

ENROLLED SENATE
BILL NO. 425

By: Fisher of the Senate
and
Tyler of the House

An Act relating to road improvement districts;
amending 19 O.S. 1991, Sections 902.2, as amended
by Section 1, Chapter 291, O.S.L. 1994, 902.3,
902.4, as amended by Section 2, Chapter 291, O.S.L.
1994, 902.12, 902.16, as amended by Section 1,
Chapter 23, O.S.L. 1992, and Sections 3 and 4,
Chapter 291, O.S.L. 1994 (19 O.S. Supp. 1996,
Sections 902.2, 902.4, 902.16, 902.20 and 902.21),
which relate to the Oklahoma Rural Road Improvement
District Act; modifying requirements for creating
new rural road improvement districts; providing for
elections for owners of real property in the
district when there are no residents in the
district; providing for elections for directors of
rural road districts when there are no residents in
the district; clarifying language; amending Section
1, Chapter 303, O.S.L. 1996 (69 O.S. Supp. 1996,
Section 403), which relates to roads, bridges and
ferries; authorizing counties to utilize the State
Infrastructure Bank for pooling certain monies;
providing purpose; directing certain entities to
develop a design for a County Capital Improvements
Bank; providing for noncodification; and providing
an effective date.

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

SECTION 1. AMENDATORY 19 O.S. 1991, Section 902.2, as amended by Section 1, Chapter 291, O.S.L. 1994 (19 O.S. Supp. 1996, Section 902.2), is amended to read as follows:

Section 902.2 A. Whenever ten persons who are holders of title to lands in a county located outside of the corporate limits of any incorporated city or town, or fifty-one percent (51%) of the property owners in the proposed district, shall petition the board of county commissioners of the county in which such area owned by them is located for the formation of a rural road improvement district, and the petitioners comply with the provisions of the Oklahoma Rural Road Improvement District Act, the board of county commissioners may enter its order organizing such district, and when so organized such district shall have the powers conferred herein or such as hereafter may be conferred by law upon such rural road improvement districts.

B. 1. The board of county commissioners is authorized to determine whether the election for organization of a rural road improvement district shall be conducted pursuant to the procedures set out in Section 902.5 of this title or pursuant to the procedures set out in Section 902.20 of this title.

2. The board of county commissioners is authorized to determine whether the elections for directors of a duly organized rural road improvement district shall be conducted pursuant to the provisions of Section 902.6 of this title or pursuant to the procedures set out in Section 902.21 of this title.

C. 1. Despite any provisions in this section to the contrary, if no persons reside in the proposed rural road district, the board of county commissioners may only conduct the election for the proposed organization of a rural road improvement district pursuant to the procedures set out in Section 902.20 of this title.

2. Despite any provisions in this section to the contrary, if no persons reside in the proposed rural road district, the board of county commissioners may only conduct the election for directors of a duly organized rural road improvement district pursuant to the procedures set out in Section 902.21 of this title.

SECTION 2. AMENDATORY 19 O.S. 1991, Section 902.3, is amended to read as follows:

Section 902.3 The petition shall set forth and particularly describe the proposed boundaries of such district and shall be accompanied by a map of such proposed district. The petitioners shall accompany such petition with a cash deposit, the amount of which shall be approved by the board of county commissioners. The cash shall be deposited with the county treasurer in a special fund which shall be used for the purposes of defraying the costs of the publications and of the election for the organization of the district. Any unused portion of the amount deposited shall be refunded to the petitioners upon request.

The petition shall be filed with the county clerk of such county who shall present it to the board of county commissioners at their next regular or special meeting. Upon the presentation of the petition, the board of county commissioners shall set the petition for hearing at a time not less than twenty (20) days nor more than forty (40) days from the date of presentation and shall direct the county clerk to give notice of the hearing by publication in a newspaper of general circulation in the county in which the proposed district is located. The notice shall be published one (1) day a week for two (2) consecutive weeks preceding the date of such hearing. The notice shall describe the boundaries of the proposed district, shall state the time and place of the hearing, and shall

state that any person may appear and protest the organization of the district or the proposed boundaries of the district.

The board of county commissioners shall hold the hearing described in the notice, and it shall have jurisdiction to hear and determine all protests to the creation of such district and all matters pertaining to the same. It may amend the plan of the district by excluding from within its boundaries any lands which it may deem will not be benefited by the formation of such district, or by including other lands as a part thereof upon application of the owners of such land. However, it shall not exclude from such district any lands which are completely surrounded by lands which are included in the proposed district.

