## HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

COMMITTEE SUBSTITUTE

FOR

5 HOUSE BILL NO. 2741 By: Wallace and Hilbert of the

House

and

Thompson and Rader of the

Senate

9

1

2

3

4

6

7

8

10

11

1.3

14

15

16

17

18

19

20

2.1

22

23

2.4

12 COMMITTEE SUBSTITUTE

> An Act relating to revenue and taxation; amending 68 O.S. 2011, Section 1353, as last amended by Section 1, Chapter 446, O.S.L. 2019 (68 O.S. Supp. 2019, Section 1353), which relates to apportionment of sales tax collections; increasing certain apportionments for certain fiscal years; decreasing certain apportionments for certain fiscal years; eliminating provisions requiring certain baseline apportionment amounts; clarifying language; amending 68 O.S. 2011, Section 1403, as last amended by Section 9, Chapter 17, 2nd Extraordinary Session, O.S.L. 2018 (68 O.S. Supp. 2019, Section 1403), which relates to apportionment of use tax collections; increasing certain apportionments for certain fiscal years; decreasing certain apportionments for certain fiscal years; eliminating provisions requiring certain baseline apportionment amounts; clarifying language; amending 68 O.S. 2011, Section 2352, as last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp. 2019, Section 2352), which relates to apportionment of income tax collections; increasing certain apportionments for certain fiscal years; decreasing certain apportionments for certain fiscal

years; eliminating provisions requiring certain baseline apportionment amounts; clarifying language; and providing an effective date.

1

4

5

7

8

9

15

17

18

23

2.4

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

68 O.S. 2011, Section 1353, as SECTION 1. AMENDATORY last amended by Section 1, Chapter 446, O.S.L. 2019 (68 O.S. Supp. 2019, 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. 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:

1	Fiscal Year	Amount
2	FY 2003 and FY 2004	86.04%
3	FY 2005	85.83%
4	FY 2006	85.54%
5	FY 2007	85.04%
6	FY 2008 through FY 2022	83.61%
7	FY 2023 through FY 2027	83.11%
8	FY 2028 and each fiscal	
9	year thereafter	83.61%
10	b. in the event that additional monies	are necessary
11	pursuant to paragraph 6 of this subs	section, such
12	additional monies shall be deducted	in the proportion
13	determined by the State Board of Equ	ualization pursuant
14	to paragraph 3 of Section 2355.1B of	f this title from
15	the monies apportioned to the Genera	al Revenue Fund;
16	2. For The following amounts shall be paid to	the State
17	Treasurer to be placed to the credit of the Educat	cion Reform
18	Revolving Fund of the State Department of Education	on:
19	<u>a.</u> <u>for</u> FY 2003, FY 2004 and FY 2005, te	en and forty-two
20	one-hundredths percent (10.42%), sha	all be paid to the
21	State Treasurer to be placed to the	credit of the
22	Education Reform Revolving Fund of	<del>the State</del>
23	Department of Education and	
24		

1	<u>b.</u>	for FY 2006 through FY 2020, ten and forty-six one-
2		hundredths percent (10.46%),
3	<u>C.</u>	for FY 2021:
4		(1) for the month beginning July 1, 2020, through the
5		month ending August 31, 2020, ten and forty-six
6		one-hundredths percent (10.46%), and
7		(2) for the month beginning September 1, 2020,
8		through the month ending June 30, 2021, eleven
9		and ninety-six one-hundredths percent (11.96%),
10	<u>d.</u>	for FY 2022, eleven and seventy-one one-hundredths
11		percent (11.71%), and
12	<u>e.</u>	for FY 2023 and each fiscal year thereafter, ten and
13		forty-six one-hundredths percent (10.46%) shall be
14		paid to the State Treasurer to be placed to the credit
15		of the Education Reform Revolving Fund of the State
16		Department of Education;
17	3. The fo	ollowing amounts shall be paid to the State Treasurer
18	to be placed t	to the credit of the Teachers' Retirement System
19	Dedicated Reve	enue Revolving Fund:
20	Fiscal Yea	ar Amount
21	FY 2003 ar	nd FY 2004 3.54%
22	FY 2005	3.75%
23	FY 2006	4.0%
24	FY 2007	4.5%

