

1 ENGROSSED HOUSE
2 BILL NO. 2893

By: Wallace and Hilbert of the
House

3 and

4 Thompson and Hall of the
5 Senate

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7
8 An Act relating to insurance premium tax; amending 36
9 O.S. 2011, Section 312.1, as last amended by Section
10 1, Chapter 16, O.S.L. 2020 (36 O.S. Supp. 2020,
11 Section 312.1), which relates to the apportionment of
12 collections; increasing certain apportionments in
13 certain fiscal years; decreasing certain
14 apportionments in certain fiscal years; eliminating
15 certain apportionments; providing an effective date;
16 and declaring an emergency.

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

18 SECTION 1. AMENDATORY 36 O.S. 2011, Section 312.1, as
19 last amended by Section 1, Chapter 16, O.S.L. 2020 (36 O.S. Supp.
20 2020, Section 312.1), is amended to read as follows:

21 Section 312.1 A. For the fiscal year ending June 30, 2004, the
22 Insurance Commissioner shall report and disburse one hundred percent
23 (100%) of the fees and taxes collected under Section 624 of this
24 title to the State Treasurer to be deposited to the credit of the
Education Reform Revolving Fund of the State Department of
Education. The Insurance Commissioner shall keep an accurate record

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

6 B. The Insurance Commissioner shall apportion an amount of the
7 taxes and fees received from Section 624 of this title, which shall
8 be at least One Million Two Hundred Fifty Thousand Dollars
9 (\$1,250,000.00) each year, but which shall also be computed on an
10 annual basis by the Commissioner as the amount of insurance premium
11 tax revenue loss attributable to the provisions of subsection H of
12 Section 625.1 of this title and increased if necessary to reflect
13 the annual computation, and which shall be apportioned before any
14 other amounts, as follows:

15 1. The following amounts shall be paid to the Oklahoma
16 Firefighters Pension and Retirement Fund in the manner provided for
17 in Sections 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma
18 Statutes:

19	Fiscal Year	Amount
20	FY 2006 through FY 2020	65.0%
21	FY 2021 as follows:	
22	a. for the month beginning July 1,	
23	2020, through the month ending	
24	August 31, 2020	65.0%

b. for the month beginning September
 1, 2020, through the month ending
 June 30, 2021 45.5%

FY 2022	48.75%
FY 2023 and each fiscal year thereafter	65.0%;

2. The following amounts shall be paid to the Oklahoma Police Pension and Retirement System pursuant to the provisions of Sections 50-101 through 50-136 of Title 11 of the Oklahoma Statutes:

Fiscal Year	Amount
FY 2006 through FY 2020	26.0%
FY 2021 as follows:	

a. for the month beginning July 1,
 2020, through the month ending
 August 31, 2020 26.0%

b. for the month beginning September
 1, 2020, through the month ending
 June 30, 2021 18.2%

FY 2022	19.5%
FY 2023 and each fiscal year thereafter	26.0%;

3. The following amounts shall be paid to the Law Enforcement Retirement Fund:

Fiscal Year	Amount
FY 2006 through FY 2020	9.0%
FY 2021 as follows:	

1 a. for the month beginning July 1,
2 2020, through the month ending
3 August 31, 2020 9.0%

4 b. for the month beginning September
5 1, 2020, through the month ending
6 June 30, 2021 6.3%

7 FY 2022 ~~6.75%~~

8 ~~FY 2023~~ and each fiscal year thereafter 9.0%; and

9 4. The following amounts shall be paid to the Education Reform
10 Revolving Fund of the State Department of Education:

11 Fiscal Year	Amount
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12 FY 2021 as follows:

13 for the month beginning September 1,
14 2020, through the month ending June 30,
15 2021 30.0%

16 ~~FY 2022~~ ~~25.0%~~.

17 C. After the apportionment required by subsection B of this
18 section, for the fiscal years beginning July 1, 2004, and ending
19 June 30, 2009, the Insurance Commissioner shall report and disburse
20 all of the fees and taxes collected under Section 624 of this title
21 and Section 2204 of this title, and the same are hereby apportioned
22 as follows:

23 1. Thirty-four percent (34%) of the taxes collected on premiums
24 shall be allocated and disbursed for the Oklahoma Firefighters

1 Pension and Retirement Fund, in the manner provided for in Sections
2 49-119, 49-120 and 49-123 of Title 11 of the Oklahoma Statutes;

3 2. Seventeen percent (17%) of the taxes collected on premiums
4 shall be allocated and disbursed to the Oklahoma Police Pension and
5 Retirement System pursuant to the provisions of Sections 50-101
6 through 50-136 of Title 11 of the Oklahoma Statutes;

