

STATE OF OKLAHOMA

2nd Session of the 49th Legislature (2004)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL 1146

By: Crutchfield of the Senate

and

Taylor of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to county officers; amending 2 O.S. 2001, Section 15-68, which relates to board of directors for the free fair association; requiring one-time publishing of certain notice; authorizing cancellation of certain election with notice and deeming candidate to be elected; amending 12 O.S. 2001, Sections 24 and 1764, as amended by Section 2, Chapter 440, O.S.L. 2003 (12 O.S. Supp. 2003, Section 1764), which relate to journal records and fees; authorizing optical disks or other medium for storage of certain records; clarifying cost of obtaining certain information; removing certain fees; amending 19 O.S. 2001, Sections 286, 291 and 1505, which relate to records, numerical index of deeds and procedures for requisition; requiring certain stored records meet statutory guidelines for storage; including certain legal descriptions on index; removing certain reporting requirements for certain supplies, material or equipment; removing requirement for report relating to consumption or use of certain road or bridge items or materials; requiring submission of resolution of disposal of certain equipment; requiring approval of resolution be entered into minutes; amending 51 O.S. 2001, Section 36.3, which relates to filing oath or affirmation; exempting school district officers and employees from certain provisions of law; authorizing school district officers and employees to file oath of office with the clerk of the school district; amending 68 O.S. 2001, Sections 2890, 2890.1, 2892, as last amended by Section 7, Chapter 374, O.S.L. 2003, 2902, as last amended by Section 1 of Enrolled House Bill No. 2192 of the 2nd Session of the 49th Oklahoma Legislature, 2902.1, 2949, 3022, 3102, 3121, 3131 and 3137 (68 O.S. Supp. 2003, Section 2892), which relate to homestead exemption, qualification for limitation, application, manufacturing facilities, dates and activities, personal property tax exemption, municipal budgets and levies, personal property tax lien, fees, filing of resale return, and resale property fund; clarifying dates and time periods for certain actions; removing outdated requirement; making language gender neutral; clarifying procedure for assessing improvements to the property; modifying conditions for certain ad

valorem tax exemption; deleting specified meeting date of excise boards; reconciling statutory language of one section of law to another; authorizing certain date change for certain reporting; amending 70 O.S. 2001, Section 18-104, as amended by Section 15, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2003, Section 18-104), which relates to funds; removing certain requirement for certifying schools state aid allocation; repealing 19 O.S. 2001, Section 634, which relates to receipt from county treasurer; repealing 62 O.S. 2001, Section 310.1c, which relates to duties and responsibilities of the board of county commissioners; repealing 68 O.S. 2001, Section 2902, as last amended by Section 79 of Enrolled House Bill No. 2725 of the 2nd Session of the 49th Oklahoma Legislature, which is a duplicate section and which relates to manufacturing facilities ad valorem tax exemption; providing for codification; and declaring an emergency.

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

SECTION 1. AMENDATORY 2 O.S. 2001, Section 15-68, is amended to read as follows:

Section 15-68. A. There is hereby constituted a board of directors for the free fair association.

B. 1. The Board of Directors shall be composed of nine (9) members, who shall be elected by written ballot for a term of three (3) years. Three members shall be elected from each county commissioner's district of the counties, at a public meeting or convention of the qualified electors of each of the commissioner's district in the counties.

2. A qualified elector shall be a registered voter of the county and may only vote for the board members from the district in which the elector resides. The county commissioner holding the election may request proof of residency and a voter registration card of the county to qualify electors.

3. The board of county commissioners shall include in the publication notice of the election the requirements to be a qualified voter. Notice of which election shall be given by publication in a newspaper published in each of the counties, for

ten (10) days before the election. Notice of the filing period for the elections shall be given in a newspaper published in the county, published one time at least ten (10) days before the filing period for the election.

C. The board of county commissioners shall, by resolution, set forth the following conditions concerning the election:

1. The filing period shall consist of five (5) consecutive business days and commence in January;
2. The date and time when the filing period will commence and end;
3. The date, time and place of the election;
4. Only registered voters of the county are eligible to file as a candidate;
5. Any person so filing must reside in the commissioner's district or city they seek to represent;
6. Prospective candidates must file with the county clerk; and
7. The board of county commissioners shall prescribe a form to be used by prospective candidates filing for the position of director of the fair board association.

D. 1. The date of the election for the fair association board of directors shall be no later than three (3) weeks from the date of the final day of the filing period. If there is only one candidate for any of the commissioners' districts, the commissioners may cancel the election with notice being given by publication and posting at least ten (10) days prior to the election date previously established and the candidate shall be deemed to be elected.

2. In the event there is no candidate for the election to the fair association board of directors, the county commissioners shall appoint a director for each position for which no candidates have filed by the close of the filing period. The appointment or appointments will be announced no later than two (2) weeks from the closing of the filing period.

3. When a director is unable to fulfill the term to which the director has been elected to serve, for any reason, the board of county commissioners shall appoint the successor.

E. 1. At the election there shall be elected from each commissioner's district three persons who are qualified electors of the district, as directors of the association, who shall serve for a term of three (3) years, and until their successors are elected or appointed and qualified.

2. The commissioner or commissioner's designee shall preside at the meeting and the voting may be viva voce, or otherwise, as may at the meeting be determined by the electors there assembled.

3. The commissioner or commissioner's designee presiding at the meeting shall have the authority to appoint a secretary of the meeting. The commissioner and secretary shall certify to the county clerk of each of the counties the names of the directors elected, and the county clerk shall keep a record thereof and shall issue to each person elected a certificate of election.

F. When a tie vote occurs in the election of a fair association board of directors, the commissioner or commissioner's designee shall select the candidate by lot pursuant to the procedures set forth in Section 8-105 of Title 26 of the Oklahoma Statutes.

G. 1. The directors so elected shall meet at the next regularly scheduled monthly meeting immediately following the elections at the regular meeting place of the counties for the purpose of organization, and shall elect a president, a vice-president, a secretary and a treasurer; provided, that the secretary need not be a member of the board of directors.

2. The treasurer shall furnish surety bond executed with a qualified surety company doing business in this state, in such amount as the directors of the board may determine to be necessary to indemnify against any loss which may arise by reason of failure

to perform the necessary duties of the office or other misconduct in office for which the director shall be held liable.

H. Meetings of the directors may be called by the president of the board or fixed by the board at any time convenient. However, the first election held under this section shall be on the first Saturday of June, and the board so elected at the election shall meet for organization purposes on the second Saturday of June of such year.

SECTION 2. AMENDATORY 12 O.S. 2001, Section 24, is amended to read as follows:

Section 24. Upon the journal record required to be kept by the clerk of the district court in civil cases exclusive of the small claims docket and juvenile proceedings docket shall be entered copies of the following instruments on file:

1. All items of process by which the court acquired jurisdiction of the person of each defendant in the case; and

2. All instruments filed in the case that bear the signature of the judge and specify clearly the relief granted or order made.

The journal may be kept entirely in microfilm ~~record~~, optical disks, or other appropriate medium. Existing journal records in the custody of the court clerk may be destroyed after being ~~microfilmed~~. ~~The microfilm record shall consist of two films~~ stored on at least two microfilm records, optical disks, or other appropriate medium, one of which shall be placed by the court clerk with the Archives and Records Division of the Oklahoma Department of Libraries, or in a bank or other appropriate local depository, and one shall be available for public use in the court clerk's office. In case of functional failure of the ~~film~~ record in the court clerk's office the copy in storage shall be made available to anyone requesting access to it. The cost of ~~microfilm, microfilm~~ the storage medium and equipment and viewerscopes for viewing and copying shall be paid out of the court fund upon approval by the Chief Justice of the

Supreme Court. Copies of the journal record ~~on microfilm~~ reproduced from microfilm, optical disk, and other media and copies of the original instruments that are part of the journal records, when certified by the court clerk having the custody of the original, may be received in evidence with the same effect as the original would have had and without further identification by the party desiring to offer them.

