

ENROLLED SENATE
BILL NO. 1091

By: Mickle and Dickerson of the
Senate

and

Steidley of the House

An Act relating to public finance; amending 57 O.S. 1991, Sections 502, as amended by Section 4, Chapter 319, O.S.L. 1992, 509 and 513.1 (57 O.S. Supp. 1993, Section 502), which relate to Department of Corrections facilities; adding facility location; modifying reference; establishing certain fund; amending 62 O.S. 1991, Sections 41.21, as last amended by Section 21 of Enrolled House Bill No. 2299 of the 2nd Session of the 44th Oklahoma Legislature, Section 7, Chapter 350, O.S.L. 1992, as amended by Section 129, Chapter 189, O.S.L. 1993, Section 13, Chapter 350, O.S.L. 1992, 139.47, as amended by Section 3, Chapter 403, O.S.L. 1992, 206, 365.2, 365.3, and 365.5 (62 O.S. Supp. 1993, Sections 57.306, 57.312 and 139.47), which relate to payment of claims or payrolls, building bonds, payment of certain fees and taxes and certain judgments and 2 O.S. 1991, Section 1766, which relates to agricultural linked deposits; modifying list of programs subject to certain procedures for settlement of claims or payments; modifying entities for whom State Treasurer may write checks or warrants; modifying entities authorized to execute checks in payment of claims; providing certain procedures; providing that certain interest be utilized pursuant to

legislative appropriation; providing exception to required deposit of certain funds; creating Building Bond Revolving Fund and providing procedures related thereto; allowing certain procedure for payment of certain judgments; modifying responsibilities for providing copies of certain journal entries; modifying duty of secretary of county excise board; modifying procedures for certain judgments; providing procedure for bringing civil actions by taxpayers for recovery of real or personal property; prohibiting State Treasurer from making certain linked deposits or investments for certain period; specifying procedures related thereto; terminating Oklahoma Small Business Linked Deposit Program under certain circumstances; limiting amount that State Treasurer may invest in linked deposit programs; providing procedures related thereto; deleting certain duplicative language; authorizing the Oklahoma Capitol Improvement Authority to renovate and refurbish certain facilities; transferring title to land and improvements upon debt retirement; providing project cost allocation; authorizing issuance of bonds; stating intent to appropriate funds to certain agencies for debt service payments; restricting interest rate; restricting issuance of bonds; authorizing sale and purchase of bonds; requiring interest earned to be deposited to certain fund; expanding purposes for which certain funds may be allocated; providing for codification; and repealing Section 1 of Enrolled House Bill No. 2283 of the 2nd Session of the 44th

Oklahoma Legislature and Section 6, Chapter 10, O.S.L. 1993 (62 O.S. Supp. 1993, Section 41.21), which are duplicate sections and which relate to payment of claims and payrolls and 62 O.S. 1991, Section 88.8, which relates to certain investments.

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

SECTION 1. AMENDATORY 57 O.S. 1991, Section 502, as amended by Section 4, Chapter 319, O.S.L. 1992 (57 O.S. Supp. 1993, Section 502), is amended to read as follows:

Section 502. As used in this title, unless the context otherwise requires:

(a) "Board" means the State Board of Corrections;

(b) "Department" means the Department of Corrections of this state;

(c) "Institutions" means the Oklahoma State Penitentiary located at McAlester, Oklahoma; the Oklahoma State Reformatory located at Granite, Oklahoma; the Lexington Assessment and Reception Center located at Lexington, Oklahoma; the Joseph Harp Correctional Center located at Lexington, Oklahoma; the Jackie Brannon Correctional Center located at McAlester, Oklahoma; the Howard C. McLeod Correctional Center located at Farris, Oklahoma; the Mack H. Alford Correctional Center located at Stringtown, Oklahoma; the Ouachita Correctional Center located at Hodgen, Oklahoma; the Mabel Bassett Correctional Center located at Oklahoma City, Oklahoma; the R.B. "Dick" Conner Correctional Center located at Hominy, Oklahoma; the James Crabtree Correctional Center located at Helena, Oklahoma; the Jess Dunn Correctional Center located at Taft, Oklahoma; the John Lilley Correctional Center located at Boley, Oklahoma; the William S. Key Correctional Center located at Fort Supply, Oklahoma; the Dr. Eddie Walter Warrior Correctional Center located at Taft, Oklahoma; the Northeast Oklahoma Correctional Center located at Vinita, Oklahoma; the Oklahoma City, Clara Waters and Kate Barnard Community Corrections Centers located at Oklahoma City, Oklahoma; the Tulsa Community Corrections Center located at Tulsa, Oklahoma; the Community Corrections Centers located at Lawton, Enid, Muskogee and McAlester; and other facilities under the jurisdiction and control of the Department of Corrections or hereafter established by the Department of Corrections;

(d) "Director" means the Director of the Department of Corrections;

(e) "Halfway house" means a private facility for the placement of inmates in a community setting for the purpose of reintegrating into the community inmates who are nearing their release dates. The term shall not include private prisons.

