

ENROLLED HOUSE
BILL NO. 2723

By: Hamilton (James) and
Steidley of the House

and

Taylor and Haney of the
Senate

An Act relating to state revenue administration entities; amending Section 27 of Enrolled Senate Bill No. 896 of the Second Session of the 44th Oklahoma Legislature, which relates to an appropriation for the State Auditor and Inspector; modifying appropriation; amending Section 28 of Enrolled Senate Bill No. 896 of the Second Session of the 44th Oklahoma Legislature, which relates to an appropriation for the State Auditor and Inspector for the duties of the Commission on County Government Personnel Education and Training; modifying appropriation; making appropriations to the State Auditor and Inspector; stating purposes; reappropriating and redesignating certain appropriations; providing reappropriation and certain appropriations are not transferable; providing for duties and compensation of certain employees; prohibiting the use of certain public funds for certain purposes; providing budgetary limitations; requiring the State Auditor and Inspector to submit certain report concerning computer accounting systems; amending Section 39 of Enrolled Senate Bill No. 896 of the Second Session of the 44th Oklahoma Legislature, which relates to an appropriation to the Office of State Finance; modifying appropriation; making appropriations to the Office of State Finance; stating purposes; providing for duties and compensation of employees; limiting the salary of the Director; providing budgetary limitations; amending Section 59 of Enrolled Senate Bill No. 896 of the Second Session of the 44th Oklahoma Legislature, which relates to an appropriation to the Oklahoma Tax Commission; modifying appropriation; making appropriations to the Oklahoma Tax Commission; stating purposes; requiring the Oklahoma Tax Commission to expend certain amount for collecting delinquent taxes and other monies owed to the state; specifying source of revenue for expenditure; authorizing contracts and expenditures for certain audits; providing for duties and compensation of employees; providing budgetary limitations; providing for the transfer of certain funds from the Ad Valorem Reimbursement Fund to the Fund for Reimbursement of Counties; limiting the amount of such transfer; stating requirements for such transfer; amending Section 62 of Enrolled Senate Bill No. 896 of the Second

Session of the 44th Oklahoma Legislature, which relates to an appropriation to the Office of the State Treasurer; modifying appropriation; making an appropriation to the State Treasurer; stating purposes; requiring the State Treasurer to conduct certain analysis; requiring approval of analysis by Information Services Division of the Office of State Finance prior to certain application; authorizing acquisition of computer equipment by lease-purchase agreement; requiring certain services to be paid for by direct fee charges; requiring the State Treasurer to make certain determinations relating to such charges; prohibiting State Treasurer from expending or encumbering funds for certain purpose; providing exception; providing for duties and compensation of employees; providing budgetary limitations; providing for maximum term of agreement; and providing lapse date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
STATE AUDITOR AND INSPECTOR

SECTION 1. AMENDATORY Section 27 of Enrolled Senate Bill No. 896 of the 2nd Session of the 44th Oklahoma Legislature is amended to read as follows:

Section 27. There is hereby appropriated to the Office of the State Auditor and Inspector from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of ~~Three Million Three Hundred Seventy-three Thousand Forty Dollars (\$3,373,040.00)~~ Three Million Four Hundred Thirty-two Thousand Four Hundred Sixty-nine Dollars (\$3,432,469.00) or so much thereof as may be necessary to perform the duties imposed upon the Office of the State Auditor and Inspector by law.

SECTION 2. AMENDATORY Section 28 of Enrolled Senate Bill No. 896 of the 2nd Session of the 44th Oklahoma Legislature is amended to read as follows:

Section 28. There is hereby appropriated to the Office of the State Auditor and Inspector from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of ~~Two Hundred Forty-five Thousand Eight Hundred Ninety-one Dollars (\$245,891.00)~~ Three Hundred Eighty-three Thousand Five Hundred Ninety-one Dollars (\$383,591.00) or so much thereof as may be necessary to perform the duties imposed upon the Commission on County Government Personnel Education and Training. The appropriation made in this section shall be expended exclusively for the purpose so stated and shall not be transferable.

SECTION 3. There is hereby appropriated to the Office of the State Auditor and Inspector from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of Forty-five Thousand Dollars (\$45,000.00) or so much thereof as may be necessary to provide uniform computer systems development, including computer software, for county government in accordance with the State Auditor and Inspector's duties to prescribe accounting procedures and to provide technical assistance to county government. The

appropriation made in this section shall be expended exclusively for the purpose so stated and shall not be transferable.

