

An Act

ENROLLED HOUSE
BILL NO. 1401

By: Montgomery, Worthen,
Roberts (Dustin), Lawson
and McDaniel of the House

and

Sparks of the Senate

An Act relating to public finance; enacting the Oklahoma Vision Act; creating Oklahoma Vision Fund; providing for apportionment of revenues into fund; providing for investment of funds; defining investment earnings; providing for responsibilities of State Treasurer; providing for apportionment of certain amounts of Oklahoma Vision Fund to the General Revenue Fund; providing for computation of apportionment; providing for use of monies with respect to certain debt service payments; providing for use of investment earnings to pay certain expenses; requiring State Auditor and Inspector to conduct audit; requiring report; requiring public access to audit document; amending 68 O.S. 2011, Section 1004, as last amended by Section 8 of Enrolled House Bill No. 1010 of the 2nd Extraordinary Session of the 56th Oklahoma Legislature; providing for apportionment of certain gross production revenues to the Oklahoma Vision Fund; providing for codification; and providing an effective date.

SUBJECT: Public finance

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4101 of Title 62, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Vision Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4102 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created in the State Treasury a fund to be known and designated as the "Oklahoma Vision Fund". The fund shall be a continuing fund, not subject to fiscal year limitations.

B. The Oklahoma Vision Fund shall consist of:

1. For the fiscal year beginning July 1, 2020, five percent (5%) of total actual revenue from the gross production tax on oil and gas which percentage shall increase by two-tenths percent (0.2%) each year thereafter;

2. Any amounts appropriated by the Legislature;

3. Any other deposits and apportionments from other sources as may be provided for by law; and

4. Investment and income returns from fund principal.

C. The balance of the Oklahoma Vision Fund shall be invested in a manner consistent with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims and by diversifying the investments of the Oklahoma Vision Fund so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.

D. The State Treasurer shall be responsible for the Oklahoma Vision Fund and for the investment of the principal of the fund in accordance with the requirements of subsection C of this section.

E. Four percent (4%) of the average annual amount of the principal of the Oklahoma Vision Fund for the immediately preceding five (5) complete fiscal years, shall be apportioned to the General Revenue Fund not later than September 30 each year. The State Treasurer shall determine the balance of the Oklahoma Vision Fund as of June 30 each year and for the preceding five (5) years in order

to apportion the required amount to the General Revenue Fund each fiscal year as required by this subsection. The deposit required by this subsection shall not begin before July 1, 2020.

F. Not more than five percent (5%) of the monies in the Oklahoma Vision Fund may be used for debt service payments due on bonds or other financing instruments issued by the State of Oklahoma, counties, municipalities, authorities, commissions, political subdivisions or any other governmental entities within the State of Oklahoma.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4103 of Title 62, unless there is created a duplication in numbering, reads as follows:

One percent (1%) of investment earnings from the Oklahoma Vision Fund may be used by the Office of the State Treasurer to manage the Oklahoma Vision Fund.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 4104 of Title 62, unless there is created a duplication in numbering, reads as follows:

The State Auditor and Inspector shall conduct an annual audit of the Oklahoma Vision Fund and its subaccounts, all expenditures which are otherwise derived from the Oklahoma Vision Fund, report any findings to the Governor and the Legislature, and make any documents pertaining to the audit publicly accessible.

SECTION 5. AMENDATORY 68 O.S. 2011, Section 1004, as last amended by Section 8 of Enrolled House Bill No. 1010 of the 2nd Extraordinary Session of the 56th Oklahoma Legislature, is amended to read as follows:

Section 1004. A. As used in this section:

1. "Moving five-year average amount for gas" means, for purposes of the apportionments prescribed by this section, the amount of gross production tax on natural gas collected for each of the five (5) complete fiscal years, as computed by the State Board of Equalization pursuant to Section 34.103 of Title 62 of the Oklahoma Statutes; and

2. "Moving five-year average amount for oil" means, for purposes of the apportionments prescribed by this section, the

amount of gross production tax on oil collected for each of the five (5) complete fiscal years, as computed by the State Board of Equalization pursuant to Section 34.103 of Title 62 of the Oklahoma Statutes.