(f) "House arrest" means a program whereby persons committed to the Department of Corrections are authorized to be away from a correctional facility and are placed by the Department in a community for the purpose of reintegration of the person into society, pursuant to the provisions of Section 510.2 of this title; and

(g) "Private prison contractor" means:

(1) a nongovernmental entity or public trust which, pursuant to a contract with the Department of Corrections, operates an institution within the Department, or provides for the housing, care, and control of inmates and performs other functions related to said responsibilities within a minimum or medium security level facility not owned by the Department but operated by the contractor; or

(2) a nongovernmental entity or public trust which, pursuant to a contract with the United States or another state, provides for the housing, care, and control of minimum or medium security inmates in the custody of the United States or another state, and performs other functions related to said responsibilities within a facility owned or operated by the contractor.

SECTION 2. AMENDATORY 57 O.S. 1991, Section 509, is amended to read as follows:

Section 509. The Oklahoma State Penitentiary shall be located at McAlester in Pittsburg County, State of Oklahoma; and the Oklahoma State Reformatory shall be located at Granite in Greer County, State of Oklahoma; and the Lexington Assessment and Reception Center shall be located at Lexington in Cleveland County, State of Oklahoma; and the Jackie Brannon Correctional Center shall be located at McAlester in Pittsburg County, State of Oklahoma; and the Joseph Harp Correctional Center shall be located at Lexington in Cleveland County, State of Oklahoma; and the Howard C. McLeod Correctional Center shall be located at Farris in Atoka County, State of Oklahoma; and the Mack H. Alford Correctional Center shall be located at Stringtown in Atoka County, State of Oklahoma; and the Ouachita Correctional Center shall be located at Hodgens in LeFlore County, State of Oklahoma; and the Mabel Bassett Correctional Center shall be located at Oklahoma City in Oklahoma County, State of Oklahoma; and the R.B. "Dick" Conner Correctional Center shall be located at Hominy in Osage County, State of Oklahoma; and the James Crabtree Correctional Center shall be located at Helena in Alfalfa County, State of Oklahoma; and the Jess Dunn Correctional Center shall be located at Taft in Muskogee County, State of Oklahoma; and the Northeast Oklahoma Correctional Center shall be located at Vinita in Craig County, State of Oklahoma; and the John Lilley Correctional Center shall be located at Boley in Okfuskee County, State of Oklahoma; and the William S. Key Correctional Center shall be located at Fort Supply in Woodward County, State of Oklahoma; and the Dr. Eddie Walter Warrior Correctional Center shall be located at Taft in Muskogee County, State of Oklahoma; and the Oklahoma City, Clara Waters and Kate Barnard Community Corrections Centers shall be located at Oklahoma City in Oklahoma County, State of Oklahoma; and the Tulsa Community Corrections Center shall be located at Tulsa in Tulsa County, State of Oklahoma; and the Muskogee Community Corrections Center shall be located at Muskogee in Muskogee County, State of Oklahoma; and the Lawton Community Corrections Center shall be located at Lawton in Comanche County, State of Oklahoma; and the Enid Community Corrections Center shall be located at Enid in Garfield County, State of Oklahoma; and the McAlester Community Corrections Center shall be located at McAlester in Pittsburg County, State of Oklahoma; and said institutions and community corrections centers are hereby established within the Department. Said Department shall be the legal successor of and, except as otherwise provided in the Oklahoma Corrections Act of 1967, Section 501 et seq. of this title, shall have the powers and duties vested by law in the ~~Office of Public Affairs~~ Department of Central Services in all matters relating to penal institutions, heretofore or hereafter established by the Department, which institutions and community corrections centers shall be under the administrative direction and control of the Department.

SECTION 3. AMENDATORY 57 O.S. 1991, Section 513.1, is amended to read as follows:

Section 513.1 The maximum amounts that may be maintained in petty cash funds, established in accordance with the provisions of Section 513 of this title, are as specified below:

