

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 SENATE BILL 549

By: Murdock

4
5
6 AS INTRODUCED

7 An Act relating to the gross production tax code;
8 amending 68 O.S. 2011, Section 1004, as last amended
9 by Section 8, Chapter 8, 2nd Extraordinary Session,
10 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), which
11 relates to the apportionment and use of proceeds of
12 tax; modifying certain apportionment by redirecting
13 funds to the County Improvements for Roads and
14 Bridges Fund; updating statutory references;
15 providing an effective; and declaring an emergency.

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

17 SECTION 1. AMENDATORY 68 O.S. 2011, Section 1004, as
18 last amended by Section 8, Chapter 8, 2nd Extraordinary Session,
19 O.S.L. 2018 (68 O.S. Supp. 2018, Section 1004), is amended to read
20 as follows:

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

22 1. "Moving five-year average amount for gas" means, for
23 purposes of the apportionments prescribed by this section, the
24 amount of gross production tax on natural gas collected for each of
the five (5) complete fiscal years, as computed by the State Board

1 of Equalization pursuant to Section 34.103 of Title 62 of the
2 Oklahoma Statutes; and

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

9 B. Beginning July 1, 2017, the gross production tax provided
10 for in Section 1001 of this title is hereby levied and shall be
11 collected and apportioned as follows:

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

14 a. eighty-five and seventy-two one-hundredths percent
15 (85.72%) shall be paid to the State Treasurer of the
16 state to be placed in the General Revenue Fund of the
17 state and used for the general expense of state
18 government, to be paid out pursuant to direct
19 appropriation by the Legislature,

20 b. seven and fourteen one-hundredths percent (7.14%) of
21 the sum collected from natural gas and/or casinghead
22 gas or asphalt or ores bearing uranium, lead, zinc,
23 jack, gold, silver or copper shall be paid to the
24 various county treasurers to be credited to the County

1 Highway Fund as follows: Each county shall receive a
2 proportionate share of the funds available based upon
3 the proportion of the total value of production from
4 such county in the corresponding month of the
5 preceding year, and

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

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

20 a. after the total revenue apportioned to the General
21 Revenue Fund as prescribed by subparagraph b of this
22 paragraph equals the moving five-year average amount
23 for gas as defined by paragraph 1 of subsection A of
24 this section, there shall be apportioned from the
25

1 gross production tax levy imposed pursuant to Section
2 1001 of this title on natural gas and/or casinghead
3 gas to the Revenue Stabilization Fund created by
4 Section 34.102 of Title 62 of the Oklahoma Statutes,
5 the amount of revenue, if any, which exceeds the
6 moving five-year average amount for gas as defined
7 pursuant to paragraph 1 of subsection A of this
8 section,

9 b. until the apportionment to the General Revenue Fund
10 equals the moving five-year average amount for gas as
11 prescribed by paragraph 1 of subsection A of this
12 section, eighty-five and seventy-two one-hundredths
13 percent (85.72%) shall be paid to the State Treasurer
14 of the state to be placed in the General Revenue Fund
15 of the state and used for the general expense of state
16 government, to be paid out pursuant to direct
17 appropriation by the Legislature; provided, through
18 the fiscal year ending June 30, 2027, the first
19 Fifteen Million Dollars (\$15,000,000.00) shall be
20 deposited in the County Improvements for Roads and
21 Bridges Fund created in Section 507 of Title 69 of the
22 Oklahoma Statutes,

23 c. before any other apportionment of revenue has been
24 made pursuant to this paragraph, seven and fourteen

1 one-hundredths percent (7.14%) of the sum collected
2 from natural gas and/or casinghead gas shall be paid
3 to the various county treasurers to be credited to the
4 County Highway Fund as follows: Each county shall
5 receive a proportionate share of the funds available
6 based upon the proportion of the total value of
7 production from such county in the corresponding month
8 of the preceding year, and

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

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

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

14 b. until the apportionment to the General Revenue Fund
15 equals the moving five-year average amount for gas as
16 prescribed by paragraph 1 of subsection A of this
17 section, seventy-five percent (75%) shall be paid to
18 the State Treasurer of the state to be placed in the
19 General Revenue Fund of the state and used for the
20 general expense of state government, to be paid out
21 pursuant to direct appropriation by the Legislature;
22 provided, through the fiscal year ending June 30,
23 2027, the first Fifteen Million Dollars
24 (\$15,000,000.00) shall be deposited in the County

