

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 54th Legislature (2013)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2001

By: McNiel of the House

and

Marlatt of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to insurance; amending 36 O.S. 2011,
12 Section 312.1, which relates to report, disbursement
13 and appropriation of fees and taxes; requiring a
14 certain amount of certain taxes be allocated and
15 disbursed to the Office of the State Fire Marshal for
16 a certain purpose; requiring the State Fire Marshal
17 to promulgate certain rules; providing an effective
18 date; and declaring an emergency.

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

20 SECTION 1. AMENDATORY 36 O.S. 2011, Section 312.1, is
21 amended to read as follows:

22 Section 312.1 A. For the fiscal year ending June 30, 2004, the
23 Insurance Commissioner shall report and disburse one hundred percent
24 (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

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.

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;

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

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

5 C. After the apportionment required by subsection B of this
6 section, for the fiscal years beginning July 1, 2004, and ending
7 June 30, 2009, the Insurance Commissioner shall report and disburse
8 all of the fees and taxes collected under Section 624 of this title
9 and Section 2204 of this title, and the same are hereby apportioned
10 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. Seventeen percent (17%) 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. Six and one-tenth percent (6.1%) of the taxes collected on
20 premiums shall be allocated and disbursed to the Law Enforcement
21 Retirement Fund; 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
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1 the credit of the General Revenue Fund of the state to provide
2 revenue for general functions of state government. The Insurance
3 Commissioner shall keep an accurate record of all such funds and
4 make an itemized statement and furnish same to the State Auditor and
5 Inspector, as to all other departments of this state. The report
6 shall be accompanied by an affidavit of the Insurance Commissioner
7 or the Chief Clerk of such office certifying to the correctness
8 thereof.

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

15 1. Thirty-four percent (34%) of the taxes collected on premiums
16 shall be allocated and disbursed for the Oklahoma Firefighters
17 Pension and Retirement Fund, in the manner provided for in Sections
18 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

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

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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. Beginning with the fiscal year ending June 30, 2014 and
5 through the fiscal year ending June 30, 2019, three percent (3%) of
6 the taxes collected on premiums shall be allocated and disbursed to
7 the Office of the State Fire Marshal to create an ISO Improvement
8 Grant Program. The State Fire Marshal shall promulgate rules for
9 the implementation and administration of the ISO Improvement Grant
10 Program and to establish criteria for receiving a grant under the
11 program, submitting a grant application, approving an application
12 for funding and managing the fund; and

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

1 E. The disbursements provided for in subsections A, B, C and D
2 of this section shall be made monthly. The Insurance Commissioner
3 shall report annually to the Governor, the Speaker of the House of
4 Representatives, the President Pro Tempore of the Senate and the
5 State Auditor and Inspector, the amounts collected and disbursed
6 pursuant to this section.

7 F. Notwithstanding any other provision of law to the contrary,
8 no tax credit authorized by law enacted on or after July 1, 2008,
9 which may be used to reduce any insurance premium tax liability
10 shall be used to reduce the amount of insurance premium tax revenue
11 apportioned to the Oklahoma Firefighters Pension and Retirement
12 System, the Oklahoma Police Pension and Retirement System or the
13 Oklahoma Law Enforcement Retirement System.

14 SECTION 2. This act shall become effective July 1, 2013.

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

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20 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/25/2013 - DO
21 PASS, As Amended and Coauthored.

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