

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL 1018

By: Morgan and Robinson of the
Senate

and

Mitchell and Bonny of the
House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to state government; providing for governmental status of community action agencies for purposes of certain property transfers; providing for insurance coverage for certain vehicles; providing for insurance coverage for certain officials; providing for insurance coverage for certain buildings; providing for certain criteria and standards; creating the Risk Management Public Transit Revolving Fund for the Department of Central Services; 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 5040.1 of Title 74, unless there is created a duplication in numbering, reads as follows:

If a community action agency is otherwise eligible to receive real or personal property from the state or federal government, or any agency or instrumentality of the state or federal government, and state or federal law requires that the entity to which the property is transferred must be a governmental entity, the community action agency shall, for the purposes of the transfer and for purposes of managing the property so transferred, be deemed to be a governmental entity.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.580 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. The Risk Management Administrator, pursuant to the provisions of this section and Section 85.58A of Title 74 of the Oklahoma Statutes, may obtain or provide insurance coverage for any public transit vehicle obtained by a community action agency or a substate planning district through the Department of Transportation pursuant to a federal grant and may obtain or provide indemnity coverage for any official or employee of the community action agency or a substate planning district for any errors and omissions or liability risks arising from the performance of official duties pursuant to law.

B. The Risk Management Administrator, pursuant to the provisions of this section and Section 85.58A of Title 74 of the Oklahoma Statutes, may obtain or provide insurance coverage for any building used for public transit services or for storage of public transit vehicles if the public transit vehicles are obtained as provided in subsection A of this section. If a public transit vehicle obtained as provided for in subsection A of this section is housed in a building with any department or unit of local governmental entities, the Risk Management Administrator may also obtain or provide building or structure insurance coverage for such department or unit in such building.

C. The Risk Management Administrator is authorized to determine eligibility criteria for participation pursuant to this section in the Risk Management Program for a community action agency or a substate planning district or for officers or employees of a community action agency or a substate planning district. In addition, the Risk Management Administrator is authorized to establish equipment and safety standards for the vehicles or

buildings to be covered by the Risk Management Program pursuant to this section.

D. Requests for the insurance or indemnity coverage provided pursuant to the provisions of this section shall be submitted in writing to the Risk Management Administrator by the community action agency or a substate planning district. Any community action agency or a substate planning district meeting eligibility criteria shall be approved for participation in the Risk Management Program by the Risk Management Administrator if the officers and employees and the vehicles and buildings used by the participating community action agency or a substate planning district meet the equipment and safety standards and eligibility requirements established by the Risk Management Administrator.

E. Any insurance or indemnity coverage shall be obtained or provided solely from funds available in the shared risk pool authorized by Section 3 of this act. Any coverage limits shall be based on the liquidity of the shared risk pool resulting from the annual payments made pursuant to Section 85.58M of Title 74 of the Oklahoma Statutes and any interest accrued thereon, after deduction of such sums as may be necessary to pay all overhead and administrative expenses associated with administering the pool.

F. Any limited indemnity coverage provided for errors and omissions pursuant to the provisions of this section shall only cover errors or omissions made by an official or employee of a community action agency or a substate planning district provided for in subsection A of this section occurring on or after the effective date of this act.

G. Notwithstanding the provisions of the Governmental Tort Claims Act, the State of Oklahoma is not liable, directly or indirectly, for the errors and omissions of any official or employee of any community action agency or a substate planning district provided for in subsection A of this section in the performance of

official duties pursuant to law. The State of Oklahoma is not liable, directly or indirectly, for the negligence of any community action agency or a substate planning district provided for in subsection A of this section.

H. In providing risk management services for any community action agency or a substate planning district provided for in subsection A of this section or official or employee of the community action agency or a substate planning district, it is the intention of the Legislature to provide coverage solely to the extent of assets in the shared risk pool created by Section 3 of this act.

I. Any liability insurance coverage obtained or provided shall include expenses for legal services obtained or provided by the Risk Management Administrator.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.58P of Title 74, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Department of Central Services, to be designated the "Risk Management Public Transit Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by an act of the Legislature and any fees collected by the Department of Central Services in accordance with the provisions of Section 2 of this act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department of Central Services for the purposes of the Comprehensive Professional Risk Management Program provided for in Section 85.58A of Title 74 of the Oklahoma Statutes, including the salaries and administrative expenses of support staff responsible for administering the fund and expenses the Department incurs to support program operations. Expenditures from said fund shall be made upon warrants issued by

the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 4. This act shall become effective July 1, 2004.

SECTION 5. 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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