

ENROLLED SENATE
BILL NO. 826

By: Haney and Hobson of the
Senate

and

Hamilton and Steidley of
the House

An Act relating to public finance and revenue and taxation; amending 62 O.S. 1991, Section 41.29a, as amended by Section 1, Chapter 111, O.S.L. 1995 (62 O.S. Supp. 1995, Section 41.29a) and 68 O.S. 1991, Sections 1353, 1403 and 2352, which relate to estimates of revenue and apportionment and distribution of revenues; eliminating certain requirement for presentation of revenue estimates; requiring Office of Accountability to report certain revenue determinations; removing obsolete provisions; creating Education Reform Revolving Fund; providing for purposes and manner of expenditure of fund; providing for certain distribution of certain revenues; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 1991, Section 41.29a, as amended by Section 1, Chapter 111, O.S.L. 1995 (62 O.S. Supp. 1995, Section 41.29a), is amended to read as follows:

Section 41.29a. A. The Office of Accountability shall separately account for and report monthly revenues which it determines accrued to the Education Reform Revolving Fund which were attributable to the tax increases contained in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature.

B. Funds separately accounted for herein shall be used only to fund the reforms provided for in Enrolled House Bill No. 1017 of the

1st Extraordinary Session of the 42nd Oklahoma Legislature and for no other purpose. Any appropriation or expenditure of any of such funds for any other purpose shall be null and void and of no effect.

C. The Office of Accountability shall track apportionment of revenues which are deposited to the credit of the Education Reform Revolving Fund of the State Treasury which are attributable to the changes contained in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature on a fiscal year basis and shall provide an accounting to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate, within thirty (30) days after the end of the fiscal year.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 41.29b of Title 62, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Education Reform Revolving Fund". The said Education Reform Revolving Fund shall consist of any monies as apportioned by Sections 1353, 1403 and 2352 of Title 68 of the Oklahoma Statutes. The Education Reform Revolving Fund herein created may be expended for the purposes stated in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature, and in the same manner as appropriated funds.

SECTION 3. AMENDATORY 68 O.S. 1991, Section 1353, is amended to read as follows:

Section 1353. Purpose of Article - Apportionment of Revenues.

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 provide revenues for the support of the functions of the state government of Oklahoma, and for this purpose it is hereby expressly provided that eighty-nine and fifty-eight one-hundredths percent (89.58%) of the revenues derived pursuant to the provisions of the Oklahoma Sales Tax Code shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature and that ten and forty-two one-hundredths percent (10.42%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education.

SECTION 4. AMENDATORY 68 O.S. 1991, Section 1403, is amended to read as follows:

Section 1403. It is hereby declared to be the purpose of this article to provide for the support of the functions of the state and local government of Oklahoma; and for this purpose and to this end, it is hereby expressly provided that the revenues derived hereunder are hereby apportioned as follows:

Eighty-eight and eighty-nine one-hundredths percent (88.89%) of all revenues derived under the provisions of Section 1402 of this title shall be paid by the Tax Commission to the State Treasurer and by the State Treasurer placed to the credit of the General Revenue Fund to be paid out pursuant to direct appropriation by the Legislature and that eleven and eleven one-hundredths percent (11.11%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education.

SECTION 5. AMENDATORY 68 O.S. 1991, Section 2352, is amended to read as follows:

Section 2352. It is hereby declared to be the purpose of this article to provide revenue for general governmental functions of state government; and, for that purpose and to that end, it is expressly declared that the revenue derived herefrom and penalties and interest thereon, shall be distributed as follows:

1. Ninety and sixty-six one-hundredths percent (90.66%) of all such monies from all taxpayers as stated in subsections A, B and E of Section 2355 of Title 68 of the Oklahoma Statutes shall be apportioned monthly to the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature and eight and thirty-four one-hundredths percent (8.34%) shall be apportioned monthly to the Education Reform Revolving Fund;

2. Eighty-two and five-tenths percent (82.5%) of all such monies from all taxpayers as stated in subsections C and D of Section 2355 of Title 68 of the Oklahoma Statutes shall be apportioned monthly to the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature and sixteen and five-tenths percent (16.5%) shall be apportioned monthly to the Education Reform Revolving Fund of the State Department of Education; and

3. One percent (1%) of such monies from the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes shall be placed to the credit of the Ad Valorem Reimbursement Fund.

SECTION 6. This act shall become effective June 1, 1996.

SECTION 7. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.