

ENROLLED SENATE
BILL NO. 857

BY: CAIN of the SENATE

and

THOMAS of the HOUSE

AN ACT RELATING TO PUBLIC FINANCE; AMENDING 62
O.S. 1991, SECTION 41.19, WHICH RELATES TO THE
OKLAHOMA BUDGET LAW; LIMITING TIME PERIOD DURING
WHICH CERTAIN WARRANTS MAY BE REISSUED AFTER
CANCELLATION; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 62 O.S. 1991, Section 41.19, is amended to read as follows:

Section 41.19 A. Effective July 1, 1947, and thereafter, all bonds and interest coupons redeemed by the State Treasurer and a duplicate of each and every receipt issued by him for monies received into the State Treasury, shall be delivered immediately to, and receipted for, by the Director of State Finance who shall maintain such documents as a permanent record of his office. It shall be the duty of the Director of State Finance to audit such redeemed documents and to apportion and distribute the collections as indicated by the State Treasury receipts to the respective funds and account to which the same shall have accrued, or may belong. Beginning July 1, 1989, all warrants and checks redeemed by the State Treasurer shall be maintained by the State Treasurer in accordance with the provisions of Sections 564 through 571 of Title 74 of the Oklahoma Statutes. In the event that nonpayable warrants are issued pursuant to the provisions of Section 23 of Article 10 of the Constitution of the State of Oklahoma, it shall be the duty of the Director of State Finance to issue and publish the official call for payment for any warrants that may be outstanding and registered as "nonpayable". Notice of such call shall be published in some newspaper of general circulation, published at the seat of government and interest on all warrants so called for payment shall cease on or after ten (10) days from the date of the first publication of such notice. The Director of State Finance shall be responsible for the custody of claims certified to him for payment which call for the disbursement of money from the Treasury. Such claims shall be maintained in files accessible to the Division of Central Accounting and Reporting and the employees of the Division of Central Accounting and Reporting shall have authority to inspect such claims for the purpose of making accounting adjustments on the records maintained by the Director of State Finance.

B. All warrants, checks or orders issued after June 30, 1980, by the State Treasurer against claims submitted through the Director of State Finance in payment of obligations of the state which shall for any cause remain outstanding or unpaid for a period of ninety (90) days after funds are available for their payment shall be revoked and canceled. The Director of State Finance shall forthwith

make proper entry thereof on the records of his office and shall notify both the State Treasurer and the administrative head of the agency certifying the claim for payment of the fact of such entry of cancellation. Thereafter no such warrants shall be paid except that the holder of any warrant that may be canceled pursuant to the provisions of this section, may, within thirty-six (36) months following the month in which the warrant was canceled, present the warrant or an affidavit of loss or destruction, and a request for reissue to the Director of State Finance who shall on the third Monday of each month certify a claim for payment of those verified unpaid requests presented during months past. Provided, the Director of State Finance shall reissue a warrant for any valid claim upon receipt, prior to October 1, 1988, of a request for reissue, regardless of the date on which the warrant was canceled. If, for any reason, a warrant should not be issued to replace a warrant canceled pursuant to the provisions of this section, the administrative head of the agency originally certifying the claim for payment shall, within seven (7) days after notification of the cancellation, advise the Director of State Finance that a reissue should not be made. Warrants issued or caused to be issued by the Department of Human Services for public assistance or medical assistance may be reissued at any time within three (3) years after cancellation upon submission of the canceled warrants to the Department, provided the three-year limitation shall not apply to warrants issued prior to the effective date of the act. However, any warrants outstanding at the time of the passage of this act, must be reissued within three (3) years.

C. There is hereby created in the State Treasury a fund to be known as the Canceled Warrant Fund. The Director of State Finance shall transfer to the Canceled Warrant Fund the total of the payable amounts of the warrants canceled pursuant to the provisions of this section from the funds and accounts against which the canceled warrants had been drawn, and shall disburse from the fund such amounts as necessary to pay warrants reissued as provided in this section. The expenditure shall be recorded in the fund and account against which the original canceled warrant was issued and disbursements from the Canceled Warrant Fund shall not be considered expenses of the state nor shall receipts to the fund be considered revenue to the state. Claims drawn against the Canceled Warrant Fund shall identify the current holder of record and the warrant number of the canceled warrant.

D. The Director of State Finance shall determine the minimum necessary balance to be maintained in the Canceled Warrant Fund and on the third Monday of October he shall transfer the amount in excess of the required minimum balance to the General Revenue Fund of the current year. The minimum balance retained shall be not less than the total amount of warrants canceled in the most recently completed fiscal year nor more than two times the total amount of warrants canceled in such fiscal year.

E. The obligations and balances of the Payroll Reserve Fund, created by Section 7.8 of this title, are hereby transferred to the Canceled Warrant Fund created by subsection C of this section.

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

Passed the Senate the 23d day of April, 1992.

President of the Senate

Passed the House of Representatives the 6th day of April, 1992.

Speaker of the House of
Representatives