Amount	Maximum
Department of Corrections	\$1,000.00
Ouachita Correctional Center (Hodgen)	\$2,000.00
Mack H. Alford Correctional Center	\$2,500.00
Howard C. McLeod Correctional Center (Farris)	\$2,000.00
Lexington Assessment and Reception Center	\$2,500.00
Oklahoma State Penitentiary (McAlester)	\$5,000.00
Oklahoma State Reformatory (Granite)	\$3,000.00
R.B. "Dick" Conner Correctional Center (Hominy)	\$3,000.00
Joe Harp Correctional Center (Lexington)	\$3,000.00
Jess Dunn Correctional Center (Taft)	\$3,500.00
James Crabtree Correctional Center (Helena)	\$2,000.00
Mabel Bassett Correctional Center (Oklahoma City)	\$2,000.00
John Lilley Correctional Center (Boley)	\$2,000.00
Oklahoma City Community Corrections Center	\$2,000.00
Clara Waters Community Corrections Center (Oklahoma City)	\$2,000.00
Kate Barnard Community Corrections Center (Oklahoma City)	\$2,000.00
Tulsa Community Corrections Center	\$2,000.00
Muskogee Community Corrections Center	\$2,000.00
Lawton Community Corrections Center	\$2,000.00
Enid Community Corrections Center	\$2,000.00
McAlester Community Corrections Center	\$2,000.00
Jackie Brannon Correctional Center	\$3,000.00
William S. Key Correctional Center (Fort Supply)	\$3,000.00
Dr. Eddie Walter Warrior Correctional Center (Taft)	\$3,000.00
<u>Northeast Oklahoma Correctional Center</u> <u>(Vinita)</u>	<u>\$3,000.00</u>

SECTION 4. AMENDATORY 62 O.S. 1991, Section 41.21, as last amended by Section 21 of Enrolled House Bill No. 2299 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 41.21 A. Except as otherwise provided by subsections B, C ~~and~~, D, E and F of this section, procedures for effecting payment of claims or payrolls shall include the following:

1. All claims and payrolls which are to be used to authorize the payment of money from the State Treasury, shall be filed with the Director of State Finance for audit and settlement prior to being filed for payment with the State Treasurer. The Director of State Finance may, at his or her discretion, establish a procedure to permit consolidated payment to vendors for claims involving more than one agency of the state when audit and settlement of such claims, as hereinafter provided, can in all respects be accomplished;

2. The Division of Central Accounting and Reporting shall preaudit all claims against contracts, purchase orders and other commitments before entering such claims against the appropriation allotment accounts; and

3. After claims and/or payrolls have been properly audited and recorded against the respective appropriation allotment accounts, the Division of Central Accounting and Reporting shall certify such claims and/or payrolls to the State Treasurer for payment. It shall be the responsibility of the Division of Central Accounting and Reporting to determine:

- a. that all legal requirements concerning the expenditure of monies involved in each claim or payroll have been complied with, and
- b. that funds have been properly and legally allotted for the payment of the claim or payroll and that a sufficient balance exists for the payment of same.

Sufficient space shall be provided on each claim and/or payroll for the Director of State Finance to indicate that the claim or payroll has been approved for payment by the Division of Central Accounting and Reporting. The Director of State Finance shall authorize bonded employees in the Division of Central Accounting and Reporting to execute the signed approval of each claim or payroll which shall be certified to the State Treasurer for payment.

B. Notwithstanding the provisions of subsection A of this section, the Department of Human Services is authorized to establish an encumbrance and preaudit system for settlement of claims relating to public assistance, social service benefits and medical benefits to or for persons eligible under applicable federal laws and regulations, Oklahoma Statutes, and policies established by the Oklahoma Commission for Human Services. The following programs shall be eligible for this procedure:

1. Aid to Families with Dependent Children;
2. Aid to Aged, Blind and Disabled;
3. Medical Assistance;
4. Day Care;
5. Refugee Resettlement;
6. Low Income Heating and Energy Assistance;
7. General Assistance;
8. Crippled Children;
9. Social Services under Title XX of the U.S. Social Security Act, 42 U.S.C., Section 301 et seq.;
10. Adoption Subsidies;
11. Foster Care;
12. Medical Examination;
13. Area Agencies on Aging;
14. Any contract for service for which the Department of Central Services has approved as qualifying for a fixed and uniform rate pursuant to Section 85.7 of Title 74 of the Oklahoma Statutes;
15. Sheltered Workshops;
16. Contracted Group Homes;
17. Rehabilitative Client Interpreters; ~~and~~
18. Rehabilitative Client Drivers; and
19. Maternal and Child Health Services Block Grant.

The Department of Human Services shall provide to the Director of State Finance, for approval prior to inclusion in this procedure, detailed listings of the type of payments to be made for each of these programs. The Department of Human Services shall provide the Director of State Finance a daily report of the dollar amount of claims settled and checks or warrants written, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes.

C. Notwithstanding the provisions of subsection A of this section, the State Department of Rehabilitation Services is authorized to establish an encumbrance and preaudit system for settlement of claims relating to social service benefits and medical benefits to or for persons eligible under applicable federal laws and regulations, Oklahoma Statutes, and policies established by the Commission for Rehabilitation Services for the following programs:

1. Vocational and other rehabilitation;
2. Educational services; ~~and~~
3. Disability Determination Services; and
4. Visual Services.