a. for the month beginning July  1, 2020, through the month  ending August 31, 2020  5.0%  b. for the month beginning  September 1, 2020, through  the month ending June 30,  2021  5.5%  FY 2022  3.75%  FY 2028 and each fiscal year thereafter  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  23  (2) sixty-four percent (64%) shall be placed to the credit of the Oklahoma Tourism Capital	1	FY 2008 through	gh FY 2020	<u>5.0%</u>
1, 2020, through the month ending August 31, 2020  b. for the month beginning  September 1, 2020, through  the month ending June 30,  2021  3.5%  FY 2022  3.75%  FY 2022  3.75%  FY 2028 and each fiscal year thereafter  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	2	FY 2021:		
ending August 31, 2020  b. for the month beginning  September 1, 2020, through  the month ending June 30,  2021  September 1, 2021  September 3, 3.5%  FY 2022  3.75%  FY 2023 through FY 2027  FY 2028 and each fiscal year thereafter  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	3	<u>a.</u> <u>for</u>	the month beginning July	
5. for the month beginning  September 1, 2020, through  the month ending June 30,  2021 3.5%  FY 2022 3.75%  FY 2023 through FY 2027 5.5%  FY 2028 and each fiscal year thereafter 5.0%  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	4	<u>1, 2</u>	2020, through the month	
September 1, 2020, through  the month ending June 30,  2021 3.5%  FY 2022 3.75%  FY 2023 through FY 2027 5.5%  FY 2028 and each fiscal year thereafter 5.0%  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	5	end	ng August 31, 2020	<u>5.0%</u>
the month ending June 30,  10 FY 2022 3.75%  11 FY 2023 through FY 2027 5.5%  12 FY 2028 and each fiscal year thereafter 5.0%  13 4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  17 Treasurer to be further apportioned as follows:  18 (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  20 Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  21 (\$5,000,000.00) in any fiscal year, and  23 (2) sixty-four percent (64%) shall be placed to the	6	b. for	the month beginning	
9 2021 3.5%  FY 2022 3.75%  11 FY 2023 through FY 2027 5.5%  12 FY 2028 and each fiscal year thereafter 5.0%  13 4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  17 Treasurer to be further apportioned as follows:  18 (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  20 Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  21 (\$5,000,000.00) in any fiscal year, and  23 (2) sixty-four percent (64%) shall be placed to the	7	Sept	tember 1, 2020, through	
10 FY 2022  11 FY 2023 through FY 2027  12 FY 2028 and each fiscal year thereafter  13 4. a. except as otherwise provided in subparagraph b of this 14 paragraph, for the fiscal year beginning July 1, 2015, 15 and for each fiscal year thereafter, eighty-seven one- 16 hundredths percent (0.87%) shall be paid to the State 17 Treasurer to be further apportioned as follows: 18 (1) thirty-six percent (36%) shall be placed to the 19 credit of the Oklahoma Tourism Promotion 20 Revolving Fund, but in no event shall such 21 apportionment exceed Five Million Dollars 22 (95,000,000.00) in any fiscal year, and 23 (2) sixty-four percent (64%) shall be placed to the	8	the	month ending June 30,	
FY 2023 through FY 2027  FY 2028 and each fiscal year thereafter  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	9	2021	<u>-</u>	3.5%
FY 2028 and each fiscal year thereafter 5.0%  4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one-hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  (2) sixty-four percent (64%) shall be placed to the	10	FY 2022		3.75%
4. a. except as otherwise provided in subparagraph b of this paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one- hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and 33 (2) sixty-four percent (64%) shall be placed to the	11	FY 2023 through	jh FY 2027	<u>5.5%</u>
paragraph, for the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, eighty-seven one- hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and  33 (2) sixty-four percent (64%) shall be placed to the	12	<u>FY 2028</u> and ea	ach fiscal year thereafter	5.0%
and for each fiscal year thereafter, eighty-seven one- hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars (\$5,000,000.00) in any fiscal year, and  33 (2) sixty-four percent (64%) shall be placed to the	13	4. a. exce	ept as otherwise provided in s	subparagraph b of this
hundredths percent (0.87%) shall be paid to the State  Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the  credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such  apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  23 (2) sixty-four percent (64%) shall be placed to the	14	para	agraph, for the fiscal year be	eginning July 1, 2015,
Treasurer to be further apportioned as follows:  (1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  23 (2) sixty-four percent (64%) shall be placed to the	15	and	for each fiscal year thereaft	ter, eighty-seven one-
(1) thirty-six percent (36%) shall be placed to the credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  23 (2) sixty-four percent (64%) shall be placed to the	16	hunc	dredths percent (0.87%) shall	be paid to the State
credit of the Oklahoma Tourism Promotion  Revolving Fund, but in no event shall such  apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  sixty-four percent (64%) shall be placed to the	17	Trea	asurer to be further apportion	ned as follows:
20 Revolving Fund, but in no event shall such 21 apportionment exceed Five Million Dollars 22 (\$5,000,000.00) in any fiscal year, and 23 (2) sixty-four percent (64%) shall be placed to the	18	(1)	thirty-six percent (36%) sha	all be placed to the
apportionment exceed Five Million Dollars  (\$5,000,000.00) in any fiscal year, and  23  (2) sixty-four percent (64%) shall be placed to the	19		credit of the Oklahoma Tours	ism Promotion
(\$5,000,000.00) in any fiscal year, and (2) sixty-four percent (64%) shall be placed to the	20		Revolving Fund, but in no ev	vent shall such
(2) sixty-four percent (64%) shall be placed to the	21		apportionment exceed Five M	illion Dollars
(2, Sing, Isal Persons (Sis, Sharr be Prassa so she	22		(\$5,000,000.00) in any fisca	al year, and
credit of the Oklahoma Tourism Capital	23	(2)	sixty-four percent (64%) sha	all be placed to the
Cloure of the Oktahoma Tourism Capitar	24		credit of the Oklahoma Tours	ism Capital