SECTION 3. AMENDATORY 12 O.S. 2001, Section 1764, as amended by Section 2, Chapter 440, O.S.L. 2003 (12 O.S. Supp. 2003, Section 1764), is amended to read as follows:

Section 1764. A fee of Forty-five Dollars (\$45.00) shall be charged and collected for the filing of the affidavit for the commencement of any action for an amount of One Thousand Five Hundred Dollars (\$1,500.00) or less. Any action in excess of One Thousand Five Hundred Dollars (\$1,500.00) shall be subject to the filing fees provided in Title 28 of the Oklahoma Statutes for the same kind of action as filed in district court. For the filing of any counterclaim or setoff, fees shall be charged and collected pursuant to Section 152.1 of Title 28 of the Oklahoma Statutes ~~for the mailing of the copy of the affidavit and for each notice mailed.~~ Except as otherwise provided in Section 1772 of this title, no other fee or charge shall be collected by any officer for any service rendered pursuant to the provisions of the Small Claims Procedure Act, or for the taking of affidavits for use in connection with any action tried pursuant to the provisions of the Small Claims Procedure Act. If the affidavit and order are served by the sheriff or a licensed private process server, the court clerk shall collect the usual fee for the sheriff, which shall be taxed as costs in the case. The fee paid to a licensed private process server, as approved by the court, shall be taxed as additional costs in the case. After judgment, the court clerk shall issue such process and shall be entitled to collect only such fees and charges as are

allowed by law for like services in other actions. All fees collected as authorized by this section and Section 1772 of this title shall be deposited with other fees that are collected by the district court. Any statute providing for an award of attorneys fees shall be applicable to the small claims division if the attorney makes an appearance in the case, whether before or after judgment or on hearing for disclosure of assets.

SECTION 4. AMENDATORY 19 O.S. 2001, Section 286, is amended to read as follows:

Section 286. The county commissioners shall furnish, and the county clerk shall maintain, in the office of the county clerk, suitable records for storage for all instruments of writing subject by law to be recorded in the office of the county clerk. Suitable record may include either photographic copy, microphotographic or computer storage of such instruments. All records shall be available to the public for immediate viewing and reproduction. The county clerk shall retain sole custody and responsibility for the records of the office. All micrographic copies shall be produced to meet archival standards and a security copy shall be maintained. Stored documents shall meet the guidelines set forth in Section 214 of Title 74 of the Oklahoma Statutes.

SECTION 5. AMENDATORY 19 O.S. 2001, Section 291, is amended to read as follows:

Section 291. The county clerk shall also keep a numerical index, in which shall be noted all deeds relating to tracts of land and units within unit ownership estates within the limits of such county, such index shall be divided into columns with the heads to each division of the pages designating the respective columns as follows, to-wit:

Grantor _____

Grantee _____

Kind of Instrument _____

Lots	N.E.Qr.	N.W.Qr.
— — —	N.E. N.W. S.E. S.W.	N.E. N.W. S.E. S.W.
	S.E.Qr.	<u>S.W.Qr.</u>
	N.E. N.W. S.E. S.W.	<u>N.E. N.W. S.E. S.W.</u>

Acres _____

Book _____

Page _____

Remarks _____

It shall be the duty of the county clerk to make correct entries in such numerical index of all instruments recorded concerning tracts of land under the appropriate heading, and in the subdivision devoted to the particular quarter section described in the instrument making the conveyance, and ~~he~~ the county clerk shall enter in their appropriate division, before any other entries are made, all the transfers embraced in the instrument recorded within his office, commencing with the first.

SECTION 6. AMENDATORY 19 O.S. 2001, Section 1505, is amended to read as follows:

Section 1505. The following procedures shall be used by counties for the requisition, purchase, lease-purchase, rental, and receipt of supplies, materials, and equipment for the maintenance, operation, and capital expenditures of county government unless otherwise provided for by law.

A. The procedure for requisitioning items for county offices shall be as follows:

1. The requesting department shall prepare a requisition form in triplicate. The requisition shall contain any specifications for an item as deemed necessary by the requesting department. The form shall be prescribed by the State Auditor and Inspector;

2. The requesting department shall retain a copy of the requisition and forward the original requisition and a copy to the county purchasing agent; and

3. Upon receipt of the requisition, the county purchasing agent, within two (2) working days, shall begin the bidding and purchasing process as provided for in this section. Nothing in this section shall prohibit the transfer of supplies, materials, or equipment between county departments upon a written agreement between county officers.

B. The bid procedure for selecting a vendor for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall request written recommendations from all county officers pertaining to commonly used supplies, materials, and equipment. From such recommendations and available requisition, purchase, or inventory records, the county purchasing agent shall prepare a list of items commonly used by county officers. The county purchasing agent shall request from the Purchasing Division of the Department of Central Services all contracts quoting the price the state is paying for the items. The county purchasing agent shall either request the Purchasing Division of the Department of Central Services to make the purchase for the county or solicit bids for unit prices on the items for periods of not to exceed twelve (12) months in the manner described in paragraph 2 of this subsection. If the county purchasing agent receives a requisition for an item for which the county purchasing agent does not have a current bid, the county purchasing agent shall request from the Purchasing Division of the Department of Central Services all contracts quoting the price the state is paying for the item. The county purchasing agent shall either request the Purchasing Division of the Department of Central Services to make the purchase for the county or solicit bids in the manner described in paragraph 2 of this subsection. Nothing in this paragraph shall prohibit bids from being taken on an item currently on a twelve-month bid list, at any time deemed necessary by the county

purchasing agent. Whenever the county purchasing agent deems it necessary to take a bid on an item currently on a twelve-month bid list, the reason for the bid shall be entered into the minutes of the board of county commissioners;

2. Bids shall be solicited by mailing a notice to all persons or firms who have made a written request of the county purchasing agent that they be notified of such bid solicitation and to all other persons or firms who might reasonably be expected to submit bids. Notice of solicitation of bids shall also be published one time in a newspaper of general circulation in the county. Notices shall be mailed and published at least ten (10) days prior to the date on which the bids are opened. Proof of the mailing shall be made by the affidavit of the person mailing the request for bids and shall be made a part of the official records of the county purchasing agent. Whenever any prospective supplier or vendor dealing in or listing for sale any particular item or article required to be purchased or acquired by sealed bids fails to enter or offer a sealed bid for three successive bid solicitations, the name of the supplier or vendor may be dropped from the mailing lists of the board of county commissioners;

3. The sealed bids received from vendors and the state contract price received from the Purchasing Division of the Department of Central Services shall be given to the county clerk by the county purchasing agent. The county clerk shall forward the sealed bids and state contract price, if any, to the board of county commissioners;

4. The board of county commissioners, in an open meeting, shall open the sealed bids and compare them to the state contract price. The board of county commissioners shall select the lowest and best bid based upon the availability of material and transportation cost to the job site within thirty (30) days of the meeting. For any special item not included on the list of commonly used items, the

requisitioning official shall review the bids and submit a written recommendation to the board before final approval. The board of county commissioners shall keep a written record of the meeting as required by law, and any time the lowest bid was not considered to be the lowest and best bid, the reason for such conclusion shall be recorded. Whenever the board of county commissioners rejects the written recommendation of the requisitioning official pertaining to a special item, the reasons for the rejection shall be entered in their minutes and stated in a letter to the requisitioning official and county purchasing agent;

5. The county purchasing agent shall notify the successful bidders and shall maintain a copy of the notification. The county purchasing agent shall prepare and maintain a vendors list specifying the successful bidders and shall notify each county officer of the list. The county purchasing agent may remove any vendor from such list who refuses to provide goods or services as provided by contract if the removal is authorized by the board of county commissioners. The county purchasing agent may make purchases from the successful bidders for a price at or below the bid price. If a vendor who is the low bidder cannot or will not sell goods or services as required by a county bid contract, the county purchasing agent may purchase from the next low bidder or take quotations as provided in paragraph 6 of this subsection, provided, however, such purchase does not exceed Five Thousand Dollars (\$5,000.00); and

6. When bids have been solicited as provided for by law and no bids have been received, the procedure shall be as follows:

- a. the county purchasing agent shall determine if potential vendors are willing to commit to a firm price for a reduced period of time, and, if such is the case, the bid procedure described in this subsection shall be followed, or

- b. if vendors are not willing to commit to a firm price for a reduced period, the purchasing agent shall solicit and record at least three quotes of current prices available to the county and authorize the purchase of goods based on the lowest and best quote as it becomes necessary to acquire such goods. The quotes shall be recorded on a form prescribed by the State Auditor and Inspector and shall be attached to the purchase order and filed with the county clerk's copy of the purchase order. Any time the lowest quote was not considered to be the lowest and best quote, the reason for this conclusion shall be recorded by the county purchasing agent and transmitted to the county clerk, or
- c. if three quotes are not available, a memorandum to the county clerk from the county purchasing agent shall describe the basis upon which a purchase is authorized. The memorandum shall state the reasons why the price for such a purchase is the lowest and best under the circumstances. The county clerk shall then attach the memorandum to the county clerk's copy of the purchase order and file both in the office of the county clerk.

