

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 56th Legislature (2017)

4 HOUSE BILL 2245

 By: Brumbaugh of the House

5 and

6 Quinn of the Senate

7
8
9 AS INTRODUCED

10 An Act relating to public finance; enacting the
11 Appropriation Stabilization Act; amending 62 O.S.
12 2011, Section 34.2, as last amended by Section 2,
13 Chapter 304, O.S.L. 2016 (62 O.S. Supp. 2016, Section
14 34.2), which relates to revenue estimation
15 procedures; imposing duty on the Oklahoma Tax
16 Commission to compute five-year moving average for
17 certain revenues; requiring presentation of
18 information prior to meetings of the State Board of
19 Equalization; providing for noncodification;
20 providing an effective date; and declaring an
21 emergency.

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

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

 This act shall be known and may be cited as the "Appropriation
Stabilization Act".

1 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.2, as
2 last amended by Section 2, Chapter 304, O.S.L. 2016 (62 O.S. Supp.
3 2016, Section 34.2), is amended to read as follows:

4 Section 34.2 A. Agencies responsible for the collection of
5 monies deposited to the credit of the General Revenue Fund and each
6 of the Special Revenue Funds shall be subject to the provisions of
7 this act. Upon request of the Director of the Office of Management
8 and Enterprise Services, these agencies shall provide the Director
9 of the Office of Management and Enterprise Services an itemized
10 estimate of funds expected to accrue to the General Revenue Fund and
11 each of the Special Revenue Funds for the ensuing fiscal year in the
12 manner and form established by the Director, in accordance with the
13 duties assigned to the State Board of Equalization in Section 23 of
14 Article X of the Oklahoma Constitution. Each of these agencies
15 shall also provide to the Director, as requested, a written
16 explanation of the methodology and relevant assumptions used in
17 developing the current and future revenue estimates submitted, a
18 statement of:

- 19 1. The prior year's actual revenue collections;
 - 20 2. A projection of the current year's revenue collections; and
 - 21 3. Estimated revenue collections for the ensuing fiscal year
- 22 and the following two (2) fiscal years. No expenditure shall be
23 made from any General Revenue Fund or Special Revenue Fund until
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1 such fund has been assigned to an agency by law or by the Director
2 of the Office of Management and Enterprise Services.

3 B. In addition to providing the information listed above, the
4 Oklahoma Tax Commission shall also provide to the Director of the
5 Office of Management and Enterprise Services a comprehensive
6 economic report no later than two (2) weeks prior to each of the
7 meetings of the State Board of Equalization pursuant to paragraphs 1
8 and 3 of Section 23 of Article X of the Constitution of the State of
9 Oklahoma. Each report shall include a summary of recent national
10 and state economic performance and a forecast of national and state
11 economic performance for the current fiscal year, the ensuing fiscal
12 year and the following two (2) fiscal years. These reports shall be
13 considered a basis upon which the itemized revenue estimates of the
14 Commission are developed. The report shall include an analysis of
15 the relative accuracy of the economic forecasts on which the
16 previous and current fiscal years' revenue estimates were based.

17 C. The Oklahoma Tax Commission shall compute a five-year average
18 for the amount of revenue derived from each tax or other revenue
19 source apportioned to the General Revenue Fund. The average shall
20 be reported using the five (5) most recent completed fiscal years
21 prior to the delivery of information for purposes of the revenue
22 estimate made by the State Board of Equalization at its December
23 meeting and shall also be delivered prior to the delivery of
24 information for purposes of the final estimate made by the State

1 Board of Equalization at its February meeting. The State Board of
2 Equalization shall use the information required by this subsection
3 in making its official estimate of revenues available for
4 appropriation by the Legislature.

5 D. The Tax Commission shall also provide all estimates,
6 explanations, statements, projections, reports and other documents
7 required by this section to the President Pro Tempore of the Senate,
8 members of the Senate Appropriations and Finance Committees, the
9 Speaker of the House of Representatives and members of the House
10 Appropriations and Budget Committee at the same time that such
11 documents are provided to the Director of the Office of Management
12 and Enterprise Services.

13 SECTION 3. This act shall become effective July 1, 2017.

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

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19 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
20 02/21/2017 - DO PASS, As Coauthored.
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