STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2605

By: Humphrey

COMMITTEE SUBSTITUTE

An Act relating to transportation; amending 47 O.S. 2021, Section 1104, as amended by Section 1, Chapter 363, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1104), which relates to the apportionment of Oklahoma Vehicle License and Registration Act collections; modifying certain apportionment in future fiscal years; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 1104, as amended by Section 1, Chapter 363, O.S.L. 2022 (47 O.S. Supp. 2022, Section 1104), is amended to read as follows:

Section 1104. A. Unless otherwise provided by law, all fees, taxes and penalties collected or received pursuant to the Oklahoma Vehicle License and Registration Act or Section 1-101 et seq. of this title shall be apportioned and distributed monthly by the Oklahoma Tax Commission in accordance with this section.
B. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various school districts in accordance with paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, thirty-five and forty-six one-hundredths percent (35.46%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, thirty-five and ninety-one one-hundredths percent (35.91%),

c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, thirty-six and twenty one-hundredths percent (36.20%),

d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, thirty-six and twenty one-hundredths percent (36.20%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

e. for the year beginning July 1, 2019, and all subsequent years, thirty-six and twenty one-hundredths percent (36.20%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for
the fiscal year ending on June 30, 2015. Any amounts
in excess of such limitation shall be placed to the
credit of the Rebuilding Oklahoma Access and Driver
Safety Fund created in Section 1521 of Title 69 of the
Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e
of paragraph 1 of this subsection shall be apportioned to the
various school districts so that each district shall receive an
amount based upon the proportion that each district's average daily
attendance bears to the total average daily attendance of those
districts entitled to receive funds pursuant to this section as
certified by the State Department of Education.

Each district's allocation of funds shall be remitted to the
county treasurer of the county wherein the administrative
headquarters of the district are located.

No district shall be eligible for the funds herein provided
unless the district makes an ad valorem tax levy of fifteen (15)
mills and maintains nine (9) years of instruction and pursuant to
the rules of the State Board of Education, is authorized to maintain
ten (10) years of instruction.

C. The following percentages of the monies referred to in
subsection A of this section shall be remitted to the State
Treasurer to be credited to the General Revenue Fund of the State
Treasury:
1. From October 1, 2000, until June 30, 2001, forty-five and ninety-seven one-hundredths percent (45.97%);

2. For the year beginning July 1, 2001, and ending June 30, 2002, forty-five and twenty-nine one-hundredths percent (45.29%);

3. For the year beginning July 1, 2002, and for the subsequent fiscal years ending June 30, 2007, forty-four and eighty-four one-hundredths percent (44.84%);

4. For the year beginning July 1, 2007, and ending June 30, 2008, thirty-nine and eighty-four one-hundredths percent (39.84%);

5. For the year beginning July 1, 2008, and ending June 30, 2009, thirty-four and eighty-four one-hundredths percent (34.84%);

6. For the period beginning July 1, 2009, and ending December 31, 2012, twenty-nine and eighty-four one-hundredths percent (29.84%);

7. For the period beginning January 1, 2013, and ending June 30, 2013, twenty-nine and thirty-four one-hundredths percent (29.34%);

8. For the year beginning July 1, 2013, and ending June 30, 2014, twenty-six and eighty-four one-hundredths percent (26.84%); and

9. For the year beginning July 1, 2014, through the year ending June 30, 2019, twenty-four and eighty-four one-hundredths percent (24.84%).
D. The following percentages of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the State Transportation Fund:

1. From October 1, 2000, until June 30, 2001, thirty-one-one-hundredths percent (0.30%);

2. For the year beginning July 1, 2001, through the year ending on June 30, 2015, thirty-one-one-hundredths percent (0.31%);

3. For the year beginning July 1, 2015, through the year ending on June 30, 2019, thirty-one-one-hundredths percent (0.31%), but in no event shall the amount apportioned in any fiscal year pursuant to this paragraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund; and

