

STATE OF OKLAHOMA

1st Session of the 44th Legislature (1993)

COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 190

By: Stipe

COMMITTEE SUBSTITUTE

An Act relating to the Department of Transportation; amending 69 O.S. 1991, Section 306.2, which relates to a certain trust; modifying trustee; providing for defense of legal action by Attorney General; providing for payment of defense; and declaring an emergency.

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

SECTION 1. AMENDATORY 69 O.S. 1991, Section 306.2, is amended to read as follows:

Section 306.2 The Department of Transportation is hereby authorized to establish, with funds currently held by the Department of Transportation which accrued to its health insurance rate stabilization account, a trust for the benefit of Department of Transportation employees. The trust shall be under the control of three (3) trustees who shall invest the funds constituting the trust in interest bearing accounts in federally insured institutions or in U.S. Treasury instruments. The trustees shall be the Director ~~and~~, Deputy Director and Chief Engineer of the Department of Transportation ~~and the Assistant Director of the Fiscal Services Division of the Department of Transportation~~. The trustees shall serve without compensation from the trust and shall be immune from any legal action relating to the trust except in the case of fraud, theft or misappropriation of trust funds. The Attorney General shall defend any legal action against the trustees, which may arise from the trustees' administration of the trust. The cost and expense of participating in such litigation shall be payable from funds in the trust estate, or in the event there are no such funds or insufficient funds, the cost and

expense of participating in such litigation shall be born by the Department of Transportation. The trustees shall be entitled to full indemnity from funds of this trust provided, however, if there are no such trust funds or insufficient trust funds to reimburse the trustees for any liability or loss they may sustain by reason of any such litigation, then the trustees shall be indemnified from funds of the Department of Transportation; provided further, the trustees shall not be entitled to indemnity from either source if they are adjudged guilty of fraud, theft or misappropriation of trust funds in connection with any such litigation.

The term of this trust shall be for two (2) years from the effective date of this act, provided however, the district court of Oklahoma County may extend the term of this trust in the best interest of the beneficiaries. Upon formation of this trust, the trustees shall immediately bring an action in the district court of Oklahoma County for a determination of beneficiaries and their interest in the trust, and when determined, the trustees shall distribute the trust in accordance with the determination of the court.

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.

44-1-0765

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