1 2

3

4 5

6

7

8

9

11

12 13

14

15

1617

18

1920

21

22

2324

such apportionment exceed Nine Million Dollars (\$9,000,000.00) in any fiscal year, and

Improvement Revolving Fund, but in no event shall

- b. any amounts which exceed the limitations of subparagraph a of this paragraph shall be placed to the credit of the General Revenue Fund; and
- 5. For the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this paragraph for the fiscal year ending on June 30, 2015. Any amounts which exceed the limitations of this paragraph shall be placed to the credit of the General Revenue Fund; and
- 6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this subsection, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this subsection, paragraph 3 of Section 1403 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.
- B. Provided, for the fiscal year beginning July 1, 2007, and every fiscal year thereafter, an amount of revenue shall be

apportioned to each municipality or county which levies a sales tax subject to the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title equal to the amount of sales tax revenue of such municipality or county exempted by the provisions of Section 1357.10 of this title and subsection F of Section 2701 of this title. The Oklahoma Tax Commission shall promulgate and adopt rules necessary to implement the provisions of this subsection.

- C. From the monies that would otherwise be apportioned to the General Revenue Fund pursuant to subsection A of this section, there shall be apportioned the following amounts:
  - 1. For the month ending August 31, 2019:
    - a. Nine Million Six Hundred Thousand Dollars (\$9,600,000.00) 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;
  - 2. For the month ending September 30, 2019:
    - a. Twenty Million Dollars (\$20,000,000.00) to the credit of the State Highway Construction and Maintenance Fund

24

9

10

11

12

1.3

14

15

16

17

18

19

20

21

22

1 created in Section 1501 of Title 69 of the Oklahoma 2 Statutes, and 3 b. Two Million Dollars (\$2,000,000.00) to the credit of 4 the Oklahoma Railroad Maintenance Revolving Fund created in Section 309 of Title 66 of the Oklahoma 5 6 Statutes; 7 3. For the month ending October 31, 2019: Twenty Million Dollars (\$20,000,000.00) to the credit 8 9 of the State Highway Construction and Maintenance Fund 10 created in Section 1501 of Title 69 of the Oklahoma 11 Statutes, and 12 b. Two Million Dollars (\$2,000,000.00) to the credit of 1.3 the Oklahoma Railroad Maintenance Revolving Fund 14 created in Section 309 of Title 66 of the Oklahoma 15 Statutes: 16 For the month ending November 30, 2019: 17 Twenty Million Dollars (\$20,000,000.00) to the credit a. 18 of the State Highway Construction and Maintenance Fund 19 created in Section 1501 of Title 69 of the Oklahoma 20 Statutes, and 2.1 b. Two Million Dollars (\$2,000,000.00) to the credit of 22 the Oklahoma Railroad Maintenance Revolving Fund 23 created in Section 309 of Title 66 of the Oklahoma

