and Bridges Fund as created in Section 507 of Title 69 of the  
7 Oklahoma Statutes.

8 7. For the year beginning July 1, 2015, and all subsequent  
9 years, twenty percent (20%) of monies referred to in subsection A of  
10 this section shall be remitted to the State Treasurer to be credited  
11 to the County Improvements for Roads and Bridges Fund as created in  
12 Section 507 of Title 69 of the Oklahoma Statutes, but in no event  
13 shall the total amount apportioned in any fiscal year pursuant to  
14 this paragraph exceed One Hundred Twenty Million Dollars  
15 (\$120,000,000.00). Any amounts in excess of One Hundred Twenty  
16 Million Dollars (\$120,000,000.00) shall be placed to the credit of  
17 the General Revenue Fund.

18 M. Monies allocated to counties by this section may be  
19 estimated by the county excise board in the budget for the county as  
20 anticipated revenue to the extent of ninety percent (90%) of the  
21 previous year's income from such source; provided, not more than  
22 fifteen percent (15%) can be encumbered during any month.

23 N. Notwithstanding any other provisions of this section, for  
24 the fiscal year beginning July 1, 2003, the first One Hundred

1 Thousand Dollars (\$100,000.00) of the monies collected or received  
2 by the Tax Commission pursuant to the registration of motorcycles  
3 and mopeds in this state shall be placed to the credit of the  
4 Oklahoma Tax Commission Revolving Fund.

5 SECTION 2. This act shall become effective July 1, 2017.

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

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