

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1658

By: Montgomery

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5  
6 AS INTRODUCED

7 An Act relating to state government; amending 36 O.S.  
8 2011, Section 312.1 as amended by Section 5, Chapter  
9 165, O.S.L. 2013 (36 O.S. Supp. 2016, Section 312.1),  
10 which relates to apportionment of insurance premium  
11 taxes; modifying apportionment; providing for  
12 apportionment of revenues to Firefighter Turnout Gear  
13 Safety Revolving Fund; imposing limitation on time  
14 period for apportionment of revenues; creating  
15 Firefighter Turnout Gear Safety Revolving Fund;  
16 providing for receipt of revenues; providing for  
17 authorized expenditures; prescribing procedures for  
18 expenditure of funds; imposing duty upon State  
19 Treasurer; requiring creation of grant program for  
20 fire departments; providing for grants to allow  
21 purchase of equipment related to cleaning of turnout  
22 gear; imposing restriction on eligible fire  
23 departments based on service area population;  
24 requiring contracts with volunteer fire departments;  
requiring annual audit; providing for codification;  
and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 312.1, as  
amended by Section 5, Chapter 165, O.S.L. 2013 (36 O.S. Supp. 2016,  
Section 312.1), is amended to read as follows:

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

1 (100%) of the fees and taxes collected under Section 624 of this  
2 title to the State Treasurer to be deposited to the credit of the  
3 Education Reform Revolving Fund created pursuant to Section 34.89 of  
4 Title 62 of the Oklahoma Statutes. The Insurance Commissioner shall  
5 keep an accurate record of all such funds and make an itemized  
6 statement and furnish same to the State Auditor and Inspector, as to  
7 all other departments of this state. The report shall be  
8 accompanied by an affidavit of the Insurance Commissioner or the  
9 Chief Clerk of such office certifying to the correctness thereof.

10 B. For the fiscal year beginning July 1, 2006, and for each  
11 fiscal year thereafter, the Insurance Commissioner shall apportion  
12 an amount of the taxes and fees received from Section 624 of this  
13 title, which shall be at least One Million Two Hundred Fifty  
14 Thousand Dollars (\$1,250,000.00) each year, but which shall also be  
15 computed on an annual basis by the Commissioner as the amount of  
16 insurance premium tax revenue loss attributable to the provisions of  
17 subsection H of Section 625.1 of this title and increased if  
18 necessary to reflect the annual computation, and which shall be  
19 apportioned before any other amounts, to the following pension  
20 systems and in the following amounts:

21 1. Sixty-five percent (65%) to the Oklahoma Firefighters  
22 Pension and Retirement Fund in the manner provided for in Sections  
23 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  
24 the credit of the General Revenue Fund of the state to provide

1 revenue for general functions of state government. The Insurance  
2 Commissioner shall keep an accurate record of all such funds and  
3 make an itemized statement and furnish same to the State Auditor and  
4 Inspector, as to all other departments of this state. The report  
5 shall be accompanied by an affidavit of the Insurance Commissioner  
6 or the Chief Clerk of such office certifying to the correctness  
7 thereof.

8 D. After the apportionment required by subsection B of this  
9 section, the Insurance Commissioner shall report and disburse all of  
10 the fees and taxes collected under Section 624 of this title and  
11 Section 2204 of this title, and the same are hereby apportioned as  
12 follows:

13 1. Thirty-six percent (36%) of the taxes collected on premiums  
14 shall be allocated and disbursed for the Oklahoma Firefighters  
15 Pension and Retirement Fund, in the manner provided for in Sections  
16 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

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

21 3. Five percent (5%) of the taxes collected on premiums shall  
22 be allocated and disbursed to the Law Enforcement Retirement Fund;  
23 and

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1       4. For the fiscal years ending June 30, 2019, June 30, 2020,  
2 and June 30, 2021, one tenth of one percent (0.001) of the taxes  
3 collected on premiums shall be apportioned to the Firefighter  
4 Turnout Gear Safety Revolving Fund created pursuant to Section 2 of  
5 this act; and

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

16       E. The disbursements provided for in subsections A, B, C and D  
17 of this section shall be made monthly. The Insurance Commissioner  
18 shall report annually to the Governor, the Speaker of the House of  
19 Representatives, the President Pro Tempore of the Senate and the  
20 State Auditor and Inspector, the amounts collected and disbursed  
21 pursuant to this section.

22       F. Notwithstanding any other provision of law to the contrary,  
23 no tax credit authorized by law enacted on or after July 1, 2008,  
24 which may be used to reduce any insurance premium tax liability

1 shall be used to reduce the amount of insurance premium tax revenue  
2 apportioned to the Oklahoma Firefighters Pension and Retirement  
3 System, the Oklahoma Police Pension and Retirement System or the  
4 Oklahoma Law Enforcement Retirement System.

5 SECTION 2. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 327.1 of Title 74, unless there  
7 is created a duplication in numbering, reads as follows:

8 There is hereby created in the State Treasury a revolving fund  
9 for the State Treasurer to be designated the "Firefighter Turnout  
10 Gear Safety Revolving Fund". The fund shall be a continuing fund,  
11 not subject to fiscal year limitations, and shall consist of all  
12 monies received by the State Treasurer from the apportionment of  
13 insurance premium pursuant to Section 312.1 of Title 36 of the  
14 Oklahoma Statutes. All monies accruing to the credit of said fund  
15 are hereby appropriated and may be budgeted and expended by the  
16 Treasurer for the purpose of providing grants to eligible fire  
17 departments to acquire or maintain equipment and related materials  
18 for the cleaning of turnout gear. Expenditures from said fund shall  
19 be made upon warrants issued by the State Treasurer against claims  
20 filed as prescribed by law with the Director of the Office of  
21 Management and Enterprise Services for approval and payment.

22 SECTION 3. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 327.2 of Title 74, unless there  
24 is created a duplication in numbering, reads as follows:

1       A. The State Treasurer shall develop and implement a program  
2 for providing grants to fire departments for the purpose of  
3 acquiring equipment and supplies necessary for the proper cleaning  
4 of turnout gear worn by professional firefighters during  
5 firefighting or hazardous material containment procedures incident  
6 to the duties of the fire department.

7       B. Only a fire department with a service area populated by at  
8 least one thousand (1,000) persons shall be eligible for a grant  
9 from the program.

10       C. Fire departments receiving a grant pursuant to the  
11 provisions of this act shall enter into contracts with volunteer  
12 fire departments within their county to allow such volunteer fire  
13 departments to use the turnout gear cleaning equipment.

14       D. The State Auditor and Inspector shall conduct an audit of  
15 the program established by this section at least one time each  
16 fiscal year.

17       SECTION 4. This act shall become effective November 1, 2017.

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