Statutes; and

2.4

- 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. AMENDATORY 68 O.S. 2011, Section 1403, as last amended by Section 9, Chapter 17, 2nd Extraordinary Session, O.S.L. 2018 (68 O.S. Supp. 2019, Section 1403), is amended to read as follows:

Section 1403. A. It is hereby declared to be the purpose of Section 1401 et seq. of this title to provide for the support of the functions of the state and local government of Oklahoma; and for this purpose and to this end, it is hereby expressly provided that the revenues derived hereunder, subject to the apportionment provided in subsection B of this section and 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, are hereby apportioned as follows:

1.3

1	1. <del>a.</del>	the following amounts shall be paid	d by the Tax
2		Commission to the State Treasurer	and placed to the
3		credit of the General Revenue Fund	to be paid out
4		pursuant to direct appropriation by	y the Legislature:
5		Fiscal Year	Amount
6		FY 2004	85.35%
7		FY 2005	85.14%
8		FY 2006	85.54%
9		FY 2007	85.04%
10		FY 2008 through FY 2022	83.61%
11		FY 2023 through FY 2027	83.11%
12		FY 2028 and each fiscal year	
13		thereafter	83.61%
14	<del>b.</del>	in the event that additional monie	s are necessary
15		pursuant to paragraph 6 of this se	<del>ction, such</del>
16		additional monies shall be deducted	d in the proportion
17		determined by the State Board of E	<del>qualization pursuant</del>
18		to paragraph 3 of Section 2355.1B	of this title from
19		the monies apportioned to the Gene	ral Revenue Fund;
20	2. <del>Ten</del> <u>1</u>	The following amounts shall be paid	to the State
21	Treasurer to	be placed to the credit of the Education	ation Reform
22	Revolving Fur	nd of the State Department of Educat	ion:
23	<u>a.</u>	for FY 2020, ten and forty-six one	-hundredths percent
24		(10.46%) shall be paid to the State	e <del>Treasurer to be</del>

1	placed to the credit of the Education Reform Revolving
2	Fund of the State Department of Education,
3	<u>b.</u> <u>for FY 2021:</u>
4	(1) for the month beginning July 1, 2020, through the
5	month ending August 31, 2020, ten and forty-six
6	one-hundredths percent (10.46%), and
7	(2) for the month beginning September 1, 2020,
8	through the month ending June 30, 2021, eleven
9	and ninety-six one-hundredths percent (11.96%),
10	c. for FY 2022, eleven and seventy-one one-hundredths
11	percent (11.71%), and
12	d. for FY 2023 and each fiscal year thereafter, ten and
13	<pre>forty-six one-hundredths percent (10.46%);</pre>
14	3. The following amounts shall be paid to the State Treasurer
15	to be placed to the credit of the Teachers' Retirement System
16	Dedicated Revenue Revolving Fund:
17	Fiscal Year Amount
18	FY 2003 and FY 2004 3.54%
19	FY 2005 3.75%
20	FY 2006 4.0%
21	FY 2007 4.5%
22	FY 2008 through FY 2020 5.0%
23	FY 2021:
24	

1	<u>a.</u> for	the month beginning July	
2	<u>1, 2</u>	2020, through the month	
3	endi	ing August 31, 2020	<u>5.0%</u>
4	<u>b.</u> for	the month beginning	
5	Sept	tember 1, 2020, through	
6	the	month ending June 30,	
7	2021	<u>L</u>	<u>3.5%</u>
8	<u>FY 2022</u>		3.75%
9	FY 2023 throug	gh FY 2027	<u>5.5%</u>
10	<u>FY 2028</u> and ea	ach fiscal year thereafter	5.0%
11	4. a. exce	ept as otherwise provided in s	subparagraph b of this
12	para	agraph, for the fiscal year be	eginning July 1, 2015,
13	and	for each fiscal year thereaft	er, eighty-seven one-
14	hunc	dredths percent (0.87%) shall	be paid to the State
15	Trea	asurer to be further apportion	ed as follows:
16	(1)	thirty-six percent (36%) sha	all be placed to the
17		credit of the Oklahoma Touri	sm Promotion
18		Revolving Fund, but in no ev	rent shall such
19		apportionment exceed the tot	al amount apportioned
20		pursuant to this division fo	or the fiscal year
21		ending on June 30, 2015, and	l
22	(2)	sixty-four percent (64%) sha	all be placed to the
23		credit of the Oklahoma Touri	sm Capital
24		Improvement Revolving Fund,	but in no event shall

