

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1688

By: Denney

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5  
6 AS INTRODUCED

7 An Act relating to revenue and taxation; amending 68  
8 O.S. 2011, Sections 2816 and 2947, which relate to ad  
9 valorem taxation; amending 68 O.S. 2011, Sections  
10 3201 and 3204, which relate to documentary stamp tax  
11 revenues; providing for payment of expenses from the  
12 County Government Modernization Revolving Fund;  
13 requiring Oklahoma State University Center for Local  
14 Government Technology to perform certain duties  
15 related to computer-assisted mass appraisal;  
16 providing for transfer of funds from the Ad Valorem  
17 Division of the Oklahoma Tax Commission; providing  
18 for transfer of funds to the County Government  
19 Modernization Revolving Fund; modifying references;  
20 modifying apportionment of revenues derived from  
21 documentary stamp taxes; providing for apportionment  
22 of monies to the General Revenue Fund; providing for  
23 apportionment of monies to the County Government  
24 Modernization Revolving Fund; creating the County  
Government Modernization Revolving Fund; providing  
for apportionment of revenues to the County  
Government Modernization Revolving Fund; providing  
for authorized use of revenues; providing for  
oversight of fund by Commission on County Government  
Personnel Education and Training; providing for  
distribution of monies; providing for expenditures  
from fund; providing for system of apportionment;  
providing for proportional reduction under certain  
conditions; providing for reserve account within the  
County Government Modernization Revolving Fund;  
specifying source of funds for reserve account;  
prescribing maximum reserve account balance;  
prescribing procedures for authorized expenditures  
from reserve account; providing for transfer of  
certain monies to the General Revenue Fund of the  
State Treasury; amending 19 O.S. 2011, Section 130.6,

1 as amended by Section 2, Chapter 189, O.S.L. 2013 (19  
2 O.S. Supp. 2014, Section 130.6), which relates to  
3 support staff and certain training programs;  
4 modifying provisions related to expenses; providing  
5 for codification; providing an effective date; and  
6 declaring an emergency.

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

8 SECTION 1. AMENDATORY 68 O.S. 2011, Section 2816, is  
9 amended to read as follows:

10 Section 2816. A. The Director of the Ad Valorem Division of  
11 the Oklahoma Tax Commission, the first deputy within such division,  
12 all field analysts or equalization and assessment analysts within  
13 such division, each elected county assessor assuming office on or  
14 after January 1, 1991, all first deputies within such assessors'  
15 offices and all personnel involved in the actual appraisal of real  
16 property shall be required to achieve educational accreditation as  
17 prescribed by this section. Such accreditation shall be achieved  
18 within the time prescribed. Failure to achieve such accreditation  
19 shall result in forfeiture of office or termination of employment.  
20 A vacancy in a public office created for failure to achieve such  
21 accreditation shall be filled in the manner provided by law.

22 B. Accreditation for persons designated in subsection A of this  
23 section shall consist of initial accreditation and advanced  
24 accreditation as follows:

1           1. Within one (1) year from the date an assessor is elected to  
2 office, the assessor shall be required to successfully complete  
3 initial accreditation. If the assessor does not successfully  
4 complete testing or some part of the requirement, initial  
5 accreditation shall be completed within eighteen (18) months from  
6 the date of the assessor's election to office. Initial  
7 accreditation shall consist of successful completion of two (2)  
8 academic units. The first academic unit shall consist of basic ad  
9 valorem taxation law, legal responsibilities of the assessor's  
10 office, the role of the county assessor, valuation requirements and  
11 assessment administration. The second academic unit shall consist  
12 of basic appraisal and assessment processes.

