

STATE OF OKLAHOMA

2nd Session of the 51st Legislature (2008)

HOUSE BILL 2750

By: Dank

AS INTRODUCED

An Act relating to insurance premium tax apportionments; amending 36 O.S. 2001, Section 312.1, as last amended by Section 17, Chapter 46, 2nd Extraordinary Session, O.S.L. 2006 (36 O.S. Supp. 2007, Section 312.1), which relates to insurance premium tax apportionments; modifying apportionments to the Oklahoma Firefighters Pension and Retirement Fund, the Oklahoma Police Pension and Retirement System and the Oklahoma Law Enforcement Retirement Fund for designated fiscal year; requiring insurance premium tax credit to be deducted from General Revenue Fund apportionment; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 36 O.S. 2001, Section 312.1, as last amended by Section 17, Chapter 46, 2nd Extraordinary Session, O.S.L. 2006 (36 O.S. Supp. 2007, Section 312.1), is amended to read as follows:

Section 312.1 A. For the fiscal year ending June 30, 2004, the Insurance Commissioner shall report and disburse one hundred percent (100%) of the fees and taxes collected under Section 624 of this title to the State Treasurer to be deposited to the credit of the

1 Education Reform Revolving Fund created pursuant to Section 41.29b
2 of Title 62 of the Oklahoma Statutes. The Insurance Commissioner
3 shall keep an accurate record of all such funds and make an itemized
4 statement and furnish same to the State Auditor and Inspector, as to
5 all other departments of this state. The report shall be
6 accompanied by an affidavit of the Insurance Commissioner or the
7 Chief Clerk of such office certifying to the correctness thereof.

8 B. For the fiscal year beginning July 1, 2006, and for each
9 fiscal year thereafter, the Insurance Commissioner shall apportion
10 an amount of the taxes and fees received from Section 624 of this
11 title, which shall be at least One Million Two Hundred Fifty
12 Thousand Dollars (\$1,250,000.00) each year, but which shall also be
13 computed on an annual basis by the Commissioner as the amount of
14 insurance premium tax revenue loss attributable to the provisions of
15 subsection H of Section 625.1 of this title and increased if
16 necessary to reflect the annual computation, and which shall be
17 apportioned before any other amounts, to the following pension
18 systems and in the following amounts:

19 1. Sixty-five percent (65%) to the Oklahoma Firefighters
20 Pension and Retirement Fund in the manner provided for in Sections
21 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

22 2. Twenty-six percent (26%) to the Oklahoma Police Pension and
23 Retirement System pursuant to the provisions of Sections 50-101
24 through 50-136 of Title 11 of the Oklahoma Statutes; and

1 3. Nine percent (9%) to the Law Enforcement Retirement Fund.

2 C. After the apportionment required by subsection B of this
3 section, for the fiscal years beginning July 1, 2004, and ending
4 June 30, 2009, the Insurance Commissioner shall report and disburse
5 all of the fees and taxes collected under Section 624 of this title
6 and Section 2204 of this title, and the same are hereby apportioned
7 as follows:

8 1. Thirty-four percent (34%) of the taxes collected on premiums
9 shall be allocated and disbursed for the Oklahoma Firefighters
10 Pension and Retirement Fund, in the manner provided for in Sections
11 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

12 2. Seventeen percent (17%) of the taxes collected on premiums
13 shall be allocated and disbursed to the Oklahoma Police Pension and
14 Retirement System pursuant to the provisions of Sections 50-101
15 through 50-136 of Title 11 of the Oklahoma Statutes;

16 3. Six and one-tenth percent (6.1%) of the taxes collected on
17 premiums shall be allocated and disbursed to the Law Enforcement
18 Retirement Fund; and

19 4. All the balance and remainder of the taxes and fees provided
20 in Section 624 of this title shall be paid to the State Treasurer to
21 the credit of the General Revenue Fund of the state to provide
22 revenue for general functions of state government. The Insurance
23 Commissioner shall keep an accurate record of all such funds and
24 make an itemized statement and furnish same to the State Auditor and

1 Inspector, as to all other departments of this state. The report
2 shall be accompanied by an affidavit of the Insurance Commissioner
3 or the Chief Clerk of such office certifying to the correctness
4 thereof.