The State Department of Rehabilitation Services shall provide to the Director of State Finance, for approval prior to inclusion in this procedure, detailed listings of the type of payments to be made for each of these programs. The State Department of Rehabilitation Services shall provide the Director of State Finance a daily report of the dollar amount of claims settled and checks or warrants written, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes.

D. Provisions of subsection A of this section notwithstanding, the Oklahoma State Regents for Higher Education and the Director of State Finance shall jointly establish a system for the settlement of claims, excepting payroll, by entities of The Oklahoma State System of Higher Education. The settlement system shall include policy, procedures, and performance criteria for participation. The State Regents are authorized to approve or disapprove the participation of any institution or other entity of the State System in the claims settlement system.

E. Notwithstanding the provisions of subsection A of this section, agencies administering certain major federal assistance programs are authorized to establish a preaudit and settlement system for claims and/or payments relating to the purposes of the stated federal assistance programs. The State Treasurer shall promulgate rules and regulations for the state in accordance with Federal Banking and National Automated Clearing House Association standards and agencies shall be required to utilize automated clearing house procedures and regulations established by the State Treasurer provided that no individual or entity shall be required to have a bank account unless required by federal law or federal regulation. Agencies shall be further required to present these transactions to the Office of State Finance in a summarized format and shall include any accounting information necessary as determined by the Director of State Finance including, but not limited to, information related to Public Law 101-453 the Cash Management Improvement Act, 31 U.S.C., Sections 3335, 6501 and 6503. Expenditures for administration of the stated federal assistance programs shall not be eligible for these procedures.

The following programs shall be eligible for this procedure:

1. National School Lunch Program;
2. Job Training Partnership Act, 29 U.S.C., Section 1501 et seq.;
3. Chapter 1 Programs - Local Education Agencies;
4. Pell Grant Program;
5. School Breakfast Program;

6. Federal, State and Local Partnerships for Educational Improvement;
7. Unemployment Trust Fund;
8. Special Education State Grants;
9. Alcohol and Drug Abuse and Mental Health Services Block Grant;
10. Child and Adult Care Food Program;
11. Special Supplemental Food Program for Women, Infants and Children;
12. Community Development Block Grant;
13. Community Services Block Grant;
14. Vocational Education - Basic Grants to States;
15. Capitalization Grants for State Revolving Funds;
16. Highway Planning and Construction (contractor estimates and right-of-way payments);
17. Special Milk Program;
18. Summer Food Service;
19. U.S. Departments of Health and Human Services, Housing and Urban Development, Education, and the Bureau of Indian Affairs grant awards administered by the Oklahoma Department of Education and ultimately received by eligible subrecipients;
20. Home Investment Partnership Program;
21. Emergency Shelter Grant Program;
22. Rental Rehabilitation;
23. Emergency Homeless Program; ~~and~~
24. Weatherization;
25. Employment Service;
26. Veterans State Nursing Home Care;
27. Cooperative Extension Service; and
28. Rehabilitative Services-Base Support.

The Director of State Finance shall establish a disbursing fund which shall receive all federal, state matching and other funds which make up the total funding sources for each of the above federal programs.

F. Notwithstanding the provisions of subsection A of this section, the Director of State Finance shall be authorized to process payments for federal tax withholding without claim forms. The Director of State Finance shall establish a separate fund for the purpose of accumulating federal income tax withholding from payrolls and remitting same to the United States Treasury.

G. The State Treasurer shall write checks or warrants in payment of claims and payrolls certified to him or her for payment by the Division of Central Accounting and Reporting or the Department of Human Services or institutions within The Oklahoma State System of Higher Education. The State Treasurer, at his or her discretion and within such limitations as he or she may prescribe, may authorize the Director of State Finance ~~or~~, the Department of Human Services, or an institution within The Oklahoma State System of Higher Education to write the checks or warrants for payment of claims and payrolls that have been certified by the respective agency. The Director of State Finance ~~and~~, the Department of Human Services, and The Oklahoma State System of Higher Education institutions shall provide the State Treasurer a register of each payment for each check or warrant written. Provided, in lieu of checks or warrants:

1. The Director of State Finance may, with the concurrence of the State Treasurer, establish a procedure to effect the settlement of interagency claims by transfer entry; and

2. At the discretion of the State Treasurer, payment of claims and payrolls may be made by the electronic transfer of funds.

Such optional settlement modes may be implemented when the authorized officer or officers of the state are satisfied such modes will substantially operate to the benefit of the state and without

sacrifice to the security and integrity of the monies and records of the state.

H. The Director of State Finance is authorized to use a numeric or alphanumeric designation to cross-reference claims or payrolls to check warrant numbers, transfer entry or optional settlement mode used in the payment thereof.