13           2. Within one (1) year from the completion date of initial  
14 accreditation, the assessor shall be required to successfully  
15 complete advanced accreditation. If the assessor does not  
16 successfully complete advanced accreditation testing or some part of  
17 the requirement, advanced accreditation shall be completed by July  
18 1, 1995, for persons holding office on May 27, 1993, or for persons  
19 assuming office after May 27, 1993, within eighteen (18) months from  
20 the date initial accreditation is completed. Advanced accreditation  
21 shall consist of successful completion of ~~four (4)~~ five (5) academic  
22 units. Each unit shall consist of one of the following topics:

- 23           a. appraisal procedures,
- 24           b. valuation of personal property,

- c. valuation of agricultural property, and
- d. mass appraisal procedures.

3. A county assessor's deputy not previously accredited pursuant to paragraphs 1 and 2 of this subsection shall be subject to the same requirements as the county assessor. Failure to complete the accreditations within the times prescribed shall result in dismissal of the deputy.

4. For any person required to achieve accreditation pursuant to this section and for whom the period of time to complete the accreditation is not otherwise prescribed, the accreditation shall be completed within eighteen (18) months of January 1, 1991 or within eighteen (18) months of the beginning date of employment if such person is initially employed after January 1, 1991.

C. Each county assessor who has successfully completed advanced accreditation shall thereafter be required to complete a continuing education requirement of thirty (30) hours every three (3) years. Failure to complete the continuing education requirement shall result in forfeiture of any travel reimbursement until the requirement is completed. Continuing education shall consist of successful completion of academic units on changes in Oklahoma Statutes affecting ad valorem taxation, real estate or appraisal, valuation and appraisal methods, mass appraisal methods or other topics appropriate to the improvement of county assessor's offices. A deputy who has completed advanced accreditation as required by

1 this section shall be subject to the continuing education  
2 requirement.

3 D. The Oklahoma State University Center for Local Government  
4 Technology, in cooperation with the Oklahoma Tax Commission and the  
5 County Assessors' Association, shall develop educational  
6 requirements, curriculum materials, appropriate study resources and  
7 examinations for an education program for accreditation purposes  
8 established in this section. The Oklahoma State University Center  
9 for Local Government Technology shall provide necessary classes,  
10 seminars and materials in support of the accreditation requirements.  
11 Nothing in this section shall be construed to prohibit use of the  
12 International Association of Assessing Officers' course work, where  
13 applicable, or any of its professional designations, as a substitute  
14 for or supplement to the accreditation program requirements.

15 E. For purposes of the administration of the accreditation  
16 requirements, the Oklahoma State University Center for Local  
17 Government Technology shall be responsible for keeping an official  
18 record as to the accreditation of individual county assessors and  
19 deputies and others who are required to achieve accreditation. Such  
20 record shall be the sole responsibility of Oklahoma State University  
21 and shall be defined as an open record under Section 24A.1 et seq.  
22 of Title 51 of the Oklahoma Statutes. The Oklahoma State University  
23 Center for Local Government Technology shall be responsible for  
24 forwarding only the pass/fail results of individual testing to the

1 Tax Commission. The Tax Commission shall issue the accreditations  
2 to all persons who have so qualified. All expenses incurred in the  
3 performance of the duties imposed upon the Oklahoma State University  
4 Center for Local Government Technology shall be paid out of funds  
5 deposited in the County Government Modernization Revolving Fund as  
6 provided by Section 6 of this act, appropriated or otherwise made  
7 available to the Tax Commission or the university, may charge a  
8 reasonable fee to defray the cost of sponsoring the educational  
9 accreditation academic units required by this section.

10 F. The Oklahoma State University Center for Local Government  
11 Technology, in cooperation with ~~the Tax Commission,~~ the County  
12 Assessors' Association and the County Treasurers' Association shall  
13 provide computer software programs, support of software and hardware  
14 including installation, maintenance, data management and training,  
15 to counties currently using the services previously provided by the  
16 State Auditor and Inspector. All expenses incurred in the  
17 performance of the duties imposed upon the Oklahoma State University  
18 Center for Local Government Technology shall be paid out of funds  
19 deposited in the County Government Modernization Revolving Fund as  
20 provided by Section 6 of this act, appropriated or otherwise made  
21 available to the Tax Commission, or the University may charge a  
22 reasonable fee to defray the cost of sponsoring the County Computer  
23 Assistance Program support services required by this section.  
24