C. After selection of a vendor, the procedure for the purchase, lease-purchase, or rental of supplies, materials, and equipment used by a county shall be as follows:

1. The county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk;

2. The county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order;

3. If there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 20__.

County Clerk/Deputy

of _____ County.

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk; and

4. The county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain the other copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department.

D. 1. The procedure for the purchase of supplies, materials, and equipment at public auction or by sealed bid to be used by a county shall be as follows:

a. the county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk,

- b. the county clerk shall then encumber the amount stated on the purchase order and assign a sequential number to the purchase order,
- c. if there is an unencumbered balance in the appropriation made for that purpose by the county excise board, the county clerk shall so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 20__.

County Clerk/Deputy
of _____ County.

In instances where it is impossible to ascertain the exact amount of the indebtedness sought to be incurred at the time of recording the encumbrance, an estimated amount may be used. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk, and

- d. the county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain the other copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies, or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department.

2. The procedure for the purchase of supplies, materials and equipment at a public auction when the purchase will be made with the proceeds from the sale of county property at the same public auction are as follows:

- a. the purchasing agent shall cause such items being sold to be appraised in the manner determined in Section 421.1 of this title,
- b. the county purchasing agent shall prepare a purchase order in quadruplicate and submit it with a copy of the requisition to the county clerk,
- c. the county clerk shall then encumber the amount of the appraised value and any additional funds obligated by the county on the purchase order and assign a sequential number to the purchase order,
- d. the county clerk shall certify that the amount of the encumbrance is equal to the appraised value of the item being sold plus any additional funds obligated by the county. In effect the recording of the encumbrance is an estimate that is authorized by law. No purchase order shall be valid unless signed by the county purchasing agent and certified by the county clerk,
- e. the county clerk shall file a copy of the purchase order and return the original purchase order and two copies to the county purchasing agent who shall file a copy, retain a copy for the county road and bridge inventory officer if the purchase order is for the purchase of equipment, supplies or materials for the construction or maintenance of roads and bridges, and submit the original purchase order to the receiving officer of the requesting department, and

f. a purchase shall not be bid until such time that the appraised item or items are sold. Any item or items purchased shall not exceed the appraised value plus any additional funds obligated by the county or the actual selling price of the item or items, whichever is the lesser amount.

E. The procedure for the receipt of items shall be as follows:

1. A receiving officer for the requesting department shall be responsible for receiving all items delivered to that department;

2. Upon the delivery of an item, the receiving officer shall determine if a purchase order exists for the item being delivered;

3. If no such purchase order has been provided, the receiving officer shall refuse delivery of the item;

4. If a purchase order is on file, the receiving officer shall obtain a delivery ticket, bill of lading, or other delivery document and compare it with the purchase order. If any item is back ordered, the back order and estimated date of delivery shall be noted in the receiving report;

5. The receiving officer shall complete a receiving report in quadruplicate which shall state the quantity and quality of goods delivered. The receiving report form shall be prescribed by the State Auditor and Inspector. The person delivering the goods shall acknowledge the delivery by signature, noting the date and time;

6. The receiving officer shall file the original receiving report and submit:

a. the original purchase order and a copy of the receiving report to the county purchasing agent, and

b. a copy of the receiving report with the delivery documentation to the county clerk;

7. The county purchasing agent shall file the original purchase order and a copy of the receiving report;

8. Upon receipt of the original receiving report and the delivery documentation, the county clerk shall maintain a file until such time as an invoice is received from the vendor;

9. The invoice shall state the name and address of the vendor and must be sufficiently itemized to clearly describe each item purchased, the unit price when applicable, the number or volume of each item purchased, the total price, the total purchase price, and the date of the purchase;

10. Upon receipt of an invoice, the county clerk shall compare the following documents:

- a. requisition,
- b. purchase order,
- c. invoice with noncollusion affidavit as required by law,
- d. receiving report, and
- e. delivery document.

The documents shall be available for public inspection during regular business hours; and

11. If the documents conform as to the quantity and quality of the items, the county clerk shall prepare a warrant for payment according to procedures provided for by law.

F. The following procedures are for the processing of purchase orders:

1. Purchase orders may be allowed and paid at the first meeting of the board of county commissioners after five (5) days have elapsed following the date of the filing of the purchase order, provided that purchase orders for the salaries of the county officers and their full-time assistants, deputies and employees may be allowed and paid immediately after filing;

2. The board of county commissioners shall consider the purchase orders so presented and act upon the purchase orders, by allowing in full or in part or by holding for further information or

disallowing the same. The disposition of purchase orders shall be indicated by the board of county commissioners, showing the amounts allowed or disallowed and shall be signed by at least two members of the board of county commissioners. Any claim held over for further information shall be acted upon by allowing or disallowing same at any future meeting of the board held within seventy-five (75) days from the date of filing of the purchase order. Any purchase order not acted upon within the seventy-five (75) days from the date of filing shall be deemed to have been disallowed, but such disallowance shall not prevent the refiling of the purchase order at the proper time; and

3. Whenever any allowance, either in whole or in part, is made upon any purchase order presented to the board of county commissioners and is accepted by the person making the claim, such allowance shall be a full settlement of the entire purchase order and provided that the cashing of warrant shall be considered as acceptance by the claimant.

G. The procedure upon consumption or disposal of supplies, materials, or equipment shall be as follows:

1. ~~For consumable items other than road or bridge items having an original cost greater than Five Hundred Dollars (\$500.00), a record of the date and place of consumption shall be prepared by the consuming department and filed bimonthly with the board of county commissioners;~~

~~2.~~ For consumable road or bridge items or materials, a monthly report of the road and bridge projects completed during ~~said~~ such period shall be prepared and kept on file by the consuming department ~~and filed with the county clerk~~. The report shall contain a record of the date, the place, and the purpose for the use of the road or bridge items or materials. For purposes of identifying county bridges, the board of county commissioners shall number each bridge subject to its jurisdiction; and

~~3. 2. For disposal of all equipment other than road or bridge equipment which originally cost more than Two Hundred Fifty Dollars (\$250.00), a copy of the minutes required by Section 421 of this title shall be filed with the board of county commissioners; and resolution of disposal shall be submitted by the officer on a form prescribed by the State Auditor and Inspector's Office to the board of county commissioners. The approval of the resolution of disposal shall be entered into the minutes of the board~~

~~4. For road or bridge equipment which originally cost more than Two Hundred Fifty Dollars (\$250.00), a copy of the minutes required by Section 421 of this title shall be filed with the board of county commissioners.~~

H. Inventory forms and reports shall be retained for not less than two (2) years after all audit requirements for the state and federal government have been fulfilled and after any pending litigation involving the forms and reports has been resolved.

I. The procedures provided for in this section shall not apply when a county officer certifies that an emergency exists requiring an immediate expenditure of funds. Such an expenditure of funds shall not exceed Five Thousand Dollars (\$5,000.00). The county officer shall give the county purchasing agent a written explanation of the emergency. The county purchasing agent shall attach the written explanation to the purchase order. The purchases shall be paid by attaching a properly itemized invoice, as described in this section, to a purchase order which has been prepared by the county purchasing agent and submitting them to the county clerk for filing, encumbering, and consideration for payment by the board of county commissioners.

SECTION 7. AMENDATORY 51 O.S. 2001, Section 36.3, is amended to read as follows:

Section 36.3 A. The oath or affirmation required by Section 36.2A of this title and taken and subscribed to by:

1. Every state officer shall be filed with the Secretary of State;

2. Every state employee shall be filed with the personnel officer of the state entity employing the state employee;

3. All other officers shall be filed with the office of the county clerk of the county of official residence of the officer;

4. All other employees shall be filed with the office of the county clerk of the county in which the entity employing the employee is located; and

5. Every notary public shall be filed with the office of the court clerk of the county of official residence of the notary, or if a nonresident, the county of employment of the notary.

B. No fee shall be charged for the filings or for the administration of the oaths or affirmation.

C. Blank oath forms will be furnished, without charge, by the Secretary of State to such officers and employees upon request.

