O K L A H O M A S T A T E S E N A T E
JOINT

COMMITTEE REPORT

May 21, 2012

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 1971

By: Jolley of the Senate and Sears of the House

Title: Attorney General; setting budget limits. Effective date.

Co-Authored By:

Recommendation: **DO PASS AS AMENDED**

Aye: Branan, Brinkley, David, Ford, Griffin, Marlatt, Nichols, Stanislawski, Sykes, Wilson, Justice, Jolley

Nay:

Pass:

Senator Clark Jolley, Chair

Amendments:

1. Committee Substitute Attached.

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

JOINT APPROPRIATIONS AND BUDGET COMMITTEE

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Jolley et al of the Senate

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Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached

Earl Sears Chr.
Representative Earl Sears

YEAS: 11

Armes, DeWitt, Liebmann, Sears, Dank, Dorman, Martin,, Sc, Walker, Denney, Hoskin, Nelson

NAYS: 0

CONSTITUTIONAL PRIVILEGE: 0

STATE OF OKLAHOMA

2nd Session of the 53rd Legislature (2012)

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 1971

By: Jolley and Justice of the Senate

and

Sears and Martin (Scott) of the House

COMMITTEE SUBSTITUTE

An Act relating to apportionment of tobacco settlement monies; amending 62 O.S. 2011, Section 50, which relates to the Tobacco Settlement Fund; amending 74 O.S. 2011, Section 19, which relates to funds of the Office of the Attorney General; modifying apportionment of certain monies; 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. 2011, Section 50, is amended to read as follows:

Section 50. A. There is hereby created in the State Treasury a revolving fund to be known and designated as the Tobacco Settlement Fund, into which fund shall be deposited:

1. All monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers during the month of April 2000;

2. All monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers during fiscal year 2001;

3. ~~Except as provided in Section 19 of Title 74 of the Oklahoma Statutes, that~~ That portion of monies ~~received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers which is not otherwise apportioned pursuant to the provisions of Section 40 of Article X of the Oklahoma Constitution during fiscal year 2002 and subsequent fiscal years~~ apportioned to the Tobacco Settlement Fund pursuant to the provisions of subsection B of this section; and

4. Such other monies as may be appropriated or otherwise directed thereto by law.

The Tobacco Settlement Fund shall be a continuing fund, not subject to fiscal year limitations. No monies shall be paid out of such fund except pursuant to appropriation by the Legislature.

B. Monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers which is not otherwise apportioned pursuant to the provisions of Section 40 of Article X of the Oklahoma Constitution shall be apportioned as follows:

1. Seventy-five percent (75%) shall be apportioned to the Tobacco Settlement Fund; and

2. Twenty-five percent (25%) shall be apportioned to the Attorney General's Evidence Fund.

SECTION 2. AMENDATORY 74 O.S. 2011, Section 19, is amended to read as follows:

Section 19. A. 1. Out of all money received or collected by the Attorney General on behalf of the state or any department or agency thereof, and paid into the State Treasury, twenty-five percent (25%) thereof shall be deposited as follows: three-fourths (3/4) in a special agency account fund in the State Treasury, designated the Attorney General's Evidence Fund, which fund shall be a continuing fund, not subject to fiscal year limitations, and one-fourth (1/4) in the Attorney General's Revolving Fund created by Section 20 of this title. Provided, however, ~~the provisions for deposits into the Attorney General's Revolving Fund~~ these provisions shall not apply to any monies paid to the State of Oklahoma as a result of the settlement of the lawsuit filed by the State of Oklahoma against the tobacco industry.

2. All money paid to the Attorney General for reimbursement of court costs, fees and other expenses and appropriated monies authorized to be transferred to the agency special account shall be deposited in the Attorney General's Evidence Fund. Such fund shall be used by the Attorney General for necessary expenses relative to

any pending case or other matter within the official responsibility of the Attorney General.

B. All money received or credited by the Attorney General on behalf of the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System, the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Oklahoma Law Enforcement Retirement System or the Uniform Retirement System for Justices and Judges shall be paid to the State Treasurer of the state and distributed to the appropriate fund of the respective retirement system as directed by the board of trustees of said respective retirement system. The Attorney General shall invoice the respective retirement system and the respective retirement system shall pay for reasonable attorney's fee for actual legal services rendered by the Attorney General's office related to the money received or credited on behalf of the respective retirement system based on an hourly rate determined by the Attorney General. The hourly rate charged by the Attorney General to a retirement system for services related to the collection of money received or credited on behalf of the respective retirement system shall be based on the labor, time and problems involved, the skill and expertise called for in the performance of the services and the standing of the specific attorney or attorneys involved. The hourly rate charged by the Attorney General to a retirement system shall not be based on the value of the property at

issue or recovered. The Attorney General shall not separately invoice a retirement system for the work performed by an attorney employed by the Attorney General's office whose salary and other related costs are paid in part or in whole by said retirement system pursuant to an agreement entered into between the Attorney General and the retirement system for legal services.

C. From any monies paid to the State of Oklahoma representing attorney fees, paralegal fees and other costs of litigating the lawsuit filed by the State of Oklahoma against the tobacco industry, the Attorney General shall make such deposits as are appropriate pursuant to subsection A of this section. The balance of any such monies shall be deposited in the General Revenue Fund of the State Treasury.

SECTION 3. This act shall become effective July 1, 2012.

SECTION 4. 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.

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