4. For the year beginning July 1, 2019, and all subsequent years, thirty-one-one-hundredths percent (0.31%), but in no event shall the amount apportioned in any fiscal year pursuant to this paragraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.
E. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, seven and nine one-hundredths percent (7.09%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, seven and eighteen one-hundredths percent (7.18%),

c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, seven and twenty-four one-hundredths percent (7.24%),

d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, seven and twenty-four one-hundredths percent (7.24%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

e. for the year beginning July 1, 2019, and all subsequent years, seven and twenty-four one-hundredths percent (7.24%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for
the fiscal year ending on June 30, 2015. Any amounts
in excess of such limitation shall be placed to the
credit of the Rebuilding Oklahoma Access and Driver
Safety Fund created in Section 1521 of Title 69 of the
Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e
of paragraph 1 of this subsection shall be apportioned as follows:
fourty percent (40%) of such sum shall be distributed to the various
counties in that proportion which the county road mileage of each
county bears to the entire state road mileage as certified by the
Transportation Commission and the remaining sixty percent (60%) of
such sum shall be distributed to the various counties on the basis
which the population and area of each county bears to the total
population and area of the state. The population shall be as shown
by the last Federal Census or the most recent annual estimate
provided by the United States Bureau of the Census. The funds shall
be used for the purpose of constructing and maintaining county
highways; provided, however, the county treasurer may deposit so
much of the funds in the sinking fund as may be necessary for the
retirement of interest and annual accrual of indebtedness created by
the issuance of county or township bonds for road purposes. Such
deposits to the sinking fund shall not exceed forty percent (40%) of
the funds allocated to a county pursuant to this paragraph.
F. 1. The following percentages of the monies referred to in subsection A of this section shall be remitted to the county treasurers of the respective counties and by them deposited in a separate special revenue fund to be used by the county commissioners in accordance with paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, two and fifty-three one-hundredths percent (2.53%),

b. for the year beginning July 1, 2001, and ending June 30, 2002, two and fifty-six one-hundredths percent (2.56%),

c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, two and fifty-nine one-hundredths percent (2.59%),

d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, two and fifty-nine one-hundredths percent (2.59%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

e. for the year beginning July 1, 2019, and all subsequent years, two and fifty-nine one-hundredths percent (2.59%), but in no event shall the amount
apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be used for the primary purpose of matching federal funds for the construction of federal aid projects on county roads, or constructing and maintaining county or township highways and permanent bridges of such counties. The distribution of monies apportioned by this paragraph shall be made upon the basis of the current formula based upon road mileage, area and population as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions.

G. 1. The following percentages of the monies referred to in subsection A of this section shall be transmitted by the Tax Commission to the various counties as set forth in paragraph 2 of this subsection:

a. from October 1, 2000, until June 30, 2001, three and fifty-five one-hundredths percent (3.55%),
b. for the year beginning July 1, 2001, and ending June 30, 2002, three and fifty-nine one-hundredths percent (3.59%),

c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, three and sixty-two one-hundredths percent (3.62%),

d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, three and sixty-two one-hundredths percent (3.62%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

e. for the year beginning July 1, 2019, and all subsequent years, three and sixty-two one-hundredths percent (3.62%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.
2. The monies apportioned pursuant to subparagraphs a through e of paragraph 1 of this subsection shall be transmitted to the various counties on the basis of a formula to be developed by the Department of Transportation. Such formula shall be similar to that currently used for the distribution of County Bridge Program Funds, but also taking into consideration the effect of terrain and traffic volume as related to county road improvement and maintenance costs. Provided, however, the Department of Transportation may update the formula factors from time to time as necessary to account for changing conditions. The funds shall be transmitted to the various county treasurers to be deposited in the county highway fund of their respective counties.

H. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various counties as set forth in paragraph 2 of this subsection:

   a. from October 1, 2000, until June 30, 2001, eighty-one one-hundredths percent (0.81%),
   b. for the year beginning July 1, 2001, and ending June 30, 2002, eighty-two one-hundredths percent (0.82%),
   c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, eighty-three one-hundredths percent (0.83%),
   d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, eighty-three one-hundredths
percent (0.83%), but in no event shall the amount
apportioned in any fiscal year pursuant to this
subparagraph exceed the total amount apportioned for
the fiscal year ending on June 30, 2015. Any amounts
in excess of such limitation shall be placed to the
credit of the General Revenue Fund, and

e. for the year beginning July 1, 2019, and all
subsequent years, eighty-three one-hundredths percent
(0.83%), but in no event shall the amount apportioned
in any fiscal year pursuant to this subparagraph
exceed the total amount apportioned for the fiscal
year ending on June 30, 2015. Any amounts in excess
of such limitation shall be placed to the credit of
the Rebuilding Oklahoma Access and Driver Safety Fund
created in Section 1521 of Title 69 of the Oklahoma
Statutes.