D. The provisions of paragraphs 3, 4 and 5 of subsection A of this section shall not apply to municipal officers and employees or school district officers and employees. All oaths or affirmations of municipal officers or employees or school district officers or employees shall be filed in the office of the municipal clerk of the municipality or in the office of the school clerk of the school district for which the officer or employee serves or by which the officer or employee is employed.

SECTION 8. AMENDATORY 68 O.S. 2001, Section 2890, is amended to read as follows:

Section 2890. A. In addition to the amount of the homestead exemption authorized and allowed in Section 2889 of this title, an additional exemption is hereby granted, to the extent of One Thousand Dollars (\$1,000.00) of the assessed valuation on each homestead of heads of households whose gross household income from

all sources for the preceding calendar year did not exceed Twenty Thousand Dollars (\$20,000.00).

B. The term "gross household income" as used in this section means the gross amount of income of every type, regardless of the source, received by all persons occupying the same household, whether such income was taxable or nontaxable for federal or state income tax purposes, including pensions, annuities, federal Social Security, unemployment payments, veterans' disability compensation, public assistance payments, alimony, support money, workers' compensation, loss-of-time insurance payments, capital gains and any other type of income received, and excluding gifts. The term "head of household" as used in this section means a person who as owner or joint owner maintains a home and furnishes support for the home, furnishings, and other material necessities.

C. The application for the additional homestead exemption shall be made each year on or before March 15 or within thirty (30) days from and after receipt by the taxpayer of notice of valuation increase, whichever is later, and upon the form prescribed by the Oklahoma Tax Commission, which shall require the taxpayer to certify as to the amount of gross income. Upon request of the county assessor, the Oklahoma Tax Commission shall assist in verifying the correctness of the amount of the gross income.

D. For persons sixty-five (65) years of age or older as of March 15 and who have previously qualified for the additional homestead exemption, no annual application shall be required in order to receive the exemption provided by this section; however, any person whose gross household income in any calendar year exceeds the amount specified in this section in order to qualify for the additional homestead exemption shall notify the county assessor and the additional exemption shall not be allowed for the applicable year. Any executor or administrator of an estate within which is included a homestead property exempt pursuant to the provisions of

this section shall notify the county assessor of the change in status of the homestead property if such property is not the homestead of a person who would be eligible for the exemption provided by this section.

SECTION 9. AMENDATORY 68 O.S. 2001, Section 2890.1, is amended to read as follows:

Section 2890.1 A. The application for a limit on the fair cash value of homestead property as provided for in Section 8C of Article X of the Oklahoma Constitution shall be made on or before March 15 or within thirty (30) days from and after receipt by the taxpayer of a notice of valuation increase, whichever is later. The application shall be made upon a form prescribed by the Oklahoma Tax Commission, which shall require the taxpayer to certify as to the amount of gross household income. As used in Section 8C of Article X of the Oklahoma Constitution, "gross household income" shall be as defined in Section 2890 of this title. Upon request of the county assessor, the Oklahoma Tax Commission shall assist in verifying the correctness of the amount of the gross income.

B. For persons who have previously qualified for the limitation on the fair cash value of homestead property as provided for in Section 8C of Article X of the Oklahoma Constitution, no annual application shall be required in order to be subject to the limitation. However:

1. Any such person whose gross household income in any calendar year exceeds Twenty-five Thousand Dollars (\$25,000.00) shall notify the county assessor and the limitation shall not be allowed for the applicable year; and

2. Any such person who makes improvements to the property shall notify the county assessor and the improvements shall be assessed in accordance with law by the county assessor and added to the assessed value of the property as provided in Section 8C of Article X of the Oklahoma Constitution.

C. Any executor or administrator of an estate within which is included a homestead property subject to the limitation of the fair cash value of homestead property as provided for in Section 8C of Article X of the Oklahoma Constitution shall notify the county assessor of the change in status of the homestead property if such property is not the homestead of a person who would be eligible for the limitation of the fair cash value of homestead property.

SECTION 10. AMENDATORY 68 O.S. 2001, Section 2892, as last amended by Section 7, Chapter 374, O.S.L. 2003 (68 O.S. Supp. 2003, Section 2892), is amended to read as follows:

Section 2892. A. To receive a homestead exemption, a taxpayer shall be required to file an application with the county assessor. Such application may be filed at any time. However, the county assessor shall, if such applicant otherwise qualifies, grant a homestead exemption for a tax year only if the application is filed on or before March 15 of such year or within thirty (30) days from and after receipt by the taxpayer of notice of valuation increase, whichever is later. Except as provided in this subsection, if an application for a homestead exemption is filed after March 15 or within thirty (30) days after receipt by the taxpayer of notice of valuation increase, whichever is later, the county assessor shall, if such applicant otherwise qualifies, grant the homestead exemption beginning with the following tax year. ~~For any owner of real property who is eligible to claim the income tax credit pursuant to Section 2357.29 of this title with respect to the May 3, 1999, tornado, or for any owner of real property whose primary residence was damaged or destroyed in the May 3, 1999, tornado and who purchased or built a new primary residence at a location within this state other than the location of the damaged or destroyed residence, the application for a homestead exemption may be filed after March 15, 2000, but no later than June 1, 2000, and the homestead exemption shall be granted for such year.~~ For any owner of real

property who is eligible to claim the income tax credit pursuant to Section 2357.29 of this title with respect to the May 8 or 9, 2003, tornado or for any owner of real property whose primary residence was damaged or destroyed in the May 8 or 9, 2003, tornado and who purchased or built a new primary residence at a location within this state other than the location of the damaged or destroyed residence, the application for a homestead exemption may be filed after March 15, 2004, but no later than June 1, 2004, and the homestead exemption shall be granted for such year.

B. Any taxpayer who has been granted a homestead exemption and who continues to occupy such homestead property as a homestead, shall not be required to reapply for such homestead exemption.

C. Once granted, the homestead exemption shall remain in full force and effect for each succeeding year, so long as:

1. The record of actual property ownership is vested in the taxpayer;

2. The instrument of ownership is on record in the county clerk's office;

3. The owner-taxpayer is in all other respects entitled by law to the homestead exemption; and

4. The taxpayer has no delinquent accounts appearing on the personal property tax lien docket in the county treasurer's office. On October 1 of each year, the county treasurer will provide a copy of the personal property tax lien docket to the county assessor. Based upon the personal property tax lien docket, the county assessor shall act to cancel the homestead exemption of all property owners having delinquent personal property taxes. Such cancellation of the homestead exemption will become effective January 1 of the following year and will remain in effect for at least one (1) calendar year; however, such cancellation will not become effective January 1 of the following year if the taxpayer pays such delinquent personal property taxes prior to January 1. Cancellation of the homestead exemption

will require the county assessor to notify each taxpayer no later than January 1 of the next calendar year whose homestead is canceled and will require the taxpayer to refile an application for homestead exemption by those dates so indicated in this section and the payment of all delinquent personal property taxes before the homestead can be reinstated.

D. Any purchaser or new owner of real property must file an application for homestead exemption as herein provided.

E. The application for homestead exemption shall be filed with the county assessor of the county in which the homestead is located. A taxpayer applying for homestead exemption shall not be required to appear before the county assessor in person to submit such application.

F. The property owner shall sign and swear to the truthfulness and correctness of the application's contents. If the property owner is a minor or incompetent, the legal guardian shall sign and swear to the contents of the application.

G. The county assessor and duly appointed deputies are authorized and empowered to administer the required oaths.

H. The taxpayer shall notify the county assessor following any change in the use of property with homestead exemption thereon. The notice of change in homestead exemption status of property shall be in writing and may be filed with the county assessor at any time on or before March 15 of the next following year after which such change occurs. The filing of a deed or other instrument evidencing a change of ownership or use shall constitute sufficient notice to the county assessor.

I. Any single person of legal age, married couple and their minor child or children, or the minor child or children of a deceased person, whether residing together or separated, or surviving spouse shall be allowed under this Code only one homestead exemption in the State of Oklahoma.

J. Any property owner who fails to give notice of change to the county assessor and permits the allowance of homestead exemption for any succeeding year where such homestead exemption is unlawful and improper shall owe the county treasurer:

1. An amount equal to twice the amount of the taxes lawfully due but not paid by reason of such unlawful and improper allowance of homestead exemption; and

2. The interest and penalty on such total sum as provided by statutes on delinquent ad valorem taxes. There shall be a lien on the property while such taxes are unpaid, but not for a period longer than that provided by statute for other ad valorem tax liens.