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

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

- a. eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- b. seven and fourteen one-hundredths percent (7.14%) of the sum collected from natural gas and/or casinghead gas or asphalt or ores bearing uranium, lead, zinc, jack, gold, silver or copper 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
- c. seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided for in subparagraph b 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;

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

- a. after the total revenue apportioned to the General Revenue Fund as prescribed by subparagraph b of this paragraph equals the moving five-year average amount for gas as defined by paragraph 1 of subsection A of this section, there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on natural gas and/or casinghead gas to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, the amount of revenue, if any, which exceeds the moving five-year average amount for gas as defined pursuant to paragraph 1 of subsection A of this section,
- b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for gas as prescribed by paragraph 1 of subsection A of this section, eighty-five and seventy-two one-hundredths percent (85.72%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, seven and fourteen one-hundredths percent (7.14%) 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, seven and fourteen one-hundredths percent (7.14%) 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;

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

- a. after the total revenue apportioned to the General Revenue Fund as prescribed by subparagraph b of this paragraph equals the moving five-year average amount for gas as defined by paragraph 1 of subsection A of this section, there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on natural gas and/or casinghead gas to the Revenue Stabilization Fund created pursuant to Section 34.102 of Title 62 of the Oklahoma Statutes, the amount of revenue, if any, which exceeds the moving five-year average amount for gas as defined pursuant to paragraph 1 of subsection A of this section,
- b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for gas as prescribed by paragraph 1 of subsection A of this section, seventy-five percent (75%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- 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;

4. For all monies collected from the tax levied on natural gas and/or casinghead gas at a tax rate of one percent (1%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. fifty percent (50%) 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
- b. fifty percent (50%) shall be allocated to each county as provided for in subparagraph a 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;

5. For all monies collected from the tax levied on natural gas and/or casinghead gas at a tax rate of two percent (2%) pursuant to the provisions of subparagraph c of paragraph 3 of subsection B of Section 1001 of this title:

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

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

- b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for gas as prescribed by paragraph 1 of subsection A of this section, fifty percent (50%) shall be paid to the State Treasurer to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five percent (25%) 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, twenty-five percent (25%) 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;

6. For all monies collected from the tax levied on oil at a tax rate of seven percent (7%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on oil to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, after the applicable maximum amount prescribed by subsection C of this section has been deposited to the funds therein specified, the amount of revenue, if any, which would otherwise be apportioned to the General Revenue Fund and which exceeds the moving five-year average amount for oil as defined pursuant to paragraph 2 of subsection A of this section,
- b. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 34.90 of Title 62 of the Oklahoma Statutes,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 34.91 of Title 62 of the Oklahoma Statutes,
- d. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five and seventy-two one-hundredths percent (25.72%) shall be paid to the State Treasurer to be placed in the Oklahoma Student Aid Revolving Fund created in Section 34.92 of Title 62 of the Oklahoma Statutes,
- e. before any other apportionment of revenue has been made pursuant to this paragraph, three and seven hundred forty-five one-thousandths percent (3.745%) shall be distributed to the various counties of the state for deposit into the County Bridge and Road Improvement Fund of each county based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes to be used for the purposes set forth in the County Bridge and Road

Improvement Act. The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,

f. before any other apportionment of revenue has been made pursuant to this paragraph, four and twenty-eight one-hundredths percent (4.28%) shall be paid to the State Treasurer to be apportioned to:

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

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

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

(c) thirty-three and one-third percent (33 1/3%) to the Community Water Infrastructure Development Revolving Fund created pursuant to Section 1085.7A of Title 82 of the Oklahoma Statutes, and

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

g. before any other apportionment of revenue has been made pursuant to this paragraph, seven and fourteen one-hundredths percent (7.14%) of the sum collected from oil 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,

