

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2392

6 By: Liebmann

7 COMMITTEE SUBSTITUTE

8 An Act relating to public finance; amending 62 O.S.  
9 2011, Section 901, which relates to the Long-Range  
10 Capital Planning Commission; modifying gender  
11 references; modifying provisions related to  
12 membership; modifying provisions related to staffing;  
13 modifying duties and responsibilities; removing  
14 duties of Oklahoma Department of Commerce; modifying  
15 provisions related to the Policy Advisory Committee;  
16 and providing an effective date.

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

18 SECTION 1. AMENDATORY 62 O.S. 2011, Section 901, is  
19 amended to read as follows:

20 Section 901. A. 1. There is hereby created a Long-Range  
21 Capital Planning Commission to advise and assist the Legislature in  
22 providing for capital facilities in this state. The Commission  
23 shall consist of ~~twelve (12)~~ nine (9) members as follows:

- 24 a. ~~four~~ three members appointed by the President Pro  
Tempore of the Senate to serve at ~~his~~ the pleasure of of  
the appointing authority. Of these appointees two

1 shall be members of the Senate and ~~two~~ one shall be  
2 from the public at large,

3 b. ~~four~~ three members appointed by the Speaker of the  
4 House of Representatives to serve at ~~his~~ the pleasure  
5 of the appointing authority. Of these appointees two  
6 shall be members of the House of Representatives and  
7 ~~two~~ one shall be from the public at large, and

8 c. ~~four~~ three members shall be appointed by the Governor  
9 to serve at ~~his~~ the pleasure of the appointing  
10 authority. These appointees shall be from the public  
11 at large.

12 2. A chairman of the Commission shall be elected from its  
13 membership. Seven members of the Commission shall constitute a  
14 quorum. Members of the Commission shall serve without compensation,  
15 but all public members shall be entitled to reimbursement, pursuant  
16 to the State Travel Reimbursement Act, for expenses incurred in the  
17 performance of their duties.

18 3. Initial appointments to the Commission shall be made within  
19 thirty (30) days of the effective date of this act.

20 B. The Commission shall have the authority to promulgate rules  
21 and regulations necessary to implement the provisions of this act.

22 C. The Office of State Finance, with the advice and assistance  
23 of the Oklahoma State Bond Advisor, shall provide staffing for the  
24 Commission and other such assistance as the Commission may require.

1 D. 1. The Commission shall prepare each year a state capital  
2 plan for addressing state, ~~regional and local public~~ capital  
3 facility needs for the next ensuing five (5) years. The Oklahoma  
4 State Regents for Higher Education and each state governmental  
5 entity as defined in Section 695.3 of ~~Title 62 of the Oklahoma~~  
6 ~~Statutes~~ this title shall cooperate with the Commission in the  
7 preparation of the state plan. ~~By October 1, 1992, each state~~  
8 ~~governmental entity shall submit a copy of its complete inventory~~  
9 ~~and a need list.~~ ~~Beginning~~ Each year, on or about December 1, 1993,  
10 the plan shall be submitted to the Governor, Speaker of the House of  
11 Representatives and President Pro Tempore of the Senate ~~no later~~  
12 ~~than December 1 of each year.~~

13 2. a. The capital plan should supplement and integrate, not  
14 replace, existing capital planning processes ~~at the~~  
15 ~~state, regional or local level.~~ The plan shall  
16 consider and incorporate, as appropriate, the local  
17 and regional plans that may be developed ~~pursuant to~~  
18 ~~the provisions of Sections 3 through 6 of this act.~~

19 b. The plan shall assess long-term needs for capital  
20 facilities provided by both state and local  
21 governments as determined by the Commission. The plan  
22 shall include:

23 (1) an inventory of capital facilities held by the  
24 state, and when available, by units of local

1 government or special districts. The inventory  
2 shall include such information as is reasonably  
3 available on the physical and economic condition  
4 of these assets,

5 (2) a projection of economic and demographic trends  
6 likely to influence the needs for new or expanded  
7 capital facilities,

8 (3) an estimate of mandatory, essential, desirable  
9 and deferrable repair, replacement and  
10 expansions,

11 (4) estimates of life cycle costs for new and  
12 substantially expanded or renovated facilities.  
13 ~~Life cycle costs shall include the cost of~~  
14 ~~construction, financing, repair and maintenance,~~

15 (5) an analysis of recent trends and projections of  
16 revenues available from general obligation and  
17 revenue bonds, general and dedicated taxes used  
18 for capital facilities finance, user fees, the  
19 federal government and other sources,

20 (6) an analysis of the capacity of the state and  
21 local governments to incur debt or finance public  
22 capital facilities,

23 (7) a detailed list of all capital projects of the  
24 state which the Commission recommends be

1           undertaken or continued for any state agency in  
2           the next two (2) fiscal years, together with  
3           information as to the effect of such capital  
4           projects on future operating expenses of the  
5           state, and with recommendations as to the  
6           priority of such capital projects and the means  
7           of funding them,

8           (8) the forecasts of the Commission as to the  
9           requirements for capital projects of state  
10          agencies for the three (3) fiscal years next  
11          following such two (2) fiscal years and for such  
12          additional periods, if any, as may be necessary  
13          or desirable for adequate presentation of  
14          particular capital projects, and a schedule for  
15          the planning and implementation or construction  
16          of such capital projects,

17          (9) a schedule for the next fiscal year of  
18          recommended projects,

19          ~~(10) a review of capital projects which have recently~~  
20          ~~been implemented or completed or are in process~~  
21          ~~of implementation or completion,~~

22          ~~(11)~~ recommendations as to the maintenance of physical  
23          properties and equipment of state agencies, and  
24



1 new bond issues are proposed to meet expenditure  
2 requests, any funds created for such purposes shall be  
3 included in this act, and

4 c. a statement regarding the relationship between the  
5 proposals contained in the capital budget and the  
6 capital plan. The capital budget shall be based upon  
7 the capital plan prepared by the Commission.