SECTION 4. REAPPROPRIATION AND REDESIGNATION The amount of One Hundred Twenty-five Thousand Dollars (\$125,000.00) originally appropriated by Section 35, Chapter 117, O.S.L. 1993, to the Office of the Lieutenant Governor from the General Revenue Fund for the fiscal year ending June 30, 1994, not otherwise appropriated, for the purpose of performing the duties imposed upon the Office of the Lieutenant Governor by law is hereby reappropriated to the Office of the State Auditor and Inspector and redesignated for capital expenditures to purchase computer equipment. The reappropriation made by this section shall be expended exclusively for the purpose so stated and shall not be transferable.

SECTION 5. There is hereby appropriated to the Office of the State Auditor and Inspector from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of Twenty-five Thousand Dollars (\$25,000.00) or so much thereof as may be necessary for capital expenditures to purchase computer equipment. The appropriation made by this section shall be expended exclusively for the purpose so stated and shall not be transferable.

SECTION 6. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the State Board of Equalization by law shall be set by the State Auditor and Inspector. No public funds shall be used to reimburse or compensate any person, company, or corporation for assistance in locating employees or potential employees for the State Board of Equalization.

The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of the State Auditor and Inspector by law shall be set by the State Auditor and Inspector. No public funds shall be used to reimburse or compensate any person, company, or corporation for assistance in locating employees or potential employees for the Office of the State Auditor and Inspector.

The Office of the State Auditor and Inspector for the fiscal year ending June 30, 1995, 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 | 169.0 |
| Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes | \$5,966,516.00 |
| Professional and Personal Services Contracts | \$325,000.00 |
| Expenditure of Revolving Funds | \$4,000,000.00 |
| Lease-Purchase Payments | \$20,000.00 |
| Purchase of Equipment | \$225,000.00 |
| Expenditure of Federal Funds | \$0.00 |
| Total Expenditures for Operations | \$8,011,060.00 |

SECTION 7. The State Auditor and Inspector, by January 1 of each year, shall submit a report to the Speaker of the House of Representatives or a designee and the President Pro Tempore of the Senate or a designee, describing the development of uniform computer accounting systems for the counties, the costs incurred, and the amount of funds received from counties to support the development of uniform computer accounting systems.

OFFICE OF STATE FINANCE

SECTION 8. AMENDATORY Section 39 of Enrolled Senate Bill No. 896 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 39. There is hereby appropriated to the Office of State Finance from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of ~~Eight Million Eight Hundred Seventy-eight Thousand Seven Hundred Eighty-four Dollars (\$8,878,784.00)~~ Eight Million Three Hundred Twenty-eight Thousand Eight Hundred Thirty-eight Dollars (\$8,328,838.00) or so much thereof as may be necessary to perform the duties imposed upon the Office of State Finance by law.

SECTION 9. There is hereby appropriated to the Office of State Finance from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury, the amount of Six Hundred Twenty-seven Thousand Eight Hundred Ten Dollars (\$627,810.00) or so much thereof as may be necessary to pay assessments for the following intergovernmental agencies:

Council of State Governments
Government Accounting Standards Board
National Governors' Association
National Conference of Commissioners of Uniform State Laws
National Conference of State Legislatures
Southern Growth Policies Board
National Association of State Budget Officers
Council of Governors' Policy Advisors
Southern Governors' Association
Education Commission of the States
Southern Regional Education Board
Southern States Energy Board
Advisory Commission on Intergovernmental Relations
National Center for State Courts

If funds appropriated in this section are insufficient to pay the total assessments for the organizations named herein, the payment to each organization, except the National Conference of State Legislatures, shall be reduced proportionally to bring the total payments within the limits of the funds appropriated herein.

