

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

5/16/2019 6:41:46 PM

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB2766

By: Wallace et al of the House

Thompson et al of the Senate

Title: Appropriations and budget; Budget Implementation Act of 2019;
effective date.

Coauthored By:

Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached



Chr.
Representative Kevin Wallace

YEAS: 27

Bennett, Echols, Fetgatter, Ford, Goodwin, Hilbert, Kannady, Lawson, Lepak, Martinez, McEntire, Meredith, Munson, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K), Worthen

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

**OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT**

May 16, 2019

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 2766

By: Wallace of the House and Thompson and Rader of the Senate

Title: Appropriations and budget; Budget Implementation Act of 2019;
effective date.

Recommendation: **DO PASS AS AMENDED**

Aye: Bice, Brooks, Daniels, Dossett, Dugger, Floyd, Hall, Ikley-
Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Pugh,
Rosino, Scott, Shaw, Simpson, Stanislawski, Rader, Thompson

Nay:

Constitutional Privilege:

Senator Roger Thompson, Chair

Committee Substitute, motion by Senator THOMPSON - Adopted (Request No: 8574)

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

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

- 8 1. a. except as provided in subsection C of this section,
9 the following amounts shall be paid to the State
10 Treasurer to be placed to the credit of the General
11 Revenue Fund to be paid out pursuant to direct
12 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%

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

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
24

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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9 57-1-8970 JM 05/16/19

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