8 4. The Commission, with the assistance of the Office of State  
9 Finance, shall prepare and publish rules and regulations that set  
10 forth principles and standards for capital planning and budgeting to  
11 be used by state agencies. The rules and regulations shall set  
12 forth definitions of relevant terms to be used in the capital  
13 planning and budgeting processes, establish accounting standards and  
14 standards for costs and benefits of public facility investments.

15 ~~E. The Oklahoma Department of Commerce shall assist the Long-~~  
16 ~~Range Capital Planning Commission in developing any portion of the~~  
17 ~~state capital plan addressing regional and local public capital~~  
18 ~~facility needs. The Department shall assist in providing the~~  
19 ~~expertise and information required to assess long-term needs for~~  
20 ~~capital facilities at the regional and local level. The Department~~  
21 ~~shall have the authority to contract with other entities to provide~~  
22 ~~the type of information needed to prepare:~~

23 ~~1. An inventory of capital facilities held by units of local~~  
24 ~~government, and special districts, including such information as is~~

1 ~~reasonably available on the physical and economic condition of these~~  
2 ~~assets. Inventories shall be conducted according to the~~  
3 ~~geographical boundaries of the regional councils;~~

4 ~~2. A projection of economic and demographic trends likely to~~  
5 ~~influence the needs for new or expanded local capital facilities;~~

6 ~~3. An estimate of mandatory, essential, desirable and~~  
7 ~~deferrable repair, replacement and expansions; and~~

8 ~~4. Estimates of life cycle costs for new and substantially~~  
9 ~~expanded or renovated facilities. Life cycle costs shall include~~  
10 ~~the cost of construction, financing, repair and maintenance.~~

11 ~~F.~~ 1. The Commission, the Office of State Finance, and the  
12 Oklahoma State Bond Advisor may call to their assistance such  
13 personnel or any state agency in order to perform their duties  
14 pursuant to the State Capital Improvement Planning Act and such  
15 agencies shall respond and provide any such assistance as may be  
16 required. ~~The Office of State Finance and other state agencies also~~  
17 ~~shall assist the Commission in the performance of its functions.~~

18 The Commission may use existing studies, surveys, plans, data and  
19 other materials in the possession of any state agency or any  
20 municipality or political subdivision of this state. Each such  
21 agency, municipality or subdivision may make the same available to  
22 the Commission so that the Commission may have available to it  
23 current information with respect to the capital plans and programs  
24 of each such agency, municipality or subdivision.

1        2. The officers and personnel of any state agency, ~~municipality~~  
2 ~~or political subdivision, and any other person~~ may serve at the  
3 request of the Commission upon such advisory committees as the  
4 Commission may create and such officers and personnel may serve upon  
5 such committees without forfeiture of office or employment and with  
6 no loss or diminution of the compensation, status, rights and  
7 privileges which they otherwise enjoy.

8        ~~G. 1. There is hereby created the Policy Advisory Committee to~~  
9 ~~the Commission to meet no less than once a year or at the call of~~  
10 ~~the chairman of the Commission.~~

11        ~~2. The purposes and responsibilities of the Policy Advisory~~  
12 ~~Committee shall be:~~

- 13            a. ~~to counsel and otherwise assist the Commission in the~~  
14                ~~development of the capital plan, and~~
- 15            b. ~~to review and comment on the capital plan and make~~  
16                ~~recommendations to the Commission concerning capital~~  
17                ~~planning and debt management issues as deemed~~  
18                ~~appropriate by the Committee.~~

19        ~~3. The Policy Advisory Committee shall be composed of the~~  
20 ~~members of the Bond Oversight Commissions and the chief executive~~  
21 ~~officer or fixed designate from each of the following entities;~~  
22 ~~provided, designated members shall be appointed by each chief~~  
23 ~~executive officer for a term certain which shall not be less than~~  
24 ~~one (1) year:~~

- 1           a.   ~~Association of County Commissioners of Oklahoma,~~
- 2           b.   ~~Oklahoma Municipal League,~~
- 3           c.   ~~State Department of Transportation,~~
- 4           d.   ~~Oklahoma Turnpike Authority,~~
- 5           e.   ~~Office of Public Affairs,~~
- 6           f.   ~~Oklahoma Water Resources Board,~~
- 7           g.   ~~Department of Human Services,~~
- 8           h.   ~~Department of Corrections,~~
- 9           i.   ~~Department of Mental Health,~~
- 10          j.   ~~Oklahoma Tourism and Recreation Department,~~
- 11          k.   ~~Department of Education,~~
- 12          l.   ~~Oklahoma State Regents for Higher Education,~~
- 13          m.   ~~State Department of Health,~~
- 14          n.   ~~State Department of Agriculture,~~
- 15          o.   ~~Oklahoma Department of Career and Technology~~
- 16             ~~Education,~~
- 17          p.   ~~Oklahoma Association of Regional Councils, and~~
- 18          q.   ~~Such other members as determined by the Commission.~~

19       SECTION 2.   This act shall become effective November 1, 2012.

21       53-2-9325           MAH       02/09/12