

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 2512

By: Coody

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6 AS INTRODUCED

7 An Act relating to health care costs; providing for
8 additional payment to retired members of the
9 Teachers' Retirement System of Oklahoma; specifying
10 purpose of payment; providing payment in addition to
11 amount paid pursuant to specific statutory provision;
12 creating the Retired Educators Health Care Cost
13 Revolving Fund; stating purpose of fund; providing
14 for apportionment of certain revenues to fund;
15 providing for expenditures from fund and prescribing
16 method for expenditures; providing monies in Retired
17 Educators Health Care Cost Revolving Fund to be
18 separate and distinct from other retirement system
19 assets; prohibiting commingling; amending 68 O.S.
20 2001, Section 2352, as last amended by Section 5,
21 Chapter 366, O.S.L. 2007 (68 O.S. Supp. 2007, Section
22 2352), which relates to the apportionment of income
23 tax revenue; modifying apportionment; providing for
24 apportionment of certain amount to Retired Educators
Health Care Cost Revolving Fund; 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 1316.3A of Title 74, unless
there is created a duplication in numbering, reads as follows:

1 In addition to the amount payable to retirees of the Teachers'
2 Retirement System of Oklahoma pursuant to the provisions of Section
3 1316.3 of Title 74 of the Oklahoma Statutes, there shall be paid to
4 each such retired member an additional amount of Fifty Dollars
5 (\$50.00) from the Retired Educators Health Care Cost Revolving Fund
6 created pursuant to Section 2 of this act.

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 17-108A of Title 70, unless
9 there is created a duplication in numbering, reads as follows:

10 There is hereby created in the State Treasury a revolving fund
11 for the Teachers' Retirement System of Oklahoma to be designated the
12 "Retired Educators Health Care Cost Revolving Fund". The fund shall
13 be a continuing fund, not subject to fiscal year limitations, and
14 shall consist of all monies received by the Teachers' Retirement
15 System from the revenues apportioned to the fund pursuant to Section
16 4 of this act. All monies accruing to the credit of said fund are
17 hereby appropriated and may be budgeted and expended by the
18 Teachers' Retirement System for the purpose of making the payment
19 authorized by Section 1 of this act. Expenditures from said fund
20 shall be made upon warrants issued by the State Treasurer against
21 claims filed as prescribed by law with the Director of State Finance
22 for approval and payment.

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1 SECTION 3. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 17-108B of Title 70, unless
3 there is created a duplication in numbering, reads as follows:

4 None of the monies apportioned to the Retired Educators Health
5 Care Cost Revolving Fund or transferred from the fund shall become
6 part of the corpus of monies held in trust by the Teachers'
7 Retirement System of Oklahoma for payment of retirement benefits.
8 The monies contained in the Retired Educators Health Care Cost
9 Revolving Fund shall be administered by the Board of Trustees of the
10 Teachers' Retirement System exclusively for making the payment
11 authorized pursuant to Section 1 of this act and shall always
12 constitute a separate and distinct asset from all other assets of
13 the Teachers' Retirement System of Oklahoma.

14 SECTION 4. AMENDATORY 68 O.S. 2001, Section 2352, as
15 last amended by Section 5, Chapter 366, O.S.L. 2007 (68 O.S. Supp.
16 2007, Section 2352), is amended to read as follows:

17 Section 2352. It is hereby declared to be the purpose of
18 Section 2351 et seq. of this title to provide revenue for general
19 governmental functions of state government; and, for that purpose
20 and to that end, it is expressly declared that the revenue derived
21 herefrom and penalties and interest thereon, subject to the
22 apportionment requirements for the Rebuilding Oklahoma Access and
23 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail
24 Revolving Fund and the Public Transit Revolving Fund to be derived

1 from income tax revenue that would otherwise be apportioned to the
2 General Revenue Fund as provided by Section 1521 of Title 69 of the
3 Oklahoma Statutes, shall be distributed as follows:

4 1. For the fiscal year beginning July 1, 2002, the first Five
5 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue
6 derived pursuant to the provisions of subsections A, B and E of
7 Section 2355 of this title shall be apportioned to the Education
8 Reform Revolving Fund. The remainder of such revenue for the fiscal
9 year beginning July 1, 2002, and all such revenue for each fiscal
10 year thereafter shall be apportioned monthly as follows:

11 a. (1) the following amounts shall be paid to the State
12 Treasurer to be placed to the credit of the
13 General Revenue Fund of the state for such fiscal
14 year for the support of the state government to
15 be paid out only pursuant to appropriation by the
16 Legislature:

17	Fiscal Year	Amount
18	FY 2003 and FY 2004	87.12%
19	FY 2005	86.91%
20	FY 2006	86.66%
21	FY 2007	86.16%
22	FY 2008 and each fiscal	
23	year thereafter	85.66%

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

b. for FY 2003 and each fiscal year thereafter, eight and thirty-four one-hundredths percent (8.34%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund,

c. the following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' 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%

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

1 2. Beginning July 1, 2003, for any period of time as certified
2 by the Oklahoma Development Finance Authority and the Oklahoma
3 Department of Commerce to be necessary for the repayment of
4 obligations issued by the Oklahoma Development Finance Authority
5 pursuant to Section 3654 of this title if the other sources of
6 revenue paid to or apportioned to the Quality Jobs Program Incentive
7 Leverage Fund are not adequate, including the proceeds from payment
8 pursuant to the guaranty required by subsection M of Section 3654 of
9 this title, an amount certified by the Oklahoma Development Finance
10 Authority to the Oklahoma Tax Commission shall be apportioned to the
11 Quality Jobs Program Incentive Leverage Fund before any other
12 apportionments are made as otherwise authorized by this paragraph.
13 The Oklahoma Development Finance Authority shall certify to the
14 Oklahoma Tax Commission the time as of which the revenue authorized
15 for apportionment pursuant to this paragraph is no longer required.
16 After the certification, the revenue derived from the income tax
17 shall be apportioned in the manner otherwise provided by this
18 section. Except as otherwise provided by this paragraph, for the
19 fiscal year beginning July 1, 2002, the first Forty-One Million One
20 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of
21 revenue derived pursuant to the provisions of subsections C and D of
22 Section 2355 of this title shall be apportioned to the Education
23 Reform Revolving Fund. The remainder of such revenue for the fiscal
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1 year beginning July 1, 2002, and all such revenue for each fiscal
2 year thereafter shall be apportioned monthly as follows:

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

8 Fiscal Year	Amount
9 FY 2003 and FY 2004	78.96%
10 FY 2005	78.75%
11 FY 2006	78.50%
12 FY 2007	78.0%
13 FY 2008 and each fiscal	
14 year thereafter	77.50%

15 b. for FY 2003 and each fiscal year thereafter, sixteen
16 and five-tenths percent (16.5%) shall be paid to the
17 State Treasurer to be placed to the credit of the
18 Education Reform Revolving Fund of the State
19 Department of Education,

20 c. the following amounts shall be paid to the State
21 Treasurer to be placed to the credit of the Teachers'
22 Retirement System Dedicated Revenue Revolving Fund:

23 Fiscal Year	Amount
24 FY 2003 and FY 2004	3.54%

1	FY 2005	3.75%
2	FY 2006	4.0%
3	FY 2007	4.5%
4	FY 2008 and each fiscal	
5	year thereafter	5.0%

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

9 3. During the first fiscal year after the State Board of
10 Equalization has made a determination as provided in Section 2
11 2355.1B of ~~Enrolled Senate Bill No. 357 of the 1st Session of the~~
12 ~~51st Oklahoma Legislature, as amended by Section 2 of this act~~
13 title, regarding a baseline amount of revenue apportioned pursuant
14 to subparagraph c of paragraph 1 of this section, and for each
15 fiscal year thereafter, in no event shall monies apportioned
16 pursuant to subparagraph c of paragraph 1 of this section, paragraph
17 3 of Section 1353 of this title and paragraph 3 of Section 1403 of
18 this title be less than such baseline amount; and

19 4. For the fiscal year beginning July 1, 2008, and for each
20 fiscal year thereafter, prior to any other apportionment of revenues
21 from income tax as provided by this section, there shall be
22 apportioned to the Retired Educators Health Care Cost Revolving Fund
23 created pursuant to Section 2 of this act the sum of Zero Dollars
24 (\$0.00) to be used for the payment of the amount authorized for

1 health care premium costs of retired members of the Teachers'
2 Retirement System of Oklahoma as provided by Section 1 of this act.

3 SECTION 5. This act shall become effective July 1, 2008.

4 SECTION 6. It being immediately necessary for the preservation
5 of the public peace, health and safety, an emergency is hereby
6 declared to exist, by reason whereof this act shall take effect and
7 be in full force from and after its passage and approval.

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