

ENROLLED SENATE
BILL NO. 391

By: Taylor and Haney of the
Senate

and

Hamilton (James) and
Steidley of the House

An Act relating to appropriations; state government, courts and public finance; reappropriating and redesignating funds appropriated to the Office of the Attorney General; stating purposes and reducing redesignated amount under certain circumstances; exempting certain personnel from FTE limitation; amending Sections 17 and 20 of Enrolled Senate Bill No. 578 of the 1st Session of the 44th Oklahoma Legislature, which relate to appropriations to the Oklahoma Tax Commission; amending certain citation; amending budgetary limitations for the Oklahoma Tax Commission; amending Section 4 of Enrolled House Bill No. 1832 of the 1st Session of the 44th Oklahoma Legislature, which relates to an appropriation to the Office of the Attorney General; modifying budgetary limitation to the Office of the Attorney General; amending Sections 2, 15 and 16 of Enrolled House Bill No. 1834 of the 1st Session of the 44th Oklahoma Legislature, which relate to appropriations to the Court of Criminal Appeals, the State Supreme Court, and the Workers' Compensation Court; changing fund from which certain funds are appropriated to the Court of Criminal Appeals; stating court case name; changing fund from which certain funds are appropriated to the State Supreme Court; reappropriating and redesignating certain funds to the Office of the State Auditor and Inspector and reducing redesignated amount under certain circumstances; requiring submission of certain report by the Director of State Finance; amending 20 O.S. 1991, Section 1104B, which relates to per diem and mileage; allowing certain retired judges to apply to the Supreme Court for senior status and active duty assignments; allowing the assignment of certain duties; requiring Supreme Court to annually certify status of certain judges; allowing the Supreme Court to make certain orders; limiting payment of certain per diem and authorizing certain expenses; amending 74 O.S. 1991, Section 85.4, which relates to requisitions and lease-purchase agreements; correcting name of agency; allowing the Bond Oversight Commissions certain authority; requiring the financing of lease-purchase of

certain property be subject to certain provisions of law under certain circumstances; requiring the processing of certain financing by competitive bids; requiring the acquisition price of certain personal property be processed by competitive bids; deleting data processing and certain other equipment from certain prohibitions; deleting certain obsolete language; modifying depreciation period for certain property; deleting certain powers of the Oklahoma Capitol Improvement Authority and procedures related thereto; requiring certain language be contained in lease-purchase agreements; requiring certain disclosure language be approved by the State Bond Advisor when a lease-purchase agreement is remarketed; amending 20 O.S. 1991, Section 1104B, which relates to the Uniform Retirement System for Justices and Judges; authorizing certain retired justices and judges to apply for senior status or active duty assignments; authorizing assignment of certain duties; requiring annual certification of status; providing for logistical support; restricting payment of certain expenses; amending 74 O.S. 1991, Section 3601, and last amended by Section 1 of Enrolled Senate Bill No. 399 of the 1st Session of the 44th Oklahoma Legislature, which relates to number and compensation of employees; modifying certain services and FTEs; providing lapse date; providing an effective date; and declaring an emergency.

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

SECTION 1. REAPPROPRIATION AND REDESIGNATION The amount of One Hundred Six Thousand Eight Hundred Forty-seven Dollars (\$106,847.00) of the One Hundred Fifty Thousand Dollars (\$150,000.00) originally appropriated by Section 4, Chapter 282, O.S.L. 1991, and reappropriated and redesignated by Section 49, Chapter 316, O.S.L. 1992, as amended by Section 14, Chapter 327, O.S.L. 1992, to the Office of the Attorney General from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1991, not otherwise appropriated, for the purpose of Census Litigation is hereby reappropriated and redesignated for legal services relative to census litigation and the duties imposed upon the Office of the Attorney General by law.

If on the effective date of this act, any of the amount originally appropriated, as adjusted by expenditures, encumbrances and transfers, results in an unencumbered balance less than the redesignated amount, that redesignated amount shall be reduced to the unencumbered balance.

SECTION 2. Personnel employed pursuant to the provisions of Section 1 of Enrolled Senate Bill No. 395 of the 1st Session of the 44th Oklahoma Legislature shall be exempt from the limitation on full-time-equivalent employees provided in Section 3 of this act.

