

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 990

By: Garvin

AS INTRODUCED

An Act relating to family leave benefits; creating the Oklahoma Paid Family Leave Program; requiring the Oklahoma Employment Security Commission to manage the Program; authorizing certain employers and employees to participate in the Program; requiring certain deductions and contributions; providing benefit eligibility after certain period; requiring benefits to be paid by the Commission; providing benefit amount; creating the Oklahoma Paid Family Leave Program Revolving Fund; providing sources of funds; providing for expenditures from fund; providing an income tax credit for certain deductions from wages; stating amount of credit; making credit refundable; amending 68 O.S. 2021, Section 2352, which relates to apportionment of income tax revenues; providing apportionment to the Oklahoma Paid Family Leave Program Revolving Fund; requiring Commission to determine certain amount; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 710 of Title 40, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Oklahoma Paid Family Leave Program.

1 B. The Oklahoma Employment Security Commission shall manage the  
2 Oklahoma Paid Family Leave Program.

3 C. Any employee and employer in this state may elect to  
4 participate in the Program. Upon election to participate:

5 1. An employer shall contribute an amount equal to forty-five  
6 hundredths of one percent (0.45%) of the wages paid to each  
7 participating employee;

8 2. For an employee of an employer who elects to participate in  
9 the Program, the employer of the employee shall deduct forty-five  
10 hundredths of one percent (0.45%) of the employee's salary;

11 3. For an employee of an employer who elects not to participate  
12 in the Program, the employer of the employee shall deduct nine  
13 tenths of one percent (0.9%) of the employee's salary; and

14 4. For an employee of this state who elects to participate in  
15 the Program, the employer of the employee shall deduct nine tenths  
16 of one percent (0.9%) of the employee's salary.

17 Employers shall remit the deductions and contributions made  
18 pursuant to this subsection by the fifth day after each month.

19 D. Employees that have contributed to the Program through  
20 deductions, as provided in subsection C of this section, for a  
21 period of six (6) consecutive months shall be eligible to receive  
22 benefits upon approval and shall be paid during use of leave  
23 pursuant to the Family and Medical Leave Act of 1993, 29 U.S.C.,  
24 Section 2601 et seq.

1 E. Benefits shall be paid to the employee by the Commission  
2 from funds in the Oklahoma Paid Family Leave Program Revolving Fund  
3 created pursuant to Section 2 of this act.

4 F. Benefits shall be paid on a weekly basis in the amount of  
5 ninety percent (90%) of the employee's average weekly wage but shall  
6 not exceed fifty percent (50%) of the statewide average weekly wage  
7 for the preceding calendar year, as determined by the Commission.

8 SECTION 2. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 711 of Title 40, unless there is  
10 created a duplication in numbering, reads as follows:

11 There is hereby created in the State Treasury a revolving fund  
12 for the Oklahoma Employment Security Commission to be designated the  
13 "Oklahoma Paid Family Leave Program Revolving Fund". The fund shall  
14 be a continuing fund, not subject to fiscal year limitations, and  
15 shall consist of all monies received by the apportionment of  
16 revenues pursuant to Section 2352 of Title 68 of the Oklahoma  
17 Statutes and employee remittances and employer contributions paid  
18 pursuant to Section 1 of this act. All monies accruing to the  
19 credit of the fund are hereby appropriated and may be budgeted and  
20 expended by the Commission for the purpose of providing benefits  
21 pursuant to the Oklahoma Paid Family Leave Program. Up to one  
22 percent (1%) of the average monthly balance of the fund may be used  
23 by the Commission for administrative expenses to implement the  
24 Program. Expenditures from the fund shall be made upon warrants

1 issued by the State Treasurer against claims filed as prescribed by  
2 law with the Director of the Office of Management and Enterprise  
3 Services for approval and payment.

4 SECTION 3. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 2357.305 of Title 68, unless  
6 there is created a duplication in numbering, reads as follows:

7 A. For tax year 2024 and subsequent tax years, a qualified  
8 employee shall be allowed a credit against the tax imposed pursuant  
9 to Section 2355 of Title 68 of the Oklahoma Statutes equal to  
10 deductions made exceeding forty-five hundredths of one percent  
11 (0.45%) of the wages paid to the employee for any pay period in the  
12 tax year for participation in the Oklahoma Paid Family Leave Program  
13 created pursuant to Section 1 of this act.

14 B. If the credit provided in subsection A of this section  
15 exceeds the tax imposed by Section 2355 of Title 68 of the Oklahoma  
16 Statutes, the excess amount shall be refunded to the taxpayer.

