

1 **SENATE FLOOR VERSION**

February 26, 2014

2 **AS AMENDED**

3 SENATE BILL NO. 1966

By: Sykes of the Senate

4 and

5 Echols of the House

6
7
8 **[Commissioners of the Land Office - rate of interest**
9 **- Office of the Attorney General of Oklahoma -**
10 **represent the Commissioners of the Land Office -**
11 **effective date]**

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

13 SECTION 1. AMENDATORY 64 O.S. 2011, Section 1038, is
14 amended to read as follows:

15 Section 1038. The Commissioners of the Land Office are hereby
16 authorized to employ attorneys ~~or to engage private attorneys to;~~
17 however, only the Office of the Attorney General of Oklahoma may
18 bring or defend suits in the name of the Commissioners of the Land
19 Office and on behalf of the State of Oklahoma in ~~all~~ any matters
20 affecting the public lands of the state, and in ~~all~~ any matters
21 affecting the loaning, investing or collecting of school land and
22 state land monies, of, and belonging to the state. ~~It shall be the~~
23 ~~duty of the Attorney General of the state, when requested by the~~
24 ~~Commissioners of the Land Office, to represent the Commissioners,~~

1 ~~and the state in the prosecution or defense of any suit or action so~~
2 ~~instituted, brought or defended.~~

3 SECTION 2. AMENDATORY 64 O.S. 2011, Section 1063, is
4 amended to read as follows:

5 Section 1063. A. The Commissioners of the Land Office are
6 authorized to lease for oil and gas purposes any of the school or
7 other lands owned by the State of Oklahoma, which such Commissioners
8 may deem valuable for oil and gas. Each such lease shall:

9 1. ~~be~~ Be a commence-type lease and shall provide for a term not
10 less than one year and not to exceed five (5) years; ~~and~~

11 2. Continue as long thereafter as oil or gas may be produced
12 therefrom in paying quantities, upon such terms and conditions and
13 in such quantities as the Commissioners shall by rules and
14 regulations prescribe. ~~Each such lease shall;~~

15 3. ~~provide~~ Provide for the delivery to the state of a royalty
16 of not less than one-eighth (1/8) part of the oil or gas produced
17 from the leased premises or in lieu thereof the payment to the state
18 of the market value of said royalty interest, as the Commissioners
19 may elect; ~~;~~

20 4. Provide that, where proceeds from the sale of oil or gas
21 production or some portion of such proceeds are not paid prior to
22 the end of the applicable time periods provided in Section 570.10 of
23 Title 52 of the Oklahoma Statutes, the maximum rate of interest for
24 purposes of paragraphs 1 and 2 of subsection D of that section,

1 shall be calculated in the same manner as prejudgment interest under
2 Section 727.1 of Title 12 of the Oklahoma Statutes. This provision
3 shall not affect the exclusive remedy of the Production Revenue
4 Standards Act under Section 903 of Title 52 of the Oklahoma
5 Statutes;

6 5. ~~The leases shall be~~ Be offered by public competition after
7 notice of the lease auction published one time not less than thirty
8 (30) days prior to the lease auction date in two newspapers
9 authorized by law to publish legal notices. One of the newspapers
10 shall be published in the county where the land is located or other
11 newspaper as authorized by Section 106 of Title 25 of the Oklahoma
12 Statutes. The other shall be a newspaper of general circulation in
13 this state~~;~~;

14 6. ~~Such leasing shall be~~ Be let by sealed bids and each lease
15 awarded to the highest responsible bidder~~, such oil and gas leases~~
16 ~~may be;~~ and

17 7. Be assigned only with the consent and approval of the
18 Commissioners of the Land Office; provided, the Commissioners have
19 the right to reject any and all bids.

20 B. The Commissioners of the Land Office shall provide any other
21 notice of oil and gas lease sales to all interested parties by any
22 means it determines is needed to attract the best competition.