SECTION 3. AMENDATORY Section 4 of Enrolled House Bill No. 1832 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 4. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of the Attorney General by law shall be set by the Attorney General. The Office of the Attorney General for the fiscal year ending June 30, 1994, shall be subject to the following budgetary limitations, on full-time-equivalent employees and expenditures, excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	109.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes	\$4,339,882.0
0	<u>\$4,385,382.0</u>
<u>0</u>	
Professional and Personal Services Contracts \$268,590.00	
Lease-Purchase Agreements \$20,000.00	
Purchase of Equipment \$170,000.00	
Expenditure of Revolving Funds \$760,991.00	
	<u>\$819,491.00</u>
Expenditure of Federal Funds \$775,000.00	
Total Expenditures for Operations \$5,763,492.00	<u>\$6,187,932.0</u>
<u>0</u>	

SECTION 4. REAPPROPRIATION AND REDESIGNATION The amount of Sixteen Thousand Five Hundred Dollars (\$16,500.00) of the Fifty Thousand Dollars (\$50,000.00) appropriated by Section 1, Chapter 314, O.S.L. 1992 to the Office of the State Auditor and Inspector from any monies in the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1993, not otherwise appropriated, for the purpose of Retirement Board Billings is hereby reappropriated and redesignated for the duties imposed upon the Office of the State Auditor and Inspector by law.

If on the effective date of this act, any of the amount originally appropriated, as adjusted by expenditures, encumbrances and transfers, results in an unencumbered balance less than the redesignated amount, that redesignated amount shall be reduced to the unencumbered balance.

SECTION 5. AMENDATORY Section 2 of Enrolled House Bill No. 1834 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 2. There is hereby appropriated to the Court of Criminal Appeals from any monies not otherwise appropriated from the ~~General Revenue~~ Special Cash Fund of the State Treasury ~~for the fiscal year ending June 30, 1994~~, the sum of Two Hundred Thousand Dollars (\$200,000.00) or so much thereof as may be required for expenses and temporary employees relative to the backlog of criminal appeal cases of indigent defendants resulting from court cases filed or to be filed, such as Harris v. Champion. The appropriation made in this section shall be expended exclusively for the purpose so stated and shall not be transferable. From the funds appropriated in this section, the Court of Criminal Appeals is authorized to employ such personnel as may be necessary to fulfill the provisions of this section. Personnel employed pursuant to the provisions of this section shall be exempt from the limitation on full-time-equivalent employees provided in Section 3 of this act.

SECTION 6. The Director of State Finance, by January 1, 1994, shall submit a report to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives detailing the feasibility and practicality of consolidated contracts for data processing subscription services and consolidated data processing maintenance services, and if appropriate shall propose a plan for implementation of such consolidated services.

SECTION 7. AMENDATORY Section 15 of Enrolled House Bill No. 1834 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 15. There is hereby appropriated to the State Supreme Court from any monies not otherwise appropriated from the ~~General Revenue~~ Workers' Compensation Administration Fund of the State Treasury for the fiscal year ending June 30, ~~1994~~ 1993, the amount of Two Hundred Ten Thousand Four Hundred Thirty-seven Dollars (\$210,437.00) or so much thereof as may be necessary to perform the duties imposed upon the State Supreme Court and the Court of Appeals by law.

SECTION 8. AMENDATORY Section 16 of Enrolled House Bill No. 1834 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 16. There is hereby appropriated to the State Supreme Court from any monies not otherwise appropriated from the ~~Special Cash~~ Workers' Compensation Administration Fund of the State Treasury for the fiscal year ending June 30, 1993, the sum of Three Hundred Thousand Dollars (\$300,000.00) or so much thereof as may be necessary to perform the duties imposed upon the State Supreme Court or Court of Appeals by law.

SECTION 9. AMENDATORY 20 O.S. 1991, Section 1104B, is amended to read as follows:

Section 1104B. A. Any Justice of the Supreme Court, Judge of the Court of Criminal Appeals or Judge of the Court of Appeals who is retired pursuant to the Uniform Retirement System for Justices and Judges, Section 1101 et seq. of this title, may apply to the Supreme Court for senior status.

B. Any District Judge, Associate District Judge or Judge of the Workers' Compensation Court who is retired pursuant to the Uniform Retirement System for Justices and Judges, Section 1101 et seq. of this title, may apply to the Supreme Court for active duty assignments.