5 D. After the apportionment required by subsection B of this
6 section, for the fiscal year ending June 30, 2010, and for each
7 fiscal year thereafter the Insurance Commissioner shall report and
8 disburse all of the fees and taxes collected under Section 624 of
9 this title and Section 2204 of this title, and the same are hereby
10 apportioned as follows:

11 1. Thirty-four percent (34%) of the taxes collected on premiums
12 shall be allocated and disbursed for the Oklahoma Firefighters
13 Pension and Retirement Fund, in the manner provided for in Sections
14 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

15 2. Fourteen percent (14%) of the taxes collected on premiums
16 shall be allocated and disbursed to the Oklahoma Police Pension and
17 Retirement System pursuant to the provisions of Sections 50-101
18 through 50-136 of Title 11 of the Oklahoma Statutes;

19 3. Five percent (5%) of the taxes collected on premiums shall
20 be allocated and disbursed to the Law Enforcement Retirement Fund;
21 and

22 4. All the balance and remainder of the taxes and fees provided
23 in Section 624 of this title shall be paid to the State Treasurer to
24 the credit of the General Revenue Fund of the state to provide

1 revenue for general functions of state government. The Insurance
2 Commissioner shall keep an accurate record of all such funds and
3 make an itemized statement and furnish same to the State Auditor and
4 Inspector, as to all other departments of this state. The report
5 shall be accompanied by an affidavit of the Insurance Commissioner
6 or the Chief Clerk of such office certifying to the correctness
7 thereof.

8 E. For the fiscal year ending June 30, 2009, in addition to the
9 apportionment required by subsection B of this section and prior to
10 any other apportionments required to be made by this section, the
11 Insurance Commissioner shall apportion an amount of the taxes and
12 fees received from Section 624 of this title to the following
13 retirement systems and in the following amounts in order to
14 partially compensate the affected retirement system for the revenue
15 loss attributable to insurance premium tax credits:

16 1. Twenty-two Million Eight Hundred Seventy-seven Thousand Two
17 Hundred Forty-seven Dollars (\$22,877,247.00) to the Oklahoma
18 Firefighters Pension and Retirement Fund;

19 2. Nine Million Three Hundred Fifty-one Thousand Five Hundred
20 Eighty-two Dollars (\$9,351,582.00) to the Oklahoma Police Pension
21 and Retirement System; and

22 3. Three Million Three Hundred Fifty-one Thousand Three Hundred
23 Seventeen Dollars (\$3,351,317.00) to the Oklahoma Law Enforcement
24 Retirement Fund.

1 F. Effective July 1, 2008, any tax credit that may be claimed
2 against the liability imposed pursuant to Section 624 or 628 of
3 Title 36 of the Oklahoma Statutes shall be deducted from the
4 percentage of the applicable insurance premium tax that is
5 apportioned to the General Revenue Fund of the State Treasury and
6 shall not be deducted in a manner that adversely affects the amount
7 of insurance premium tax revenues that are apportioned to the
8 Oklahoma Firefighters Pension and Retirement System, the Oklahoma
9 Police Pension and Retirement System or the Oklahoma Law Enforcement
10 Retirement System.

11 G. The disbursements provided for in subsections A, B, C, ~~and D~~
12 and E of this section shall be made monthly. The Insurance
13 Commissioner shall report annually to the Governor, the Speaker of
14 the House of Representatives, the President Pro Tempore of the
15 Senate and the State Auditor and Inspector, the amounts collected
16 and disbursed pursuant to this section.

17 SECTION 2. This act shall become effective July 1, 2008.

18 SECTION 3. It being immediately necessary for the preservation
19 of the public peace, health and safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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23 51-2-9725 MAH 01/16/08

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