SECTION 10. There is hereby appropriated to the Office of State Finance from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury, the following amounts or so much thereof as may be necessary for the following purposes:

Expenses of personal services, office expense, supplies, materials, travel and other necessary expenses incurred by the Governor-elect, if not incumbent, in the performance of his or her duties prior to taking office and in preparation for assuming the duties of office \$30,000.00

Expenses of personal services, office expense, supplies materials, travel and other necessary expenses incurred by the Lieutenant Governor-elect, if not incumbent, in the performance of his or her duties prior to taking office and in preparation for assuming the duties of office 10,000.00

TOTAL \$40,000.00

SECTION 11. For the fiscal year ending June 30, 1995, the Office of State Finance shall budget all funds in the following categories and amounts:

| <u>Category</u> | <u>Appropriation</u> | <u>Total</u> |
|---|-----------------------|------------------------|
| 1. Administration | \$ 559,112.00 | \$ 559,112.00 |
| 2. Budget Division | 547,051.00 | 547,051.00 |
| 3. Central Accounting and Financial Reporting | 1,654,889.00 | 1,654,889.00 |
| 4. Intergovernmental Assessments | 627,810.00 | 627,810.00 |
| 5. Communications | 0.00 | 5,000,000.00 |
| 6. Transition Expenses | 40,000.00 | 40,000.00 |
| 7. Oil Overcharge | 0.00 | 45,600.00 |
| 8. Data Processing | <u>5,567,786.00</u> | <u>6,017,786.00</u> |
| TOTAL | <u>\$8,996,648.00</u> | <u>\$14,492,248.00</u> |

SECTION 12. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of State Finance by law shall be set by the Director of State Finance. The salary of the Director of State Finance shall not exceed Sixty-eight Thousand Six Hundred Ninety-one Dollars (\$68,691.00) per annum, payable monthly for the fiscal year ending June 30, 1995. The Office of State Finance for the fiscal year ending June 30, 1995, 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 | 167.0 |

OKLAHOMA TAX COMMISSION

SECTION 13. AMENDATORY Section 59 of Enrolled Senate Bill No. 896 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 59. There is hereby appropriated to the Oklahoma Tax Commission from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of ~~Forty-four Million One Hundred Twenty-five Thousand Three Hundred Seventy-eight Dollars (\$44,125,378.00)~~ Forty-four Million Nine Hundred Thirty-nine Thousand Sixty-five Dollars (\$44,939,065.00) or so much thereof as may be necessary to perform the duties imposed upon the Oklahoma Tax Commission by law.

SECTION 14. From the monies appropriated to the Oklahoma Tax Commission by Section 13 of this act for the fiscal year ending June 30, 1995, the Tax Commission shall expend the sum of Seven Hundred Forty-eight Thousand Eight Hundred Dollars (\$748,800.00) or so much thereof as may be necessary for temporary employees, professional service contracts with temporary service companies, or professional service contracts with collection agencies as necessary for the collection of delinquent taxes, or other monies owed to the State of Oklahoma which the Tax Commission is authorized to collect by law, whenever the taxpayer or debtor may be located. Provided, however, the Oklahoma Tax Commission shall expend not less than Seven Hundred Forty-eight Thousand Eight Hundred Dollars (\$748,800.00) above the amount expended in the fiscal year ending June 30, 1994, for the purpose of collecting delinquent taxes or other monies owed to the State of Oklahoma.

SECTION 15. For the fiscal year ending June 30, 1995, the Oklahoma Tax Commission may contract and may expend monies from the OTC Reimbursement Fund in payment of a reasonable fee of the delivered funds in payment to private auditors or audit firms to audit the books of persons as defined in the Uniform Tax Procedure Code, Section 201 et seq. of Title 68 of the Oklahoma Statutes, which the Commission believes may owe the State of Oklahoma additional tax monies, or with temporary service companies or professional collection agencies as necessary for the collection of delinquent taxes or other monies owed to the state. Such payment shall not be made until the funds have been deposited with the Commission. Notwithstanding the provisions of Section 205 of Title 68 of the Oklahoma Statutes, temporary employees or contractors hereunder shall be provided the information necessary for the audit and collection of delinquent taxes or other monies but shall not disclose the information except as authorized by Section 205 of Title 68 of the Oklahoma Statutes and subject to the penalties contained therein.

SECTION 16. There is hereby appropriated to the Oklahoma Tax Commission for transfer to the Fund for Reimbursement of Counties from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of Six Hundred Forty-seven Thousand Five Hundred Forty-three Dollars (\$647,543.00) or so much thereof as may be necessary to reimburse the counties for revenue lost because of the homestead exemption provided for by Section 2890 of Title 68 of the Oklahoma Statutes. No monies shall be disbursed to any county that is not in compliance with the assessment requirements mandated by the Supreme Court of the State of Oklahoma in State ex rel. Poulos v. State Board of Equalization, 646 P.2d 1269, 1273 (Okla. 1982).