C. The Supreme Court may assign duties to Senior Justices and Judges and to Active Retired Judges. These duties may include, but

shall not be limited to, settlement efforts, consideration of motions, consideration of special proceedings, administrative duties, and research and writing of opinions. Such duties may or may not include courtroom participation.

D. It shall be the duty of the Supreme Court to annually certify the status of Senior Justices and Judges and Active Retired Judges.

E. The Supreme Court may make any appropriate order regarding office space, necessary equipment and support staff as appropriate for Senior Justices and Judges and Active Retired Judges.

F. Any retired Justice or judge who is assigned and who performs active duty after his retirement date shall be reimbursed at a rate of receive not more than Two Hundred Dollars (\$200.00) per diem plus mileage necessary expenses pursuant to the State Travel Reimbursement Act as determined by the Supreme Court.

SECTION 10. AMENDATORY Section 17 of Enrolled Senate Bill No. 578 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 17. From the appropriation made in Section ~~15~~ 16 of ~~this act~~ Enrolled Senate Bill No. 578 of the 1st Session of the 44th Oklahoma Legislature, the Oklahoma Tax Commission shall pay an amount not to exceed One Hundred Fifty-eight Thousand Six Hundred Fifty Dollars (\$158,650.00) for the personal services and other operating expenses of the Office of the State Auditor and Inspector in performing audits of the Oklahoma Tax Commission and motor license agents as required by law. Personnel performing the audits shall be subject to the administrative control of the State Auditor and Inspector, who shall make all appointments and shall fix the salaries of said employees as are necessary in the performance of the audits.

SECTION 11. AMENDATORY Section 20 of Enrolled Senate Bill No. 578 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 20. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Tax Commission by law shall be set by the Oklahoma Tax Commission. The Oklahoma Tax Commission for the fiscal year ending June 30, 1994, shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding expenditures for capital and special projects, except as may be authorized pursuant to the provisions of Section 3603 of Title 74 of the Oklahoma Statutes:

<u>Budgetary Limitation</u>	<u>Amount</u>
Full-time-equivalent Employees	1,304.0
Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes \$33,000,000.00	
Professional and Personal Services Contracts	\$3,756,615.00
Expenditure of Revolving Funds	\$17,716,623.00 <u>\$22,716,623.00</u>
Lease-Purchase Payments	\$920,400.00
Purchase of Equipment	\$2,100,000.00
Expenditure of Federal Funds	\$500,000.00

Total Expenditures for Operations \$66,020,176.00

SECTION 12. AMENDATORY 74 O.S. 1991, Section 3601, as last amended by Section 1 of Enrolled Senate Bill No. 399 of the 1st Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 3601. A. For purposes of Sections 3601 through 3603 of this title, the term employee means a full-time employee or any number of part-time employees whose combined weekly hours of employment equal those of a full-time employee, but shall not include temporary employees working on a seasonal basis between May 1 and October 31.

B. The maximum number of full-time-equivalent employees for each of the following agencies, boards, commissions, departments, or programs shall not exceed the numbers specified in this section during the fiscal year ending June 30, 1994, except as may be authorized pursuant to the provisions of Section 3603 of this title. The salary of the chief executive officer for each of the following agencies, boards, commissions, departments, or programs shall not exceed the amount specified, per annum, payable monthly, for the fiscal year ending June 30, 1994.

	MAXIMUM NUMBER OF SALARY FULL-TIME-EQUIVALENT EMPLOYEES	MAXIMUM ANNUAL FOR CHIEF EXECUTIVE OFFICER
Board of Managers of the State Insurance Fund	591	\$80,661.00
Oklahoma Employment Security Commission	1150	\$74,991.00
Public Accountancy Board	8	\$49,552.00
Board of Governors of Licensed Architects and Landscape Architects	4	\$37,191.00
Board of Chiropractic Examiners	2	\$18,900.00 <u>\$25,000.00</u>
Cosmetology Board	16	\$28,699.00
Board of Governors of Registered Dentists	5	\$32,794.00
Embalmers and Funeral Directors Board	5	\$30,629.00
Professional Engineers and Land Surveyors Board	7	\$36,788.00
Oklahoma State Board of Medical Licensure and Supervision	27	\$44,171.00
Oklahoma Motor Vehicle Commission	4	\$46,011.00

