STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

SENATE BILL 1547 By: David

AS INTRODUCED

An Act relating to computer-assisted mass appraisal funding; amending 68 O.S. 2011, Sections 2816 and 2947, which relate to the Ad Valorem Tax Code; modifying source of payment for duties imposed on Oklahoma State University Center for Local Government Technology; providing for apportionment of revenues; imposing duties on Center for Local Government Technology with respect to computer-assisted mass appraisal; transferring certain powers, duties, responsibilities, property, assets, liabilities, fund balances, encumbrances and obligations; providing for transfer of funds from the Computer-Assisted Mass Appraisal Implementation Revolving Fund; amending 68 O.S. 2011, Sections 3201 and 3204, which relate to documentary stamps; modifying terminology; modifying apportionment provisions; creating County Government Education-Technical Revolving Fund; providing for apportionment of monies into fund; providing for expenditures; describing purpose of expenditures; providing for distribution of funds by the Office of the State Auditor and Inspector; providing for reserve account within the County Government Education-Technical Revolving Fund; prescribing maximum balance for reserve account; providing for contingent use of reserve amounts; providing for transfer of funds in excess of maximum reserve account balance to the General Revenue Fund; providing for codification; providing an effective date; and declaring an emergency.

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

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

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

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

1. Within one (1) year from the date an assessor is elected to office, the assessor shall be required to successfully complete initial accreditation. If the assessor does not successfully complete testing or some part of the requirement, initial accreditation shall be completed within eighteen (18) months from the date of the assessor's election to office. Initial accreditation shall consist of successful completion of two (2)

academic units. The first academic unit shall consist of basic ad valorem taxation law, legal responsibilities of the assessor's office, the role of the county assessor, valuation requirements and assessment administration. The second academic unit shall consist of basic appraisal and assessment processes.

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

a. appraisal procedures,

b. valuation of personal property,

c. valuation of agricultural property, ~~and~~

d. mass appraisal procedures, and

e. cadastral mapping.

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 this section shall be subject to the continuing education requirement.

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

E. For purposes of the administration of the accreditation requirements, the Oklahoma State University Center for Local Government Technology shall be responsible for keeping an official record as to the accreditation of individual county assessors and deputies and others who are required to achieve accreditation. Such record shall be the sole responsibility of Oklahoma State University and shall be defined as an open record under Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes. The Oklahoma State University Center for Local Government Technology shall be responsible for forwarding only the pass/fail results of individual testing to the Tax Commission. The Tax Commission shall issue the accreditations to all persons who have so qualified. All expenses incurred in the performance of the duties imposed upon the Oklahoma State University Center for Local Government Technology shall be paid out of funds deposited in the County Government Education-Technical Revolving

Fund as provided in Section 6 of this act, appropriated or otherwise made available to the ~~Tax Commission~~ Office of the State Auditor and Inspector, or the university may charge a reasonable fee to defray the cost of sponsoring the educational accreditation academic units required by this section.

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

G. The Oklahoma State University Center for Local Government Technology, in cooperation with the County Assessors' Association, shall provide the administration, support, training and implementation of the Oklahoma State University Center for Local

Government Technology-sponsored, computer-assisted mass appraisal computer software system to any county using the services provided by the Ad Valorem Division of the Oklahoma Tax Commission and other counties upon request on the effective date of this act, if such county elects to adopt the Oklahoma State University Center for Local Government Technology-sponsored program. All expenses incurred in the performance of the duties imposed upon the Oklahoma State University Center for Local Government Technology for the computer-assisted mass appraisal program shall be paid out of funds deposited in the County Government Education-Technical Revolving Fund as provided by Section 6 of this act, appropriated or otherwise made available to the Office of the State Auditor and Inspector.

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

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

Section 2947. A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission, to be designated the "Computer-Assisted Mass Appraisal Implementation Revolving

Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations made by the Legislature. Monies appropriated to the fund shall be expended by the Ad Valorem Division of the Oklahoma Tax Commission for the purpose of implementing the visual inspection program and the computer-assisted system of mass appraisal as required by law.

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

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

Section 3201. A. A tax is hereby imposed on each deed, instrument, or writing by which any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to or vested in the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds One Hundred Dollars ($100.00). The tax shall be prorated at the rate of seventy-five cents ($0.75) for each Five Hundred Dollars ($500.00) of the consideration or any fractional part thereof.

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

C. As used in this section:

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

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

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

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

Section 3204. A. The Oklahoma Tax Commission shall design such stamps in such denominations as in its judgment it deems necessary for the administration of this tax. The Oklahoma Tax Commission shall distribute the stamps to the county clerks of the counties of this state, and the county clerks shall have the responsibility of selling these stamps and shall have the further duty of accounting for the stamps to the Oklahoma Tax Commission on the last day of each month. Stamp metering machines or rubber stamps as prescribed by the Oklahoma Tax Commission may be used by the county clerk, and the expenses thereof shall be paid by the county concerned. The use of meters or rubber stamps shall be governed by the Oklahoma Tax Commission.