SECTION 17. 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, 1995, 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 Deferral Contracts and Longevity Payments Authorized by State Statutes | \$33,850,130.00 |
| Professional and Personal Services Contracts | \$6,400,000.00 |

| | |
|-----------------------------------|-----------------|
| Expenditure of Revolving Funds | \$25,360,008.00 |
| Lease-Purchase Payments | \$920,400.00 |
| Purchase of Equipment | \$2,100,000.00 |
| Expenditure of Federal Funds | \$500,000.00 |
| Total Expenditures for Operations | \$72,846,616.00 |

SECTION 18. In the event monies apportioned to the Ad Valorem Reimbursement Fund exceed the amount necessary to pay all claims approved for reimbursement, the Director of State Finance shall transfer from monies remaining in the Ad Valorem Reimbursement Fund after such reimbursements have been approved to the Fund for the Reimbursement of Counties, the amount necessary for payment of claims approved on or before June 15, 1994, pursuant to Section 192.1 of Title 62 of the Oklahoma Statutes, to pay claims for the fiscal year ending June 30, 1994. The amount transferred pursuant to the provisions of this section shall not exceed One Million Seven Hundred Thousand Dollars (\$1,700,000.00).

STATE TREASURER

SECTION 19. AMENDATORY Section 62 of Enrolled Senate Bill No. 896 of the 2nd Session of the 44th Oklahoma Legislature, is amended to read as follows:

Section 62. There is hereby appropriated to the Office of the State Treasurer from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 1995, the sum of ~~Three Million Two Hundred Sixty-six Thousand One Hundred Dollars (\$3,266,100.00)~~ Three Million Two Hundred Eleven Thousand One Hundred Thirty-nine Dollars (\$3,211,139.00) or so much thereof as may be necessary to perform the duties imposed upon the Office of the State Treasurer by law.

SECTION 20. There is hereby appropriated to the State Land Reimbursement Fund from any monies not otherwise appropriated from the Special Cash Fund of the State Treasury, the sum of One Hundred Thousand Dollars (\$100,000.00) or so much thereof as may be necessary to make payments to counties for agricultural land free of homesteads which is owned by the state as school or park land.

SECTION 21. The State Treasurer shall conduct an analysis of the computer capacity of the Office of the State Treasurer. The analysis shall be approved by the Information Services Division of the Office of State Finance prior to any application to the Bond Oversight Commission for authority to acquire computer hardware by lease-purchase agreement.

Pursuant to the requirements of paragraphs 4 and 5 of subsection I of Section 85.4 of Title 74 of the Oklahoma Statutes, the State Treasurer is hereby authorized to acquire computer equipment by lease-purchase agreement. Further, the term of the lease-purchase agreement may be in excess of three (3) years but not to exceed five (5) years.

SECTION 22. For the fiscal year ending June 30, 1995, ninety percent (90%) of the check processing services rendered by financial institutions for the Office of the State Treasurer shall be paid for by direct fee charges. The State Treasurer shall determine those services subject to such charges.

SECTION 23. For the fiscal year ending June 30, 1995, the Office of the State Treasurer shall not expend or encumber any monies for legal services without approval of the Contingency Review Board.

SECTION 24. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of the State Treasurer by law shall be set by the State Treasurer. The Office of the State Treasurer for the fiscal year ending June 30, 1995, 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 | 73.5 |
| Payroll, Salaries or Wages, Including Tax-sheltered Deferment Contracts and Longevity Payments Authorized by State Statutes | \$2,021,546.00 |
| Professional and Personal Services Contracts | \$70,000.00 |
| Expenditure of Revolving Funds | \$150,000.00 |
| Lease-Purchase Payments | \$360,000.00 |
| Purchase of Equipment | \$330,000.00 |
| Expenditure of Federal Funds | \$0.00 |
| Total Expenditures for Operations | \$4,221,139.00 |

SECTION 25. The appropriations made by this act shall be subject to fiscal year limitations and may be encumbered through June 30, 1995. Any unexpended funds remaining after November 15, 1995, shall lapse and be transferred to the credit of the proper fund for the then current fiscal year.

Passed the House of Representatives the 19th day of May, 1994.

Speaker of the House of
Representatives

Passed the Senate the 19th day of May, 1994.

President of the Senate