Oklahoma Board of Nurse Registration and Nursing Education	17	\$51,524.00
Nursing Homes Board	4	\$39,291.00
Optometry Board	1	
Board of Osteopathic Examiners	4	\$44,100.00
Oklahoma Peanut Commission	2	\$41,386.00
State Board of Pharmacy	8	\$53,991.00
Podiatry Board	1	
Psychologists Board	2	\$29,400.00
Real Estate Commission	26	\$45,591.00
Speech Pathology and Audiology Board	1	\$8,064.00
Oklahoma Used Motor Vehicle and Parts Commission	10	\$41,601.00
Board of Veterinary Medical Examiners	4	\$25,216.00 <u>\$27,500.00</u>
Oklahoma Wheat Commission	7	\$46,011.00
Firefighters Pension and Retirement System	10	\$56,721.00
Police Pension and Retirement System	7	\$56,721.00
Oklahoma Teachers' Retirement System	40	\$64,470.00
Oklahoma Public Employees Retirement System	44	\$64,911.00
Student Loan Authority	45	\$90,741.00
Oklahoma Industrial Finance Authority/Oklahoma Development Finance Authority	15	\$87,178.00
State and Education Employees Group Insurance Board	165	\$85,491.00
Oklahoma Capital Investment Board	4	\$70,000.00

Social Workers Board	1	\$28,700.00
Oklahoma Turnpike Authority	530	\$75,000.00
State Employees Benefit Council	13	\$68,291.00
Grand River Dam Authority	474 <u>524</u>	\$88,158.00
Oklahoma Medical Center	3,336	\$100,368.00

C. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Public Employees Retirement System Board of Trustees by law shall be set by the said Board of Trustees. All offices, positions and personnel of the Oklahoma Public Employees Retirement System shall be classified and subject to the provisions of the Merit System of Personnel Administration as provided in the Oklahoma Personnel Act, Section 840.1 et seq. of this title, except for those offices, positions and personnel comprising the exempt unclassified service authorized in Sections 840.8 and 840.10 of this title; and except for one (1) other position.

D. Temporary employees of the Oklahoma Used Motor Vehicle and Parts Commission between the dates of November 1 and January 31 annually shall not be counted toward the maximum number of full-time-equivalent employees provided for in this section.

SECTION 13. AMENDATORY 74 O.S. 1991, Section 85.4, is amended to read as follows:

Section 85.4 A. Except as provided in Section 85.12 of this title, every state agency shall acquire all contractual services, supplies, equipment, or materials used, consumed or spent by such agency in the performance of its official functions by the presentation of requisitions for such services, supplies, materials, or equipment to the Purchasing Division established in Section 85.3 of this title and no such items or service shall be acquired by any state agency for such use or consumption except by the presentation of such requisition and receipt of the items or service requisitioned through the Purchasing Division. The provisions of the Oklahoma Central Purchasing Act shall not preclude the acceptance of gifts and donations in the manner now authorized by law or the purchase of any equipment, materials, supplies, or services by any state agency acting for itself and without presentation of a requisition when such acquisition is authorized in writing by the State Purchasing Director. Subject to the provisions of this section, every state agency shall have the authority to determine its own quantitative needs for services, supplies, equipment, and materials, insofar as it has such authority under existing law and shall have the authority to determine the general class or nature of supplies, equipment, materials, or services, subject to the provisions of Section 85.5 of this title.

B. The Director of ~~Public Affairs~~ Central Services shall prescribe standardized contract forms and all other forms requisite or deemed necessary by the Director of ~~Public Affairs~~ Central Services to effectuate the provisions of this section and the Oklahoma Central Purchasing Act.

C. 1. Each requisition required by this section for the acquisition of any product shall be accompanied by a statement signed by the chief administrative officer of the state agency or the chief administrative officer of the requisitioning unit of the agency certifying:

- a. the product requested is necessary to the agency's responsibilities,
- b. the amount of the product requested is not excessive, and
- c. the justification for the purchase of such products;

2. Each requisition required by this section for nonprofessional services or professional services whether or not such services are exempt from the competitive bidding requirements shall be accompanied by a statement signed by the chief administrative officer of the state agency or the chief administrative officer of the requisitioning unit of the agency certifying that:

