

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

5/17/2022 5:31:33 PM

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET COMMITTEE

HB4457

By: Wallace et al of the House

Thompson et al of the Senate

Title: Public finance; Public Finance Act of 2022; effective date.

Coauthored By:

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

Amendments:

1. Committee Substitute Attached



Chr.

Representative Kevin Wallace

YEAS: 30

Baker, Bennett, Blancett, Boatman, Echols, Fetgatter, Ford, Goodwin, Hilbert, Hill, Kannady, Lawson, Martinez, McBride, McCall, McDugle, McEntire, Miller, Munson, Newton, Nichols, Osburn, Pfeiffer, Sterling, Strom, Virgin, Walke, Wallace, West (J), West (T)

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT

May 17, 2022

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

HB 4457

By: Wallace of the House and Thompson of the Senate

Title: Public finance; Public Finance Act of 2022; effective date.

Recommendation: **DO PASS AS AMENDED**

Aye: Brooks, Dossett (J.J.), Dugger, Floyd, Haste, Jech, Kidd, Kirt, Matthews, Montgomery, Pederson, Pemberton, Rader, Rosino, Simpson, Weaver, Hall, Thompson

Nay:

Constitutional Privilege:

Senator Roger Thompson, Chair

Committee Substitute, motion by Senator AUTHOR - Adopted (Request No: 11499)

STATE OF OKLAHOMA

2nd Session of the 58th Legislature (2022)

COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 4457

By: Wallace and Martinez of the
House

and

Thompson and Hall of the
Senate

COMMITTEE SUBSTITUTE

An Act relating to Route 66; establishing the Oklahoma Route 66 Commission until certain date; providing for the appointments of Commission members; providing term lengths; creating the Oklahoma Route 66 Commission Revolving Fund; providing for promulgation of rules; establishing fund characteristics; declaring funds appropriated; limiting authority to budget and expend funds; providing for fund transfer at Commission expiration; amending 68 O.S. 2021, Section 1353, which relates to the apportionment of sales tax collections; modifying certain apportionments; creating apportionment for Oklahoma Route 66 Commission Revolving Fund; providing for codification; providing an effective date; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 4040 of Title 69, unless there
3 is created a duplication in numbering, reads as follows:

4 A. There is hereby created until June 30, 2027, the Oklahoma
5 Route 66 Commission. The Commission shall be composed of nine (9)
6 members. The members shall serve as follows:

7 1. One member shall be appointed by the Governor and selected
8 from the Commissioners of the Oklahoma Tax Commission, whose first
9 term shall be for one (1) year, and then renewable for three-year
10 terms thereafter;

11 2. One shall be the Executive Director of the Oklahoma
12 Department of Transportation, or his or her designee, whose first
13 term shall be for two (2) years, and then renewable for three-year
14 terms thereafter;

15 3. One shall be the Executive Director of the Oklahoma Tourism
16 and Recreation Department, or his or her designee, whose first term
17 shall be for three (3) years, and then renewable for three-year
18 terms thereafter;

19 4. Three members shall be appointed by the President Pro
20 Tempore of the Oklahoma State Senate of which:

21 a. one shall be a citizen of a county containing a
22 portion of Route 66, whose first term shall be for one
23 (1) year, and renewable for three-year terms
24 thereafter,

- 1 b. one shall be a city manager, assistant city manager,
2 or economic development director for a municipality on
3 Route 66 with a population greater than ten thousand
4 (10,000), whose first term shall be for two (2) years,
5 and renewable for three-year terms thereafter, and
6 c. one shall be an Oklahoma citizen with expertise or
7 experience in historic preservation, whose first term
8 shall be for three (3) years, and then renewable for
9 three-year terms thereafter; and

10 5. Three members shall be appointed by the Speaker of the
11 Oklahoma House of Representatives of which:

- 12 a. one shall be a citizen of a county containing a
13 portion of Route 66, whose first term shall be for one
14 (1) year, and then renewable for three-year terms
15 thereafter,
16 b. one of whom shall be a business owner whose business
17 is located along Route 66 within a city or town whose
18 population is less than ten thousand (10,000), whose
19 first term shall be for two (2) years, and then
20 renewable for three-year terms thereafter, and
21 c. one shall be an Oklahoma citizen with expertise or
22 experience in marketing, whose first term shall be for
23 three (3) years, and then renewable for three-year
24 terms thereafter.

