

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 COMMITTEE SUBSTITUTE  
4 FOR ENGROSSED  
5 HOUSE BILL NO. 2763

By: Montgomery and Sherrer of  
the House

and

Holt of the Senate

6  
7  
8  
9 COMMITTEE SUBSTITUTE

10 [ public finance - Revenue Planning and Protection  
11 Act of 2016 - Oklahoma Legacy Fund - deposit of  
12 earnings - apportionment of tax revenue -  
13 noncodification - codification - effective date ]  
14

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

16 SECTION 1. NEW LAW A new section of law not to be  
17 codified in the Oklahoma Statutes reads as follows:

18 This act shall be known and may be cited as the "Revenue  
19 Planning and Protection Act of 2016".

20 SECTION 2. NEW LAW A new section of law to be codified  
21 in the Oklahoma Statutes as Section 49A of Title 62, unless there is  
22 created a duplication in numbering, reads as follows:

23 A. There is hereby created in the State Treasury a revolving  
24 fund to be known and designated as the "Oklahoma Legacy Fund". The

1 fund shall be a continuing fund, not subject to fiscal year  
2 limitations and shall consist of:

3 1. The portion of the revenue derived from the tax levied  
4 pursuant to Section 1001 of Title 68 of the Oklahoma Statutes which  
5 is determined pursuant to subsection A of Section 2 of this act;

6 2. The portion of the revenue derived from the tax levied  
7 pursuant to subsection E of Section 2355 of Title 68 of the Oklahoma  
8 Statutes which is determined pursuant to subsection a of Section 2  
9 of this act; and

10 3. Any amounts appropriated by the Legislature.

11 B. The Oklahoma Legacy Fund shall be invested in a manner  
12 prescribed by the State Treasurer with the primary intent of  
13 generating returns, with all investment earnings from the Oklahoma  
14 Legacy Fund to accrue to the balance of the fund. For purposes of  
15 this section, "earnings" shall include, but not be limited to,  
16 interest, dividends and realized capital gains from investment of  
17 the Oklahoma Legacy Fund.

18 C. For the fiscal year beginning July 1, 2021, and each year  
19 thereafter unless the provisions of subsection D are in effect,  
20 Twenty-five percent (25%) of the amount of earnings reported  
21 pursuant to subsection B of this section shall be deposited to the  
22 credit of the General Revenue Fund.

23 D. For the fiscal year beginning July 1, 2022, and each year  
24 thereafter if the amount of total revenue estimated by the State

1 Board of Equalization to have been collected either from the tax  
2 levied pursuant to Section 1001 of Title 68 of the Oklahoma Statutes  
3 or from the tax levied pursuant to subsection E of Section 2355 of  
4 Title 68 of the Oklahoma Statutes shall have fallen for the two (2)  
5 previous fiscal years, One hundred percent (100%) of the amount of  
6 earnings reported pursuant to subsection B of this section shall be  
7 deposited to the credit of the General Revenue Fund.

8 SECTION 3. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 49B of Title 62, unless there is  
10 created a duplication in numbering, reads as follows:

11 A. In addition to any other duties prescribed by law, at the  
12 meeting required by paragraph 1 of Section 23 of Article X of the  
13 Oklahoma Constitution to be held in February of 2017, and each year  
14 thereafter, the State Board of Equalization shall certify:

15 1. For the portion of revenue collections derived from the tax  
16 levied pursuant to Section 1001 of Title 68 of the Oklahoma  
17 Statutes, which would otherwise be apportioned to the General  
18 Revenue Fund, the average annual amount of actual revenue  
19 apportioned for the previous five (5) fiscal years; and

20 2. For the portion of revenue collections derived from the tax  
21 levied pursuant to subsection E of Section 2355 of Title 68 the  
22 Oklahoma Statutes, which would otherwise be apportioned to the  
23 General Revenue Fund, the average annual amount of actual revenue  
24 apportioned for the previous five (5) fiscal years.

1       B. 1. If the amount of revenue available for apportionment for  
2 the next ensuing fiscal year exceeds the amounts certified pursuant  
3 to either paragraph 1 or 2 of subsection A of this section by more  
4 than seven and one-half percent (7.5%) and less than twelve and one-  
5 half percent (12.5%), such amount in excess of seven and one-half  
6 percent (7.5%) and less than twelve and one-half percent (12.5%)  
7 shall not be appropriated in the next ensuing fiscal year and shall  
8 be deposited to the credit of the Constitutional Reserve Fund.

9       2. If the amount of revenue available for apportionment for the  
10 next ensuing fiscal year exceeds the amounts certified pursuant to  
11 either paragraph 1 or 2 of subsection A of this section by twelve  
12 and one-half percent (12.5%) or greater, such amount equal to or  
13 greater than twelve and one-half percent (12.5%) shall not be  
14 appropriated in the next ensuing fiscal year and shall be deposited  
15 to the credit of the Oklahoma Legacy Fund.

16       SECTION 4. This act shall become effective November 1, 2016.

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