

## COMMITTEE AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2762 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by  
inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Amendment submitted by: Kevin Wallace

Adopted: \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

PROPOSED  
COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 2762

By: Wallace and Hilbert of the  
House

and

Thompson and Rader of the  
Senate

PROPOSED COMMITTEE SUBSTITUTE

An Act relating to public finance; amending Section 1, Chapter 337, O.S.L. 2016, as last amended by Section 1, Chapter 516, O.S.L. 2019 (62 O.S. Supp. 2019, Section 34.102), which relates to the Revenue Stabilization Fund; providing exception for certain limitations of deposit; requiring certain utilization of funds be in equal proportions; authorizing specific uses of funds in certain fiscal year; prohibiting specific use of fund in certain fiscal year; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 1, Chapter 337, O.S.L. 2016, as last amended by Section 1, Chapter 516, O.S.L. 2019 (62 O.S. Supp. 2019, Section 34.102), is amended to read as follows:

1       Section 34.102 A. There is hereby created in the State  
2 Treasury a revolving fund to be known and designated as the "Revenue  
3 Stabilization Fund". The fund shall be a continuing fund, not  
4 subject to fiscal year limitations.

5       B. For determinations made regarding deposits for fiscal years  
6 beginning on or after July 1, 2019, no monies shall be deposited to  
7 the credit of the Revenue Stabilization Fund until such time as the  
8 amount of actual revenue certified by the State Board of  
9 Equalization as having been deposited into the General Revenue Fund  
10 for the first fiscal year prior to the beginning of the fiscal year  
11 that deposits to the Revenue Stabilization Fund are first made  
12 equals or exceeds Six Billion Six Hundred Million Dollars  
13 (\$6,600,000,000.00).

14       C. Once the provisions prescribed by subsection B of this  
15 section have been met, deposits to the Revenue Stabilization Fund as  
16 prescribed by this section may be made during any subsequent fiscal  
17 year according to the requirements and limitations imposed by this  
18 act; provided that no deposits shall be made during a fiscal year  
19 where the State Board of Equalization General Revenue Fund  
20 certification for said fiscal year is less than the State Board of  
21 Equalization General Revenue Fund certification for the previous  
22 fiscal year plus an increment equal to the amount otherwise  
23 calculated for deposit pursuant to subsection E of this section.

1 D. Notwithstanding any other provisions of this section, unless  
2 such deposits are the result of a direct appropriation to the  
3 Revenue Stabilization Fund by the Legislature, no monies shall be  
4 deposited to the credit of the Revenue Stabilization Fund:

5 1. For any month during a fiscal year after the month during  
6 which the declaration of a revenue failure pursuant to the  
7 provisions of Section 34.49 of this title has been made. For  
8 purposes of this subsection, the limitation on deposits to the  
9 Revenue Stabilization Fund shall be imposed for the remaining months  
10 of the fiscal year during which the revenue failure was declared,  
11 but shall not operate as a limitation upon deposits for any  
12 subsequent fiscal year unless a revenue failure is declared at some  
13 time during such fiscal year; or

14 2. That would cause deposits to the Revenue Stabilization Fund  
15 for the fiscal year to exceed three percent (3%) of the State Board  
16 of Equalization General Revenue Fund certification for that fiscal  
17 year.

18 E. Except as provided in subsection I of this section, the  
19 Revenue Stabilization Fund shall consist of:

20 1. One hundred percent (100%) of the revenue derived from the  
21 gross production tax on oil levied pursuant to Section 1001 of Title  
22 68 of the Oklahoma Statutes which is in excess of the five-year  
23 average computed as prescribed by Section 34.103 of this title;

1        2. One hundred percent (100%) of the revenue derived from the  
2 gross production tax on natural gas levied pursuant to Section 1001  
3 of Title 68 of the Oklahoma Statutes which is in excess of the five-  
4 year average computed as prescribed by Section 34.103 of this title;

5        3. Seventy-five percent (75%) of the revenue derived from  
6 corporate income tax levied pursuant to Section 2355 of Title 68 of  
7 the Oklahoma Statutes which is in excess of the five-year average  
8 computed as prescribed by Section 34.103 of this title; and

9        4. Any amounts appropriated by the Legislature.