SECTION 5. AMENDATORY Section 7, Chapter 350, O.S.L. 1992, as amended by Section 129, Chapter 189, O.S.L. 1993 (62 O.S. Supp. 1993, Section 57.306), is amended to read as follows:

Section 57.306 A. There is hereby created in the State Treasury of the State of Oklahoma the "Oklahoma Building Bonds of 1992 Fund". The proceeds of the sale of bonds pursuant to this act shall be deposited in said fund, where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Commission, shall invest the amounts designated by the Commission for the period of time specified by the Commission; provided that all such investments of said monies must be made so that the same shall mature in time to enable the State of Oklahoma to issue warrants for payment of the valid obligations incurred for the purpose for which the bonds were issued.

B. It shall be the duty of the Director of the Office of State Finance to promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the fund to meet the payment schedule, and upon receipt of such certification the State Treasurer shall forthwith invest such funds.

C. All interest received by the State Treasurer for such investments shall be utilized ~~as determined by the Commission pursuant to appropriations by the Legislature.~~

SECTION 6. AMENDATORY Section 13, Chapter 350, O.S.L. 1992 (62 O.S. Supp. 1993, Section 57.312), is amended to read as follows:

Section 57.312 The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the Oklahoma Building Bonds of 1992. Such earnings shall be deposited in the sinking fund, except that any funds received pursuant to a contract entered into by the Oklahoma Building Bonds Commission for the investment of revenues dedicated for bond repayment shall be deposited in the Building Bond Revolving Fund created pursuant to Section 7 of this act.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 57.315 of Title 62, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Office of State Finance to be designated the "Building Bond Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies directed to the fund pursuant to Section 57.312 of Title 62 of the Oklahoma Statutes. No funds shall be expended or transferred from this fund except as provided by law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 8. AMENDATORY 62 O.S. 1991, Section 206, is amended to read as follows:

Section 206. A. In all cases where it is alleged or claimed that fees or taxes of the state are in whole or in part

unconstitutional or otherwise invalid, the aggrieved person shall pay the full amount thereof to the proper collecting officer and at the same time give notice in writing to said officer stating the grounds of his complaint and that suit will be brought against him for the recovery of all or a specified part of said fees or taxes. Full payment of all fees or taxes owing shall be a precondition to the bringing of any suit for the recovery of such fees or taxes. The collecting officer or agency shall deposit the funds collected under protest in a specially designated account in the State Treasury known as the "Protest Fund" of such agency and shall retain the same therein for a period of sixty (60) days, and if within such time summons is not served upon him in a suit for the recovery of said fees or taxes or a specified part thereof he shall thereon transfer said fees or taxes into the appropriate fund or funds in the State Treasury. However, if a written protest is made and a suit is filed in a timely manner, the fees or taxes paid under protest shall be retained in the appropriate "Protest Fund" pending a final determination of the suit. Provided, that nothing in this section shall be construed to prohibit the Legislature from authorizing or directing any otherwise lawful transfer of monies from any such "Protest Fund".

B. Such suits shall be brought in state courts having jurisdiction thereof and shall be given precedence therein. If upon final determination of any such suit the court shall find that the fees or taxes sued for, or any part thereof, were illegally collected it shall render judgment in favor of the plaintiff therefor, and shall order said collecting officer, or his successor, to pay the judgment. Any such money judgment shall be paid first from any remaining monies in the affected agency's "Protest Fund" for the fiscal year in which the judgment is awarded. Provided, however, if there are insufficient monies in such "Protest Fund" to pay the entire judgment in the fiscal year in which the judgment is awarded, the collecting officer immediately shall certify to the Governor, the State Treasurer, the Speaker of the House of Representatives and the President Pro Tempore of the Senate, the amount of any deficiency remaining after the payment of available monies from the "Protest Fund" of the affected agency, ~~and.~~ Any such judgment which involves premium tax may be paid by the collecting officer or agency directly from current premium tax collections. The agency may request the appropriation of sufficient funds to such "Protest Fund" to satisfy the judgment. Provided, however, that any such total judgment over the amount of Five Hundred Thousand Dollars (\$500,000.00) may be paid over a period of not to exceed three (3) consecutive fiscal years from funds allocated or appropriated for that purpose. Nothing in this section shall be interpreted as allowing liens on public property. Provided that the provisions of this section shall not apply to ad valorem taxes, taxes on intangible personal property, taxes collected by the Oklahoma Tax Commission, or to taxes collected by the Oklahoma Employment Security Commission. In any such suit, subsequent to dismissal or adjudication on the merits and upon the motion of the state, the court shall determine whether or not a claim asserted in the suit was filed in bad faith, was not well grounded in fact, or was unwarranted by existing law or a good faith argument for the extension, modification, or reversal of existing law. Upon so finding, the court shall enter a judgment ordering the plaintiff to reimburse the state for all costs of any nature, including but not limited to attorneys fees, incurred with respect to defense of the action.

