

BILL SUMMARY
1st Session of the 54th Legislature

Bill No.:	SB 847
Version:	Committee Substitute
Request Number:	7898
Author:	Rep. Scott Martin / Sen. Jolley
Date:	4/15/2013
Impact:	FY-14 Budget Impact: \$0

Research Analysis

Not required.

Prepared By: Marcia Goff

Fiscal Analysis

SB 847 creates the Oklahoma Pension Stabilization Fund, creates a funding mechanism and specifies how such funds can be allocated and appropriated by the Legislature. The funding mechanism identifies for deposit, general revenue collections that exceed both the Board of Equalization Estimate and the allowable Rainy Day Deposit; traditionally referred to as “spillover funds.” The measure addresses a rare revenue phenomenon; spillover funds have existed only 3 times in the last 15 fiscal years. No spillover funds are currently available for implementation in the FY-14 budget therefore the measure would have no impact on the FY-14 State Budget or Appropriations. The measure would not reduce state revenue or the likelihood of spillover funds. The measure only directs that such funds be expended for certain purposes.

Prepared By: John McPhetridge

Other Considerations

The measure establishes a potential funding source to reduce unfunded pension liability. Any additional funds flowing to the state pension systems would improve the actuarial soundness of the systems. Specific estimates related to actuarial impact are undeterminable; based on the speculative nature of occurrence and magnitude of future spillover funds.