

STATE OF OKLAHOMA

2nd Session of the 51st Legislature (2008)

HOUSE BILL 2510

By: Coody

AS INTRODUCED

An Act relating to public retirement systems; authorizing retirement benefit increases for certain members of the Teachers' Retirement System of Oklahoma; specifying amount of benefit increase; amending 68 O.S. 2001, Section 2352, as last amended by Section 5, Chapter 366, O.S.L. 2007 (68 O.S. Supp. 2007, Section 2352), which relates to income tax apportionment; providing for apportionment of revenue to Teachers' Retirement System of Oklahoma to reduce certain liability; providing for codification; providing an effective date; and declaring an emergency.

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 17-116.21 of Title 70, unless there is created a duplication in numbering, reads as follows:

A. Any person receiving benefits from the Teachers' Retirement System of Oklahoma as of June 30, 2007, other than those benefits specified in subsection B of this section, who continues to receive benefits on or after July 1, 2008, shall receive a four-percent increase in said benefits beginning in July 2008.

1 B. Any person receiving benefits pursuant to subsection (3) of
2 Section 17-105 of Title 70 of the Oklahoma Statutes whose benefits
3 commenced prior to July 1, 2007, and who continues to receive
4 benefits on or after July 1, 2008, shall receive a four-percent
5 increase in said benefits beginning in July 2008.

6 SECTION 2. AMENDATORY 68 O.S. 2001, Section 2352, as
7 last amended by Section 5, Chapter 366, O.S.L. 2007 (68 O.S. Supp.
8 2007, Section 2352), is amended to read as follows:

9 Section 2352. It is hereby declared to be the purpose of
10 Section 2351 et seq. of this title to provide revenue for general
11 governmental functions of state government; and, for that purpose
12 and to that end, it is expressly declared that the revenue derived
13 herefrom and penalties and interest thereon, subject to the
14 apportionment requirements for the Rebuilding Oklahoma Access and
15 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail
16 Revolving Fund and the Public Transit Revolving Fund to be derived
17 from income tax revenue that would otherwise be apportioned to the
18 General Revenue Fund as provided by Section 1521 of Title 69 of the
19 Oklahoma Statutes, shall be distributed as follows:

20 1. For the fiscal year beginning July 1, 2002, the first Five
21 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
22 derived pursuant to the provisions of subsections A, B and E of
23 Section 2355 of this title shall be apportioned to the Education
24 Reform Revolving Fund. The remainder of such revenue for the fiscal

1 year beginning July 1, 2002, and all such revenue for each fiscal
2 year thereafter shall be apportioned monthly as follows:

3 a. (1) the following amounts shall be paid to the State
4 Treasurer to be placed to the credit of the
5 General Revenue Fund of the state for such fiscal
6 year for the support of the state government to
7 be paid out only pursuant to appropriation by the
8 Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	87.12%
FY 2005	86.91%
FY 2006	86.66%
FY 2007	86.16%
FY 2008 and each fiscal year thereafter	85.66%

16 (2) in the event that additional monies are necessary
17 pursuant to paragraph 3 of this section, such
18 additional monies shall be deducted in the
19 proportion determined by the State Board of
20 Equalization pursuant to paragraph 3 of Section ~~2~~
21 2355.1B of this ~~act~~ title from the monies
22 apportioned to the General Revenue Fund,

23 b. for FY 2003 and each fiscal year thereafter, eight and
24 thirty-four one-hundredths percent (8.34%) shall be

1 paid to the State Treasurer to be placed to the credit
 2 of the Education Reform Revolving Fund,

3 c. the following amounts shall be paid to the State
 4 Treasurer to be placed to the credit of the Teachers'
 5 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 and each fiscal year thereafter	5.0%

11
 12
 13 d. for FY 2003 and each fiscal year thereafter, one
 14 percent (1%) shall be placed to the credit of the Ad
 15 Valorem Reimbursement Fund;