1

2

3

4

5

6

7

8

10

11 12

13

14

15

16

17

18

19 20

21

22

23

24

such apportionment exceed the total amount apportioned pursuant to this division for the fiscal year ending on June 30, 2015, and

- any amounts which exceed the limitations of b. subparagraph a of this paragraph shall be placed to the credit of the General Revenue Fund; and
- 5. For the fiscal year beginning July 1, 2015, and for each fiscal year thereafter, six one-hundredths percent (0.06%) shall be placed to the credit of the Oklahoma Historical Society Capital Improvement and Operations Revolving Fund, but in no event shall such apportionment exceed the total amount apportioned pursuant to this paragraph for the fiscal year ending on June 30, 2015. Any amounts which exceed the limitations of this paragraph shall be placed to the credit of the General Revenue Fund; and
- 6. During the first fiscal year after the State Board of Equalization has made a determination as provided in Section 2355.1B of this title, regarding a baseline amount of revenue apportioned pursuant to paragraph 3 of this section, and for each fiscal year thereafter, in no event shall monies apportioned pursuant to paragraph 3 of this section, paragraph 3 of Section 1353 of this title and subparagraph c of paragraph 1 of Section 2352 of this title be less than such baseline amount.
- B. Prior to the apportionments otherwise provided in this section, there shall be apportioned to the Education Reform

1 Revolving Fund of the State Department of Education the following 2 amounts in the following state fiscal years: FY 2019 3 \$19,600,000.00; and 4 FY 2020 and each year \$20,500,000.00. 5 thereafter 6 SECTION 3. AMENDATORY 68 O.S. 2011, Section 2352, as 7 last amended by Section 5, Chapter 337, O.S.L. 2016 (68 O.S. Supp. 2019, Section 2352), is amended to read as follows: 8 9 Section 2352. It is hereby declared to be the purpose of 10 Section 2351 et seq. of this title to provide revenue for general 11 governmental functions of state government; and, for that purpose 12 and to that end, it is expressly declared that the revenue derived 13 herefrom and penalties and interest thereon, subject to the 14 apportionment requirements for the Rebuilding Oklahoma Access and 15 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail 16 Revolving Fund and, the Public Transit Revolving Fund, and the 17 Education Reform Revolving Fund to be derived from income tax 18 revenue that would otherwise be apportioned to the General Revenue 19 Fund as provided by Section 1521 of Title 69 of the Oklahoma 20 Statutes, subject to the apportionment requirements for the Oklahoma 21 Tax Commission and Office of Management and Enterprise Services 22 Joint Computer Enhancement Fund provided by Section 265 of this 23 title, and subject to the apportionment requirements for the 24 Oklahoma State Capitol Building Repair and Restoration Fund provided

HB2741 HFLR
BOLD FACE denotes Committee Amendments.

by Section 19 of Title 73 of the Oklahoma Statutes, shall be distributed as follows:

1.3

- 1. For the fiscal year beginning July 1, 2002, the first Five Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue derived pursuant to the provisions of subsections A, B and E of Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter shall be apportioned monthly as follows:
  - a. (1) the following amounts shall be paid to the State

    Treasurer to be placed to the credit of the

    General Revenue Fund of the state for such fiscal

    year for the support of the state government to

    be paid out only pursuant to appropriation by the

    Legislature:

16	Fiscal Year	Amount
17	FY 2003 and FY 2004	87.12%
18	FY 2005	86.91%
19	FY 2006	86.66%
20	FY 2007	86.16%
21	FY 2008 <u>through FY 2022</u>	85.66%
22	FY 2023 through FY 2027	85.16%
23	FY 2028 and each fiscal	
24	year thereafter	85.66%