1       G. The Oklahoma State University Center for Local Government  
2 Technology, in cooperation with the County Assessors' Association,  
3 shall provide the administration, support, training, and  
4 implementation of the Oklahoma State University Center for Local  
5 Government Technology-sponsored computer-assisted mass appraisal  
6 computer software system, to any county using the services provided  
7 by the Ad Valorem Division of the Oklahoma Tax Commission on the  
8 effective date of this act, if such county elects to adopt the  
9 Oklahoma State University Center for Local Government Technology-  
10 sponsored program. All expenses incurred in the performance of the  
11 duties imposed upon the Oklahoma State University Center for Local  
12 Government Technology for the computer-assisted mass appraisal  
13 program shall be paid out of funds deposited in the County  
14 Government Modernization Revolving Fund, appropriated or otherwise  
15 made available to the Tax Commission.

16       H. All powers, duties, responsibilities, property, assets,  
17 liabilities, fund balances, encumbrances and obligations of the Ad  
18 Valorem Division of the Oklahoma Tax Commission relating to the  
19 computer-assisted mass appraisal system, referenced in subsection G  
20 of this section, including, but not limited to, program management,  
21 support and training, are hereby transferred to the Oklahoma State  
22 University Center for Local Government Technology.

23       SECTION 2.       AMENDATORY       68 O.S. 2011, Section 2947, is  
24 amended to read as follows:

1 Section 2947. A. There is hereby created in the State Treasury  
2 a revolving fund for the Oklahoma Tax Commission, to be designated  
3 the "Computer-Assisted Mass Appraisal Implementation Revolving  
4 Fund". The fund shall be a continuing fund, not subject to fiscal  
5 year limitations, and shall consist of appropriations made by the  
6 Legislature. Monies appropriated to the fund shall be expended by  
7 the Ad Valorem Division of the Oklahoma Tax Commission for the  
8 purpose of implementing the visual inspection program and the  
9 computer-assisted system of mass appraisal as required by law.

10 B. On the effective date of this act, all monies remaining in  
11 the Computer-Assisted Mass Appraisal Implementation Revolving Fund  
12 shall be transferred to the County Government Modernization  
13 Revolving Fund created in Section 5 of this act.

14 SECTION 3. AMENDATORY 68 O.S. 2011, Section 3201, is  
15 amended to read as follows:

16 Section 3201. A. A tax is hereby imposed on each deed,  
17 instrument, or writing by which any lands, tenements, or other  
18 realty sold shall be granted, assigned, transferred, or otherwise  
19 conveyed to or vested in the purchaser or purchasers, or any other  
20 person or persons, by his or their direction, when the consideration  
21 or value of the interest or property conveyed, exclusive of the  
22 value of any lien or encumbrance remaining thereon at the time of  
23 sale, exceeds One Hundred Dollars (\$100.00). The tax shall be  
24 prorated at the rate of seventy-five cents (\$0.75) for each Five

1 Hundred Dollars (\$500.00) of the consideration or any fractional  
2 part thereof.

3 B. The tax is limited to conveyances of realty sold and does  
4 not apply to other conveyances. The tax attaches at the time the  
5 deed or other instrument of conveyance is executed and delivered to  
6 the buyer, irrespective of the time when the sale is made.

7 C. As used in this section:

8 1. "Sold" means a transfer of an interest for a valuable  
9 consideration, which may involve money or anything of value; ~~and~~

10 2. "Deed" means any instrument or writing whereby realty is  
11 assigned, transferred, or otherwise conveyed to, or vested in, the  
12 purchaser or, at his direction, any other person; and

13 3. "Consideration" means the actual pecuniary value exchanged  
14 or paid or to be exchanged or paid in the future, exclusive of  
15 interest, whether in money or otherwise, for the transfer or  
16 conveyance of an interest of realty, including any assumed  
17 indebtedness.