23 SECTION 3. AMENDATORY 74 O.S. 2011, Section 18b, is
24 amended to read as follows:

1 Section 18b. A. The duties of the Attorney General as the
2 chief law officer of the state shall be:

3 1. To appear for the state and prosecute and defend all actions
4 and proceedings, civil or criminal, in the Supreme Court and Court
5 of Criminal Appeals in which the state is interested as a party;

6 2. To appear for the state and prosecute and defend all actions
7 and proceedings in any of the federal courts in which the state is
8 interested as a party;

9 3. To initiate or appear in any action in which the interests
10 of the state or the people of the state are at issue, or to appear
11 at the request of the Governor, the Legislature, or either branch
12 thereof, and prosecute and defend in any court or before any
13 commission, board or officers any cause or proceeding, civil or
14 criminal, in which the state may be a party or interested; and when
15 so appearing in any such cause or proceeding, the Attorney General
16 may, if the Attorney General deems it advisable and to the best
17 interest of the state, take and assume control of the prosecution or
18 defense of the state's interest therein;

19 4. To consult with and advise district attorneys, when
20 requested by them, in all matters pertaining to the duties of their
21 offices, when said district attorneys shall furnish the Attorney
22 General with a written opinion supported by citation of authorities
23 upon the matter submitted;

1 5. To give an opinion in writing upon all questions of law
2 submitted to the Attorney General by the Legislature or either
3 branch thereof, or by any state officer, board, commission or
4 department, provided, that the Attorney General shall not furnish
5 opinions to any but district attorneys, the Legislature or either
6 branch thereof, or any other state official, board, commission or
7 department, and to them only upon matters in which they are
8 officially interested;

9 6. At the request of the Governor, State Auditor and Inspector,
10 State Treasurer, or either branch of the Legislature, to prosecute
11 any official bond or any contract in which the state is interested,
12 upon a breach thereof, and to prosecute or defend for the state all
13 actions, civil or criminal, relating to any matter connected with
14 either of their Departments;

15 7. Whenever requested by any state officer, board or
16 commission, to prepare proper drafts for contracts, forms and other
17 writing which may be wanted for the use of the state;

18 8. To prepare drafts of bills and resolutions for individual
19 members of the Legislature upon their written request stating the
20 gist of the bill or resolution desired;

21 9. To enforce the proper application of monies appropriated by
22 the Legislature and to prosecute breaches of trust in the
23 administration of such funds;

24

1 10. To institute actions to recover state monies illegally
2 expended, to recover state property and to prevent the illegal use
3 of any state property, upon the request of the Governor or the
4 Legislature;

5 11. To pay into the State Treasury, immediately upon its
6 receipt, all monies received by the Attorney General belonging to
7 the state;

8 12. To keep and file copies of all opinions, contracts, forms
9 and letters of the office, and to keep an index of all opinions,
10 contracts and forms according to subject and section of the law
11 construed or applied;

12 13. To keep a register or docket of all actions, demands and
13 investigations prosecuted, defended or conducted by the Attorney
14 General in behalf of the state. Said register or docket shall give
15 the style of the case or investigation, where pending, court number,
16 office number, the gist of the matter, result and the names of the
17 assistants who handled the matter;

18 14. To keep a complete office file of all cases and
19 investigations handled by the Attorney General on behalf of the
20 state;

21 15. To report to the Legislature or either branch thereof
22 whenever requested upon any business relating to the duties of the
23 Attorney General's office;

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1 16. To institute civil actions against members of any state
2 board or commission for failure of such members to perform their
3 duties as prescribed by the statutes and the Constitution and to
4 prosecute members of any state board or commission for violation of
5 the criminal laws of this state where such violations have occurred
6 in connection with the performance of such members' official duties;

7 17. To respond to any request for an opinion of the Attorney
8 General's office, submitted by a member of the Legislature,
9 regardless of subject matter, by written opinion determinative of
10 the law regarding such subject matter;

11 18. To convene multicounty grand juries in such manner and for
12 such purposes as provided by law; provided, such grand juries are
13 composed of citizens from each of the counties on a pro rata basis
14 by county;

15 19. To investigate any report by the State Auditor and
16 Inspector filed with the Attorney General pursuant to Section 223 of
17 this title and prosecute all actions, civil or criminal, relating to
18 such reports or any irregularities or derelictions in the management
19 of public funds or property which are violations of the laws of this
20 state;

21 20. To represent and protect the collective interests of all
22 utility consumers of this state in rate-related proceedings before
23 the Corporation Commission or in any other state or federal judicial
24 or administrative proceeding;

1 21. To represent and protect the collective interests of
2 insurance consumers of this state in rate-related proceedings before
3 the Insurance Property and Casualty Rate Board or in any other state
4 or federal judicial or administrative proceeding; and

5 22. To investigate and prosecute any criminal action relating
6 to insurance fraud, if in the opinion of the Attorney General a
7 criminal prosecution is warranted, or to refer such matters to the
8 appropriate district attorney.