1		<del>(2)</del>	<del>in t</del>	he event that additional monies are necessary
2			purs	uant to paragraph 3 of this section, such
3			<del>addi</del>	tional monies shall be deducted in the
4			<del>prop</del>	ortion determined by the State Board of
5			<del>Equa</del>	lization pursuant to paragraph 3 of Section
6			2355	.1B of this title from the monies apportioned
7			<del>to t</del>	he General Revenue Fund,
8	b.	the	follo	wing amounts shall be paid to the State
9		Trea	surer	to be placed to the credit of the Education
10		Refo	rm Re	volving Fund of the State Department of
11		Educ	ation	<u>:</u>
12		(1)	for	FY 2003 through FY 2020, eight and thirty-
13			four	one-hundredths percent (8.34%),
14		(2)	for	FY 2021:
15			<u>(a)</u>	for the month beginning July 1, 2020,
16				through the month ending August 31, 2020,
17				eight and thirty-four one-hundredths percent
18				(8.34%), and
19			<u>(b)</u>	for the month beginning September 1, 2020,
20				through the month ending June 30, 2021, nine
21				and eighty-four one-hundredths percent
22				<u>(9.84%),</u>
23		(3)	for	FY 2022, nine and fifty-nine one-hundredths
24			perc	ent (9.59%), and

1	<u>(</u>	$\frac{1}{1}$ for FY 2023 and each fiscal year the	reafter,
2		eight and thirty-four one-hundredths	percent
3		(8.34%) shall be paid to the State T	reasurer to
4		be placed to the credit of the Educa	tion Reform
5		Revolving Fund,	
6	c. t	the following amounts shall be paid to th	e State
7	Г	reasurer to be placed to the credit of t	he Teachers'
8	F	Retirement System Dedicated Revenue Revol	ving Fund:
9	E	iscal Year	Amount
10	E	TY 2003 and FY 2004	3.54%
11	E	Y 2005	3.75%
12	E	Y 2006	4.0%
13	E	Y 2007	4.5%
14	E	Y 2008 through FY 2020	5.0%
15	<u> </u>	<u>Y 2021:</u>	
16	_(	(1) for the month beginning	
17		July 1, 2020, through	
18		the month ending August	
19		<u>31, 2020</u>	5.0%
20	<u>. (</u>	(2) for the month beginning	
21		September 1, 2020,	
22		through the month ending	
23		June 30, 2021	3.5%
24	<u> </u>	<u>Y 2022</u>	3.75%

1	FY 2023 through FY 2027	<u>5.5%</u>
2	FY 2028 and each fiscal	
3	vear thereafter	5.0%

- d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;
- 7 2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma 8 Department of Commerce to be necessary for the repayment of 10 obligations issued by the Oklahoma Development Finance Authority 11 pursuant to Section 3654 of this title if the other sources of 12 revenue paid to or apportioned to the Quality Jobs Program Incentive 13 Leverage Fund are not adequate, including the proceeds from payment 14 pursuant to the guaranty required by subsection M of Section 3654 of 15 this title, an amount certified by the Oklahoma Development Finance 16 Authority to the Oklahoma Tax Commission shall be apportioned to the 17 Quality Jobs Program Incentive Leverage Fund before any other 18 apportionments are made as otherwise authorized by this paragraph. 19 The Oklahoma Development Finance Authority shall certify to the 20 Oklahoma Tax Commission the time as of which the revenue authorized 21 for apportionment pursuant to this paragraph is no longer required. 22 After the certification, the revenue derived from the income tax 23 shall be apportioned in the manner otherwise provided by this 24 Except as otherwise provided by this paragraph, for the section.