18 SECTION 4. AMENDATORY 68 O.S. 2011, Section 3204, is  
19 amended to read as follows:

20 Section 3204. A. The Oklahoma Tax Commission shall design such  
21 stamps in such denominations as in its judgment it deems necessary  
22 for the administration of this tax. The Oklahoma Tax Commission  
23 shall distribute the stamps to the county clerks of the counties of  
24 this state, and the county clerks shall have the responsibility of

1 selling these stamps and shall have the further duty of accounting  
2 for the stamps to the Oklahoma Tax Commission on the last day of  
3 each month. Stamp metering machines or rubber stamps as prescribed  
4 by the Oklahoma Tax Commission may be used by the county clerk, and  
5 the expenses thereof shall be paid by the county concerned. The use  
6 of meters or rubber stamps shall be governed by the Oklahoma Tax  
7 Commission.

8 B. The county clerks shall account for all collections from the  
9 sales of such tax stamps to the Oklahoma Tax Commission, on the last  
10 day of each month. The ~~first fifty-five cents (\$0.55) of each~~  
11 ~~seventy-five cents (\$0.75) collected shall be apportioned as~~  
12 follows:

13 1. ~~The~~ For the fiscal year ending June 30, 2016, and for each  
14 fiscal year thereafter, the county clerks shall retain ~~five percent~~  
15 ~~(5%)~~ thirty and thirty-three one-hundredths percent (30.33%) of all  
16 monies collected for such stamps ~~as their cost of administration and~~  
17 shall pay the same into the county general fund-;

18 2. ~~The remaining ninety-five percent (95%) of the collections~~  
19 ~~shall be transferred by~~ For the fiscal year ending June 30, 2016,  
20 the Oklahoma Tax Commission ~~to~~ shall transfer thirty-nine percent  
21 (39%) of all monies collected for such stamps and shall pay the same  
22 into the General Revenue Fund of the State Treasury ~~to be expended~~  
23 ~~pursuant to legislative appropriation;~~

1       3. For the fiscal year ending June 30, 2017, the Oklahoma Tax  
2 Commission shall transfer thirty-four and sixty-seven one-hundredths  
3 percent (34.67%) of all monies collected for such stamps and shall  
4 pay the same into the General Revenue Fund of the State Treasury;  
5 and

6       4. For the fiscal year ending June 30, 2018, and for each  
7 fiscal year thereafter, the Oklahoma Tax Commission shall transfer  
8 twenty-nine and thirty-three one-hundredths percent (29.33%) of all  
9 monies collected for such stamps and shall pay the same into the  
10 General Revenue Fund of the State Treasury.

11       C. ~~The remaining twenty cents (\$0.20) of each seventy-five~~  
12 ~~cents (\$0.75) collected shall be paid into the county general fund~~  
13 After the retention of the amount by county clerks prescribed by  
14 paragraph 1 of subsection B of this section and the apportionment of  
15 revenues prescribed by paragraphs 2, 3 and 4 of subsection B of this  
16 section to the General Revenue Fund of the State Treasury, the  
17 Oklahoma Tax Commission shall transfer monthly to the County  
18 Government Modernization Revolving Fund created by Section 5 of this  
19 act the following amounts of revenue collected from such stamps:

20       1. For the fiscal year ending June 30, 2016, thirty and sixty-  
21 seven one-hundredths percent (30.67%);

22       2. For the fiscal year ending June 30, 2017, thirty-five  
23 percent (35%); and  
24

1        3. For the fiscal year ending June 30, 2018, and for each  
2 fiscal year thereafter, forty and thirty-four one-hundredths percent  
3 (40.34%).

