

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

CONFERENCE COMMITTEE
SUBSTITUTE
FOR ENGROSSED
HOUSE BILL NO. 1207

By: Mitchell and Bonny of the
House

and

Morgan and Robinson of the
Senate

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Corporation Commission; making an appropriation to the Corporation Commission; stating purpose; authorizing certain transfer and expenditures; requiring budgeting in certain categories and amounts; directing certain expenditure of money; requiring certain multicounty offices be operated; amending 52 O.S. 2001, Sections 554 and 555, which relate to unknown or relocated property owners; allowing Corporation Commission to retain certain funds; modifying apportionment of certain funds; providing for duties and compensation of employees; providing budgetary limitations; establishing authorized number and salary maximums for certain unclassified positions; making continuation of employment of certain employees contingent on certain funding; designating certain number of employees for certain programs; limiting certain assessment level; limiting certain expenditures; authorizing and providing budgeting of certain monies; providing for statutory construction; making certain appropriations nonfiscal; providing lapse dates; requiring certain budgeting practices; prohibiting certain budgeting practices; providing an effective date; and declaring an emergency.

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

CORPORATION COMMISSION

SECTION 1. There is hereby appropriated to the Corporation Commission from any monies not otherwise appropriated from the General Revenue Fund of the State Treasury for the fiscal year ending June 30, 2004, the sum of Four Million Seven Hundred Thirty-

six Thousand Nine Hundred Fifty-nine Dollars (\$4,736,959.00) or so much thereof as may be necessary to perform the duties imposed upon the Corporation Commission by law.

SECTION 2. The Corporation Commission is authorized to expend an amount not to exceed Three Million Two Hundred Sixty Thousand Eight Hundred Fifty-four Dollars (\$3,260,854.00) from the Rural Economic Action Plan Water Projects Fund from the gross production tax, as apportioned by Section 1004 of Title 68 of the Oklahoma Statutes, to be transferred to the Corporation Commission Revolving Fund ("202" Fund) created in Section 180.7 of Title 17 of the Oklahoma Statutes for the purpose of performing the duties imposed upon the Corporation Commission by law.

SECTION 3. For the fiscal year ending June 30, 2004, the Corporation Commission shall budget all funds in the following categories and amounts:

<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
Administration	\$2,382,968.00	\$ 5,634,744.00
Consumer Services	0.00	1,036,285.00
Petroleum Storage Tank Division	0.00	5,989,084.00
Oil and Gas Conservation Division	4,881,576.00	8,854,522.00
Office of Administrative Proceedings	137,076.00	1,695,749.00
Public Utility Division	0.00	3,990,556.00
Office of General Counsel	371,193.00	1,944,443.00
Transportation Division	0.00	3,936,247.00
Regional Service Office - Tulsa	<u>225,000.00</u>	<u>365,000.00</u>
TOTAL	\$7,997,813.00	\$33,446,630.00

SECTION 4. The Corporation Commission shall expend from any monies available not less than Two Hundred Twenty-five Thousand Dollars (\$225,000.00) for the purposes of implementing the provisions of Section 40.1 of Title 17 of the Oklahoma Statutes.

SECTION 5. For the fiscal year ending June 30, 2004, the Oklahoma Corporation Commission shall continue to operate multicounty field offices located in Bristow: District I, Kingfisher: District II, Duncan: District III, and Ada: District IV.

SECTION 6. AMENDATORY 52 O.S. 2001, Section 554, is amended to read as follows:

Section 554. A. The Corporation Commission shall, by the close of the second working day following the day on which the funds are received from holders, transmit the funds to the State Treasurer, who shall hold the funds in trust for the mineral owners in the Mineral Owner's Fund.

B. The Corporation Commission shall, within ninety (90) days of receipt, provide copies of escrow reports required by Section 551 et seq. of this title to the State Treasurer. The State Treasurer shall include these names in The regular annual process to locate the owners of unclaimed property.

C. Claims against the Mineral Owner's Fund shall be submitted to the State Treasurer, and upon sufficient proof of ownership, the State Treasurer shall pay monies to the rightful owner or to the rightful owner's heirs, devisees or assigns from the Unclaimed Property Fund, to be reimbursed quarterly from the Mineral Owner's Fund, for such claim.

D. The Corporation Commission shall retain ten percent (10%) of each amount of funds transferred to the State Treasurer to cover the Corporation Commission's cost of administration of the requirements of Section 551 et seq. of this title.