- a. no employee of the agency is able and available to perform the services called for by the contract,
- b. the agency shall receive, review and accept a detailed work plan from the contractor for performance under the contract if requested by the ~~Office of Public Affairs~~ Department of Central Services,
- c. the agency has developed, and fully intends to implement, a written plan providing for the assignment of specific agency personnel to:
 - (1) a monitoring and auditing function,
 - (2) the periodic review of interim reports, or other indications of past performance, and
 - (3) the ultimate utilization of the final product of the services if requested by the ~~Office of Public Affairs~~ Department of Central Services,
- d. the work to be performed under the contract is necessary to the agency's responsibilities, and there is statutory authority to enter into the contract,
- e. the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract,
- f. no current state employee will engage in the performance of the contract, unless specifically approved by the ~~Office of Public Affairs~~ Department of Central Services; and
- g. the purchase of such services is justified.

D. Any person certifying the information required by subsection C of this section who knows such information to be false, upon conviction, shall be deemed guilty of a misdemeanor and shall be punished by fine or imprisonment or both fine and imprisonment pursuant to the provisions of Section 85.15 of this title and civilly liable for the amount of the contract.

E. The State Purchasing Director may request any additional information necessary to adequately review the requisitions and the statements required pursuant to subsection C of this section and compliance with the Oklahoma Central Purchasing Act.

F. Upon a determination that an item or product or service is not necessary, is excessive or is not justified, the State Purchasing Director shall deny the requisition.

G. 1. No state agency shall enter into a lease-purchase agreement if title is acquired to tangible property of any class or nature by making lease, rental, or any other type payments, except as specifically authorized by law or by a governing board of regents as to institutions within The Oklahoma State System of Higher Education and except insofar as data processing equipment or other equipment is concerned; provided, however, the lease-purchase of data processing or other equipment by any state agency, whether or not such agency is subject to the provisions of the Oklahoma Central

Purchasing Act, shall be processed by competitive bids through the Purchasing Division of the ~~Office of Public Affairs~~ Department of Central Services.

2. The Executive Bond Oversight Commission and the Legislative Bond Oversight Commission shall have the authority to determine the most cost-effective method for obtaining financing for lease-purchase agreements, which may be financed by either negotiated sale or competitive bid. If the Executive Bond Oversight Commission and the Legislative Bond Oversight Commission determine that the lease-purchase of personal or real property should be financed through negotiated sale, the financing shall be subject to the provisions of the Oklahoma Bond Oversight and Reform Act, 62 O.S. 1991, Section 695.1 et seq. Unless said Commissions determine that the sale should be executed on a negotiated basis, such financing shall be processed by competitive bids through the Purchasing Division of the Department of Central Services.

3. Regardless of the method of financing, the acquisition price of personal property subject to a lease-purchase agreement shall be processed by competitive bids through the Purchasing Division of the Department of Central Services.

H. No state agency shall enter into a lease-purchase contract between the state agency as lessee and a private party as lessor if the contract is not capable of complete performance within the current fiscal year in which the contract was entered into unless a valid nonappropriation clause is included in the contract. Such contracts shall contain the following or substantially similar language:

Lessee shall have the right to terminate this lease, in whole but not in part, at the end of any fiscal year of lessee, if the Legislature fails to allocate sufficient funds to lessee for the rental payments required under this lease.

I. 1. No change order or addendum can be made to a lease-purchase agreement ~~for data processing or other equipment~~ which extends the term or life of the original bid contract. Any lease-purchase agreement requiring such extensions or refinancing shall be readvertised and processed ~~for competitive bids through the Purchasing Division of the Office of Public Affairs~~ in accordance with the provisions of this act.

2. All agencies, whether or not such agency is subject to the provisions of the Oklahoma Central Purchasing Act, shall prepare a list of all tangible personal property which it is acquiring by a lease-purchase method and, prior to the renewal of a lease-purchase agreement, shall evaluate the rate being paid under the current lease-purchase agreement against rates currently being received by the Purchasing Division of the ~~Office of Public Affairs~~ Department of Central Services on a competitive bid basis to determine whether or not refinancing of the property will benefit the state. Any agency which elects not to submit a requisition for a possible refinancing when the existing rates are at least one percent (1%) above rates being currently bid, and when the total sum to be paid for the property including principal and interest will be reduced, must submit a written justification to the Purchasing Director stating the reasons for not attempting to refinance the property. The Purchasing Director shall forward all such justifications to the Chairman of the Senate Appropriations Committee and the Chairman of the House Committee on Appropriations and Budget no later than February 1 of each year.

