

STATE NEWS WEEKLY SUMMARY CONTINUED

third quarter of 1996.

The production allowable is the same as for the second quarter of 1996.

Unallocated wells are not regulated by production allocations for specific fields. About 95 percent of Oklahoma gas wells are unallocated.

The commission staff recommended continuation of the present production allowable to help replenish a below-average supply of gas in storage, caused in part by extremely cold weather last winter in eastern and upper midwestern states.

Industry spokesmen at a Corporation Commission public hearing supported the commission staff's recommendation. No one opposed it.

The production allowable cap affects fewer than 1,000 of about 29,000 producing gas wells since most wells are not capable of producing enough gas to reach the allowable limit.

—OKLA. CORPORATION COMMISSION
05/30/96

PUBLIC SAFETY

PARENTAL CONTROL FOR TEEN DRIVERS BECOMES LAW

■(OKLAHOMA CITY) Parents will soon be able to have a say in whether their teenagers are able to get a driver's license. That's according to Sen. Brad Henry, principal author of the bill.

"I'm very pleased that the Governor has signed **Senate Bill 1115**. This measure gives

parents an important tool for ensuring their children's responsibility and safety," said Henry, D-Shawnee.

Under Senate bill 1115, a parent will be able to file an objection with the local Department of Public Safety testing location. They would also have the ability to get a minor's driver's license revoked until age 18. A revocation would remain in effect for at least three months.

Rep. Bob Weaver co-authored the measure in the House of Representatives.

The parental control law goes into effect November 1, 1996.

—SENATE MEDIA
05/30/96

REVENUE & TAXATION

TAX EQUITY BILL SIGNED INTO LAW

■(OKLAHOMA CITY) Calling it a victory for Oklahoma retirees, Sen. Brad Henry, D-Shawnee, announced today that his tax equity bill has been signed into law.

Governor Frank Keating signed **HB1621** during a Tuesday afternoon ceremony at the State Capitol.

Henry is senate author of the measure which extends the same tax deductions government retirees already enjoy to the private sector.

Under HB1621, private sector retirees with Oklahoma adjusted gross income of \$25,000 or less would be allowed a deduction of retirement income of up to \$5,500. The deduction would be phased in over a five-year period. Social Security income is fully exempted.

"Married retirees filing joint returns can also take advantage of the deduction if their Oklahoma adjusted gross income was \$50,000 or less," said Henry. "They would be able to deduct a total of \$11,000."

Oklahoma retirees can begin taking advantage of the new deduction in tax year 1997, for a total of \$1,100. The amount they can deduct will increase by \$1,100 each year after that until it reaches a total of \$5,500.

—SENATE MEDIA
05/28/96

TAX CREDIT DRAWS REPRESENTATIVES' IRE

■(GIT) A tax credit for companies using more than 750 million tons of coal annually caught the attention of and drew the ire of

some representatives on Wednesday, although the bill would go on to receive a passing vote.

SB911, by Rep. Larry Rice, D-Pryor, defines economically at-risk oil leases, provides an exemption from gross production and sales taxes for such leases and creates the Energy Administration Reform Task Force. While no House members voiced objections to those provisions of the bill, it was a provision inserted into the bill in conference committee that drew some representatives' ire.

The new provision allows companies which use 750 million tons of Oklahoma coal to receive a tax break equal to \$3 per ton. At present, Rice admitted during heated questioning from several representatives, only one facility in the state qualifies for that credit, which the Oklahoma Tax Commission estimated could cost the state up to \$3.6 million in revenue.

In addition, Rep. Howard Cotner, D-Altus, pointed out, the provision also allows the tax credit to be transferred or sold to practically any taxpayer in the state.

In debating against the bill, Cotner said he agreed with it in concept, but had to oppose it philosophically because of the transfer provision.

In defending his bill, Rice said the provision was added as a way to encourage coal-using companies to purchase Oklahoma coal, rather than out-of-state coal, which he said tended to be cheaper in price.

Questioned further about the provision, Rice said a similar provision allowed for the transfer of the venture capital tax credit, and that the transfer provision included in the bill was a way to further make Oklahoma coal a competitive commodity.

After the adoption of the bill's third conference committee report, the measure received a 78-20 passing vote.

—SHAWN ASHLEY
05/29/96

BINGO BILL NARROWLY PASSES

■(GIT) Its author said it would give the little guy a break, but House opponents to a bingo proposal unsuccessfully argued on Wednesday that the measure would benefit big hall operators and lead to more corruption.

Rep. Lloyd Fields, D-McAlester, told House members that **SB899** was designed to give small bingo hall operators, particu-

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