

STATE OF OKLAHOMA

1st Session of the 52nd Legislature (2009)

HOUSE BILL 2150

By: Armes

AS INTRODUCED

An Act relating to insurance premium taxes; amending 36 O.S. 2001, Section 312.1, as last amended by Section 1, Chapter 436, O.S.L. 2008 (36 O.S. Supp. 2008, Section 312.1), which relates to the apportionment of taxes; modifying apportionment to Oklahoma Firefighters Pension and Retirement System; 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 1, Chapter 436, O.S.L. 2008 (36 O.S. Supp. 2008, 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 Education Reform Revolving Fund created pursuant to Section 41.29b of Title 62 of the Oklahoma Statutes. The Insurance Commissioner shall keep an accurate record of all such funds and make an itemized statement and furnish same to the State Auditor and Inspector, as to

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

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

15 1. Sixty-five percent (65%) to the Oklahoma Firefighters  
16 Pension and Retirement Fund in the manner provided for in Sections  
17 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

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

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

22 C. ~~After the apportionment required by subsection B of this~~  
23 ~~section, for the fiscal years beginning July 1, 2004, and ending~~  
24 ~~June 30, 2009, the Insurance Commissioner shall report and disburse~~

1 ~~all of the fees and taxes collected under Section 624 of this title~~  
2 ~~and Section 2204 of this title, and the same are hereby apportioned~~  
3 ~~as follows:~~

4 1. ~~Thirty four percent (34%) of the taxes collected on premiums~~  
5 ~~shall be allocated and disbursed for the Oklahoma Firefighters~~  
6 ~~Pension and Retirement Fund, in the manner provided for in Sections~~  
7 ~~49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;~~

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

12 3. ~~Six and one tenth percent (6.1%) of the taxes collected on~~  
13 ~~premiums shall be allocated and disbursed to the Law Enforcement~~  
14 ~~Retirement Fund; and~~

15 4. ~~All the balance and remainder of the taxes and fees provided~~  
16 ~~in Section 624 of this title shall be paid to the State Treasurer to~~  
17 ~~the credit of the General Revenue Fund of the state to provide~~  
18 ~~revenue for general functions of state government. The Insurance~~  
19 ~~Commissioner shall keep an accurate record of all such funds and~~  
20 ~~make an itemized statement and furnish same to the State Auditor and~~  
21 ~~Inspector, as to all other departments of this state. The report~~  
22 ~~shall be accompanied by an affidavit of the Insurance Commissioner~~  
23 ~~or the Chief Clerk of such office certifying to the correctness~~  
24 ~~thereof.~~

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

7       1. ~~Thirty-four percent (34%)~~ Thirty-five and five-tenths  
8 percent (35.5%) of the taxes collected on premiums shall be  
9 allocated and disbursed for the Oklahoma Firefighters Pension and  
10 Retirement Fund, in the manner provided for in Sections 49-119, 49-  
11 120 and 49-123 of Title 11 of the Oklahoma Statutes;

12       2. Fourteen percent (14%) 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. Five percent (5%) of the taxes collected on premiums shall  
17 be allocated and disbursed to the Law Enforcement Retirement Fund;  
18 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 E. D. After the apportionment required by subsection B of this  
6 section, for the fiscal year ending June 30, 2011, the Insurance  
7 Commissioner shall report and disburse all of the fees and taxes  
8 collected under Section 624 of this title and Section 2204 of this  
9 title, and the same are hereby apportioned as follows:

10 1. Thirty-seven percent (37%) of the taxes collected on  
11 premiums shall be allocated and disbursed for the Oklahoma  
12 Firefighters Pension and Retirement Fund, in the manner provided for  
13 in Sections 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma  
14 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. After the apportionment required by subsection B of this  
9 section, for the fiscal year ending June 30, 2012, the Insurance  
10 Commissioner shall report and disburse all of the fees and taxes  
11 collected under Section 624 of this title and Section 2204 of this  
12 title, and the same are hereby apportioned as follows:

13 1. Thirty-eight and five-tenths percent (38.5%) of the taxes  
14 collected on premiums shall be allocated and disbursed for the  
15 Oklahoma Firefighters Pension and Retirement Fund, in the manner  
16 provided for in Sections 49-119, 49-120 and 49-123 of Title 11 of  
17 the Oklahoma Statutes;

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

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

1       4. All the balance and remainder of the taxes and fees provided  
2 in Section 624 of this title shall be paid to the State Treasurer to  
3 the credit of the General Revenue Fund of the state to provide  
4 revenue for general functions of state government. The Insurance  
5 Commissioner shall keep an accurate record of all such funds and  
6 make an itemized statement and furnish same to the State Auditor and  
7 Inspector, as to all other departments of this state. The report  
8 shall be accompanied by an affidavit of the Insurance Commissioner  
9 or the Chief Clerk of such office certifying to the correctness  
10 thereof.

11       F. After the apportionment required by subsection B of this  
12 section, for the fiscal year ending June 30, 2013, and for each  
13 fiscal year thereafter, the Insurance Commissioner shall report and  
14 disburse all of the fees and taxes collected under Section 624 of  
15 this title and Section 2204 of this title, and the same are hereby  
16 apportioned as follows:

17       1. Forty percent (40%) of the taxes collected on premiums shall  
18 be allocated and disbursed for the Oklahoma Firefighters Pension and  
19 Retirement Fund, in the manner provided for in Sections 49-119, 49-  
20 120 and 49-123 of Title 11 of the Oklahoma Statutes;

21       2. Fourteen percent (14%) of the taxes collected on premiums  
22 shall be allocated and disbursed 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;

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

4       4. All the balance and remainder of the taxes and fees provided  
5 in Section 624 of this title shall be paid to the State Treasurer to  
6 the credit of the General Revenue Fund of the state to provide  
7 revenue for general functions of state government. The Insurance  
8 Commissioner shall keep an accurate record of all such funds and  
9 make an itemized statement and furnish same to the State Auditor and  
10 Inspector, as to all other departments of this state. The report  
11 shall be accompanied by an affidavit of the Insurance Commissioner  
12 or the Chief Clerk of such office certifying to the correctness  
13 thereof.

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

20       ~~F.~~ H. Notwithstanding any other provision of law to the  
21 contrary, no tax credit authorized by law enacted on or after July  
22 1, 2008, which may be used to reduce any insurance premium tax  
23 liability shall be used to reduce the amount of insurance premium  
24 tax revenue apportioned to the Oklahoma Firefighters Pension and  
24

1 Retirement System, the Oklahoma Police Pension and Retirement System  
2 or the Oklahoma Law Enforcement Retirement System.

3 SECTION 2. This act shall become effective July 1, 2009.

4 SECTION 3. 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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9 52-1-6509 MAH 01/13/09

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January 14, 2009

Representative Don Armes  
Room 300-C

Re: RBH No. 6509

RBH No. 6509 increases the Firefighter Pension and Retirement System's allocation of the insurance premium tax.

RBH No. 6509 is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

*Thomas E. Cummins*

Thomas E. Cummins, MAAA