K. Any person who has intentionally or knowingly permitted the unlawful and improper allowance of homestead exemption shall forfeit the right to a homestead exemption on any property in this state for the two (2) succeeding years.

SECTION 11. AMENDATORY 68 O.S. 2001, Section 2902, as last amended by Section 1 of Enrolled House Bill No. 2192 of the 2nd Session of the 49th Oklahoma Legislature, is amended to read as follows:

Section 2902. A. Except as otherwise provided by subsection H of Section 3658 of this title pursuant to which the exemption authorized by this section may not be claimed, a qualifying manufacturing concern, as defined by Section 6B of Article X of the Oklahoma Constitution, and as further defined herein, shall be exempt from the levy of any ad valorem taxes upon new, expanded or acquired manufacturing facilities, including facilities engaged in research and development, for a period of five (5) years. The provisions of Section 6B of Article X of the Oklahoma Constitution requiring an existing facility to have been unoccupied for a period of twelve (12) months prior to acquisition shall be construed as a qualification for a facility to initially receive an exemption, and shall not be deemed to be a qualification for that facility to

continue to receive an exemption in each of the four (4) years following the initial year for which the exemption was granted. Such facilities are hereby classified for the purposes of taxation as provided in Section 22 of Article X of the Oklahoma Constitution.

B. For purposes of this section, the following definitions shall apply:

1. "Manufacturing facilities" shall mean facilities engaged in the mechanical or chemical transformation of materials or substances into new products and shall include:

- a. establishments which have received a manufacturer exemption permit pursuant to the provisions of Section 1359.2 of this title,
- b. facilities, including repair and replacement parts, primarily engaged in aircraft repair, building and rebuilding whether or not on a factory basis,
- c. establishments primarily engaged in computer services and data processing as defined under Industrial Group Numbers 7372 and 7373 of the SIC Manual, latest revision, and which derive at least fifty percent (50%) of their annual gross revenues from the sale of a product or service to an out-of-state buyer or consumer, and as defined under Industrial Group Number 7374 of the SIC Manual, latest revision, which derive at least eighty percent (80%) of their annual gross revenues from the sale of a product or service to an out-of-state buyer or consumer. Eligibility as a manufacturing facility pursuant to this subparagraph shall be established, subject to review by the Oklahoma Tax Commission, by annually filing an affidavit with the Tax Commission stating that the facility so qualifies and such other information as required by the Tax Commission. For purposes of

determining whether annual gross revenues are derived from sales to out-of-state buyers, all sales to the federal government shall be considered to be an out-of-state buyer, or

d. establishments primarily engaged in distribution as defined under Industrial Group Number 4221, 4222, 4225 or 4226 or Major Group Number 50 or 51 of the SIC Manual, latest revision, and which meet the following qualifications:

- (1) construction with an initial capital investment of at least Five Million Dollars (\$5,000,000.00),
- (2) employment of at least one hundred (100) full-time-equivalent employees, as certified by the Oklahoma Employment Security Commission,
- (3) payment of wages or salaries to its employees at a wage which equals or exceeds one hundred seventy-five percent (175%) of the federally mandated minimum wage, as certified by the Oklahoma Employment Security Commission, and
- (4) commencement of construction prior to December 31, 2006, with construction to be completed within three (3) years from the date of the commencement of construction.

Eligibility as a manufacturing facility pursuant to this subparagraph shall be established, subject to review by the Tax Commission, by annually filing an affidavit with the Tax Commission stating that the facility so qualifies and containing such other information as required by the Tax Commission.

Provided, eating and drinking places, as well as other retail establishments, except as otherwise provided in subsection E of this

section, shall not qualify as manufacturing facilities for purposes of this section, nor shall centrally assessed properties;

2. For tax years beginning after December 31, 1992, "manufacturing facilities" shall mean those facilities as defined in paragraph 1 of this subsection for which the investment cost of the construction, acquisition or expansion of the manufacturing facility is Two Hundred Fifty Thousand Dollars (\$250,000.00) or more;

3. "Facility" and "facilities" shall mean and include the land, buildings, structures, improvements, machinery, fixtures, equipment and other personal property used directly and exclusively in the manufacturing process; and

4. "Research and development" shall mean activities directly related to and conducted for the purpose of discovering, enhancing, increasing or improving future or existing products or processes or productivity.

C. For applications for a five-year exemption submitted after June 6, 2003, the following provisions shall apply:

1. A manufacturing concern shall be entitled to the exemption herein provided for each new manufacturing facility constructed, each existing manufacturing facility acquired and the expansion of existing manufacturing facilities on the same site, as such terms are defined by Section 6B of Article X of the Oklahoma Constitution and by this section; provided, if a facility has initially qualified for an exemption pursuant to the provisions of this section on or after January 1, 1999, and ownership of the facility changes during the five-year period of the exemption, the exemption shall continue in effect for the balance of the five-year period as long as all other qualifications provided in this section are met;

2. Except as otherwise provided in paragraph 5 of this subsection, no manufacturing concern shall receive more than one five-year exemption for any one manufacturing facility unless the expansion which qualifies the manufacturing facility for an

additional five-year exemption meets the requirements of paragraph 4 of this subsection and the employment level established for any previous exemption is maintained;

3. Any exemption as to the expansion of an existing manufacturing facility shall be limited to the increase in ad valorem taxes directly attributable to the expansion;

4. Except as provided in paragraphs 5, 6 and 7 of this subsection, all initial applications for any exemption for a new, acquired or expanded manufacturing facility shall be granted only if:

- a. (i) for applications approved by a county assessor on or before July 1, 2003, there is a net increase of Two Hundred Fifty Thousand Dollars (\$250,000.00) or more in annualized payroll, or a net increase of Two Million Dollars (\$2,000,000.00) or more in capital improvements while maintaining or increasing payroll, or
- (ii) for applications approved by a county assessor after July 1, 2003, there is a net increase in annualized payroll at the facility of at least Two Hundred Fifty Thousand Dollars (\$250,000.00) if the facility is located in a county with a population of fewer than fifty thousand (50,000), according to the most recent federal decennial census, or at least One Million Dollars (\$1,000,000.00) if the facility is located in a county with a population of fifty thousand (50,000) or more, according to the most recent federal decennial census.

The Oklahoma Tax Commission shall verify all payroll information through the Oklahoma Employment Security Commission. Payroll shall be verified by the Oklahoma

Tax Commission by using the average of the third and fourth quarter Oklahoma Employment Security Commission reports of the calendar year immediately preceding the year for which initial application is made for base-line payroll, and

- b. the facility offers, or will offer within one hundred eighty (180) days of the date of employment, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Department of Commerce to consist of the elements specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto.

For purposes of this section, calculation of the amount of increased payroll shall be measured from the start of initial construction or expansion to the completion of such construction or expansion or for three (3) years from the start of initial construction or expansion, whichever occurs first. For the facilities of any qualified manufacturing concern the construction or expansion of which began on or after January 1, 1996, and for which an application for the exemption authorized by this section was filed prior to June 6, 2002, the amount of increased payroll shall include payroll for full-time-equivalent employees in this state who are employed by an entity other than the facility which has previously or is currently qualified to receive an exemption pursuant to the provisions of this section and who are leased or otherwise provided to the facility, if such employment did not exist in this state prior to the start of initial construction or expansion of the facility. The manufacturing concern shall submit an affidavit to the Tax Commission, signed by an officer, stating that the construction, acquisition or expansion of the facility will result in a net increase in the annualized payroll as required by

this paragraph and that full-time-equivalent employees of the facility are or will be offered a basic health benefits plan as required by this paragraph. If, after the completion of such construction or expansion or after three (3) years from the start of initial construction or expansion, whichever occurs first, the construction, acquisition or expansion has not resulted in a net increase in the amount of annualized payroll, if required, or any other qualification specified in this paragraph has not been met, the manufacturing concern shall pay an amount equal to the amount of any exemption granted, including penalties and interest thereon, to the Tax Commission for deposit to the Ad Valorem Reimbursement Fund;