SECTION 9. AMENDATORY 62 O.S. 1991, Section 365.2, is amended to read as follows:

Section 365.2 Whenever a judgment against a county in this state or any other municipal subdivision thereof, becomes final, the

clerk of the court wherein such judgment was rendered, shall ~~transmit~~ provide without cost a certified copy of the journal entry of such judgment to the judgment creditor or attorney for the judgment creditor who shall transmit same to each of the following municipal officers:

The clerk or secretary of the municipality defendant,

The treasurer of such municipality,

The secretary of the county excise board.

SECTION 10. AMENDATORY 62 O.S. 1991, Section 365.3, is amended to read as follows:

Section 365.3 Each of the three municipal officers ~~named in Section 2 hereof~~ specified in Section 365.2 of this title shall maintain, on forms prescribed by the State Auditor and Inspector, a record of such judgments and of levies made therefor and of payments made thereon. The record of the secretary of the county excise board shall be made to show, as to each such judgment, also the case number and date of final decree of either the Oklahoma Court of Tax Review or of the Oklahoma Supreme Court invalidating any levy or part of levy attempted to be made therefor, and it shall be his duty to notify the court clerk, forthwith, of such decree, who shall make note of the same on ~~his judgment roll~~ the docket sheet for the case in which the judgment was entered.

SECTION 11. AMENDATORY 62 O.S. 1991, Section 365.5, is amended to read as follows:

Section 365.5 Money judgments against any county or other municipal subdivisions of the State of Oklahoma shall be paid in the following manner, and may be paid in no other manner. No payment shall be made until such judgment is first spread on the budget for levy as to the first third thereof, and the levy or provision made therefor has become final. Within thirty (30) days after the final determination of any ad valorem tax protests as involve levy for judgments against the county or any of its municipal subdivisions, or, if no protests be filed, then after termination of the forty-day protest period, ~~the clerk of the court out of which such judgment or judgments issued,~~ judgment creditor or attorney for the judgment creditor shall file with the treasurer of such municipality a claim, in form as prescribed by the State Auditor and Inspector, itemizing the judgments to be paid, stating the principal sum thereof, any sums paid thereon, and the balance due with interest computed on the unpaid portion of the principal amount of each judgment. The information required by the claim form shall be supplied by the treasurer of the municipality or of the county, as the case may be. Such treasurer shall thereupon canvass his sinking fund for the purpose of ascertaining if there be in his sinking fund for such municipality an amount of actual cash over and above the amount of cash needed to pay all coupons and bonds matured and maturing therein within the time such sinking fund will be replenished from levies made or to be made for such judgment, or judgments, he shall approve such claim in such amount as is neither in excess of such claim nor in excess of the actual cash reserve necessary for coupons and bonds as hereinbefore defined and shall transmit it to the clerk of such municipality. For all purposes of this act, the county clerk shall act for the county and all townships and dependent school districts therein. Upon receipt of such claim, the clerk shall audit the same against his own records and, if found correct he shall approve the same and return it to such treasurer, who shall pay the amount thereof out of such sinking fund, to the clerk of the court out of which such judgments issued. Upon receipt thereof such court clerk shall issue his official receipt and deposit said funds in his official depository account, and at the same time enter a credit in each case involved in accordance with the claim previously made or in ratio thereto; and thereafter, upon demand by the judgment creditor or his assignee of record, he shall make payment

by his own official voucher in the same manner as in other cases and credit the judgment roll of such judgment with the amount of payment so made. No poundage or other fee shall be charged or collected by the court clerk for monies received or paid under the provisions of this act. If such claim can be only partly paid, under this section, other claims shall be filed from time to time thereafter, audited and paid in the same manner. No payment by the court clerk shall be authorized to be made to the assignee of any judgment unless such assignment, duly acknowledged, be first entered of record in such case and on such judgment roll.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 374 of Title 62, unless there is created a duplication in numbering, reads as follows:

Civil actions filed by taxpayers for the recovery of real or personal property can only be brought if the written demand upon the proper officers is made by the required resident taxpayers within two (2) years of the transfer of the property, and the civil suit is filed within six (6) months following the refusal, failure, or neglect of the proper officers to act upon the written demand.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 88.1A of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The State Treasurer shall not make any new linked deposits or investments nor any renewal linked deposits or investments pursuant to the Oklahoma Small Business Linked Deposit Program or the Oklahoma Agricultural Linked Deposit Program until such time as One Million Five Hundred Thousand Dollars (\$1,500,000.00) is deposited to the General Revenue Fund as earnings from investments of funds by the State Treasurer that would otherwise have been invested in such Programs. The State Treasurer shall report quarterly to the Legislature and the Governor on such investments during such time period and shall certify the deposit of such One Million Five Hundred Thousand Dollars (\$1,500,000.00) prior to making any new or renewal linked deposits or investments in such Programs. Provided, any such deposits or investments made prior to the effective date of this act shall remain effective pursuant to the terms of the agreements entered into for such deposits or investments by the State Treasurer and the lending institutions. No new applications for loans or renewal of loans under this Program shall be accepted or processed by participating lending institutions during this period. The State Treasurer shall disseminate information to lending institutions regarding the suspension of the Program.