SECTION 7. AMENDATORY 52 O.S. 2001, Section 555, is amended to read as follows:

Section 555. The State Treasurer shall invest the monies in the Mineral Owner's Fund and shall annually apportion the interest earned as follows:

~~1. Fifteen percent (15%) to the Corporation Commission to reimburse that agency for the cost of administration of the monitoring and enforcements requirements of Section 551 et seq. of this title, but not to exceed Forty-five Thousand Dollars (\$45,000.00);~~

2. Twenty-five percent (25%) to the Corporation Commission to be used for plugging abandoned oil and gas wells, pursuant to Sections 308 et seq. of this title, not to exceed Three Hundred Thousand Dollars (\$300,000.00) per year; provided, that any amount that would cause funds available for that purpose to exceed Five Hundred Thousand Dollars (\$500,000.00) in any one (1) year shall remain in the Mineral Owner's Fund;

~~3.~~ 2. Fifty percent (50%) to the State Treasurer but not more than Two Hundred Thousand Dollars (\$200,000.00) per year, to be spent for advertising, personnel and other expenses incurred to search for the rightful owners of unclaimed intangible property generated by mineral interests; and

~~4.~~ 3. Any remaining interest shall be added to the principal of the Mineral Owner's Fund.

SECTION 8. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Corporation Commission by law shall be set by the Corporation Commission. The Corporation Commission shall be subject to the following budgetary limitations on full-time-equivalent employees and expenditures excluding direct expenditures for well plugging as authorized in Section 310 of Title 52 of the Oklahoma Statutes, pit closure as authorized in Section 140 of Title 52 of the Oklahoma Statutes, and remediation of sites as authorized in Section 353 of Title 17 of the Oklahoma Statutes, and 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	453.0
Lease-Purchase Agreements	\$200,000.00

SECTION 9. The authorized number and maximum annual salary, payable monthly, for the unclassified employee positions specified in this section utilized in the operation of the Corporation Commission shall not exceed the numbers and salary maximums set forth in this section. The amounts listed do not constitute an appropriation but are listed to establish maximums only for the fiscal year ending June 30, 2004.

<u>Title</u>	<u>Number Authorized</u>	<u>Maximum Salary</u>
General Administrator	1.0	\$80,000.00
Executive Secretary	3.0	\$41,241.00
Administrative Aide	3.0	\$45,514.00
Senior Rate Analyst	4.0	\$55,000.00

SECTION 10. The continuation of full-time-equivalent employees hired pursuant to Sections 360 and 361 of Title 17 of the Oklahoma Statutes shall be contingent upon sufficient funding of the Oklahoma Petroleum Storage Tank Release Indemnity Program.

SECTION 11. Of the four hundred fifty-three (453.0) full-time-equivalent employees authorized by this act, fourteen (14.0) shall perform duties in accordance with the Underground Injection Control Program, five (5.0) shall perform duties in accordance with the Underground Storage Tank Program, and two (2.0) shall perform duties in accordance with the Leaking Underground Storage Tank Program. The continuation of these full-time-equivalent employees is contingent upon sufficient federal funding to support them.

SECTION 12. Pursuant to subsection F of Section 180.11 of Title 17 of the Oklahoma Statutes, the Corporation Commission shall assess no more than Four Million Ninety-six Dollars (\$4,000,096.00) for costs of the Public Utility Division for the fiscal year ending June

30, 2004. From any amounts collected pursuant to subsection F of Section 180.11 of Title 17 of the Oklahoma Statutes, the Corporation Commission shall expend no more than Four Million Three Hundred Fifty Thousand Ninety-six Dollars (\$4,350,096.00) for the costs of the Public Utility Division for the fiscal year ending June 30, 2004. Of the funds expended, it is the intent of the Legislature that Two Hundred Fifty Thousand Dollars (\$250,000.00) be used to fund the Public Utility Division portion of the Consumer Services Division. The expenditure limit created pursuant to this section shall not be considered the assessment level of the Public Utilities Division.

SECTION 13. Appropriations made by this act, not including appropriations made for capital outlay purposes, may be budgeted for the fiscal year ending June 30, 2004 (hereafter FY-04) or may be budgeted for the fiscal year ending June 30, 2005 (hereafter FY-05). Funds budgeted for FY-04 may be encumbered only through June 30, 2004, and must be expended by November 15, 2004. Any funds remaining after November 15, 2004, and not budgeted for FY-05, shall lapse to the credit of the proper fund for the then current fiscal year. Funds budgeted for FY-05 may be encumbered only through June 30, 2005. Any funds remaining after November 15, 2005, shall lapse to the credit of the proper fund for the then current fiscal year. These appropriations may not be budgeted in both fiscal years simultaneously. Funds budgeted in FY-04, and not required to pay obligations for that fiscal year, may be budgeted for FY-05, after the agency to which the funds have been appropriated has prepared and submitted a budget work program revision removing these funds from the FY-04 budget work program and after such revision has been approved by the Office of State Finance.

SECTION 14. This act shall become effective July 1, 2003.

SECTION 15. 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.

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