5. Any new, acquired or expanded automotive final assembly manufacturing facility which does not meet the requirements of paragraph 4 of this subsection shall be granted an exemption only if all other requirements of this section are met and only if the investment cost of the construction, acquisition or expansion of the manufacturing facility is Three Hundred Million Dollars (\$300,000,000.00) or more and the manufacturing facility retains an average employment of one thousand seven hundred fifty (1,750) or more full-time-equivalent employees in the year in which the exemption is initially granted and in each of the four (4) subsequent years only if an average employment of one thousand seven hundred fifty (1,750) or more full-time-equivalent employees is maintained in the subsequent year. Any property installed to replace property damaged by the tornado or natural disaster that occurred May 8, 2003, may continue to receive the exemption provided in this paragraph for the full five-year period based on the value exemption shall continue in effect as long as all other qualifications in this paragraph are met. If the average employment of one thousand seven hundred fifty (1,750) or more full-time-equivalent employees is reduced as a result of temporary layoffs because of a tornado or natural disaster on May 8, 2003, then the

average employment requirement shall be waived for year 2003 of the exemption period. Calculation of the number of employees shall be made in the same manner as required under Section 2357.4 of this title for an investment tax credit. As used in this paragraph, "expand" and "expansion" shall mean and include any increase to the size or scope of a facility as well as any renovation, restoration, replacement or remodeling of a facility which permits the manufacturing of a new or redesigned product;

6. Any new, acquired, or expanded computer data processing, data preparation, or information processing services provider classified in Industrial Group Number 7374 of the SIC Manual, latest revision, and U.S. Industry Number 514210 of the North American Industrial Classification System (NAICS) Manual, latest revision, which has made an initial application pursuant to paragraph 4 of this subsection on or after January 1, 2003, and before July 1, 2003, which application has been approved by the county assessor, may apply for additional exemptions under this section for each year in which new, acquired, or expanded capital improvements to the facility are made if:

- a. there is a net increase in annualized payroll at the facility of at least Two Hundred Fifty Thousand Dollars (\$250,000.00) attributable to the capital improvements or a net increase of Seven Million Dollars (\$7,000,000.00) or more in capital improvements while maintaining or increasing payroll, and
- b. the facility offers, or will offer within one hundred eighty (180) days of the date of employment of new employees attributable to the capital improvements, a basic health benefits plan to the full-time-equivalent employees of the facility, which is determined by the Department of Commerce to consist of the elements

specified in subparagraph b of paragraph 1 of subsection A of Section 3603 of this title or elements substantially equivalent thereto; and

7. An entity engaged in electric power generation by means of wind, as described by the North American Industry Classification System, No. 221119, shall be subject to the requirements for obtaining and maintaining the exemption authorized by this section which were effective as law prior to the amendments contained in Section 1, Chapter 458, O.S.L. 2003, and shall not be subject to the requirements imposed pursuant to the amendments contained in Section 1, Chapter 458, O.S.L. 2003.

D. The five-year period of exemption from ad valorem taxes for any qualifying manufacturing facility property shall begin on January 1 following the initial qualifying use of the property in the manufacturing process.

E. Any person, firm or corporation claiming the exemption herein provided for shall file each year for which exemption is claimed, an application therefor with the county assessor of the county in which the new, expanded or acquired facility is located. The application shall be on a form or forms prescribed by the Tax Commission, and shall be filed on or before March 15, except as provided in Section 2902.1 of this title, of each year in which the facility desires to take the exemption or within thirty (30) days from and after receipt by such person, firm or corporation of notice of valuation increase, whichever is later. In a case where completion of the facility or facilities will occur after January 1 of a given year, a facility may apply to claim the ad valorem tax exemption for that year. If such facility is found to be qualified for exemption, the ad valorem tax exemption provided for herein shall be granted for that entire year and shall apply to the ad valorem valuation as of January 1 of that given year. For applicants which qualify under the provisions of subparagraph b of

paragraph 1 of subsection B of this section, the application shall include a copy of the affidavit and any other information required to be filed with the Tax Commission.

F. The application shall be examined by the county assessor and approved or rejected in the same manner as provided by law for approval or rejection of claims for homestead exemptions. The taxpayer shall have the same right of review by and appeal from the county board of equalization, in the same manner and subject to the same requirements as provided by law for review and appeals concerning homestead exemption claims. Approved applications shall be filed by the county assessor with the Tax Commission no later than June 15, except as provided in Section 2902.1 of this title, of the year in which the facility desires to take the exemption. Incomplete applications and applications filed after June 15 will be declared null and void by the Tax Commission. In the event that a taxpayer qualified to receive an exemption pursuant to the provisions of this section shall make payment of ad valorem taxes in excess of the amount due, the county treasurer shall have the authority to credit the taxpayer's real or personal property tax overpayment against current taxes due. The county treasurer may establish a schedule of up to five (5) years of credit to resolve the overpayment.

G. Nothing herein shall in any manner affect, alter or impair any law relating to the assessment of property, and all property, real or personal, which may be entitled to exemption hereunder shall be valued and assessed as is other like property and as provided by law. The valuation and assessment of property for which an exemption is granted hereunder shall be performed by the Tax Commission.

H. The Tax Commission shall have the authority and duty to prescribe forms and to promulgate rules as may be necessary to carry out and administer the terms and provisions of this section.

SECTION 12. AMENDATORY 68 O.S. 2001, Section 2902.1, is amended to read as follows:

Section 2902.1 In order to administer subsection C of Section 2902 of ~~Title 68 of the Oklahoma Statutes~~ this title, the following dates and activities shall apply:

1. Any person, firm or corporation claiming the exemption herein provided pursuant to subsection C of Section 2902 of ~~Title 68 of the Oklahoma Statutes~~ this title shall file, each year for which the exemption is claimed, an application therefor with the county assessor of the county in which the new, expanded or acquired facility is located. ~~Said~~ Such application shall be on a form or forms prescribed by the Oklahoma Tax Commission and shall be filed before July 1, 1993; and, thereafter subsequent years of application for the exemption shall be filed ~~by~~ on or before March 15 of the calendar year in which the facility desires to take the exemption.

Provided, for those person, firms or corporations qualifying pursuant to subsection C of Section 2902 of ~~Title 68 of the Oklahoma Statutes~~ this title, the exemption from ad valorem taxes shall continue in effect for the four (4) following years upon application as long as all requirements in subsection C of Section 2902 of ~~Title 68 of the Oklahoma Statutes~~ this title are met; and

2. ~~Said~~ Such application shall be examined by the county assessor and approved or rejected by ~~him~~ the county assessor in the same manner as provided by law for approval or rejection of claims for homestead exemptions. Any applicants rejected by ~~him~~ the county assessor whose applications were received before July 1, 1993, may protest any rejection to the county equalization board which shall conduct hearings to protest in the manner prescribed pursuant to Title 68 of the Oklahoma Statutes. In the event the county equalization board has adjourned and so is unable to conduct a review of the county assessor's rejection in tax year 1993, the board shall hear the protest in 1994. Provided, applicants must

appeal within thirty (30) days of rejection. The applicant shall not be required to pay the tax until appeal is heard by the county equalization board. In the event payment is determined to be due by the county equalization board, the company shall pay said tax, but no interest or penalty shall be assessed or due. Approved applications shall be filed by the county assessor with the ~~Oklahoma~~ Tax Commission no later than August 1, 1993. Incomplete applications and applications filed after ~~said~~ such date will be declared null and void by the Tax Commission.

SECTION 13. AMENDATORY 68 O.S. 2001, Section 2949, is amended to read as follows:

Section 2949. A. Beginning with the year 1990 and for each year thereafter, any person sixty-two (62) years of age or older, who is the head of a household, is a resident of and is domiciled in this state during the entire preceding calendar year, whose gross household income for the preceding year did not exceed Ten Thousand Dollars (\$10,000.00) and owns and resides in a manufactured home which is located on land not owned by the owner of the manufactured home may receive an exemption on the manufactured home in an amount equal to Two Thousand Dollars (\$2,000.00).

B. The application for the exemption provided by this section shall be made each year on or before March 15 or within thirty (30) days from and after the receipt by the taxpayer of notice of valuation increase, whichever is later and upon the form prescribed by the Oklahoma Tax Commission, which shall require the taxpayer to certify as to the amount of gross income. Upon request of the county assessor, the Tax Commission shall assist in verifying the correctness of the amount of said gross income. The form prescribed by the Oklahoma Tax Commission pursuant to this section shall state in bold letters that the form is to be returned to the county assessor of the county in which the manufactured home is located.

C. For persons sixty-five (65) years of age or older as of March 15 and who have previously qualified for the exemption provided by this section, no annual application shall be required in order to receive the exemption provided by this section; however, any person whose gross household income in any calendar year exceeds the amount specified in this section in order to qualify for the exemption provided by this section shall notify the county assessor and the exemption shall not be allowed for the applicable year. Any executor or administrator of an estate within which is included a homestead property exempt pursuant to the provisions of this section shall notify the county assessor of the change in status of the homestead property if such property is not the homestead of a person who would be eligible for the exemption provided by this section.

