

1 **SENATE FLOOR VERSION**

2 February 12, 2024

3 SENATE BILL NO. 1864

By: Pugh

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6 An Act relating to the State Board of Equalization;  
7 amending 62 O.S. 2021, Section 34.103, which relates  
8 to the Oklahoma State Finance Act; prescribing duties  
9 for the Board; and providing an effective date.

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

11 SECTION 1. AMENDATORY 62 O.S. 2021, Section 34.103, is  
12 amended to read as follows:

13 Section 34.103. A. In addition to any other duties prescribed  
14 by law, at the meeting required by Section 23 of Article X of the  
15 Oklahoma Constitution to be held in February of 2017, and at the  
16 February meeting of the State Board of Equalization each year  
17 thereafter, the State Board of Equalization shall certify:

18 1. For the revenue derived from the tax levied on oil pursuant  
19 to Section 1001 of Title 68 of the Oklahoma Statutes, which would  
20 otherwise be apportioned to the General Revenue Fund, the average  
21 annual amount of actual revenue apportioned to the General Revenue  
22 Fund for the immediately preceding five (5) complete fiscal years.  
23 For any year after the first year during which a deposit to the  
24 Revenue Stabilization Fund is made, the amount of any deposit to the

1 Revenue Stabilization Fund shall be disregarded for purposes of this  
2 paragraph and the average shall be computed using the total amount  
3 of revenue that was available to be apportioned to the General  
4 Revenue Fund for the applicable period of time;

5       2. For the revenue derived from the tax levied on natural gas  
6 pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, which  
7 would otherwise be apportioned to the General Revenue Fund, the  
8 average annual amount of actual revenue apportioned to the General  
9 Revenue Fund for the previous five (5) fiscal years. For any year  
10 after the first year during which a deposit to the Revenue  
11 Stabilization Fund is made, the amount of any deposit to the Revenue  
12 Stabilization Fund shall be disregarded for purposes of this  
13 paragraph and the average shall be computed using the total amount  
14 of revenue that was available to be apportioned to the General  
15 Revenue Fund for the applicable period of time; and

16       3. For the revenue derived from the corporate income tax levied  
17 pursuant to Section 2355 of Title 68 the Oklahoma Statutes, which  
18 would otherwise be apportioned to the General Revenue Fund, the  
19 average annual amount of actual revenue apportioned to the General  
20 Revenue Fund for the previous five (5) fiscal years. For any year  
21 after the first year during which a deposit to the Revenue  
22 Stabilization Fund is made, the amount of any deposit to the Revenue  
23 Stabilization Fund shall be disregarded for purposes of this  
24 paragraph and the average shall be computed using the total amount

1 of revenue that was available to be apportioned to the General  
2 Revenue Fund for the applicable period of time.

3 B. If the amount of revenue available for apportionment to the  
4 General Revenue Fund for the next ensuing fiscal year exceeds the  
5 amounts certified pursuant to paragraph 1 or 2 of subsection A of  
6 this section, with respect to each such revenue source, one hundred  
7 percent (100%) of such amount in excess of the separately computed  
8 five-year average, which would otherwise be apportioned to the  
9 General Revenue Fund, shall be deposited to the credit of the  
10 Revenue Stabilization Fund.

11 C. If the amount of revenue available for apportionment to the  
12 General Revenue Fund for the next ensuing fiscal year exceeds the  
13 amount certified pursuant to paragraph 3 of subsection A of this  
14 section:

15 1. Twenty-five percent (25%) of such amount in excess of the  
16 five-year average, which would otherwise be apportioned to the  
17 General Revenue Fund, shall be deposited to the credit of the  
18 Constitutional Reserve Fund unless such deposit would exceed the  
19 maximum balance permitted pursuant to Section 23 of Article X of the  
20 Oklahoma Constitution and in such case the amount in excess of the  
21 maximum balance shall be deposited to the credit of the Revenue  
22 Stabilization Fund; and

23 2. Seventy-five percent (75%) of such amount in excess of the  
24 five-year average, which would otherwise be apportioned to the

1 General Revenue Fund, shall be deposited to the credit of the  
2 Revenue Stabilization Fund, together with any amount required for  
3 deposit pursuant to the provisions of paragraph 1 of this  
4 subsection.

5 D. In addition to any other duties prescribed by law, at the  
6 meetings required by paragraphs 1 and 3 of Section 23 of Article X  
7 of the Oklahoma Constitution, the State Board of Equalization shall  
8 provide a report that distinguishes the amount available for  
9 appropriation from revenues accrued or accruing in the preceding and  
10 current fiscal years that were not appropriated and the amount  
11 available for appropriation from revenues to be received by the  
12 state for the next ensuing fiscal year. The summation of the  
13 amounts that were not appropriated from the current and preceding  
14 fiscal years and the amounts to be received in the next ensuing  
15 fiscal year shall equal the certified amounts available for  
16 appropriation pursuant to paragraphs 1 and 3 of Section 23 of  
17 Article X of the Oklahoma Constitution.

18 SECTION 2. This act shall become effective November 1, 2024.

19 COMMITTEE REPORT BY: COMMITTEE ON FINANCE  
20 February 12, 2024 - DO PASS

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