Improvements for Roads and Bridges Fund created in
Section 507 of Title 69 of the Oklahoma Statutes,

c. before any other apportionment of revenue has been made pursuant to this paragraph, twelve and one-half percent (12.5%) of the sum collected from natural gas and/or casinghead gas shall be paid to the various county treasurers to be credited to the County Highway Fund as follows: Each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year, and

d. before any other apportionment of revenue has been made pursuant to this paragraph, twelve and one-half percent (12.5%) shall be allocated to each county as provided for in subparagraph c of this paragraph and shall be apportioned, on an average daily attendance per capita distribution basis, as certified by the State Superintendent of Public Instruction to the school districts of the county where such pupils attend school regardless of residence of such pupil, provided the school district makes an ad valorem tax levy of fifteen (15) mills for the current year and 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
25

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
25

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 10. On or after ~~the effective date of this act~~ June 28, 2018,
2 the gross production tax levied on natural gas or casinghead gas at
3 the rate of five percent (5%) provided for in paragraph 3 of
4 subsection B of Section 1001 of this title shall be apportioned as
5 follows:

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, eighty percent (80%) shall be paid to the
23 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, ten percent (10%) of
5 the sum collected from natural gas and/or casinghead
6 gas shall be paid to the various county treasurers to
7 be credited to the County Highway Fund as follows:
8 Each county shall receive a proportionate share of the
9 funds available based upon the proportion of the total
10 value of production from such county in the
11 corresponding month of the preceding year, and
12 d. before any other apportionment of revenue has been
13 made pursuant to this paragraph, ten percent (10%)
14 shall be allocated to each county as provided for in
15 subparagraph c 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; and
24

1 11. On or after ~~the effective date of this act~~ June 28, 2018,
2 the gross production tax on oil levied at the rate of five percent
3 (5%) provided for in paragraph 3 of subsection B of this title shall
4 be apportioned as follows:

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

17 b. before any other apportionment of revenue has been
18 made pursuant to this paragraph, twenty-three and
19 seventy-five one-hundredths percent (23.75%) shall be
20 paid to the State Treasurer to be placed in the Common
21 Education Technology Revolving Fund created in Section
22 34.90 of Title 62 of the Oklahoma Statutes,

23 c. before any other apportionment of revenue has been
24 made pursuant to this paragraph, twenty-three and
25

1 seventy-five one-hundredths percent (23.75%) shall be
2 paid to the State Treasurer to be placed in the Higher
3 Education Capital Revolving Fund created in Section
4 34.91 of Title 62 of the Oklahoma Statutes,

5 d. before any other apportionment of revenue has been
6 made pursuant to this paragraph, twenty-three and
7 seventy-five one-hundredths percent (23.75%) shall be
8 paid to the State Treasurer to be placed in the
9 Oklahoma Student Aid Revolving Fund created in Section
10 34.92 of Title 62 of the Oklahoma Statutes,

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

1 consideration the effect of the terrain and traffic
2 volume as related to county road improvement and
3 maintenance costs,

4 f. before any other apportionment of revenue has been
5 made pursuant to this paragraph, five percent (5%)
6 shall be paid to the State Treasurer to be apportioned
7 to:

8 (1) the following sources and in the following
9 amounts through the fiscal year ending June 30,
10 2019:

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

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

21 (c) thirty-three and one-third percent (33 1/3%)
22 to the Community Water Infrastructure
23 Development Revolving Fund created pursuant
24

1 to Section 1085.7A of Title 82 of the
2 Oklahoma Statutes, and

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

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

16 h. before any other apportionment of revenue has been
17 made pursuant to this paragraph, ten percent (10%)
18 shall be allocated to each county as provided in
19 subparagraph g of this paragraph and shall be
20 apportioned on an average daily attendance per capita
21 distribution basis, as certified by the State
22 Superintendent of Public Instruction, to the school
23 districts of the county where such pupils attend
24 school regardless of residence of such pupil, provided

1 the school district makes an ad valorem tax levy of
2 fifteen (15) mills for the current year and maintains
3 twelve (12) years of instruction, and

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

10 C. Provided, notwithstanding any other provision of this
11 section, the total amounts deposited to the Common Education
12 Technology Revolving Fund, the Higher Education Capital Revolving
13 Fund, the Oklahoma Student Aid Revolving Fund, the Rural Economic
14 Action Plan Water Projects Fund, the Oklahoma Tourism and Recreation
15 Department Capital Expenditure Revolving Fund, the Oklahoma
16 Conservation Commission Infrastructure Revolving Fund and the
17 Community Water Infrastructure Development Revolving Fund pursuant
18 to paragraphs 6, 7 and 11 of subsection B of this section shall not
19 exceed One Hundred Fifty Million Dollars (\$150,000,000.00) in any
20 fiscal year. Except as otherwise provided in this subsection, all
21 sums in excess of One Hundred Fifty Million Dollars
22 (\$150,000,000.00) in any fiscal year which would otherwise be
23 deposited in such funds shall be apportioned by the Oklahoma Tax
24 Commission to the General Revenue Fund of the state.

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

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