

1 ENGROSSED SENATE
2 BILL NO. 742

By: Jolley of the Senate

and

Martin of the House

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6 An Act relating to public finance; amending 62 O.S.
7 2011, Sections 34.2 and 34.37, as amended by Sections
8 333 and 369, Chapter 304, O.S.L. 2012 and 34.44 (62
9 O.S. Supp. 2014, Sections 34.2 and 34.37), which
10 relate to the Oklahoma State Finance Act; specifying
11 certain duties of State Board of Equalization,
12 Oklahoma Tax Commission and certain state agencies;
13 modifying date upon which Governor's budget must be
14 submitted to Legislature; providing an effective
15 date; and declaring an emergency.

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

SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.2, as
amended by Section 333, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
2014, Section 34.2), is amended to read as follows:

Section 34.2. A. Agencies responsible for the collection of
monies deposited to the credit of the General Revenue Fund and each
of the Special Revenue Funds shall be subject to the provisions of
~~this act~~ the Oklahoma State Finance Act. Upon request of the
Director of the Office of Management and Enterprise Services, these
agencies shall provide the Director of the Office of Management and
Enterprise Services an itemized estimate of funds expected to accrue
to the General Revenue Fund and each of the Special Revenue Funds

1 for the ensuing fiscal year in the manner and form established by
2 the Director, in accordance with the duties assigned to the State
3 Board of Equalization in Section 23 of Article X of the Oklahoma
4 Constitution. Each of these agencies shall also provide to the
5 Director, as requested, a written explanation of the methodology and
6 relevant assumptions used in developing the revenue estimates
7 submitted, a statement of the prior year's actual revenue
8 collections and a projection of the current year's revenue
9 collections. No expenditure shall be made from any General Revenue
10 Fund or Special Revenue Fund until such fund has been assigned to an
11 agency by law or by the Director of the Office of Management and
12 Enterprise Services.

13 B. In addition to providing the information listed above, the
14 Oklahoma Tax Commission shall also provide to the Director of the
15 Office of Management and Enterprise Services a comprehensive
16 economic report no later than two (2) weeks prior to each of the
17 meetings of the State Board of Equalization pursuant to paragraphs 1
18 and 3 of Section 23 of Article X of the Constitution of the State of
19 Oklahoma. Each report shall include a summary of recent national
20 and state economic performance and a forecast of national and state
21 economic performance for both the current and the upcoming fiscal
22 years. These reports shall be considered a basis upon which the
23 itemized revenue estimates of the Commission are developed. The
24 report shall include an analysis of the relative accuracy of the

1 economic forecasts on which the previous and current fiscal years'
2 revenue estimates were based.

3 C. The Tax Commission shall also provide all estimates,
4 explanations, statements, projections, reports, and other documents
5 required by this section to the President Pro Tempore of the Senate
6 and the Speaker of the House of Representatives at the same time
7 that such documents are provided to the Director of the Office of
8 Management and Enterprise Services.

9 D. The State Board of Equalization, the Tax Commission, and
10 each agency responsible for the collection of state monies shall:

11 1. Utilize best practices employed in this or other states in
12 developing the methodology and assumptions used in determining the
13 estimates required by this section;

14 2. Periodically review such methodology and assumptions; and

15 3. Be authorized to consult with the Office of Management and
16 Enterprise Services, institutions of higher education, and any other
17 resource to enable it to determine the best practices which will
18 result in the most accurate revenue estimate possible.

19 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.37, as
20 amended by Section 369, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
21 2014, Section 34.37), is amended to read as follows:

22 Section 34.37. ~~Immediately after the beginning of each regular~~
23 ~~session of the Legislature~~ Except as otherwise provided in Section
24 34.44 of this title, on the first Monday in February of each year,

1 the Governor shall submit to the presiding officer of each house of
2 the Legislature, copies of the budget based upon the investigations
3 and conclusions of the Office of Management and Enterprise Services.
4 Such budget document shall contain a complete and itemized plan of
5 all proposed expenditures for each agency or undertaking classified
6 according to the various cabinet areas designated by the Governor or
7 otherwise created by law. Such expenditures shall be further
8 classified by function, character, and object, and in the event such
9 proposed expenditures exceed the estimate made by the State Board of
10 Equalization, the Governor shall accompany the budget document with
11 a proposal of new revenue-raising measures sufficient to effect a
12 balanced budget for the ensuing fiscal year.

13 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.44, is
14 amended to read as follows:

15 Section 34.44. In any year in which a Governor-elect assumes
16 office, the budget shall be the budget of the new Governor and shall
17 be submitted to the Legislature by the new Governor on February 15
18 or the first day that both houses of the Legislature are in session
19 thereafter. The Division of the Budget shall render to the
20 Governor-elect all possible assistance in the preparation of the
21 budget. The Governor and agencies of the state shall furnish the
22 Governor-elect estimates and other budget information, in order that
23 the Governor-elect may discharge effectively his or her budget
24 responsibilities upon assuming office.

1 SECTION 4. This act shall become effective July 1, 2015.

2 SECTION 5. It being immediately necessary for the preservation
3 of the public peace, health and safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

6 Passed the Senate the 10th day of March, 2015.

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9 Presiding Officer of the Senate

10 Passed the House of Representatives the ____ day of _____,
11 2015.

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14 Presiding Officer of the House
15 of Representatives
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