

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE  
FOR

HOUSE BILL NO. 2766

By: Wallace and Hilbert of the  
House

And

Thompson and Rader of the  
Senate

COMMITTEE SUBSTITUTE

An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 1353, as last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp. 2018, Section 1353), which relates to sales tax apportionments; providing for certain apportionments to certain funds during certain periods; stating legislative intent; providing for noncodification; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2011, Section 1353, as last amended by Section 1, Chapter 303, O.S.L. 2018 (68 O.S. Supp. 2018, Section 1353), is amended to read as follows:

Section 1353. A. It is hereby declared to be the purpose of the Oklahoma Sales Tax Code to provide funds for the financing of the program provided for by the Oklahoma Social Security Act and to

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

1. a. except as provided in subsection C of this section, the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

b. in the event that additional monies are necessary pursuant to paragraph 6 of this subsection, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant

1 to paragraph 3 of Section 2355.1B of this title from  
2 the monies apportioned to the General Revenue Fund;

3 2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-  
4 hundredths percent (10.42%), shall be paid to the State Treasurer to  
5 be placed to the credit of the Education Reform Revolving Fund of  
6 the State Department of Education and for FY 2006 and each fiscal  
7 year thereafter, ten and forty-six one-hundredths percent (10.46%)  
8 shall be paid to the State Treasurer to be placed to the credit of  
9 the Education Reform Revolving Fund of the State Department of  
10 Education;

11 3. The following amounts shall be paid to the State Treasurer  
12 to be placed to the credit of the Teachers' Retirement System  
13 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 and each fiscal year thereafter	5.0%

21 4. a. except as otherwise provided in subparagraph b of this  
22 paragraph, for the fiscal year beginning July 1, 2015,  
23 and for each fiscal year thereafter, eighty-seven one-  
24

1 hundredths percent (0.87%) shall be paid to the State  
2 Treasurer to be further apportioned as follows:

3 (1) thirty-six percent (36%) shall be placed to the  
4 credit of the Oklahoma Tourism Promotion  
5 Revolving Fund, but in no event shall such  
6 apportionment exceed Five Million Dollars  
7 (\$5,000,000.00) in any fiscal year, and

8 (2) sixty-four percent (64%) shall be placed to the  
9 credit of the Oklahoma Tourism Capital  
10 Improvement Revolving Fund, but in no event shall  
11 such apportionment exceed Nine Million Dollars  
12 (\$9,000,000.00) in any fiscal year, 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;

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; and  
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1        6. During the first fiscal year after the State Board of  
2 Equalization has made a determination as provided in Section 2355.1B  
3 of this title, regarding a baseline amount of revenue apportioned  
4 pursuant to paragraph 3 of this subsection, and for each fiscal year  
5 thereafter, in no event shall monies apportioned pursuant to  
6 paragraph 3 of this subsection, paragraph 3 of Section 1403 of this  
7 title and subparagraph c of paragraph 1 of Section 2352 of this  
8 title be less than such baseline amount.

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

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

22        1. For the month ending August 31, ~~2018~~ 2019:

23            a. ~~Twenty-five Million Dollars (\$25,000,000.00)~~ Nine  
24                Million Six Hundred Thousand Dollars (\$9,600,000.00)

1 to the credit of the State Highway Construction and  
2 Maintenance Fund created in Section 1501 of Title 69  
3 of the Oklahoma Statutes, and

- 4 b. ~~Four Million Dollars (\$4,000,000.00)~~ Two Million  
5 Dollars (\$2,000,000.00) to the credit of the Oklahoma  
6 Railroad Maintenance Revolving Fund created in Section  
7 309 of Title 66 of the Oklahoma Statutes;

8 2. For the month ending September 30, ~~2018~~ 2019:

- 9 a. ~~Twenty-five Million Dollars (\$25,000,000.00)~~ Twenty  
10 Million Dollars (\$20,000,000.00) to the credit of the  
11 State Highway Construction and Maintenance Fund  
12 created in Section 1501 of Title 69 of the Oklahoma  
13 Statutes, and

- 14 b. ~~Four Million Dollars (\$4,000,000.00)~~ Two Million  
15 Dollars (\$2,000,000.00) to the credit of the Oklahoma  
16 Railroad Maintenance Revolving Fund created in Section  
17 309 of Title 66 of the Oklahoma Statutes; ~~and~~

18 3. For the month ending October 31, ~~2018~~ 2019:

- 19 a. ~~Thirty Million Dollars (\$30,000,000.00)~~ Twenty Million  
20 Dollars (\$20,000,000.00) to the credit of the State  
21 Highway Construction and Maintenance Fund created in  
22 Section 1501 of Title 69 of the Oklahoma Statutes, and  
23 b. ~~Four Million Dollars (\$4,000,000.00)~~ Two Million  
24 Dollars (\$2,000,000.00) to the credit of the Oklahoma

Railroad Maintenance Revolving Fund created in Section  
309 of Title 66 of the Oklahoma Statutes;

4. For the month ending November 30, 2019:

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

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

5. For the month ending December 31, 2019:

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

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

SECTION 2. NEW LAW A new section of law not to be  
codified in the Oklahoma Statutes reads as follows:

It is the intent of the Legislature that the provisions of this  
measure are designed to restore funds appropriated from the State

1 Highway Construction and Maintenance Fund and the Oklahoma Railroad  
2 Maintenance Revolving Fund by Enrolled House Bill No. 2765 of the  
3 1st Session of the 57th Oklahoma Legislature.

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

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