3. ~~Effective July 1, 1990, unless~~ Unless otherwise provided by law, no state agency shall enter into a lease-purchase agreement for ~~any single item of~~ real or personal property costing less than Fifty

Thousand Dollars (\$50,000.00). Institutions within the Higher Education system shall be exempt from this provision.

4. ~~Effective July 1, 1990, unless~~

- a. Unless otherwise provided by law, the maximum term of a state agency lease-purchase agreement shall be the lesser of the useful life of real or personal property subject to a lease-purchase agreement as determined by the Purchasing Director within the ~~Office of Public Affairs~~ Department of Central Services, or three (3) years for personal property and ten (10) years for real property, respectively. Institutions within the Higher Education system shall be exempt from this provision.
- b. The Executive Bond Oversight Commission and the Legislative Bond Oversight Commission shall have the authority to extend the term of a lease-purchase agreement beyond three (3) years for personal property and ten (10) years for real property if the Purchasing Director of the Department of Central Services determines that the useful life of the property exceeds said terms and the Bond Advisor recommends the extension as being in the best interests of the State of Oklahoma.

5. ~~Effective July 1, 1990, unless~~ Unless otherwise provided by law, state agency real property acquisitions subject to lease-purchase agreements shall be explicitly authorized by the Legislature. ~~Authorizations~~ Acquisitions of real property ~~acquisitions granted~~ authorized by the Legislature, unless otherwise exempted by the Legislature, shall be subject to the competitive bid provisions of the Central Purchasing Act. If an agency is authorized to enter into a lease-purchase agreement for real property, the financing of such acquisition, including goods and services deemed desirable for executing a lease-purchase, certificate of participation, or similar agreement or obligation, shall be ~~competitively bid~~ obtained in accordance with the provisions of ~~the Central Purchasing Act~~ this act. The Director of Purchasing within the ~~Office of Public Affairs~~ Department of Central Services shall consult with the Oklahoma State Bond Advisor on the preparation, evaluation, and negotiation of such ~~bids~~ financing. Legislative authorization shall constitute legal authorization for this state or its agencies to enter into such lease-purchase agreements. Institutions within the Higher Education system shall be exempt from this provision.

~~6. The Oklahoma Capitol Improvement Authority is hereby authorized to acquire real and personal property on behalf of state agencies through lease-purchase agreements. The Authority may pledge the income and revenue it receives from re-leasing or subleasing such property for the purpose of paying its obligations under such lease-purchase agreements. The obligations of the Authority under such lease-purchase agreements shall not be debts of the State of Oklahoma nor the Authority but shall be special obligations payable solely from the income and revenue derived from re-leasing or subleasing such property. Title to all such property shall be held by the Authority.~~

~~7. The provisions of paragraphs 3, 4 and 5 of this subsection shall not apply to lease-purchase agreements outstanding as of June 30, 1990.~~

J. The Purchasing Division of the Office of Public Affairs Department of Central Services may permit leasing of products by state agencies if such leasing is determined by the Purchasing

Division of the ~~Office of Public Affairs~~ Department of Central Services to be in the best interest of the state, provided that such leasing must be processed by competitive bids through the Purchasing Division of the ~~Office of Public Affairs~~ Department of Central Services except as to those acquisitions exempt under Section 85.12 of this title.

K. 1. In no event shall a state agency enter into a lease-purchase agreement unless that agreement contains the following or similar language:

The State of Oklahoma reserves the right to approve any reoffering of this obligation to another investor either through private placement, issuance of certificates of participation, or any other mechanism. Such approval must be obtained in advance, in writing, from the State Bond Advisor prior to any remarketing.

2. In the event that a remarketing of a lease-purchase agreement is proposed that includes the remarketing of securities or obligations to more than a single investor, any disclosure language prepared in connection with such marketing that describes the state's liability under the lease-purchase agreement must be approved in advance, in writing, by the Oklahoma State Bond Advisor.

SECTION 14. The appropriations made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1994. Any unexpended funds remaining after November 15, 1994, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

SECTION 15. This act shall become effective July 1, 1993.

SECTION 16. 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 28th day of May, 1993.

President of the Senate

Passed the House of Representatives the 28th day of May, 1993.

Speaker of the House of Representatives