17 SECTION 4. AMENDATORY 68 O.S. 2021, Section 2352, is  
18 amended to read as follows:

19 Section 2352. It is hereby declared to be the purpose of  
20 Section 2351 et seq. of this title to provide revenue for general  
21 governmental functions of state government; and, for that purpose  
22 and to that end, it is expressly declared that the revenue derived  
23 herefrom and penalties and interest thereon, subject to the  
24 apportionment requirements for the Rebuilding Oklahoma Access and

1 Driver Safety Fund, the Oklahoma Tourism and Passenger Rail  
2 Revolving Fund, the Public Transit Revolving Fund and the Education  
3 Reform Revolving Fund to be derived from income tax revenue that  
4 would otherwise be apportioned to the General Revenue Fund as  
5 provided by Section 1521 of Title 69 of the Oklahoma Statutes,  
6 subject to the apportionment requirements for the Oklahoma Tax  
7 Commission and Office of Management and Enterprise Services Joint  
8 Computer Enhancement Fund provided by Section 265 of this title, and  
9 subject to the apportionment requirements for the Oklahoma State  
10 Capitol Building Repair and Restoration Fund provided by Section 19  
11 of Title 73 of the Oklahoma Statutes, shall be distributed as  
12 follows:

13 1. For the fiscal year beginning July 1, 2002, the first Five  
14 Million Eight Hundred Thousand Dollars (\$5,800,000.00) of revenue  
15 derived pursuant to the provisions of subsections A, B and E of  
16 Section 2355 of this title shall be apportioned to the Education  
17 Reform Revolving Fund. For the fiscal year 2024 and subsequent  
18 fiscal years, an amount determined to be necessary to provide for  
19 benefit payments and administrative expenses of the Oklahoma Paid  
20 Family Leave Program created pursuant to Section 1 of this act shall  
21 be deposited in the Oklahoma Paid Family Leave Program Revolving  
22 Fund created pursuant to Section 2 of this act. The remainder of  
23 such revenue for the fiscal year beginning July 1, 2002, and all  
24

1 such revenue for each fiscal year thereafter shall be apportioned  
2 monthly as follows:

- 3 a. the following amounts shall be paid to the State  
4 Treasurer to be placed to the credit of the General  
5 Revenue Fund of the state for such fiscal year for the  
6 support of the state government to be paid out only  
7 pursuant to appropriation by the Legislature:

8 Fiscal Year	Amount
9 FY 2003 and FY 2004	87.12%
10 FY 2005	86.91%
11 FY 2006	86.66%
12 FY 2007	86.16%
13 FY 2008 through FY 2022	85.66%
14 FY 2023 through FY 2027	85.41%
15 FY 2028 and each fiscal year thereafter	85.66%

16 Of the funds apportioned to the General Revenue Fund  
17 pursuant to this subparagraph, until the expiration of  
18 the Filmed in Oklahoma Act of 2021 as provided in  
19 Section 11 of this act, Thirty Million Dollars  
20 (\$30,000,000.00) shall be transferred to the Oklahoma  
21 Tax Commission for deposit in the Filmed in Oklahoma  
22 Program Revolving Fund,

- 23 b. the following amounts shall be paid to the State  
24 Treasurer to be placed to the credit of the Education  
25

1 Reform Revolving Fund of the State Department of  
2 Education:

3 (1) for FY 2003 through FY 2020, eight and thirty-  
4 four one-hundredths percent (8.34%),

5 (2) for FY 2021:

6 (a) for the month beginning July 1, 2020,  
7 through the month ending August 31, 2020,  
8 eight and thirty-four one-hundredths percent  
9 (8.34%), and

10 (b) for the month beginning September 1, 2020,  
11 through the month ending June 30, 2021, nine  
12 and eighty-four one-hundredths percent  
13 (9.84%),

14 (3) for FY 2022 and each fiscal year thereafter,  
15 eight and thirty-four one-hundredths percent  
16 (8.34%) shall be paid to the State Treasurer to  
17 be placed to the credit of the Education Reform  
18 Revolving Fund,

19 c. the following amounts shall be paid to the State  
20 Treasurer to be placed to the credit of the Teachers'  
21 Retirement System Dedicated Revenue Revolving Fund:

22 Fiscal Year	Amount
23 FY 2003 and FY 2004	3.54%
24 FY 2005	3.75%

1	FY 2006	4.0%
2	FY 2007	4.5%
3	FY 2008 through FY 2020	5.0%
4	FY 2021:	
5	(1) for the month beginning	
6	July 1, 2020, through	
7	the month ending August	
8	31, 2020	5.0%
9	(2) for the month beginning	
10	September 1, 2020,	
11	through the month ending	
12	June 30, 2021	3.5%
13	FY 2022	5.0%
14	FY 2023 through FY 2027	5.25%
15	FY 2028 and each fiscal	
16	year thereafter	5.0%

d. for FY 2003 and each fiscal year thereafter, one percent (1%) shall be placed to the credit of the Ad Valorem Reimbursement Fund;

2. Beginning July 1, 2003, for any period of time as certified by the Oklahoma Development Finance Authority and the Oklahoma Department of Commerce to be necessary for the repayment of obligations issued by the Oklahoma Development Finance Authority pursuant to Section 3654 of this title if the other sources of