1 B. The Commission shall utilize the Oklahoma Route 66
2 Commission Revolving Fund as authorized in Section 2 of this act.

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 4041 of Title 69, unless there
5 is created a duplication in numbering, reads as follows:

6 A. There is hereby created in the State Treasury a revolving
7 fund to be designated as the "Oklahoma Route 66 Commission Revolving
8 Fund", which shall consist of all monies appropriated, transferred,
9 or otherwise designated to the fund by law. The revolving fund
10 shall be a continuing fund, not subject to fiscal year limitations,
11 and shall be under the administration of the Oklahoma Route 66
12 Commission. All monies accruing to the credit of said fund are
13 hereby appropriated, and shall be budgeted and expended in
14 accordance with the provisions of subsection B of this section for
15 the purpose of preserving and developing Route 66 and commemorating
16 the Route 66 Centennial.

17 B. No funds shall be budgeted or expended from the Oklahoma
18 Route 66 Commission Revolving Fund prior to July 1, 2023, or prior
19 to the approval by the Legislature of promulgated permanent rules by
20 the Commission pursuant to the provisions of the Administrative
21 Procedures Act.

22 C. The Oklahoma Route 66 Commission shall promulgate, pursuant
23 to the provisions of the Administrative Procedures Act, permanent
24 rules subject to approval by the Legislature, to implement:

- 1 1. Application procedures for projects submitting requests for
2 funds;
- 3 2. Processes for awarding of funding applications;
- 4 3. Details of the Commission's general duties;
- 5 4. Reporting requirements of the Commission to the Legislature;
- 6 and
- 7 5. Any other rules necessary to carry out the purpose and
8 mission of the Commission as expressed in this act.

9 D. All unencumbered funds remaining in the Oklahoma Route 66
10 Commission Revolving Fund upon the expiration of the Oklahoma Route
11 66 Commission shall be transferred to the State Treasurer for
12 deposit in the General Revenue Fund.

13 SECTION 3. AMENDATORY 68 O.S. 2021, Section 1353, is
14 amended to read as follows:

15 Section 1353. A. It is hereby declared to be the purpose of
16 the Oklahoma Sales Tax Code to provide funds for the financing of
17 the program provided for by the Oklahoma Social Security Act and to
18 provide revenues for the support of the functions of the state
19 government of Oklahoma, and for this purpose it is hereby expressly
20 provided that, revenues derived pursuant to the provisions of the
21 Oklahoma Sales Tax Code, subject to the apportionment requirements
22 for the Oklahoma Tax Commission and Office of Management and
23 Enterprise Services Joint Computer Enhancement Fund provided by
24 Section 265 of this title, shall be apportioned as follows:

1 1. Except as provided in subsections C and D of this section,
2 the following amounts shall be paid to the State Treasurer to be
3 placed to the credit of the General Revenue Fund to be paid out
4 pursuant to direct appropriation by the Legislature:

5 Fiscal Year	Amount
6 FY 2003 and FY 2004	86.04%
7 FY 2005	85.83%
8 FY 2006	85.54%
9 FY 2007	85.04%
10 FY 2008 through FY 2022	83.61%
11 FY 2023 through FY 2027	83.36%
12 FY 2028 and each fiscal year thereafter	83.61%;

13 2. The following amounts shall be paid to the State Treasurer
14 to be placed to the credit of the Education Reform Revolving Fund of
15 the State Department of Education:

16 a. for FY 2003, FY 2004 and FY 2005, ten and forty-two
17 one-hundredths percent (10.42%),