At the conclusion of the hearing, the board of county commissioners shall make an order determining the boundaries of the proposed district, particularly describing them, and shall determine whether the formation of such district will be conducive to the improvement of safe travel in the incorporated area. If the board determines that the district will be conducive to safe travel in the area incorporated in the district and will be in the best interests of the people residing or owning real property in the district, then the board may give the proposed district a name and call an election of the registered voters in the territory comprising such proposed district, or if there are no registered voters in the territory comprising the proposed district, call an election of the owners of real property in the territory comprising the proposed district who are registered voters, on the question of whether the district shall be organized. In proclaiming the election, the board of county commissioners shall provide descriptions of the boundaries of the proposed district and maps of the proposed district in sufficient quantities to provide one for each polling place to be open during the election.

SECTION 3. AMENDATORY 19 O.S. 1991, Section 902.4, as amended by Section 2, Chapter 291, O.S.L. 1994 (19 O.S. Supp. 1996, Section 902.4), is amended to read as follows:

Section 902.4 The county clerk shall cause notice of the election to be given one (1) day a week for two (2) consecutive weeks by publication in a newspaper of general circulation in the territory comprising the proposed district. The notice shall state the time and place of holding the election and set forth the description of the boundaries of the proposed district and its general purpose and intention. All persons who are residents of the proposed district and who are registered voters in their respective precincts shall be qualified to vote on the proposition. If there are no persons who are residents of the proposed district, all persons owning real property within the proposed district who are registered voters shall be qualified to vote on the proposition.

SECTION 4. AMENDATORY 19 O.S. 1991, Section 902.12, is amended to read as follows:

Section 902.12 A. When the board of directors shall have estimated the cost of purchases and construction work, it shall call an election at which shall be submitted to the registered voters of the district, or if there are no registered voters of the district, the owners of real property in the district who are registered voters, the question of whether the bonds of the district shall be issued in the amount so determined. However, the bonds shall not be issued for more than the actual estimated cost of such purchase and construction.

B. The resolution of the board calling such election shall divide the district into voting precincts of convenient size and a map thereof shall be filed with the district secretary. The precincts so formed may be changed by the board any time thereafter, except that no change shall be made within thirty (30) days next preceding any election. The resolution shall appoint for each

precinct, from the owners of real property in and residents of the district who are registered voters, or if there are no residents of the district, the owners of real property in the district who are registered voters, one clerk and two judges, who shall constitute a board of election for the precinct. If the members appointed do not attend at the opening of the polls on the morning of the election, the board may appoint other owners of real property in and residents of the district who are registered voters, or if there are no residents of the district, owners of real property in the district who are registered voters, to supply the place or places of those absent. The resolution shall designate the date, hour and place in the precincts where the election will be held.

C. Notice of the election shall be given by publication in some newspaper of general circulation in the county in which the district is located once a week for three (3) consecutive weeks next preceding the date of the election, and by posting the notice in three public places in each election precinct, as established by the board of directors, for at least twenty (20) days prior to the date of the election.

The notice shall specify:

1. The date of the election;
2. The location of the polling places;
3. The time that the polls will open and close; and
4. The amount of bonds proposed to be issued.

D. One of the judges of each precinct shall be chairman of the election board of the precinct and may administer all oaths required in the progress of the election, and appoint another judge or clerk, if during the progress of the election any judge or clerk ceases to act.

E. At the election, the ballots shall contain the words: "Bonds - Yes", and "Bonds - No", or words equivalent thereto.

F. The election shall be held as nearly as may be in conformity with the provisions governing the election for the formation of the district. However, no county election board nor precinct election board shall be involved in conducting the election. No informalities in conducting the election shall invalidate the election if the election shall have been otherwise fairly conducted.

G. The board of directors shall meet as soon as practicable after the election and canvass the returns. If a majority of the ballots cast are "Bonds - Yes", the board shall cause negotiable bonds in the amount to be issued.

SECTION 5. AMENDATORY 19 O.S. 1991, Section 902.16, as amended by Section 1, Chapter 23, O.S.L. 1992 (19 O.S. Supp. 1996, Section 902.16), is amended to read as follows:

Section 902.16 A. The board may also levy an additional annual assessment sufficient to care for the cost of operation of the district and the maintenance of its roads, equipment and for payment of the salaries of employees of the district, provided that no such annual assessment for operations, maintenance and salaries shall exceed three (3) mills on the dollar of the assessed valuation of the property in the district.

B. The board may call an election of the registered voters of the district, or if there are no registered voters of the district, the owners of real property in the district who are registered voters, in the manner provided for in Section 902.12 of this title, to determine whether or not the board shall levy an annual assessment not to exceed three (3) mills on the dollar of the assessed valuation of the property in the district for the purpose of providing additional funds for the operation of the district, the maintenance of its roads, equipment and salaries of the employees of the district. Such annual assessment shall be in addition to the annual assessment provided for in subsection A of this section. The number of mills shall be set forth in the resolution calling the

election and, if approved, shall remain in effect until increased or decreased in a later election called in the manner provided for in Section 902.12 of this title, but the total additional annual levy shall not exceed three (3) mills.