1 revenue paid to or apportioned to the Quality Jobs Program Incentive  
2 Leverage Fund are not adequate including the proceeds from payment  
3 pursuant to the guaranty required by subsection M of Section 3654 of  
4 this title, an amount certified by the Oklahoma Development Finance  
5 Authority to the Oklahoma Tax Commission shall be apportioned to the  
6 Quality Jobs Program Incentive Leverage Fund before any other  
7 apportionments are made as otherwise authorized by this paragraph.  
8 The Oklahoma Development Finance Authority shall certify to the  
9 Oklahoma Tax Commission the time as of which the revenue authorized  
10 for apportionment pursuant to this paragraph is no longer required.  
11 After the certification, the revenue derived from the income tax  
12 shall be apportioned in the manner otherwise provided by this  
13 section. Except as otherwise provided by this paragraph, for the  
14 fiscal year beginning July 1, 2002, the first Forty-one Million One  
15 Hundred Ninety Thousand Eight Hundred Dollars (\$41,190,800.00) of  
16 revenue derived pursuant to the provisions of subsections D and E of  
17 Section 2355 of this title shall be apportioned to the Education  
18 Reform Revolving Fund. The remainder of such revenue for the fiscal  
19 year beginning July 1, 2002, and all such revenue for each fiscal  
20 year thereafter, subject to the apportionment requirements for the  
21 Oklahoma Tax Commission and Office of Management and Enterprise  
22 Services Joint Computer Enhancement Fund provided by Section 265 of  
23 this title, shall be apportioned monthly as follows:

a. the following amounts shall be paid to the State Treasurer to be placed to the credit of the General Revenue Fund of the state for such fiscal year for the support of the state government to be paid out only pursuant to appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	78.96%
FY 2005	78.75%
FY 2006	78.50%
FY 2007	78.0%

(1) (a) FY 2018 through FY 2022 until the apportionment to the General Revenue Fund equals the moving five-year average amount for corporate income tax as prescribed by paragraph 3 of this section 77.50%

(b) FY 2023 through FY 2027 until the apportionment to the General Revenue Fund equals the moving five-year average amount for corporate income tax as

1 prescribed by paragraph 3  
2 of this section 77.25%

3 (c) FY 2028 and each fiscal  
4 year thereafter until the  
5 apportionment to the  
6 General Revenue Fund  
7 equals the moving five-  
8 year average amount for  
9 corporate income tax as  
10 prescribed by paragraph 3

11 of this section 77.50%

12 (2) there shall be apportioned from the tax levy  
13 imposed on corporate income tax to the Revenue  
14 Stabilization Fund created by Section 34.102 of  
15 Title 62 of the Oklahoma Statutes, or to the  
16 Constitutional Reserve Fund, as provided by  
17 Section 34.102 of Title 62 of the Oklahoma  
18 Statutes, the amount of revenue, if any, which  
19 exceeds the moving five-year average amount as  
20 defined pursuant to paragraph 3 of this section,

21 b. the following amounts shall be paid to the State  
22 Treasurer to be placed to the credit of the Education  
23 Reform Revolving Fund of the State Department of  
24 Education:

1 (1) for FY 2003 through FY 2020, sixteen and five-  
2 tenths percent (16.5%),

3 (2) for FY 2021:

4 (a) for the month beginning July 1, 2020,  
5 through the month ending August 31, 2020,  
6 sixteen and five-tenths percent (16.5%), and

7 (b) for the month beginning September 1, 2020,  
8 through the month ending June 30, 2021,  
9 eighteen percent (18%),

10 (3) for FY 2022, and each fiscal year thereafter,  
11 sixteen and five-tenths percent (16.5%),

12 c. the following amounts shall be paid to the State  
13 Treasurer to be placed to the credit of the Teachers'  
14 Retirement System Dedicated Revenue Revolving Fund:

Fiscal Year	Amount
FY 2003 and FY 2004	3.54%
FY 2005	3.75%
FY 2006	4.0%
FY 2007	4.5%
FY 2008 through FY 2020	5.0%
FY 2021:	

22 (1) for the month beginning  
23 July 1, 2020, through  
24

1	the month ending August	
2	31, 2020	5.0%
3	(2) for the month beginning	
4	September 1, 2020,	
5	through the month ending	
6	June 30, 2021	3.5%
7	FY 2022	5.0%
8	FY 2023 through FY 2027	5.25%
9	FY 2028 and each fiscal	
10	year thereafter	5.0%

11 d. for FY 2003 and each fiscal year thereafter, one  
12 percent (1%) shall be placed to the credit of the Ad  
13 Valorem Reimbursement Fund; and

14 3. "Moving five-year average for corporate income tax" means,  
15 for purposes of the apportionments prescribed by this section, the  
16 amount of income tax on corporations, as determined by the State  
17 Board of Equalization in the manner prescribed by Section 34.103 of  
18 Title 62 of the Oklahoma Statutes.

19 SECTION 5. This act shall become effective November 1, 2023.

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