18 b. for FY 2006 through FY 2020, ten and forty-six one-
19 hundredths percent (10.46%),

20 c. for FY 2021:

21 (1) for the month beginning July 1, 2020, through the
22 month ending August 31, 2020, ten and forty-six
23 one-hundredths percent (10.46%), and
24

(2) for the month beginning September 1, 2020,
through the month ending June 30, 2021, eleven
and ninety-six one-hundredths percent (11.96%),

d. for FY 2022 and each fiscal year thereafter, ten and
forty-six one-hundredths percent (10.46%);

3. The following amounts shall be paid to the State Treasurer
to be placed to the credit of the Teachers' Retirement System
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 through FY 2020	5.0%
FY 2021:	
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	3.5%
FY 2022	5.0%
FY 2023 through FY 2027	5.25%

1 FY 2028 and each fiscal year thereafter 5.0%;

2 4. a. except as otherwise provided in subparagraph b of
3 this paragraph, for the fiscal year beginning July 1, ~~2015~~ 2022, and
4 for each fiscal year thereafter, eighty-seven one-hundredths percent
5 (0.87%) shall be paid to the State Treasurer to be further
6 apportioned as follows:

7 (1) ~~thirty-six percent (36%)~~ twenty-four percent
8 (24%) shall be placed to the credit of the
9 Oklahoma Tourism Promotion Revolving Fund, but in
10 no event shall such apportionment exceed Five
11 Million Dollars (\$5,000,000.00) in any fiscal
12 year, and

13 (2) ~~sixty-four percent (64%)~~ forty-four percent (44%)
14 shall be placed to the credit of the Oklahoma
15 Tourism Capital Improvement Revolving Fund, but
16 in no event shall such apportionment exceed Nine
17 Million Dollars (\$9,000,000.00) in any fiscal
18 year, and

19 (3) thirty-two percent (32%) shall be placed to the
20 credit of the Oklahoma Route 66 Commission
21 Revolving Fund, but in no event shall such
22 apportionment exceed Six Million Six Hundred
23 Thousand Dollars (\$6,600,000.00) in any fiscal
24 year, and

1 b. any amounts which exceed the limitations of
2 subparagraph a of this paragraph shall be placed to
3 the credit of the General Revenue Fund; and

4 5. For the fiscal year beginning July 1, 2015, and for each
5 fiscal year thereafter, six one-hundredths percent (0.06%) shall be
6 placed to the credit of the Oklahoma Historical Society Capital
7 Improvement and Operations Revolving Fund, but in no event shall
8 such apportionment exceed the total amount apportioned pursuant to
9 this paragraph for the fiscal year ending on June 30, 2015. Any
10 amounts which exceed the limitations of this paragraph shall be
11 placed to the credit of the General Revenue Fund.

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

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

1 1. For the month ending August 31, 2019:

2 a. Nine Million Six Hundred Thousand Dollars

3 (\$9,600,000.00) to the credit of the State Highway
4 Construction and Maintenance Fund created in Section
5 1501 of Title 69 of the Oklahoma Statutes, and

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

10 2. For the month ending September 30, 2019:

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

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

19 3. For the month ending October 31, 2019:

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

24

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

5 4. For the month ending November 30, 2019:

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

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

14 5. For the month ending December 31, 2019:

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

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

23 D. For fiscal year 2023, and each subsequent fiscal year,
24 before any other apportionment otherwise required by this section is

1 made to the General Revenue Fund, there shall be apportioned to the
2 State Public Common School Building Equalization Fund an amount, if
3 any, as required pursuant to Section 3-104 of Title 70 of the
4 Oklahoma Statutes, not to exceed the state sales tax generated by
5 medical marijuana sales in the preceding fiscal year as reported by
6 the Oklahoma Tax Commission.

7 SECTION 4. This act shall become effective July 1, 2022.

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

12
13
14
15
16
17
18
19
20
21
22
23
24

58-2-11588 JM 05/17/22