D. As used in this section:

1. "Gross household income" means the gross amount of income of every type, regardless of the source, received by all persons occupying the same household, whether such income was taxable or nontaxable for federal or state income tax purposes, including pensions, annuities, federal Social Security, unemployment payments, veterans' disability compensation, public assistance payments, alimony, support money, workers' compensation, loss-of-time insurance payments, capital gains and any other type of income received, and excluding gifts; and

2. "Head of household" means a person who as owner or joint owner maintains a home and furnishes the support for said home, furnishings, and other material necessities.

SECTION 14. AMENDATORY 68 O.S. 2001, Section 3022, is amended to read as follows:

Section 3022. After the officers of the several municipal subdivisions of the state, constituting the budget making bodies of such subdivisions, including counties, cities, towns and school districts, shall have made and filed their budgets as required by

existing laws with the county clerks, and after advertisement as now required by law, the excise boards shall meet ~~on the last Saturday in July and~~ from time to time thereafter until the State Board of Equalization shall have reported the valuation of public service corporations and utilities, together with the equalized valuation of all other property, to the county, and shall then proceed to pass on appropriations and make levies for all such municipal subdivisions as now provided by law, and shall file a copy of all budgets with the levies made thereon, with the State Auditor and Inspector, and one copy with the county clerks of the respective counties, and the county clerk shall immediately thereafter publish notice for one time, in some newspaper of general circulation in the county, that such budgets and levies are on file for the inspection of any citizen.

Within three (3) days after the filing of any such budgets and levies with the State Auditor and Inspector, ~~he~~ the State Auditor and Inspector shall give notice by mail of the fact and date of such filing ~~with him~~ to any taxpayer who shall have filed written request therefor.

SECTION 15. AMENDATORY 68 O.S. 2001, Section 3102, is amended to read as follows:

Section 3102. Within sixty (60) days after taxes on personal property shall become delinquent as of April 1, the county treasurer shall mail notice to the last-known address of such delinquent taxpayer and cause a general notice to be published one time in some newspaper of general circulation, published in the county, giving the name of each person owing delinquent personal property taxes, stating the amount thereof due, and stating that such delinquent personal property taxes, ~~if not paid~~ within thirty (30) days from date of this publication, shall be placed on a personal property tax lien docket in the office of the county treasurer and the homestead exemption of such taxpayer shall be canceled pursuant to Section

2892 of this title. Such liens are superior to all other liens, conveyances or encumbrances filed subsequent thereto, on real or personal property. The tax lien shall be a lien on all real and personal property of the taxpayer in the county for a period of seven (7) years, except as otherwise provided in subsection B of Section 3103 of this title. From and after the entry of the tax upon the tax lien docket, any person claiming any interest in any land or personal property can sue the county treasurer and board of county commissioners in the district court to determine the validity or priority of the lien.

SECTION 16. AMENDATORY 68 O.S. 2001, Section 3121, is amended to read as follows:

Section 3121. The county treasurer is authorized to demand ~~fifty cents (\$0.50)~~ the fees provided for in Section 43 of Title 28 of the Oklahoma Statutes for each deed or certificate made ~~by him~~ on such sale and the fee for the notary public or other officer acknowledging the deed, but any number of parcels of land bought by any one person may be included in one deed or certificate, as may be desired by the purchaser; and whenever the county treasurer makes a deed of any land sold for taxes ~~he~~ the county treasurer shall enter an account thereof in the sale book opposite the description of the land conveyed.

SECTION 17. AMENDATORY 68 O.S. 2001, Section 3131, is amended to read as follows:

Section 3131. A. Within thirty (30) days after resale of property, the county treasurer shall file in the office of the county clerk a return, and retain a copy thereof in the county treasurer's office, which shall show or include, as appropriate:

1. Each tract or parcel of real estate so sold;
2. The date upon which it was resold;
3. The name of the purchaser;
4. The price paid therefor;

5. A copy of the notice of such resale with an affidavit of its publication or posting; and

6. The complete minutes of sale, and that the same was adjourned from day to day until the sale was completed.

Such notice and return shall be presumptive evidence of the regularity, legality and validity of all the official acts leading up to and constituting such resale. Within such thirty (30) days, the county treasurer shall execute, acknowledge and deliver to the purchaser or the purchaser's assigns, or to the board of county commissioners where such property has been bid off in the name of the county, a deed conveying the real estate thus resold. The issuance of such deed shall effect the cancellation and setting aside of all delinquent taxes, assessments, penalties and costs previously assessed or existing against the real estate, and of all outstanding individual and county tax sale certificates, and shall vest in the grantee an absolute and perfect title in fee simple to the real estate, subject to all claims which the state may have had on the real estate for taxes or other liens or encumbrances. Twelve (12) months after the deed shall have been filed for record in the county clerk's office, no action shall be commenced to avoid or set aside the deed. Provided, that persons under legal disability shall have one year after removal of such disability within which to redeem the real estate.

B. Any number of lots or tracts of land may be included in one deed, for which deed the county treasurer shall collect from the purchaser ~~One Dollar (\$1.00) for the first tract, and ten cents (\$0.10) for each additional tract included therein~~ the fees provided for in Section 43 of Title 28 of the Oklahoma Statutes. The county treasurer shall also charge and collect from the purchaser at such sale an amount in addition to the bid placed on such real estate, sufficient to pay all expenses incurred by the county in preparing, listing and advertising the lot or tract purchased by such bidder,

which sums shall be credited and paid into the resale property fund hereinafter provided, to be used to defray to that extent the costs of resale.

C. When any tract or lot of land sells for more than the taxes, penalties, interest and cost due thereon, the excess shall be held in a separate fund for the prior owner of such land to be withdrawn any time within two (2) years. At the end of two (2) years, if such money has not been withdrawn or collected from the county, it shall be credited to the county resale property fund.

SECTION 18. AMENDATORY 68 O.S. 2001, Section 3137, is amended to read as follows:

Section 3137. ~~(a)~~ A. All penalties, interest and forfeitures which may accrue on delinquent ad valorem taxes, whether real or personal, tangible or intangible, on any properties, persons, firms or corporations within any county, city, town or school district within a county; the proceeds of sale of property acquired by the county at resale, the proceeds of leases, rentals and other royalties arising from the management, control and operation by the county commissioners of property acquired by the county at resale, when collected shall be credited to and accounted for in a special cash fund to be styled the "resale property fund" of such county, except the proceeds of sale of such property located in any special improvement district and by the resale of which any special improvement taxes were canceled, in which event the proceeds of sale thereof after having been acquired by the county shall be divided ratably between the resale property fund and the special improvement-tax account (paving, etc.) of the special improvement district in which such property is located, in the same ratio as the ad valorem tax bears to the special improvement taxes in the total amount of such taxes published as due at the time of the resale whereby the county acquired title to such property. That portion so accruing to such special improvement-tax account shall, in keeping

with the statutes relating thereto, be applied to the fund provided for retirement of bonds and interest coupons of such improvement district.

