STATE OF OKLAHOMA

2nd Session of the 53rd Legislature (2012)

SENATE JOINT
RESOLUTION 56 By: Ivester

AS INTRODUCED

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to the Oklahoma Constitution by adding a new section 33A to Article V; creating the Taxpayer Accountability Bill; providing short title; defining terms; prohibiting introduction, consideration or enactment of certain bills by the Legislature; requiring State Board of Equalization to make certain determinations relating to revenue at specified meeting times; requiring Board to make certain findings under specified circumstances; establishing priority order for certain Board duties; providing ballot title; and directing filing.

BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE 2ND SESSION OF THE 53RD OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Article V of the Oklahoma Constitution by adding a new Section 33A to read as follows:

Section 33A. A. This section shall be known and may be cited as the "Taxpayer Accountability Bill".

B. As used in the Taxpayer Accountability Bill:

1. “Estimated revenue impact” means the positive or negative amount by which the Oklahoma Tax Commission anticipates income tax revenues to change pursuant to an income tax bill as reflected in a written estimate provided by the Tax Commission;

2. “Income tax bill” means any bill or joint resolution introduced by any member of the Legislature which modifies the statutory income tax rate or brackets;

3. “Reduction in recurring state-appropriated expenditures” means a discontinuation of any amount of expenditure for a particular program or programs when such expenditure is of a continuing or recurring character that, in the normal course of administration, may be expected to be made in approximately the same or greater amounts in subsequent years or at regular intervals. Debt service on a continuing obligation shall be deemed to be a recurring expense; and

4. “Trigger provision” means a provision in a specific income tax bill which makes such bill effective only if the State Board of Equalization certifies that applicable state revenue growth, reduction in recurring state-appropriated expenditures or some combination of the two will authorize implementation of the provisions of such income tax bill. Revenue growth may be the result of increased state revenue collections or of changes in the rate or basis upon which such revenue is collected.

C. No income tax bill may be introduced, considered or enacted by the Legislature unless such bill contains a trigger provision. If such trigger provision is based in part or as a whole on a reduction in recurring state-appropriated expenditures, such reductions shall be specifically set out in the income tax bill by amount, program and effective date.

D. In addition to any other duties prescribed by law, at the meeting required by paragraph 1 of Section 23 of Article X of the Oklahoma Constitution to be held in December of each calendar year, the State Board of Equalization shall determine:

1. The amount of revenue growth in the General Revenue Fund of the State Treasury by comparing the General Revenue Fund estimate for the upcoming fiscal year to the revised General Revenue Fund estimate for the current fiscal year; and

2. The amount by which the General Revenue Fund estimate for the upcoming fiscal year is reduced by the estimated revenue impact or reduction in appropriations contained in any income tax bill enacted during the most recent legislative session.

If the amount determined pursuant to the provisions of paragraph 1 of this subsection is equal to or greater than the amount determined pursuant to the provisions of paragraph 2 of this subsection, the Board shall make a preliminary finding that the Board anticipates that a finding will be made at the next February meeting that applicable revenue growth in the state or a reduction

in appropriations will authorize the implementation of such income tax bill.

If the amount determined pursuant to the provisions of paragraph 1 of this subsection is less than the amount determined pursuant to the provisions of paragraph 2 of this subsection, the Board shall make a preliminary finding that the Board anticipates that a finding will be made at the next February meeting that applicable revenue growth in the state or a reduction in appropriations will not authorize the implementation of such income tax bill.

E. In addition to any other duties prescribed by law, at the meeting required by paragraph 3 of Section 23 of Article X of the Oklahoma Constitution to be held in February of each calendar year, the Board shall determine:

1. The amount of revenue growth in the General Revenue Fund of the State Treasury by comparing the General Revenue Fund estimate for the upcoming fiscal year to the revised General Revenue Fund estimate for the current fiscal year; and

2. The amount by which the General Revenue Fund estimate for the upcoming fiscal year is reduced by the estimated revenue impact or reduction in appropriations contained in any income tax bill enacted during the most recent legislative session.

If the amount determined pursuant to the provisions of paragraph 1 of this subsection is equal to or greater than the amount determined pursuant to the provisions of paragraph 2 of this

subsection, the Board shall make a finding that the applicable revenue growth in the state or a reduction in appropriations will authorize the implementation of such income tax bill beginning January 1 of the next calendar year.

If the amount determined pursuant to the provisions of paragraph 1 of this subsection is less than the amount determined pursuant to the provisions of paragraph 2 of this subsection, the Board shall make a finding that applicable revenue growth in the state or a reduction in appropriations will not authorize the implementation of such income tax bill.

F. Prior to the performance of any duties required by subsections D and E of this section, the State Board of Equalization shall perform any duties required by legislation which modified income tax rates and was enacted before the effective date of this section.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. ____ State Question No. ____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the State Constitution. It adds a new Section 33A to Article 5. It would be known as the Taxpayer Accountability Bill. It defines terms used in the act. It

limits the ability of the Legislature to introduce, consider or enact certain bills. Those bills are income tax bills which change the tax rate or brackets. Income tax bills would have to contain a certain provision. The provision is called a trigger provision. It would only allow an income tax bill to become effective if the bill provides for enough state revenue to offset the income tax change. It also adds to the duties of the State Board of Equalization. The Board would be required to follow certain procedures to determine if there is enough state revenue available to implement the income tax bill. This duty would be fulfilled at two meetings each year. The Board would be required to perform a certain other duty before following these new procedures.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL — YES _____

AGAINST THE PROPOSAL — NO _____

SECTION 3. The President Pro Tempore of the Senate shall, immediately after the passage of this resolution, prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General.

53-2-2845 CD 1/18/2012 9:12:49 AM