4

5

fiscal year beginning July 1, 2002, the first Forty-One Million One Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of revenue derived pursuant to the provisions of subsections D and E of Section 2355 of this title shall be apportioned to the Education Reform Revolving Fund. The remainder of such revenue for the fiscal year beginning July 1, 2002, and all such revenue for each fiscal year thereafter, 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 monthly as follows:

a. the following amounts shall be paid to the State

Treasurer to be placed to the credit of the General

Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%

(1) (a) FY 2018 through FY 2022 until

the apportionment to the

General Revenue Fund equals

the moving five-year average

1.3

2.1

2.4

1	amount for corporate income	
2	tax as prescribed by	
3	paragraph 3 of this section	<u>77.50%</u>
4	(b) FY 2023 through FY 2027 until	
5	the apportionment to the	
6	General Revenue Fund equals	
7	the moving five-year average	
8	amount for corporate income	
9	tax as prescribed by	
10	paragraph 3 of this section	77.00%
11	(c) <u>FY 2028</u> and each fiscal year	
12	thereafter until the	
13	apportionment to the General	
14	Revenue Fund equals the	
15	moving five-year average	
16	amount for corporate income	
17	tax as prescribed by	
18	paragraph $4 \ \underline{3}$ of this section	77.50%
19	(2) there shall be apportioned from the tax	
20	levy imposed on corporate income tax to	
21	the Revenue Stabilization Fund created by	
22	Section 1 34.102 of this act Title 62 of	
23	the Oklahoma Statutes, or to the	
24	Constitutional Reserve Fund, as provided	

1	by Section 1 34.102 of this act Title 62
2	of the Oklahoma Statutes, the amount of
3	revenue, if any, which exceeds the moving
4	five-year average amount as defined
5	pursuant to paragraph $4 \ \underline{3}$ of this
6	section,
7	b. The following amounts shall be paid to the State
8	Treasurer to be placed to the credit of the Education
9	Reform Revolving Fund of the State Department of
10	Education:
11	(1) for FY 2003 through FY 2020, sixteen and five
12	tenths percent (16.5%),
13	(2) for FY 2021:
14	(a) for the month beginning July 1, 2020,
15	through the month ending August 31, 2020,
16	sixteen and five-tenths percent (16.5%), and
17	(b) for the month beginning September 1, 2020,
18	through the month ending June 30, 2021,
19	eighteen percent (18%),
20	(3) for FY 2022, seventeen and seventy-five one-
21	hundredths percent (17.75%), and
22	(4) for FY 2023 and each fiscal year thereafter,
23	sixteen and five-tenths percent (16.5%) shall be
24	paid to the State Treasurer to be placed to the

1		credit of the Education Reform Revolving	Fund of
2		the State Department of Education,	
3	С.	the following amounts shall be paid to the St.	ate
4		Treasurer to be placed to the credit of the To	eachers'
5		Retirement System Dedicated Revenue Revolving	Fund:
6		Fiscal Year	Amount
7		FY 2003 and FY 2004	3.54%
8		FY 2005	3.75%
9		FY 2006	4.0%
10		FY 2007	4.5%
11		FY 2008 through FY 2020	5.0%
12		FY 2021:	
13		(1) for the month beginning	
14		July 1, 2020, through	
15		the month ending August	
16		<u>31, 2020</u>	5.0%
17		(2) for the month beginning	
18		September 1, 2020,	
19		through the month ending	
20		June 30, 2021	3.5%
21		FY 2022	3.75%
22		FY 2023 through FY 2027	5.5%
23		FY 2028 and each fiscal	
24		year thereafter	5.0%

1	d. for FY 2003 and each fiscal year thereafter, one
2	percent (1%) shall be placed to the credit of the Ad
3	Valorem Reimbursement Fund;
4	3. During the first fiscal year after the State Board of
5	Equalization has made a determination as provided in Section 2355.1B
6	of this title, regarding a baseline amount of revenue apportioned
7	pursuant to subparagraph c of paragraph 1 of this section, and for
8	each fiscal year thereafter, in no event shall monies apportioned
9	pursuant to subparagraph c of paragraph 1 of this section, paragraph
10	3 of Section 1353 of this title and paragraph 3 of Section 1403 of
11	this title be less than such baseline amount; and
12	4. 3. "Moving five-year average for corporate income tax"
13	means, for purposes of the apportionments prescribed by this
14	section, the amount of income tax on corporations, as determined by
15	the State Board of Equalization in the manner prescribed by Section
16	2 34.103 of this act Title 62 of the Oklahoma Statutes.
17	SECTION 4. This act shall become effective September 1, 2020.
18	
19	DIRECT TO CALENDAR.
20	
21	
22	
23	
21	