2. The monies apportioned pursuant to subparagraphs a through e
of paragraph 1 of this subsection shall be apportioned to the
various counties based upon the proportion that each county's
population bears to the total state population.

Each county's allocation of funds shall be remitted to the
various county treasurers to be deposited in the general fund of the
county and used for the support of county government.
I. 1. The following percentages of the monies referred to in subsection A of this section shall be apportioned to the various cities and incorporated towns as set forth in paragraph 2 of this subsection:

   a. from October 1, 2000, until June 30, 2001, three and four one-hundredths percent (3.04%),

   b. for the year beginning July 1, 2001, and ending June 30, 2002, three and eight one-hundredths percent (3.08%),

   c. for the year beginning July 1, 2002, through the year ending on June 30, 2015, three and ten one-hundredths percent (3.10%),

   d. for the year beginning July 1, 2015, through the year ending on June 30, 2019, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph exceed the total amount apportioned for the fiscal year ending on June 30, 2015. Any amounts in excess of such limitation shall be placed to the credit of the General Revenue Fund, and

   e. for the year beginning July 1, 2019, and all subsequent years, three and ten one-hundredths percent (3.10%), but in no event shall the amount apportioned in any fiscal year pursuant to this subparagraph
exceed the total amount apportioned for the fiscal
year ending on June 30, 2015. Any amounts in excess
of such limitation shall be placed to the credit of
the Rebuilding Oklahoma Access and Driver Safety Fund
created in Section 1521 of Title 69 of the Oklahoma
Statutes.

2. The monies apportioned pursuant to subparagraphs a through e
of paragraph 1 of this subsection shall be apportioned to the
various cities and incorporated towns based upon the proportion that
each city or incorporated town's population bears to the total
population of all cities and incorporated towns in the state. Such
funds shall be remitted to the various county treasurers for
allocation to the various cities and incorporated towns. All such
funds shall be used for the construction, maintenance, repair,
 improvement and lighting of streets and alleys. Provided, however,
the governing board of any city or town may, with the approval of
the county excise board, transfer any surplus funds to the general
revenue fund of such city or town whenever an emergency requires
such a transfer.

J. The following percentages of the monies referred to in
subsection A of this section shall be remitted to the State
Treasurer to be credited to the Oklahoma Law Enforcement Retirement
Fund:
1. From October 1, 2000, until June 30, 2001, one and twenty-two one-hundredths percent (1.22%); 

2. For the year beginning July 1, 2001, and ending June 30, 2002, one and twenty-three one-hundredths percent (1.23%); and 

3. For the year beginning July 1, 2002, and all subsequent years, one and twenty-four one-hundredths percent (1.24%). 

K. Three one-hundredths of one percent (3/100 of 1%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Wildlife Conservation Fund. Seventy-five percent (75%) of the funds shall be used for fish habitat restoration and twenty-five percent (25%) of the funds shall be used in the fish hatchery system for fish production. 

L. 1. For the year beginning July 1, 2007, and ending June 30, 2008, five percent (5%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes. 

2. For the year beginning July 1, 2008, and ending June 30, 2009, ten percent (10%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes. 

3. For the period beginning July 1, 2009, and ending December 31, 2012, fifteen percent (15%) of monies referred to in subsection
A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

4. For the period beginning January 1, 2013, and ending June 30, 2013, fifteen and fifty one-hundredths percent (15.50%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

5. For the year beginning July 1, 2013, and ending June 30, 2014, eighteen percent (18%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

6. For the year beginning July 1, 2014, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

7. For the year beginning July 1, 2015, through the year ending on June 30, 2019, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.
Statutes, but in no event shall the total amount apportioned in any fiscal year pursuant to this paragraph exceed One Hundred Twenty Million Dollars ($120,000,000.00). Any amounts in excess of One Hundred Twenty Million Dollars ($120,000,000.00) shall be placed to the credit of the General Revenue Fund.

