

ESB 490

THE HOUSE OF REPRESENTATIVES
Wednesday, April 1, 2009

ENGROSSED
Senate Bill No. 490
As Amended

ENGROSSED SENATE BILL NO. 490 - By: CRAIN of the Senate and SULLIVAN of the House.

(public finance - taxpayer instituted lawsuits - effective date)

1 SECTION 1. AMENDATORY 62 O.S. 2001, Section 373, is amended to read as
2 follows:
3 Section 373. Upon the refusal, failure, or neglect of the proper officers of the state
4 or of any county, township, city, town, or school district, after written demand signed,
5 verified and served upon them by ~~ten~~ a number of resident taxpayers of the state or such
6 county, township, city, town, or school district equal to one-tenth (1/10) of one percent
7 (1%) of the population that resides within the county, township, city, town or school
8 district according to the latest federal census, or twenty-five (25) persons, whichever
9 number is greater, to institute or diligently prosecute proper proceedings at law or in
10 equity for the recovery of any money or property belonging to the state, or such county,
11 township, city, town, or school district, paid out or transferred by any officer thereof in
12 pursuance of any unauthorized, unlawful, fraudulent, or void contract made, or

1 attempted to be made, by any of its officers for the state or any such county, township,
2 city, town, or school district, or for the penalty provided in the preceding section, any
3 resident taxpayer of the state or such county, township, city, town, or school district
4 affected by such payment or transfer after serving the notice aforesaid and after giving
5 security for cost, may in the name of the State of Oklahoma as plaintiff, institute and
6 maintain any proper action which the proper officers of the state, county, township, city,
7 town, or school district might institute and maintain for the recovery of such property, or
8 for said penalty; and such municipality shall in such event be made defendant, and
9 one-half (1/2) the amount of money and one-half (1/2) the value of the property recovered
10 in any action maintained at the expense of a resident taxpayer under this section, shall
11 be paid to such resident taxpayer as a reward. If all claims stated by the resident
12 taxpayers in the written demand are determined in a court of competent jurisdiction to
13 be frivolous, the resident taxpayers who signed such demand and who are parties to the
14 lawsuit in which such claims are determined to be frivolous shall be jointly and severally
15 liable for all reasonable attorney fees and court costs incurred by any public officer or
16 officers or any other person alleged in such demand to have paid out, transferred, or
17 received any money or property belonging to the state, or such county, township, city,
18 town or school district in pursuance of any alleged unauthorized, unlawful, fraudulent, or
19 void claim paid or contract or conveyance made, or attempted to be made, by such officer
20 or officers.

21 SECTION 2. This act shall become effective November 1, 2009.

1 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY, dated 03-31-09 - DO PASS,
2 As Amended.