SECTION 6. AMENDATORY Section 3, Chapter 291, O.S.L. 1994 (19 O.S. Supp. 1996, Section 902.20), is amended to read as follows:

Section 902.20 Elections to determine whether a rural road improvement district will be organized may be conducted at a mass meeting or convention of the owners of real property in and residents of the district, or if there are no residents of the district, the owners of real property in the district, who are qualified to vote. The chair of the board of county commissioners or his or her designee shall preside at the meeting and the voting shall be by secret ballot. The presiding officer shall have the authority to appoint a secretary of the meeting and the commissioner and secretary shall certify results of the election to the board of county commissioners who shall meet on the second Monday next following the election and proceed to determine the percentage of votes cast. If, upon such determination, at least three-fifths (3/5) of all the votes cast are "Rural Road Improvement District - Yes", the board shall, by order declare such territory duly organized as a rural road improvement district under the name designated. The order shall be filed for record in the office of the county clerk and from that date the district shall be complete.

SECTION 7. AMENDATORY Section 4, Chapter 291, O.S.L. 1994 (19 O.S. Supp. 1996, Section 902.21), is amended to read as follows:

Section 902.21 Directors of a rural road improvement district shall be the owners of real property in and residents of the district or, if there are no residents of the district, the owners of real property in the district. At the time of making its order organizing the district, the board of county commissioners shall set a first meeting of property owners of the district and direct the manner of giving notice by publication thereof. The owners of property within the district present at such meeting shall elect nine (9) directors who shall hold their office until the second Saturday in January of each even-numbered year, at which time their successors shall be elected. The property owners present at the first meeting shall adopt the bylaws of the district.

Subsequent elections for directors of the district may be held at a mass meeting or convention of the owners of real property in and residents of the district, or if there are no residents of the district, the owners of real property in the district, who are qualified to vote. The voting shall be by secret ballot. At the first regular election after organization of the district called for the purpose of electing members of the board of directors, the three qualified persons receiving the highest number of votes for member of board of directors of the district shall hold their respective offices for a term of six (6) years. The three qualified persons receiving the next highest number of votes shall be elected for four (4) years, and the three qualified persons having the next highest number of votes shall be elected for two (2) years. Each two (2) years thereafter, there shall be elected for a term of six (6) years three members of the board of directors. Notice of the mass meeting or convention called for the purpose of electing directors of a rural road improvement district shall be given by publishing notice of the meeting stating the time, place and agenda in a newspaper of general circulation in the county in which such district is located once a week for three (3) consecutive weeks next preceding the date of the election, and by posting the notice in three public places in the district for at least twenty (20) days prior to the date of the

election. The notice shall list the offices to be filled and the questions to be voted on, if any.

SECTION 8. AMENDATORY Section 1, Chapter 303, O.S.L. 1996 (69 O.S. Supp. 1996, Section 403), is amended to read as follows:

Section 403. A. The Transportation Commission is hereby authorized to create a "State Infrastructure Bank", pursuant to the federal National Highway Act of 1995, for the purpose of pooling available federal, private and state appropriated or revolving fund monies specifically authorized by the Legislature for such use. The Commission shall be the instrumentality to make application to the Federal Highway Administration for the capitalization grant which is to be placed in the State Infrastructure Bank. The Commission shall adopt all rules necessary to implement and effectuate the provisions of this act.

B. The State Infrastructure Bank authorized by this section may be utilized by the various counties of Oklahoma for pooling available federal, private and state appropriated or revolving fund monies specifically authorized by the Legislature for capital improvements. The various counties of Oklahoma are authorized to receive and repay monies from the Oklahoma Department of Transportation revolving fund designated as the "State Infrastructure Bank Revolving Fund" for the purpose specifically authorized by the Legislature.

SECTION 9. The State Auditor and Inspector, the State Treasurer and a representative of the Association of County Commissioners of Oklahoma are directed to develop a design for a County Capital Improvements Bank which may be used to pool any monies available to county governments for capital improvements and make application for any and all grants available to counties for capital improvements. They shall make recommendations to the President Pro Tempore of the Senate, the Speaker of the House of Representatives and the Governor for the suggested legislation by January 1, 1998.

SECTION 10. NONCODIFICATION The provisions of Section 9 of this act shall not be codified in the Oklahoma Statutes.

SECTION 11. This act shall become effective November 1, 1997.