

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 1189 By: Aldridge of the Senate
3 and
4 Blackwell of the House
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8 (state government - comprehensive risk management
9 programs - Surplus Property Revolving Fund -
10 codification -
11 effective date)
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14 AMENDMENT NO. 1. Strike the stricken title, enacting clause and
entire bill and insert
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16 "An Act relating to government; amending 74 O.S.
2001, Section 85.58A, as last amended by Section 6,
17 Chapter 483, O.S.L. 2002 (74 O.S. Supp. 2007,
Section 85.58A), which relates to risk management;
18 updating title; providing example; allowing Risk
Management Administrator to act as agent; creating
19 certain petty cash fund; providing purpose of fund;
setting fund limit; amending 80 O.S. 2001, Section
20 34.6, as amended by Section 14, Chapter 372, O.S.L.
2003 (80 O.S. Supp. 2007, Section 34.6), which
21 relates to the State Surplus Property Revolving
Fund; making fund a continuing fund; allowing for
22 certain investment; allowing for limited expenditure
of interest earned; providing for codification; and
23 providing an effective date.
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1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. AMENDATORY 74 O.S. 2001, Section 85.58A, as
3 last amended by Section 6, Chapter 483, O.S.L. 2002 (74 O.S. Supp.
4 2007, Section 85.58A), is amended to read as follows:

5 Section 85.58A A. The Department of Central Services shall
6 establish for all state agencies, whether or not subject to The
7 Central Purchasing Act, and other entities as provided by law a
8 comprehensive professional risk management program which shall:

9 1. Identify and evaluate risks of loss and exposures to loss to
10 officers, employees and properties;

11 2. Minimize risks through loss-prevention and loss-control
12 programs;

13 3. Transfer risks, if economically advantageous to the state,
14 by acquiring commercial insurance, contractual pass through of
15 liability, or by other means;

16 4. Consolidate and administer risk management plans and
17 programs including self-insurance programs, except Workers'
18 Compensation Insurance and State Employees Group Insurance;

19 5. Determine feasibility of and, if feasible, establish self-
20 insurance programs, considering whether a program may be self-
21 supporting to remain financially and actuarially sound;

22 6. Provide a system to allocate insurance and program costs to
23 determine payment for insurance coverage and program expenses
24 provided by the Department of Central Services;

1 7. When requested by a state retirement system, CompSource
2 Oklahoma or the State and Education Employees Group Insurance Board,
3 assist in obtaining insurance authorized by law. If requested by
4 the Oklahoma State Regents for Higher Education, assist trust funds
5 for which the State Regents serve as trustees in obtaining insurance
6 authorized by law;

7 8. Assist state agencies and officers, employees, and members
8 thereof, charged with licensing authority, in obtaining insurance
9 for liability for judgments, based on the licensing authority,
10 rendered by any court pursuant to federal law;

11 9. When requested by a public trust established pursuant to
12 Title 60 of the Oklahoma Statutes of which the State of Oklahoma is
13 the beneficiary, obtain, provide or assist the public trust in
14 obtaining insurance authorized by law or trust indenture covering
15 any board member, trustee, official, officer, employee or volunteer
16 for errors and omissions or liability risks arising from the
17 performance of ~~their~~ official duties pursuant to law or trust
18 indenture; and

19 10. When requested by the Oklahoma State Regents for Higher
20 Education, for the purpose of insuring real property required
21 pursuant to Section 4018 of Title 70 of the Oklahoma Statutes, of
22 which the Oklahoma State Regents for Higher Education is the
23 beneficiary, obtain, provide or assist the Oklahoma State Regents

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1 for Higher Education in obtaining insurance for the real property
2 pursuant to the provisions of this section.

3 B. The Director of Central Services may hire or contract for
4 the services of a Risk Management Administrator to supervise the
5 Comprehensive Professional Risk Management Program established
6 pursuant to this section. If appointed by the Director as a state
7 employee, the Risk Management Administrator shall be in the
8 unclassified service.

9 C. The Risk Management Administrator shall evaluate insurance
10 coverage needs and in force for state agencies, whether or not
11 subject to The Central Purchasing Act, and other entities as
12 provided by law. All entities shall submit to the Risk Management
13 Administrator all information which the Risk Management
14 Administrator deems necessary to perform this duty.

15 D. The Risk Management Administrator in conjunction with the
16 State Purchasing Director under the authority of the Director of
17 Central Services may negotiate insurance coverage and insurance-
18 related services ~~contracts~~, including, but not limited to, insurance
19 brokerage and consulting services. The State Purchasing Director
20 shall ensure open processes for solicitation and qualification of
21 insurance coverage and services providers. The State Purchasing
22 Director shall award contracts for insurance coverage and services
23 to the provider or providers which offer the best and final terms
24 and conditions. The State Purchasing Director may authorize the

1 Risk Management Administrator to bind for insurance coverage with
2 providers.

3 E. The school districts of this state may request the Risk
4 Management Administrator to advise for the purchase of insurance
5 coverage for the school districts.

6 F. A state agency, whether or not subject to The Central
7 Purchasing Act, that contemplates purchase of property and casualty
8 insurance, shall provide details of the proposed purchase to the
9 Risk Management Administrator for approval or disapproval prior to
10 the purchase.