10       F. ~~In~~ 1. Except as provided in paragraph 2 of this  
11 subsection, in the event that a revenue failure is declared with  
12 respect to the General Revenue Fund pursuant to Section 34.49 of  
13 this title, the Director of the Office of Management and Enterprise  
14 Services may withdraw up to one-quarter (1/4) of the balance of the  
15 Revenue Stabilization Fund available at the beginning of the fiscal  
16 year, provided the total amount withdrawn shall not exceed the  
17 amount of the declared revenue failure, to in equal proportions  
18 reduce or avoid reductions to agencies for the current fiscal year  
19 and to mitigate potential reductions of funds to be expended by  
20 common school districts which were appropriated or authorized by the  
21 Legislature, but excluding any funds which are apportioned directly  
22 to common school districts.

23       2. For the fiscal year ending June 30, 2020, in the event that  
24 a revenue failure is declared with respect to the General Revenue

1 Fund pursuant to Section 34.49 of this title, the Director of the  
2 Office of Management and Enterprise Services may withdraw amounts up  
3 to a total of one-half (1/2) of the highest balance during the  
4 fiscal year ending June 30, 2020, of the Revenue Stabilization Fund,  
5 provided the total amount withdrawn shall not exceed the amount of  
6 the declared revenue failure less any appropriations made by the  
7 Legislature to offset such revenue failure, to in equal proportions  
8 reduce or avoid reductions to agencies for the fiscal year and to  
9 mitigate potential reductions of funds to be expended by common  
10 school districts which were appropriated or authorized by the  
11 Legislature for the fiscal year ending June 30, 2020, but excluding  
12 any funds which are apportioned directly to common school districts.  
13 No monies shall be withdrawn under the provisions of this  
14 subsection, for the purpose of reducing or avoiding reductions of  
15 appropriations made pursuant to Section 129 of Enrolled House Bill  
16 No. 2765 of the 1st Session of the 57th Oklahoma Legislature or  
17 Section 1 of Enrolled Senate Bill No. 1076 of the 1st Session of the  
18 57th Oklahoma Legislature.

19 G. In the event that a revenue failure is declared with respect  
20 to the General Revenue Fund pursuant to Section 34.49 of this title,  
21 the Legislature may appropriate up to one-quarter (1/4) of the  
22 balance of the Revenue Stabilization Fund available at the beginning  
23 of the fiscal year, not to exceed the amount of the revenue failure  
24

1 as declared with respect to the General Revenue Fund pursuant to  
2 Section 34.49 of this title.

3 H. If the amount of revenue certified by the State Board of  
4 Equalization at its February meeting in any year to be collected in  
5 the General Revenue Fund for the upcoming fiscal year is less than  
6 the amount of revenue certified by the State Board of Equalization  
7 to be collected in the General Revenue Fund for the current fiscal  
8 year as determined at its February meeting conducted in the  
9 preceding calendar year, the Legislature may appropriate up to one-  
10 half (1/2) of the balance of the Revenue Stabilization Fund  
11 available at the beginning of the fiscal year; provided, that the  
12 amount withdrawn shall not exceed the amount of the decline in  
13 revenue certified.

14 I. If during the Board of Equalization certification process,  
15 one or more of the revenue sources identified in paragraphs 1, 2 and  
16 3 of subsection E of this section are forecasted to experience a  
17 revenue decrease, then the total deposits to the Revenue  
18 Stabilization Fund as otherwise calculated under subsection E of  
19 this section shall be reduced in an amount equal to such revenue  
20 decreases. For purposes of this subsection, "revenue decrease"  
21 means an identified revenue source derived in an amount less than  
22 the five-year average for such revenue source.

23 SECTION 2. It being immediately necessary for the preservation  
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

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4 57-2-11706 JM 04/03/20

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