16 2. Beginning July 1, 2003, for any period of time as certified
 17 by the Oklahoma Development Finance Authority and the Oklahoma
 18 Department of Commerce to be necessary for the repayment of
 19 obligations issued by the Oklahoma Development Finance Authority
 20 pursuant to Section 3654 of this title if the other sources of
 21 revenue paid to or apportioned to the Quality Jobs Program Incentive
 22 Leverage Fund are not adequate, including the proceeds from payment
 23 pursuant to the guaranty required by subsection M of Section 3654 of
 24 this title, an amount certified by the Oklahoma Development Finance

1 Authority to the Oklahoma Tax Commission shall be apportioned to the
 2 Quality Jobs Program Incentive Leverage Fund before any other
 3 apportionments are made as otherwise authorized by this paragraph.
 4 The Oklahoma Development Finance Authority shall certify to the
 5 Oklahoma Tax Commission the time as of which the revenue authorized
 6 for apportionment pursuant to this paragraph is no longer required.
 7 After the certification, the revenue derived from the income tax
 8 shall be apportioned in the manner otherwise provided by this
 9 section. Except as otherwise provided by this paragraph, for the
 10 fiscal year beginning July 1, 2002, the first Forty-One Million One
 11 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
 12 revenue derived pursuant to the provisions of subsections C and D of
 13 Section 2355 of this title shall be apportioned to the Education
 14 Reform Revolving Fund. The remainder of such revenue for the fiscal
 15 year beginning July 1, 2002, and all such revenue for each fiscal
 16 year thereafter shall be apportioned monthly as follows:

17 a. the following amounts shall be paid to the State
 18 Treasurer to be placed to the credit of the General
 19 Revenue Fund of the state for such fiscal year for the
 20 support of the state government to be paid out only
 21 pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%

1	FY 2006	78.50%
2	FY 2007	78.0%
3	FY 2008 and each fiscal	
4	year thereafter	77.50%

5 b. for FY 2003 and each fiscal year thereafter, sixteen
6 and five-tenths percent (16.5%) shall be paid to the
7 State Treasurer to be placed to the credit of the
8 Education Reform Revolving Fund of the State
9 Department of Education,

10 c. the following amounts shall be paid to the State
11 Treasurer to be placed to the credit of the Teachers'
12 Retirement System Dedicated Revenue Revolving Fund:

13	Fiscal Year	Amount
14	FY 2003 and FY 2004	3.54%
15	FY 2005	3.75%
16	FY 2006	4.0%
17	FY 2007	4.5%
18	FY 2008 and each fiscal	
19	year thereafter	5.0%

20 d. for FY 2003 and each fiscal year thereafter, one
21 percent (1%) shall be placed to the credit of the Ad
22 Valorem Reimbursement Fund; ~~and~~

23 3. During the first fiscal year after the State Board of
24 Equalization has made a determination as provided in Section 2

1 ~~2355.1B of Enrolled Senate Bill No. 357 of the 1st Session of the~~
2 ~~51st Oklahoma Legislature, as amended by Section 2 of this act~~
3 ~~title, regarding a baseline amount of revenue apportioned pursuant~~
4 ~~to subparagraph c of paragraph 1 of this section, and for each~~
5 ~~fiscal year thereafter, in no event shall monies apportioned~~
6 ~~pursuant to subparagraph c of paragraph 1 of this section, paragraph~~
7 ~~3 of Section 1353 of this title and paragraph 3 of Section 1403 of~~
8 ~~this title be less than such baseline amount; and~~

9 4. Beginning July 1, 2008, and each fiscal year thereafter,
10 before any other apportionments required by this section are made,
11 there shall be apportioned to the Teachers' Retirement System of
12 Oklahoma the amount of Zero Dollars (\$0.00) for the purpose of
13 reducing the unfunded actuarial accrued liability attributable to
14 two percentage points of the cost-of-living adjustment authorized
15 pursuant to Section 1 of this act.

16 SECTION 3. This act shall become effective July 1, 2008.

17 SECTION 4. It being immediately necessary for the preservation
18 of the public peace, health and safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

21

22 51-2-9663 MAH 01/12/08

23

24