11 G. The Director of Central Services shall promulgate rules to
12 effect the provisions of the comprehensive professional risk
13 management program.

14 H. 1. a. Any community action agency established pursuant to
15 Sections 5035 through 5040 of this title may
16 participate in the comprehensive professional risk
17 management program established pursuant to this
18 section for risks incurred as a result of operating a
19 Head Start program or providing transportation
20 services to the public. The Risk Management
21 Administrator shall obtain or provide for insurance
22 coverage for such community action agencies or bonding
23 for employees of such community action agencies. Any
24 liability insurance coverage obtained or provided

1 shall include expenses for administrative and legal
2 services obtained or provided by the Risk Management
3 Administrator.

4 b. The Risk Management Administrator shall determine
5 criteria for participation in the risk management
6 program by such community action agencies. In
7 addition, the Risk Management Administrator may
8 require each such community action agency to:

9 (1) provide adequate qualified personnel and suitable
10 facilities and equipment for operating a Head
11 Start program or providing transportation
12 services to the public, and

13 (2) comply with such standards as are necessary for
14 the protection of the clients it serves.

15 2. To receive coverage pursuant to this section, a community
16 action agency shall make payments for any insurance coverage and
17 shall otherwise comply with the provisions of this section and rules
18 promulgated by the Department pursuant to the provisions of this
19 section.

20 3. Requests for the insurance coverage provided pursuant to the
21 provisions of this subsection shall be submitted in writing to the
22 Risk Management Administrator by the community action agencies.

23 I. The Risk Management Administrator may provide or obtain for
24 any state agency, public trust with the state as a beneficiary and

1 a director, officer, employee or member thereof, insurance for
2 liability for loss, including judgments, awards, settlements, costs
3 and legal expenses, resulting from violations of rights or
4 privileges secured by the Constitution or laws of the United States
5 of America which occur while a director, officer, employee or member
6 is acting within the scope of service to the State of Oklahoma. The
7 insurance shall be for coverage in excess of the limits on liability
8 established by The Governmental Tort Claims Act but shall not limit
9 or waive any immunities now or hereafter available to the State of
10 Oklahoma or any state agency, any public trust with the state as a
11 beneficiary, or any director, officer, employee or member thereof,
12 including, but not limited to, any immunities under the Eleventh
13 Amendment to the Constitution of the United States, state sovereign
14 immunity, and any absolute or qualified immunity held by any
15 director, officer, employee or member.

16 SECTION 2. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 63.4 of Title 74, unless there
18 is created a duplication in numbering, reads as follows:

19 There is hereby created a petty cash fund for the Department of
20 Central Services to be used for the State Surplus Auctions in the
21 Property Reutilization Division.

22 The amount of the State Surplus Auction petty cash fund shall
23 not exceed Two Hundred Fifty Dollars (\$250.00), and the initial
24 amount shall be drawn by warrant from the State Surplus Property

1 Revolving Fund. The Director of State Finance is authorized to
2 prescribe forms, systems and procedures for the administration of
3 the State Surplus Auction petty cash fund.

4 SECTION 3. AMENDATORY 80 O.S. 2001, Section 34.6, as
5 amended by Section 14, Chapter 372, O.S.L. 2003 (80 O.S. Supp. 2007,
6 Section 34.6), is amended to read as follows:

7 Section 34.6 There is hereby created in the State Treasury a
8 revolving fund to be designated as the "State Surplus Property
9 Revolving Fund" which shall consist of all monies appropriated
10 thereto by the Legislature and all monies received by the Surplus
11 Property Agent from state departments, boards, commissions,
12 institutions, and agencies and from counties, cities, and towns, and
13 school districts and other authorized program participants as a
14 reimbursement to the state of monies spent in acquiring surplus
15 property for such entities, and for services to the entities. The
16 State Surplus Property Revolving Fund shall be a continuing fund,
17 not subject to fiscal year limitations, and shall be expended by the
18 Surplus Property Agent, under the supervision of the Director of ~~the~~
19 ~~Department of~~ Central Services, for any expense incurred in the
20 handling, transportation, warehousing, distribution of surplus
21 property received by purchase or donation, including the purchase of
22 trucks and equipment, the salary of the Surplus Property Agent and
23 other employees' salaries, other necessary expenses incurred in
24 program administration and operation and expenses the Department of

1 Central Services incurs to support program operations. Expenditures
2 shall be made from the fund on claims signed by the State Surplus
3 Property Agent and approved for payment by the Director of State
4 Finance. Excess funds above the operational needs may be invested
5 in any of the types of instruments in which the State Treasurer is
6 authorized by law to invest. Interest earned shall be retained by
7 the State Surplus Property Revolving Fund, and the funds may be
8 expended by the Department of Central Services to acquire, improve,
9 or maintain state agency surplus property facilities.

10 SECTION 4. This act shall become effective November 1, 2008."

11 Passed the House of Representatives the 22nd day of April, 2008.

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Presiding Officer of the House of
Representatives

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16 Passed the Senate the ____ day of _____, 2008.

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Presiding Officer of the Senate

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