7 3. Six and one-tenth percent (6.1%) of the taxes collected on
8 premiums shall be allocated and disbursed to the Law Enforcement
9 Retirement Fund; and

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

20 D. After the apportionment required by subsection B of this
21 section, the Insurance Commissioner shall report and disburse all of
22 the fees and taxes collected under Section 624 of this title and
23 Section 2204 of this title, and the same are hereby apportioned as
24 follows:

1 1. Of the taxes collected on premiums the following shall be
 2 allocated and disbursed for the Oklahoma Firefighters Pension and
 3 Retirement Fund, in the manner provided for in Sections 49-119, 49-
 4 120 and 49-123 of Title 11 of the Oklahoma Statutes:

Fiscal Year	Amount
FY 2006 through FY 2020	36.0%
FY 2021 as follows:	
a. for the month beginning July 1, 2020, through the month ending August 31, 2020	36.0%
b. for the month beginning September 1, 2020, through the month ending June 30, 2021	25.2%
FY 2022	27.0% <u>36.0%</u>
FY 2023 through FY 2027	39.6% <u>37.8%</u>
FY 2028 and each fiscal year thereafter	36.0%;

17 2. Of the taxes collected on premiums the following shall be
 18 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:

Fiscal Year	Amount
FY 2006 through FY 2020	14.0%
FY 2021 as follows:	

1	a.	for the month beginning July 1,	
2		2020, through the month ending	
3		August 31, 2020	14.0%
4	b.	for the month beginning September	
5		1, 2020, through the month ending	
6		June 30, 2021	9.8%
7	FY 2022		10.5% <u>14.0%</u>
8	FY 2023 through FY 2027		15.4% <u>14.7%</u>
9	FY 2028 and each fiscal year thereafter		14.0%;
10	3. Of the taxes collected on premiums the following shall be		
11	allocated and disbursed to the Law Enforcement Retirement Fund:		
12	Fiscal Year		Amount
13	FY 2006 through FY 2020		5.0%
14	FY 2021 as follows:		
15	a.	for the month beginning July 1,	
16		2020, through the month ending	
17		August 31, 2020	5.0%
18	b.	for the month beginning September	
19		1, 2020, through the month ending	
20		June 30, 2021	3.5%
21	FY 2022		3.75% <u>5.0%</u>
22	FY 2023 through FY 2027		5.5% <u>5.25%</u>
23	FY 2028 and each fiscal year thereafter		5.0%;
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1 4. The following amounts shall be paid to the Education Reform
2 Revolving Fund of the State Department of Education:

3 Fiscal Year Amount

4 FY 2021 as follows:

5 for the month beginning September 1,
6 2020, through the month ending June 30,
7 2021 16.5%

8 ~~FY 2022~~ ~~13.75%;~~

9 5. In addition to the allocations made pursuant to paragraphs
10 1, 2 and 3 of this subsection, of the taxes collected on premiums
11 the following amounts shall be allocated and disbursed annually for
12 FY 2023 through FY 2027:

- 13 a. ~~Eighty one Thousand Two Hundred Fifty Dollars~~
14 ~~(\$81,250.00)~~ Forty Thousand Six Hundred Twenty-five
15 Dollars (\$40,625.00) to the Oklahoma Firefighters
16 Pension and Retirement Fund,
- 17 b. ~~Thirty two Thousand Five Hundred Dollars (\$32,500.00)~~
18 Sixteen Thousand Two Hundred Fifty Dollars
19 (\$16,250.00) to the Oklahoma Police Pension and
20 Retirement System, and
- 21 c. ~~Eleven Thousand Two Hundred Fifty Dollars (\$11,250.00)~~
22 Five Thousand Six Hundred Twenty-five Dollars
23 (\$5,625.00) to the Oklahoma Law Enforcement Retirement
24 Fund; and

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

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

17 F. Notwithstanding any other provision of law to the contrary,
18 no tax credit authorized by law enacted on or after July 1, 2008,
19 which may be used to reduce any insurance premium tax liability
20 shall be used to reduce the amount of insurance premium tax revenue
21 apportioned to the Oklahoma Firefighters Pension and Retirement
22 System, the Oklahoma Police Pension and Retirement System, the
23 Oklahoma Law Enforcement Retirement System or the Education Reform
24 Revolving Fund.

1 SECTION 2. This act shall become effective July 1, 2021.

2 SECTION 3. It being immediately necessary for the preservation
3 of the public peace, health or safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

6 Passed the House of Representatives the 17th day of May, 2021.

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Presiding Officer of the House
of Representatives

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Passed the Senate the ___ day of _____, 2021.

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Presiding Officer of the Senate

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