- h. before any other apportionment of revenue has been made pursuant to this paragraph, seven and fourteen one-hundredths percent (7.14%) shall be allocated to each county as provided in subparagraph g 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, and
- i. before any other apportionment of revenue has been made pursuant to this paragraph, five hundred thirty-five one-thousandths percent (0.535%) of the levy shall be transmitted by the Oklahoma Tax Commission to the Statewide Circuit Engineering District Revolving Fund as created in Section 687.2 of Title 69 of the Oklahoma Statutes;

7. For all monies collected from the tax levied on oil at a tax rate of four percent (4%) pursuant to the provisions of subsections B and E of Section 1001 of this title:

- a. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on oil to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, after the applicable maximum amount prescribed by subsection C of this section has been deposited to the funds therein specified, the amount of revenue, if any, which would otherwise be apportioned to the General Revenue Fund and which exceeds the moving five-year average amount for oil as defined pursuant to paragraph 2 of subsection A of this section,
- b. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-

half percent (22.5%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 34.90 of Title 62 of the Oklahoma Statutes,

- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 34.91 of Title 62 of the Oklahoma Statutes,
- d. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-two and one-half percent (22.5%) shall be paid to the State Treasurer to be placed in the Oklahoma Student Aid Revolving Fund created in Section 34.92 of Title 62 of the Oklahoma Statutes,
- e. before any other apportionment of revenue has been made pursuant to this paragraph, three and twenty-eight one-hundredths percent (3.28%) shall be distributed to the various counties of the state for deposit into the County Bridge and Road Improvement Fund of each county based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes to be used for the purposes set forth in the County Bridge and Road Improvement Act. The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,
- f. before any other apportionment of revenue has been made pursuant to this paragraph, three and seventy-five one-hundredths percent (3.75%) shall be paid to the State Treasurer to be apportioned to:

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

- (a) thirty-three and one-third percent (33 1/3%) to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund created pursuant to Section 2254.1 of Title 74 of the Oklahoma Statutes,
 - (b) thirty-three and one-third percent (33 1/3%) to the Oklahoma Conservation Commission Infrastructure Revolving Fund created pursuant to Section 3-2-110 of Title 27A of the Oklahoma Statutes, and
 - (c) thirty-three and one-third percent (33 1/3%) to the Community Water Infrastructure Development Revolving Fund created pursuant to Section 1085.7A of Title 82 of the Oklahoma Statutes, and
- (2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year beginning July 1, 2019, and for each fiscal year thereafter,
- g. 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 oil 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,
 - h. 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 in subparagraph g 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, and

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

8. For all monies collected from the tax levied on oil at a tax rate of one percent (1%) pursuant to the provisions of subsection B of Section 1001 of this title:

- a. fifty percent (50%) of the sum collected 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
- b. fifty percent (50%) shall be allocated to each county as provided for in subparagraph a 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;

9. For all monies collected from the tax levied on oil at a tax rate of two percent (2%) pursuant to the provisions of subparagraph c of paragraph 3 of subsection B of Section 1001 of this title:

- a. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on oil to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, the amount of revenue, if any, which exceeds the moving five-year average amount for oil as defined pursuant to paragraph 2 of subsection A of this section,

- b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for oil as prescribed by paragraph 2 of subsection A of this section, fifty percent (50%) shall be paid to the State Treasurer to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-five percent (25%) of the sum collected from oil 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, twenty-five percent (25%) shall be allocated to each county as provided 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;

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

- a. after the total revenue apportioned to the General Revenue Fund as prescribed by subparagraph b of this paragraph equals the moving five-year average amount for gas as defined by paragraph 1 of subsection A of this section, there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on natural gas and/or casinghead

gas to the Revenue Stabilization Fund created pursuant to Section 34.102 of Title 62 of the Oklahoma Statutes, the amount of revenue, if any, which exceeds the moving five-year average amount for gas as defined pursuant to paragraph 1 of subsection A of this section,

- b. until the apportionment to the General Revenue Fund equals the moving five-year average amount for gas as prescribed by paragraph 1 of subsection A of this section, eighty percent (80%) shall be paid to the State Treasurer of the state to be placed in the General Revenue Fund of the state and used for the general expense of state government, to be paid out pursuant to direct appropriation by the Legislature,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, ten percent (10%) 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, ten percent (10%) 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; and