~~(b)~~ B. The resale property fund herein created for each county is hereby declared to be a continuous fund, not subject to fiscal year limitations, and is hereby dedicated, insofar as may be necessary, to the enforcement of the tax laws of the state, and is authorized to be expended for the following purposes:

~~(1)~~ 1. For the purchase of necessary records, printing, supplies and equipment, and the employment of necessary clerical personnel, either on whole or part-time basis, in connection with delinquent personal tax lists and personal tax warrants, delinquent real estate tax lists and lists of unredeemed delinquent real estate subject to tax sale or resale, such costs to be limited to those incurred by the county treasurer~~;~~;

~~(2)~~ 2. For payment of the cost of advertising or publication, or posting if publication cannot be had, of any such lists~~;~~;

~~(3)~~ 3. For the reimbursement of the purchaser at resale or at commissioners' sale of any lot, tract, or parcel of real estate, sold at resale, against which no tax was due, or where the inclusion of such lot, tract, or parcel in the publication and offer for resale has been held invalid by a court of competent jurisdiction, or where the title thereto is vested in the Commissioners of the Land Office of the State of Oklahoma, or where such Commissioners of the Land Office have instituted or successfully terminated mortgage foreclosure proceedings in relation thereto prior to issuance of either a resale tax deed or a county commissioners' deed, or where such tract or parcel was nontaxable at the time of the assessment thereof for taxes, or where the sale thereof to such purchaser was illegal for any other reason; and such purchaser has no adequate recourse against the property thus sold; such reimbursement shall be made in the order of the claims filed with the county treasurer

therefore, when properly supported by evidence satisfactory to said treasurer that the claimant is entitled to reimbursement hereunder. Provided, however, that no claim for refund not filed, as herein provided, within a period of three (3) years from the date of such sale shall be allowed or paid from said fund-; and

~~(4)~~ 4. For all rebates allowed under authority of statute by the board of county commissioners or the tax roll correction board of the county upon taxes found to have been illegally or erroneously collected, or on sale of certificate or issue of tax deed on lands or lots on which no tax was due or as to which the sale thereof is or was illegal for any reason. Provided, however, before the owner of such invalid deed may be reimbursed as aforesaid, he shall first be required to divest himself of purported title by attaching a quitclaim deed or other disclaimer to his claim for refund, setting out the reason for invalidity of the tax deed. The same procedure for refund shall apply whether the tax deed be from the county treasurer or the chairman of the board of county commissioners. The determination of whether such property has been erroneously sold for taxes to such purchaser, shall be made by the board of county commissioners; and in event title under an invalid resale tax deed remains with the county commissioners, the board of county commissioners so finding same invalid shall execute its resolution or order of disclaimer which shall be filed in the deed records of the county clerk without fee. No fee shall be charged for recording any quitclaim deed or disclaimer from the purchaser under the provisions of this section.

~~(e)~~ C. The expenditures so made shall be made only upon sworn itemized claims approved by the county treasurer and filed with the county clerk and paid by cash voucher drawn by the county clerk payable from said fund. Claims for cost of publication shall take precedence over all other claims on said fund, otherwise said approved claims shall be paid in the order filed as funds accrue

from sale of county property as hereinbefore provided. If any such claim has not been paid within three (3) years, the same shall cease to be an obligation of the resale property fund of such county; but nothing in this article shall operate to prevent the payment for such services from an appropriation for such purpose in the general fund of the county in the manner and under the restrictions provided by law.

~~(d)~~ D. Any residue of cash actually on hand in said fund at any time, after providing for the expense of delinquent tax publication, and for the mandatory holding of sales and resales, made or about to be made, the purchase of necessary records, printing and supplies and the payment of clerical hire, such expenditures, or reserve therefor, to be limited to the necessary expenses incurred by virtue of the authorization herein granted, may be expended by the county commissioners, without further appropriation, in the upkeep, repair and maintenance of unsold properties acquired by the county at resale, by the issuance of cash warrants on such fund in payment of sworn itemized claims therefor; limited in amount to the sum certified to by the county treasurer as being actually on hand in excess of the amount reserved for the purposes hereinbefore stated.

~~(e)~~ E. On or before the ~~15th~~ 30th of June of each year the county treasurer shall file a financial statement of the resale property fund with the county clerk for the approval of the board of county commissioners, setting forth the necessary reserves for expenditures either made or anticipated, to cover: ~~(1)~~

1. The cost of preparing and making delinquent tax publications, as hereinbefore set out; ~~(2)~~

2. The purchase of necessary records, printing and supplies and the payment of clerical hire, such reserves therefor, to be limited to the necessary expenses incurred by virtue of the authorization herein granted; ~~(3)~~

3. To pay claims and encumbrances for the upkeep, repair and maintenance of unsold properties; ~~(4)~~

4. To pay all rebates allowed under authority of statute by the board of county commissioners or the board of tax roll corrections upon taxes found to have been illegally or erroneously collected; and ~~(5)~~

5. To pay for tax sale certificates or issue of deeds on lands or lots on which no tax was due or as to which the sale thereof was illegal for any reason.

~~(f)~~ F. Any balance remaining on hand over and above the necessary reserves for the above mentioned items shall be apportioned forthwith by the county treasurer in the following manner:

~~(1)~~ 1. In each county having a net assessed valuation in excess of Eight Million Dollars (\$8,000,000.00):

a. one-third (1/3) of such surplus residue to such county to be applied first to the payment of delinquent warrants of such county, thereafter to its current general fund~~+~~,

b. one-third (1/3) to the cities and towns of such county, in the ratio that the last certified assessed valuation of each bears to the total such assessed valuation of all such cities and towns in such county, to be by each of them applied in the payment of any delinquent warrants of such city or town, thereafter to its current general fund~~+~~, and

c. one-third (1/3) to the various school districts of the county on a scholastic enumeration basis, to be applied by each of them to the payment of any delinquent warrants of such district and thereafter to its current general fund.

~~(2)~~ 2. In each county having a net assessed valuation of Eight Million Dollars (\$8,000,000.00) or less:

- a. In the ratio that the county, city or town and school district levy bears to the fifteen-mill levy as allocated by the county excise board.
- b. Such surplus to the cities and towns of such county in the ratio that the last certified assessed valuation of each bears to the total assessed valuation of all such cities or towns in such county.
- c. Such surplus to the school districts of the county on a scholastic enumeration basis.
- d. The amounts apportioned to each county, city or town and school district shall be applied by each of them to the payment of any delinquent warrants of such municipality and thereafter to its current general fund.

~~(g)~~ G. Nothing in this section shall be construed to repeal, amend, alter or modify any of the provisions of Sections 2479 or 2480 of this article, but shall be construed to be cumulative thereto.

SECTION 19. AMENDATORY 70 O.S. 2001, Section 18-104, as amended by Section 15, Chapter 434, O.S.L. 2003 (70 O.S. Supp. 2003, Section 18-104), is amended to read as follows:

Section 18-104. A. The funds apportioned and disbursed to the several school districts of the state shall be for the purpose of aiding each school district receiving the same to finance its school budget for each fiscal year. The State Board of Education shall notify the county clerk, the board of education, superintendent of each school district and the school district treasurer of the tentative amount said district is to receive from the funds apportioned under the provisions of this article and disbursed according to the provisions hereof. After such allocation of State

Aid has been made by the State Board of Education and certified to the ~~county clerk~~, treasurer of the school district and district superintendent of schools, such aid may be included as probable income by the board of education in its Estimate of Needs and Financial Statement as submitted to the county excise board, and said excise board shall include such amount in the approved appropriations, and in addition thereto any federal aid certified or allocated by the State Board of Education shall be included in the appropriation made by the excise board if requested by the board of education; provided, no such federal aid estimate shall be used in any way to reduce the State Foundation Aid or Incentive Aid for such school district or sustain a protest for the reduction of a tax levy. If such allocation of aid is not included in the board of education's estimate of needs, it shall be added by the county clerk to the items of appropriation designated by the board of education of the school district. Funds received under the provisions of this article shall be deposited in the general fund of such school district. Provided, funds received from the federal government for current expense purposes shall likewise be added to the appropriation of the general fund if so designated by the board of education of such school district. Provided, further, that the board of education of a school district may enter into agreements with federal agencies for educational projects and programs to be maintained in such districts; and federal funds received by the district in pursuance thereof shall, consistent with the agreement and requirements of the federal agency, be kept, administered and disbursed in such manner as may be prescribed by rules and regulations of the board of education.

B. If the State Board of Education should ascertain that allocation of State Aid to any school district has so changed as to reduce its State Aid, then the State Board of Education shall forthwith notify the district superintendent, the clerk of the board

of education, and the treasurer thereof, as to the amount of reduction in the allocation of State Aid. If there has been an overpayment the same shall be returned to the State Treasurer and credited to a refund account which shall be available for further payment of State Aid. Whenever it becomes necessary for a school district to refund any overpayment of monies previously received, the school district shall issue such warrant against a properly approved encumbrance in the manner provided by law. Such claim or encumbrance shall be coded as a refund of prior revenue and paid from the current expense appropriation of the general fund or such other fund or account from which such refund may properly be paid by the school district.

SECTION 20. REPEALER 19 O.S. 2001, Section 634, is hereby repealed.

SECTION 21. REPEALER 62 O.S. 2001, Section 310.1c, is hereby repealed.

SECTION 22. REPEALER 68 O.S. 2001, Section 2902, as last amended by Section 79 of Enrolled House Bill No. 2725 of the 2nd Session of the 49th Oklahoma Legislature, is hereby repealed.

SECTION 23. 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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