8. a. Except as provided in subparagraph b of this paragraph, for the year beginning July 1, 2019, and all subsequent years, twenty percent (20%) of monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes, but in no event shall the total amount apportioned in any fiscal year pursuant to this paragraph exceed the fiscal year limitations provided in subparagraph c of this paragraph. Any amounts in excess of the fiscal year limitations provided in subparagraph c of this paragraph shall be placed to the credit of the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes,

b. (1) for the fiscal year beginning July 1, 2021, through the fiscal year ending June 30, 2026, 2024, the Oklahoma Tax Commission shall remit
twenty-five percent (25%) of the monthly allocation, otherwise scheduled to be credited to the County Improvements for Roads and Bridges Fund, to the various counties of the state. The Commission shall distribute such funds monthly to each county treasurer as follows:

(a) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the area of each county bears to the total area of the state,

(b) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the certified county road miles of each county bear to the total sum of county road miles in the state, and

(c) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the total replacement cost for obsolete or deficient bridges according to the most recent ODOT yearly Bridge Summary Report for County Bridges for each county bears to the total amount of such cost for all such county bridges in the state, and
(2) for the fiscal year beginning July 1, 2024, through the fiscal year ending June 30, 2026, the Oklahoma Tax Commission shall remit twenty-five percent (25%) of the monthly allocation, otherwise scheduled to be credited to the County Improvements for Roads and Bridges Fund, to the various counties of the state. The Commission shall distribute such funds monthly to each county treasurer and shall be equally divided among the counties, and

(3) for the fiscal year beginning July 1, 2026, and all subsequent fiscal years thereafter, the Oklahoma Tax Commission shall remit twenty-five percent (25%) of the monthly allocation, otherwise scheduled to be credited to the County Improvements for Roads and Bridges Fund, to the various counties of the state. The Commission shall distribute such funds monthly to each county treasurer as follows:

(a) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the area of each county bears to the total area of the state,
(b) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the certified county road miles of each county bear to the total sum of county road miles in the state, and

(c) one-third (1/3) of such funds shall be distributed to the various counties in the proportion which the number of county bridges in each county according to the ODOT 2020 Bridge Summary Report for County Bridges bears to the total sum of county bridges in the state according to such report.

Each county treasurer shall deposit such funds to the county’s county highway fund and such funds shall be used for maintenance and operations. In no event shall the total amount apportioned in any fiscal year pursuant to the provisions of subparagraphs a and b of this paragraph exceed the fiscal year limitations provided in subparagraph c of this paragraph, and

c. the total amount apportioned each fiscal year pursuant to this paragraph shall be limited as follows:

(1) for fiscal years 2020 through 2022 $120,000,000.00,
(2) for fiscal year 2023 $125,000,000.00,
(3) for fiscal year 2024 $130,000,000.00,
(4) for fiscal year 2025 $135,000,000.00,
(5) for fiscal year 2026 $140,000,000.00,
(6) for fiscal year 2027 $145,000,000.00,
(7) for fiscal year 2028 and all
subsequent fiscal years
thereafter $150,000,000.00.

M. Twenty-four and eighty-four one-hundredths percent (24.84%) of the monies referred to in subsection A of this section shall be remitted to the State Treasurer to be credited to the Rebuilding Oklahoma Access and Driver Safety Fund created in Section 1521 of Title 69 of the Oklahoma Statutes.

N. Monies allocated to counties by this section may be estimated by the county excise board in the budget for the county as anticipated revenue to the extent of ninety percent (90%) of the previous year's income from such source; provided, not more than fifteen percent (15%) can be encumbered during any month.

O. Notwithstanding any other provisions of this section, for the fiscal year beginning July 1, 2003, the first One Hundred Thousand Dollars ($100,000.00) of the monies collected or received by the Tax Commission pursuant to the registration of motorcycles and mopeds in this state shall be placed to the credit of the Oklahoma Tax Commission Revolving Fund.
SECTION 2. This act shall become effective November 1, 2023.

59-1-7810  MJ  02/28/23