

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 2245

By: Brumbaugh

AS INTRODUCED

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

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

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

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

SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.2, as last amended by Section 2, Chapter 304, O.S.L. 2016 (62 O.S. Supp. 2016, 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

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

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

21 B. In addition to providing the information listed above, the
22 Oklahoma Tax Commission shall also provide to the Director of the
23 Office of Management and Enterprise Services a comprehensive
24 economic report no later than two (2) weeks prior to each of the

1 meetings of the State Board of Equalization pursuant to paragraphs 1
2 and 3 of Section 23 of Article X of the Constitution of the State of
3 Oklahoma. Each report shall include a summary of recent national
4 and state economic performance and a forecast of national and state
5 economic performance for the current fiscal year, the ensuing fiscal
6 year and the following two (2) fiscal years. These reports shall be
7 considered a basis upon which the itemized revenue estimates of the
8 Commission are developed. The report shall include an analysis of
9 the relative accuracy of the economic forecasts on which the
10 previous and current fiscal years' revenue estimates were based.

11 C. The Oklahoma Tax Commission shall compute a five-year average
12 for the amount of revenue derived from each tax or other revenue
13 source apportioned to the General Revenue Fund. The average shall
14 be reported using the five (5) most recent completed fiscal years
15 prior to the delivery of information for purposes of the revenue
16 estimate made by the State Board of Equalization at its December
17 meeting and shall also be delivered prior to the delivery of
18 information for purposes of the final estimate made by the State
19 Board of Equalization at its February meeting. The State Board of
20 Equalization shall use the information required by this subsection
21 in making its official estimate of revenues available for
22 appropriation by the Legislature.

23 D. The Tax Commission shall also provide all estimates,
24 explanations, statements, projections, reports and other documents

1 required by this section to the President Pro Tempore of the Senate,
2 members of the Senate Appropriations and Finance Committees, the
3 Speaker of the House of Representatives and members of the House
4 Appropriations and Budget Committee at the same time that such
5 documents are provided to the Director of the Office of Management
6 and Enterprise Services.

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

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

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