B. Beginning July 1, 1995, the Oklahoma Small Business Linked Deposit Program shall be terminated by the State Treasurer contingent upon enactment by the Legislature of legislation which creates an alternative loan program for rural small businesses to replace such Program.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 88.1 of Title 62, unless there is created a duplication in numbering, reads as follows:

A. The amount that the State Treasurer may invest in all linked deposit programs authorized by law shall not exceed a total of fifteen percent (15%) of all monies available to the State Treasurer for investment.

B. The Director of State Finance shall on a quarterly basis review the percentage of total investable state funds invested in all linked deposit programs created by law to determine compliance with subsection A of this section.

C. If the Director of State Finance determines that more than fifteen percent (15%) of the total investable state funds are invested in all linked deposit programs created by law, the Director of State Finance shall notify the State Treasurer who shall suspend

any renewal or any initiation of new linked deposit program investments until such time that the Director of State Finance determines the investment percentage limitation established by this section to have been met.

SECTION 15. AMENDATORY 2 O.S. 1991, Section 1766, is amended to read as follows:

Section 1766. A. The State Treasurer is hereby authorized to disseminate information and to provide agricultural linked deposit loan packages to the lending institutions eligible for participation in this act.

B. The agricultural linked deposit loan package shall be completed by the borrower before being forwarded to the lending institution for consideration. Any technical assistance in completing the agricultural loan package shall be provided by the Department of Agriculture.

C. 1. An eligible lending institution that desires to receive an agricultural linked deposit shall accept and review applications for loans from eligible agricultural businesses. The lending institution shall apply all usual lending standards to determine the credit worthiness of each eligible agricultural business. No single linked deposit for an alternative agricultural product shall exceed One Million Dollars (\$1,000,000.00). No single linked deposit for an at-risk farm or ranch operation shall exceed Three Hundred Fifty Thousand Dollars (\$350,000.00). ~~The total amount of agricultural and small business linked deposit loans shall not exceed fifteen percent (15%) of all investable state funds under the control of the State Treasurer.~~

2. Only one linked deposit loan shall be made and be outstanding at any one time to any farmer. However, the linked deposit loan may be refinanced.

3. No loan shall be made to any officer or director of the lending institution making the loan.

D. An eligible agricultural business shall certify on its loan application that the reduced rate loan will be used exclusively for the purposes outlined in paragraph 1 of Section 1762 of this title.

E. In considering which eligible agricultural businesses to include in the agricultural linked deposit loan package for reduced rate loans, the eligible lending institution shall give priority to the economic needs of the area in which the business is located and other factors it considers appropriate to determine the relative financial need of the business.

F. The eligible lending institution shall forward to the State Treasurer, an agricultural linked deposit loan package, in the form and manner prescribed and approved by the State Treasurer. The package shall include information regarding the amount of the loan requested by each eligible agricultural business and such other information regarding each business the State Treasurer and the State Board of Agriculture requires. The institution shall certify that each applicant is an eligible agricultural business, and shall, for each business, certify the present borrowing rate applicable to each specific eligible agricultural business.

G. Upon receipt of a completed agricultural linked deposit loan package, the State Treasurer shall forward the agricultural linked deposit loan package to the Board. The Board shall review the agricultural linked deposit loan package to determine if said package qualifies under this act. The Board shall make a recommendation concerning the package within ten (10) business days. The Board shall return the package to the State Treasurer with a written recommendation of approval or rejection. If the Board recommends rejection, the written recommendation shall include reasons for said rejection. The Board shall forward a copy of its rejection notice to the lending institution and the borrower. The

State Treasurer shall keep a chronological list of applications forwarded by the Board for approval or rejection.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 177 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority may make repairs to Department of Corrections facilities; renovate and refurbish facilities at Eastern State Hospital located at Vinita, Oklahoma for use by the Department of Corrections to house state inmates; renovate and refurbish facilities at Eastern State Hospital located at Vinita, Oklahoma for use by the Department of Mental Health to house mentally ill patients; and construct and renovate facilities for juvenile detention and treatment. Upon the retirement of the indebtedness created pursuant to this section, the title to the land and improvements thereon shall be transferred from the Oklahoma Capitol Improvement Authority to the Oklahoma Department of Corrections, Department of Mental Health, and Department of Human Services or the Department of Juvenile Justice, whichever is appropriate. Project costs are allocated in the following amounts:

Infrastructure repairs -	
Department of Corrections	\$10,000,000.00
Facility renovation -	
Department of Corrections	\$2,420,000.00
Facility renovation -	
Department of Mental Health	\$580,000.00
Juvenile detention facilities -	
Department of Human Services	<u>\$4,500,000.00</u>
Total	\$17,500,000.00

B. For the purpose of paying the costs of the projects authorized in subsection A of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from such projects and, in anticipation of the collection of such income and revenues, to issue negotiable bonds not to exceed the sum of Seventeen Million Five Hundred Thousand Dollars (\$17,500,000.00) as may be determined by the Authority. The Authority may retain such legal counsel as it deems necessary for this purpose. It is the intent of the Legislature to appropriate to the Oklahoma Department of Corrections, Department of Mental Health, and Department of Human Services sufficient monies to make payments to the Authority for purposes of retiring the debt created pursuant to this section.

C. The interest rate on the bonds issued pursuant to this section shall not exceed seven and three-quarters percent (7.75%) per annum.

D. The Authority may issue the bonds in one or more series.

E. The State Treasurer shall buy, and the Authority shall sell to the State Treasurer at private sale, the bonds authorized by this section. The Authority shall fix the rate of interest the bonds shall bear, such rate of interest not to exceed the maximum specified in this section. All interest earned on the bonds held by the State Treasurer, as collected, shall be paid into the General Revenue Fund.

F. Insofar as they are not in conflict with the provisions of this section, the provisions of Section 151 et seq. of Title 73 of the Oklahoma Statutes shall apply to this section.

SECTION 17. AMENDATORY 62 O.S. 1991, Section 139.47, as amended by Section 3, Chapter 403, O.S.L. 1992 (62 O.S. Supp. 1993, Section 139.47), is amended to read as follows:

Section 139.47 Where the written findings of fact required by Section 139.46 of this title include one of the following emergencies, and the Governor finds that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature, the Governor may allocate and authorize the expenditure of monies from the State Emergency Fund to provide for such emergency without any action by the Contingency Review Board:

(1) destruction of or damage to ~~state-owned~~ public property caused by fire, hail, tornado, explosion, windstorm, flood, or other catastrophe;

(2) maintenance and operation of the National Guard when called to active state service in cases of emergency;

(3) allocation or expenditures necessary to provide matching funds for participation in any federal disaster relief program, emergency equipment purchase, or otherwise expedite receipt of disaster funds;

(4) allocations or expenditures deemed necessary to remove asbestos from public buildings or facilities; ~~and~~

(5) emergency response action necessary to protect the public health, safety or welfare or livestock, wild animals, birds, fish or other aquatic life from the discharge of any hazardous waste, deleterious substance or any such other waste or substance as will or is likely to be detrimental or cause injury to the public or such livestock, wild animals, birds, fish or other aquatic life; and

(6) allocation or expenditures necessary to provide funds for disaster relief programs to political subdivisions for damage caused by fire, hail, tornado, explosion, windstorm, flood or other catastrophe for which federal disaster relief funds have been requested by the Governor and rejected by the Federal Emergency Management Administration (FEMA). Provided, that no political subdivision shall be deemed eligible for an allocation or expenditure of funds from the State Emergency Fund under this paragraph unless such area has first been deemed a disaster area by an executive declaration by the Governor of the State of Oklahoma.

Expenditures made to political subdivisions under this section shall be audited and processed by the Office of Civil Emergency Management. No application for an allocation or expenditure of funds shall be made until it is certified by the political subdivision that no other monies are available to reimburse the requesting entity for expenditures made as a result of the catastrophe. No geographical area which has been declared a disaster area by the Governor may receive an allocation of funds under this section in excess of One Hundred Thousand Dollars (\$100,000.00) in a calendar year.

Provided further, that the Governor shall allocate, without any action by the Contingency Review Board, monies from the State Emergency Fund to pay expenses for the Court on the Judiciary approved pursuant to Section 16.6 of Title 20 of the Oklahoma Statutes and not otherwise funded by other legislative appropriations.

SECTION 18. REPEALER Section 1 of Enrolled House Bill No. 2283 of the 2nd Session of the 44th Oklahoma Legislature, Section 6, Chapter 10, O.S.L. 1993 (62 O.S. Supp 1993, Section 41.21) and 62 O.S. 1991, Section 88.8, are hereby repealed.

Passed the Senate the 20th day of May, 1994.

President of the Senate

Passed the House of Representatives the 20th day of May, 1994.

Speaker of the House of
Representatives