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

1. The county clerks shall retain five percent (5%) of all monies collected for such stamps as their cost of administration and shall pay the same into the county general fund~~.~~;

2. ~~The~~ Of the remaining ninety-five percent (95%), sixty percent (60%) of the collections shall be transferred by the Oklahoma Tax Commission to the General Revenue Fund of the State Treasury to be expended pursuant to legislative appropriation; and

3. After the retention of the amount by county clerks prescribed by paragraph 1 of this subsection and the apportionment of revenues prescribed by paragraph 2 of this subsection to the General Revenue Fund of the State Treasury, the Oklahoma Tax Commission shall transfer monthly to the County Government Education-Technical Revolving Fund created by Section 5 of this act for the fiscal year ending June 30, 2019, and for each fiscal year

thereafter, forty percent (40%) of the revenue collected for such stamps.

C. The remaining twenty cents ($0.20) of each seventy-five cents ($0.75) collected shall be paid into the county general fund.

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

There is hereby created in the State Treasury a revolving fund for the Office of the State Auditor and Inspector to be designated the "County Government Education-Technical Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Tax Commission from the apportionment of documentary stamp revenues as provided by Section 3204 of Title 68 of the Oklahoma Statutes. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State University Center for Local Government Technology and the Oklahoma Cooperative Extension Service County Training Program for the purpose of education, training, research, software and computer modernization. The fund shall be subject to the oversight of the State Board of Equalization. Amounts deposited in any fiscal year shall be distributed by the Office of the State Auditor and Inspector as provided in Section 6 of this act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law.

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

A. For the fiscal year ending June 30, 2019, and for each fiscal year thereafter, ten percent (10%), but not less than Fifty-three Thousand Dollars ($53,000.00) per month, deposited to the County Government Education-Technical Revolving Fund in any fiscal year shall be distributed by the Office of the State Auditor and Inspector monthly to the Oklahoma Cooperative Extension Service for duties imposed on the Extension Service pursuant to Sections 130.1 through 130.7 and Section 1500 of Title 19 of the Oklahoma Statutes and Section 3006 of Title 68 of the Oklahoma Statutes.

B. For the fiscal year ending June 30, 2019, and for each fiscal year thereafter, eighty-eight and five-tenths percent (88.5%), but not less than Four Hundred Fifty Thousand Dollars ($450,000.00) per month, deposited to the County Government Education-Technical Revolving Fund in any fiscal year shall be distributed by the Office of the State Auditor and Inspector monthly to the Oklahoma State University Center for Local Government Technology for duties imposed pursuant to Sections 2816 and 2862 of Title 68 of the Oklahoma Statutes related to any training, support, professional development, and additional software necessary for county assessors, treasurers and boards of equalization, and the acquisition and administration of a computer-assisted mass appraisal software system for county governments; provided, the Oklahoma State University Center for Local Government Technology may delay the acquisition of such software until such time as sufficient funds are available.

C. The minimum dollar amounts specified in subsection A of this section and the minimum dollar amounts specified in subsection B of this section shall be proportionally reduced during any month that the total amount of revenue apportioned to the County Government Education-Technical Revolving Fund is not sufficient in order to equal such minimum dollar amounts. All such minimum dollar amounts shall be reduced by an equal percentage to the extent of any deficiency. After the computer-assisted mass appraisal software acquisition is complete and associated costs are paid, any county which elects not to participate in the Oklahoma State University Center for Local Government Technology's computer-assisted mass appraisal software system may apply to the Center for Local Government Technology for a refund up to ten percent (10%) of such county's deposit to the revolving fund annually; provided, if available funds are insufficient for a ten-percent rebate, the percentage shall be adjusted so that rebates may be paid.

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

A. Within the County Government Education-Technical Revolving Fund there shall be established a reserve account. The reserve account shall consist of any revenue not otherwise apportioned pursuant to the provisions of subsection A or subsection B of Section 6 of this act.

B. The maximum balance for the reserve account shall never exceed Two Million Dollars ($2,000,000.00) at the end of each fiscal year.

C. The Oklahoma State University Center for Local Government Technology and the Oklahoma Cooperative Extension Service County Training Program may request permission to expend funds in the reserve account from the State Board of Equalization.

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

E. For any fiscal year ending June 30, the State Board of Equalization shall transfer any amount of revenue in excess of Two Million Dollars ($2,000,000.00) remaining in the reserve account of the County Government Education-Technical Revolving Fund to the General Revenue Fund of the State Treasury.

SECTION 8. This act shall become effective July 1, 2018.

SECTION 9. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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