4            SECTION 5.        NEW LAW        A new section of law to be codified  
5 in the Oklahoma Statutes as Section 2947.1 of Title 68, unless there  
6 is created a duplication in numbering, reads as follows:

7            There is hereby created in the State Treasury a revolving fund  
8 for the Oklahoma Tax Commission to be designated the "County  
9 Government Modernization Revolving Fund". The fund shall be a  
10 continuing fund, not subject to fiscal year limitations, and shall  
11 consist of all monies received by the Oklahoma Tax Commission from  
12 the apportionment of documentary stamp tax revenues as provided by  
13 Section 3204 of Title 68 of the Oklahoma Statutes. All monies  
14 accruing to the credit of said fund are hereby appropriated and may  
15 be budgeted and expended by the Oklahoma State University Center for  
16 Local Government Technology and the Oklahoma Cooperative Extension  
17 Service for the purpose of education, training, research, software  
18 and computer modernization. The fund shall be subject to the  
19 oversight of the Commission on County Government Personnel Education  
20 and Training, hereinafter called the "Commission", established in  
21 Section 130.1 of Title 19 of the Oklahoma Statutes, or, if the  
22 Commission is terminated pursuant to the Oklahoma Sunset Law, the  
23 fund shall be subject to the oversight of the State Board of  
24 Equalization. Amounts deposited in any fiscal year shall be

1 distributed by the Tax Commission as provided in Section 6 of this  
2 act. Expenditures from said fund shall be made upon warrants issued  
3 by the State Treasurer against claims filed as prescribed by law  
4 with the Director of the Office of Management and Enterprise  
5 Services for approval and payment.

6 SECTION 6. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 2947.2 of Title 68, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. Amounts deposited monthly to the County Government  
10 Modernization Revolving Fund in any fiscal year shall be distributed  
11 by the Tax Commission monthly as follows to the Oklahoma Cooperative  
12 Extension Service for duties imposed on the Extension Service  
13 pursuant to Sections 130.1 through 130.7 and Section 1500 of Title 19  
14 of the Oklahoma Statutes and Section 3006 of Title 68 of the Oklahoma  
15 Statutes:

16 1. For the fiscal year ending June 30, 2016, eight percent  
17 (8.00%), but not less than Forty-four Thousand Fifty-one Dollars  
18 (\$44,051.00) per month;

19 2. For the fiscal year ending June 30, 2017, nine percent  
20 (9.0%), but not less than Fifty-six Thousand Five Hundred Sixty  
21 Dollars and sixty-six cents (\$56,560.66) per month; and

22 3. For the fiscal year ending June 30, 2018, and for each  
23 fiscal year thereafter, ten percent (10%), but not less than  
24

1 Seventy-two Thousand Four Hundred Twenty Dollars (\$72,420.00) per  
2 month.

3 B. Amounts deposited monthly to the County Government

4 Modernization Revolving Fund in any fiscal year shall be distributed  
5 by the Tax Commission monthly as follows to the Oklahoma State  
6 University Center for Local Government Technology for duties imposed  
7 pursuant to Sections 2816 and 2862 of Title 68 of the Oklahoma  
8 Statutes related to any training, support, professional development,  
9 and additional software necessary for county assessors, treasurers  
10 and boards of equalization, and the acquisition and administration  
11 of a computer-assisted mass appraisal software system for county  
12 governments; provided, the Oklahoma State University Center for  
13 Local Government Technology may delay the acquisition of such  
14 software system until such time as sufficient funds are available:

15 1. For the fiscal year ending June 30, 2016, eighty percent  
16 (80%), but not less than Four Hundred Forty Thousand Five Hundred  
17 Six Dollars (\$440,506.00) per month;

18 2. For the fiscal year ending June 30, 2017, eighty-two percent  
19 (82%), but not less than Five Hundred Fifteen Thousand Three Hundred  
20 Twenty-one Dollars (\$515,321.00) per month;

21 3. For the fiscal year ending June 30, 2018, eighty-five  
22 percent (85%), but not less than Six Hundred Fifteen Thousand Five  
23 Hundred Seventy-two Dollars (\$615,572.00) per month; and  
24

1 4. For the fiscal year ending June 30, 2019, and for each  
2 fiscal year thereafter, fifty-five percent (55%), but not less than  
3 Three Hundred Ninety-eight Thousand Three Hundred Eleven Dollars  
4 (\$398,311.00) per month.

