

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 2392

By: Liebmann

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5
6 AS INTRODUCED

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

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

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

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

- 22 a. ~~four~~ three members appointed by the President Pro
23 Tempore of the Senate to serve at his pleasure. Of
24 these appointees two shall be members of the Senate
and ~~two~~ one shall be from the public at large,

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

6 c. ~~four~~ three members shall be appointed by the Governor
7 to serve at his pleasure. These appointees shall be
8 from the public at large.

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

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

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

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

22 D. 1. The Commission shall prepare each year a state capital
23 plan for addressing state, ~~regional and local public~~ capital
24 facility needs for the next ensuing five (5) years. The Oklahoma

1 State Regents for Higher Education and each state governmental
2 entity as defined in Section 695.3 of Title 62 of the Oklahoma
3 Statutes shall cooperate with the Commission in the preparation of
4 the state plan. ~~By October 1, 1992, each state governmental entity~~
5 ~~shall submit a copy of its complete inventory and a need list.~~
6 ~~Beginning December 1, 1993,~~ Each year, on or about December 1, the
7 plan shall be submitted to the Governor, Speaker of the House of
8 Representatives and President Pro Tempore of the Senate ~~no later~~
9 ~~than December 1 of each year.~~

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

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

20 (1) an inventory of capital facilities held by the
21 state, and when available, by units of local
22 government or special districts. The inventory
23 shall include such information as is reasonably
24

1 available on the physical and economic condition
2 of these assets,

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

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

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

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

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

21 (7) a detailed list of all capital projects of the
22 state which the Commission recommends be
23 undertaken or continued for any state agency in
24 the next two (2) fiscal years, together with

1 information as to the effect of such capital
2 projects on future operating expenses of the
3 state, and with recommendations as to the
4 priority of such capital projects and the means
5 of funding them,

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

15 (9) a schedule for the next fiscal year of
16 recommended projects,

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

20 ~~(11)~~ recommendations as to the maintenance of physical
21 properties and equipment of state agencies, and

22 ~~(12)~~ (11) such other information as the Commission deems
23 relevant to the foregoing matters.
24

1 3. The Governor shall prepare at the same time as the state
2 budget document is prepared, a capital budget. The capital budget
3 shall be prepared and submitted by the Governor or Governor-elect in
4 accordance with the procedures for preparing the state budget
5 document. The capital budget shall embrace all expenditures of the
6 state government for facilities and equipment and all revenues to be
7 raised for purpose of meeting expenditure commitments during the
8 next ensuing fiscal year and shall include the following:

- 9 a. for each expenditure and class of expenditures, the
10 costs to be incurred during the next ensuing fiscal
11 year, plus where appropriate, the annual operating and
12 maintenance costs of such facilities and a schedule of
13 depreciation calculated in accordance with the
14 principles and standards of capital budgeting
15 authorized by paragraph 4 of this subsection,
16 b. the revenues and sources required to meet projected
17 expenditures. Revenue sources to be indicated
18 include, but are not limited to: the General Revenue
19 Fund, the Transportation Fund, any special funds,
20 proceeds of bond sales, federal funds, local
21 government revenue or other sources. Where additional
22 revenues in the form of additional taxes, user fees or
23 new bond issues are proposed to meet expenditure
24

1 requests, any funds created for such purposes shall be
2 included in this act, and

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

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

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

22 ~~1. An inventory of capital facilities held by units of local~~
23 ~~government, and special districts, including such information as is~~
24 ~~reasonably available on the physical and economic condition of these~~

1 ~~assets. Inventories shall be conducted according to the~~
2 ~~geographical boundaries of the regional councils;~~

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

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

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

10 ~~F.~~ 1. The Commission, the Office of State Finance, and the
11 Oklahoma State Bond Advisor may call to their assistance such
12 personnel or any state agency in order to perform their duties
13 pursuant to the State Capital Improvement Planning Act and such
14 agencies shall respond and provide any such assistance as may be
15 required. ~~The Office of State Finance and other state agencies also~~
16 ~~shall assist the Commission in the performance of its functions.~~
17 The Commission may use existing studies, surveys, plans, data and
18 other materials in the possession of any state agency or any
19 municipality or political subdivision of this state. Each such
20 agency, municipality or subdivision may make the same available to
21 the Commission so that the Commission may have available to it
22 current information with respect to the capital plans and programs
23 of each such agency, municipality or subdivision.

24

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 53-2-8329 MAH 01/11/12