

HOUSE OF REPRESENTATIVES
Monday, February 22, 1999

Committee Substitute for House Bill No. 1656

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1656 -- By WEBB of the House and LONG of the Senate.

An Act relating to state government; requiring certain examination by the State Auditor and Inspector; requiring employment of legal counsel for specific purpose; stating purpose; providing for rule promulgation; specifying contents of certain examination; specifying certain objectives; requiring certain reports; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 226.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

The State Auditor and Inspector shall examine, or cause to be examined, by duly appointed deputy or deputies, all books and accounts prior to December 31, 1999, of the Oklahoma State and Education Employees Group Insurance Board. The State Auditor and Inspector shall employ legal counsel to determine if the results of the examination of the Oklahoma State and Education Employees Group Insurance Board warrant prosecution and to prosecute by either civil or criminal action, or both. The State Auditor and Inspector may promulgate rules necessary to implement this section. Such examination must include any transactions that have occurred on transfers of plans to the Oklahoma State and Education Employees Group Insurance Board.

The primary objective of the audit is to account for any cost the Oklahoma State and Education Employees Group Insurance Board paid, or any cost the Oklahoma State and Education Employees Group Insurance Board had to absorb on the transfer of any health plans and a performance audit of compliance and noncompliance of claims processing within the State and Education Employees Group Insurance Board.

On or before February 1, 2000, a report of the investigation and its findings shall be filed with the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the State Superintendent of Public Instruction, and each member of the State Board of Education.

SECTION 2. This act shall become effective July 1, 1999.

SECTION 3. 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.

COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 2-18-99 -- DO PASS, As Coauthored.