9 B. Nothing in this section shall be construed as requiring the
10 Attorney General to appear and defend or prosecute in any court any
11 cause or proceeding for or on behalf of the Oklahoma Tax Commission,
12 or the Board of Managers of the State Insurance Fund, ~~or the~~
13 ~~Commissioners of the Land Office.~~

14 C. In all appeals from the Corporation Commission to the
15 Supreme Court of Oklahoma in which the state is a party, the
16 Attorney General shall have the right to designate counsel of the
17 Corporation Commission as the Attorney General's legally appointed
18 representative in such appeals, and it shall be the duty of the ~~said~~
19 Corporation Commission counsel to act when so designated and to
20 consult and advise with the Attorney General regarding such appeals
21 prior to taking action therein.

22 SECTION 4. AMENDATORY 74 O.S. 2011, Section 18c, as
23 amended by Section 695, Chapter 304, O.S.L. 2012 (74 O.S. Supp.
24 2013, Section 18c), is amended to read as follows:

1 Section 18c. A. 1. Except as otherwise provided by this
2 subsection, no state officer, board or commission shall have
3 authority to employ or appoint attorneys to advise or represent said
4 officer, board or commission in any matter.

5 2. The provisions of this subsection shall not apply to the
6 Corporation Commission, the Council on Law Enforcement Education and
7 Training, the Consumer Credit Commission, the Board of Managers of
8 the State Insurance Fund, the Oklahoma Tax Commission, ~~the~~
9 ~~Commissioners of the Land Office,~~ the Oklahoma Public Welfare
10 Commission also known as the Commission for Human Services, the
11 State Board of Corrections, the Oklahoma Health Care Authority, the
12 Department of Public Safety, the Oklahoma State Bureau of Narcotics
13 and Dangerous Drugs Control, the Alcoholic Beverage Laws Enforcement
14 Commission, the Transportation Commission, the Oklahoma Energy
15 Resources Board, the Oklahoma Merit Protection Commission, the
16 Office of Management and Enterprise Services, the Oklahoma Water
17 Resources Board, the Department of Labor, the Department of
18 Agriculture, Food, and Forestry, the Northeast Oklahoma Public
19 Facilities Authority, the Oklahoma Firefighters Pension and
20 Retirement System, the Oklahoma Public Employees Retirement System,
21 the Uniform Retirement System for Justices and Judges, the Oklahoma
22 Conservation Commission, the Office of Juvenile Affairs, and the
23 State Board of Pharmacy.

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1 3. The provisions of paragraph 2 of this subsection shall not
2 be construed to authorize the Office of Juvenile Affairs to employ
3 any attorneys that are not specifically authorized by law.

4 4. All the legal duties of such officer, board or commission
5 shall devolve upon and are hereby vested in the Attorney General;
6 provided that:

7 a. the Governor shall have authority to employ special
8 counsel to protect the rights or interest of the state
9 as provided in Section 6 of this title, and

10 b. liquidation agents of banks shall have the authority
11 to employ local counsel, with the consent of the Bank
12 Commissioner and the Attorney General and the approval
13 of the district court.

14 B. At the request of any state officer, board or commission,
15 except the Corporation Commission, the Board of Managers of the
16 CompSource Oklahoma, Oklahoma Tax Commission ~~and the Commissioners~~
17 ~~of the Land Office~~, the Grand River Dam Authority, the Oklahoma
18 State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic
19 Beverage Laws Enforcement Commission, the Oklahoma Firefighters
20 Pension and Retirement System, the Oklahoma Public Employees
21 Retirement System, the Uniform Retirement System for Justices and
22 Judges and the Interstate Oil and Gas Compact Commission, the
23 Attorney General shall defend any action in which they may be sued
24 in their official capacity. At the request of any such state

1 officer, board or commission, the Attorney General shall have
2 authority to institute suits in the name of the State of Oklahoma on
3 their relation, if after investigation the Attorney General is
4 convinced there is sufficient legal merit to justify the action.

5 C. Any officer, board, or commission which has the authority to
6 employ or appoint attorneys may request that the Attorney General
7 defend any action arising pursuant to the provisions of The
8 Governmental Tort Claims Act.

9 D. Nothing in this section shall be construed to repeal or
10 affect the provisions of the statutes of this state pertaining to
11 attorneys and legal advisors of the several commissions and
12 departments of state specified in subsection B of this section, and
13 all acts and parts of acts pertaining thereto shall be and remain in
14 full force and effect.

15 SECTION 5. This act shall become effective September 1, 2014.

16 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
17 February 26, 2014 - DO PASS AS AMENDED
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