

1 ENGROSSED SENATE  
2 BILL NO. 742

By: Jolley of the Senate

and

Martin of the House

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6 An Act relating to public finance; amending 62 O.S.  
7 2011, Sections 34.2 and 34.37, as amended by Sections  
8 333 and 369, Chapter 304, O.S.L. 2012 and 34.44 (62  
9 O.S. Supp. 2014, Sections 34.2 and 34.37), which  
10 relate to the Oklahoma State Finance Act; specifying  
11 certain duties of State Board of Equalization,  
12 Oklahoma Tax Commission and certain state agencies;  
13 modifying date upon which Governor's budget must be  
14 submitted to Legislature; providing an effective  
15 date; and declaring an emergency.

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

17 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.2, as  
18 amended by Section 333, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
19 2014, Section 34.2), is amended to read as follows:

20 Section 34.2. A. Agencies responsible for the collection of  
21 monies deposited to the credit of the General Revenue Fund and each  
22 of the Special Revenue Funds shall be subject to the provisions of  
23 ~~this act~~ the Oklahoma State Finance Act. Upon request of the  
24 Director of the Office of Management and Enterprise Services, these  
agencies shall provide the Director of the Office of Management and  
Enterprise Services an itemized estimate of funds expected to accrue  
to the General Revenue Fund and each of the Special Revenue Funds

1 for the ensuing fiscal year in the manner and form established by  
2 the Director, in accordance with the duties assigned to the State  
3 Board of Equalization in Section 23 of Article X of the Oklahoma  
4 Constitution. Each of these agencies shall also provide to the  
5 Director, as requested, a written explanation of the methodology and  
6 relevant assumptions used in developing the revenue estimates  
7 submitted, a statement of the prior year's actual revenue  
8 collections and a projection of the current year's revenue  
9 collections. No expenditure shall be made from any General Revenue  
10 Fund or Special Revenue Fund until such fund has been assigned to an  
11 agency by law or by the Director of the Office of Management and  
12 Enterprise Services.

13 B. In addition to providing the information listed above, the  
14 Oklahoma Tax Commission shall also provide to the Director of the  
15 Office of Management and Enterprise Services a comprehensive  
16 economic report no later than two (2) weeks prior to each of the  
17 meetings of the State Board of Equalization pursuant to paragraphs 1  
18 and 3 of Section 23 of Article X of the Constitution of the State of  
19 Oklahoma. Each report shall include a summary of recent national  
20 and state economic performance and a forecast of national and state  
21 economic performance for both the current and the upcoming fiscal  
22 years. These reports shall be considered a basis upon which the  
23 itemized revenue estimates of the Commission are developed. The  
24 report shall include an analysis of the relative accuracy of the

1 economic forecasts on which the previous and current fiscal years'  
2 revenue estimates were based.

3 C. The Tax Commission shall also provide all estimates,  
4 explanations, statements, projections, reports, and other documents  
5 required by this section to the President Pro Tempore of the Senate  
6 and the Speaker of the House of Representatives at the same time  
7 that such documents are provided to the Director of the Office of  
8 Management and Enterprise Services.

9 D. The State Board of Equalization, the Tax Commission, and  
10 each agency responsible for the collection of state monies shall:

11 1. Utilize best practices employed in this or other states in  
12 developing the methodology and assumptions used in determining the  
13 estimates required by this section;

14 2. Periodically review such methodology and assumptions; and

15 3. Be authorized to consult with the Office of Management and  
16 Enterprise Services, institutions of higher education, and any other  
17 resource to enable it to determine the best practices which will  
18 result in the most accurate revenue estimate possible.

19 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.37, as  
20 amended by Section 369, Chapter 304, O.S.L. 2012 (62 O.S. Supp.  
21 2014, Section 34.37), is amended to read as follows:

22 Section 34.37. ~~Immediately after the beginning of each regular~~  
23 ~~session of the Legislature~~ Except as otherwise provided in Section  
24 34.44 of this title, on the first Monday in February of each year,

1 the Governor shall submit to the presiding officer of each house of  
2 the Legislature, copies of the budget based upon the investigations  
3 and conclusions of the Office of Management and Enterprise Services.  
4 Such budget document shall contain a complete and itemized plan of  
5 all proposed expenditures for each agency or undertaking classified  
6 according to the various cabinet areas designated by the Governor or  
7 otherwise created by law. Such expenditures shall be further  
8 classified by function, character, and object, and in the event such  
9 proposed expenditures exceed the estimate made by the State Board of  
10 Equalization, the Governor shall accompany the budget document with  
11 a proposal of new revenue-raising measures sufficient to effect a  
12 balanced budget for the ensuing fiscal year.

13 SECTION 3. AMENDATORY 62 O.S. 2011, Section 34.44, is  
14 amended to read as follows:

15 Section 34.44. In any year in which a Governor-elect assumes  
16 office, the budget shall be the budget of the new Governor and shall  
17 be submitted to the Legislature by the new Governor on February 15  
18 or the first day that both houses of the Legislature are in session  
19 thereafter. The Division of the Budget shall render to the  
20 Governor-elect all possible assistance in the preparation of the  
21 budget. The Governor and agencies of the state shall furnish the  
22 Governor-elect estimates and other budget information, in order that  
23 the Governor-elect may discharge effectively his or her budget  
24 responsibilities upon assuming office.

1 SECTION 4. This act shall become effective July 1, 2015.

2 SECTION 5. It being immediately necessary for the preservation  
3 of the public peace, health and 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 Senate the 10th day of March, 2015.

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8 \_\_\_\_\_  
9 Presiding Officer of the Senate

10 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
11 2015.

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14 Presiding Officer of the House  
15 of Representatives  
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