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

- a. there shall be apportioned from the gross production tax levy imposed pursuant to Section 1001 of this title on oil to the Revenue Stabilization Fund created by Section 34.102 of Title 62 of the Oklahoma Statutes, after the applicable maximum amount prescribed by subsection C of this section has been deposited to the funds therein specified, the amount of revenue, if any, which would otherwise be apportioned to the General Revenue Fund and which exceeds the moving five-year average amount for oil as defined pursuant to paragraph 2 of subsection A of this section,
- b. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-three and seventy-five one-hundredths percent (23.75%) shall be paid to the State Treasurer to be placed in the Common Education Technology Revolving Fund created in Section 34.90 of Title 62 of the Oklahoma Statutes,
- c. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-three and seventy-five one-hundredths percent (23.75%) shall be paid to the State Treasurer to be placed in the Higher Education Capital Revolving Fund created in Section 34.91 of Title 62 of the Oklahoma Statutes,
- d. before any other apportionment of revenue has been made pursuant to this paragraph, twenty-three and seventy-five one-hundredths percent (23.75%) shall be paid to the State Treasurer to be placed in the Oklahoma Student Aid Revolving Fund created in Section 34.92 of Title 62 of the Oklahoma Statutes,
- e. before any other apportionment of revenue has been made pursuant to this paragraph, three and twenty-eight one-hundredths percent (3.28%) shall be distributed to the various counties of the state for deposit into the County Bridge and Road Improvement Fund of each county based on a formula developed by the Department of Transportation and approved by the Department of Transportation County Advisory Board created pursuant to Section 302.1 of Title 69 of the Oklahoma Statutes to be used for the purposes set forth in the County Bridge and Road Improvement Act.

The formula shall be similar to the formula currently used for the distribution of monies in the County Bridge Program funds, but shall also take into consideration the effect of the terrain and traffic volume as related to county road improvement and maintenance costs,

- f. before any other apportionment of revenue has been made pursuant to this paragraph, five percent (5%) shall be paid to the State Treasurer to be apportioned to:
 - (1) the following sources and in the following amounts through the fiscal year ending June 30, 2019:
 - (a) thirty-three and one-third percent (33 1/3%) to the Oklahoma Tourism and Recreation Department Capital Expenditure Revolving Fund created pursuant to Section 2254.1 of Title 74 of the Oklahoma Statutes,
 - (b) thirty-three and one-third percent (33 1/3%) to the Oklahoma Conservation Commission Infrastructure Revolving Fund created pursuant to Section 3-2-110 of Title 27A of the Oklahoma Statutes, and
 - (c) thirty-three and one-third percent (33 1/3%) to the Community Water Infrastructure Development Revolving Fund created pursuant to Section 1085.7A of Title 82 of the Oklahoma Statutes, and
 - (2) the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund for the fiscal year beginning July 1, 2019, and for each fiscal year thereafter,
- g. before any other apportionment of revenue has been made pursuant to this paragraph, ten percent (10%) of the sum collected from oil 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,

- h. before any other apportionment of revenue has been made pursuant to this paragraph, ten percent (10%) shall be allocated to each county as provided in subparagraph g 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, and
- i. before any other apportionment of revenue has been made pursuant to this paragraph, forty-seven one-hundredths percent (0.47%) of the levy shall be transmitted by the Tax Commission to the Statewide Circuit Engineering District Revolving Fund as created in Section 687.2 of Title 69 of the Oklahoma Statutes.

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

D. Beginning July 1, 2020, notwithstanding any other provisions of this section to the contrary, five percent (5%) of all gross production tax revenues shall be apportioned to the Oklahoma Vision Fund created pursuant to Section 2 of this act. For each fiscal year thereafter, the amount of revenue for apportionment to the

Oklahoma Vision Fund shall be increased in increments of two-tenths percent (0.2%).

SECTION 6. This act shall become effective November 1, 2018.

Passed the House of Representatives the 3rd day of May, 2018.

Presiding Officer of the House
of Representatives

Passed the Senate the 3rd day of May, 2018.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____