5 C. The minimum dollar amounts specified in paragraphs 1, 2 and  
6 3 of subsection A of this section and the minimum dollar amounts  
7 specified in paragraphs 1, 2, 3 and 4 of subsection B of this  
8 section shall be proportionally reduced during any month that the  
9 total amount of revenue apportioned to the County Government  
10 Modernization Revolving Fund is not sufficient in order to equal  
11 such minimum dollar amounts. All such minimum dollar amounts shall  
12 be reduced by an equal percentage to the extent of any deficiency.

13 SECTION 7. NEW LAW A new section of law to be codified  
14 in the Oklahoma Statutes as Section 2947.3 of Title 68, unless there  
15 is created a duplication in numbering, reads as follows:

16 A. Within the County Government Modernization Revolving Fund  
17 there shall be established a reserve account. The reserve account  
18 shall consist of any revenue not otherwise apportioned pursuant to  
19 the provisions of subsection A or subsection B of Section 6 of this  
20 act.

21 B. The maximum balance for the reserve account shall never  
22 exceed Eight Million Dollars (\$8,000,000.00).

23 C. The Oklahoma State University Center for Local Government  
24 Technology and the Oklahoma Cooperative Extension Service may

1 request permission to expend funds in the reserve account from the  
2 Commission on County Government Personnel Education and Training  
3 or, if that entity is terminated pursuant to the provisions of the  
4 Oklahoma Sunset Law, then permission may be requested from the State  
5 Board of Equalization.

6 D. The balance in the reserve account of the County Government  
7 Modernization Revolving Fund shall serve as a contingency for  
8 adverse conditions if the distributions provided for by subsections  
9 A and B of Section 6 of this act are insufficient to support the  
10 purposes of education, training, research, software and computer  
11 modernization of county governments.

12 E. For any fiscal year ending June 30, the Director of the  
13 Office of Management and Enterprise Services shall transfer any  
14 amount of revenue in excess of Eight Million Dollars (\$8,000,000.00)  
15 remaining in the reserve account of the County Government  
16 Modernization Revolving Fund to the General Revenue Fund of the  
17 State Treasury.

18 SECTION 8. AMENDATORY 19 O.S. 2011, Section 130.6, as  
19 amended by Section 2, Chapter 189, O.S.L. 2013 (19 O.S. Supp. 2013,  
20 Section 130.6), is amended to read as follows:

21 Section 130.6 A. 1. Any professional or clerical support  
22 staff required by the Commission on County Government Personnel  
23 Education and Training shall be provided through the Cooperative  
24 Extension Service.

1           2. The training programs developed pursuant to Section 130.1 et  
2 seq. of this title shall not interfere with or duplicate any other  
3 existing training programs for county government personnel.

4           B. Expenses incurred in the performance of the duties imposed  
5 upon the Commission by law shall primarily be paid out of funds  
6 ~~appropriated or otherwise made available to the Office of the State~~  
7 ~~Auditor and Inspector~~ distributed to the Oklahoma Cooperative  
8 Extension Service from the County Government Modernization Revolving  
9 Fund, appropriated or otherwise, made available to the Tax  
10 Commission and may also be paid by the collection of training  
11 expenses paid by the counties directly to the Cooperative Extension  
12 Service.

13           SECTION 9. This act shall become effective July 1, 2015.

14           SECTION 10. It being immediately necessary for the preservation  
15 of the public peace, health and safety, an emergency is hereby  
16 declared to exist, by reason whereof this act shall take effect and  
17 be in full force from and after its passage and approval.

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19           55-1-5619           MAH           01/20/15  
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