

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2789

By: Caldwell (Trey) and Kane of
the House

and

Hall and Haste of the
Senate

COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Water Resources Board; making appropriations; identifying source; establishing amounts; providing purposes; requiring and limiting the utilization of funds; creating certain special accounts; limiting duration of accounts; requiring certain determination; providing and limiting the nature of the accounts and the funds within the accounts; authorizing agency to submit request for certain deposits or transfers; requiring certain compliance and verifications; authorizing certain memorandums of understanding; limiting scope; prohibiting certain memoranda terms; authorizing and limiting the promulgation of rules and utilization of procedures; authorizing and limiting the retention of monies for administration costs; requiring certain reports and submissions to certain entities; requiring appearance before certain joint committee; limiting duration of certain requirements; providing for noncodification; providing an effective date; and declaring an emergency.

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

1 SECTION 1. NEW LAW A new section of law not to be
2 codified in the Oklahoma Statutes reads as follows:

3 There is hereby appropriated to the Oklahoma Water Resources
4 Board from any monies not otherwise appropriated from the Statewide
5 Recovery Fund of the State Treasury created in Section 255 of Title
6 62 of the Oklahoma Statutes, the sum of Three Million Three Hundred
7 Thousand Dollars (\$3,300,000.00), or so much thereof as may be
8 necessary due to increased costs of the project funded in Section 7
9 of Enrolled Senate Bill No. 13 of the 2nd Extraordinary Session of
10 the 58th Oklahoma Legislature. Such funds shall be utilized in a
11 manner consistent with the recommendations adopted by the Joint
12 Committee on Pandemic Relief Funding on May 12, 2025.

13 SECTION 2. NEW LAW A new section of law not to be
14 codified in the Oklahoma Statutes reads as follows:

15 There is hereby appropriated to the Oklahoma Water Resources
16 Board from any monies not otherwise appropriated from the Statewide
17 Recovery Fund of the State Treasury created in Section 255 of Title
18 62 of the Oklahoma Statutes, the sum of Six Million Six Hundred
19 Twenty-five Thousand Six Hundred Sixty-one Dollars and forty-eight
20 cents (\$6,625,661.48), or so much thereof as may be necessary to
21 complete projects that did not receive funds in the grant programs
22 described in Sections 2 and 3 of Enrolled Senate Bill No. 13 of the
23 2nd Extraordinary Session of the 58th Oklahoma Legislature. Such
24 funds shall be utilized in a manner consistent with the

1 recommendations adopted by the Joint Committee on Pandemic Relief
2 Funding on May 12, 2025.

3 SECTION 3. NEW LAW A new section of law not to be
4 codified in the Oklahoma Statutes reads as follows:

5 A. There is hereby created in the State Treasury a Statewide
6 Recovery Special Account for the Oklahoma Water Resources Board for
7 each appropriation section of this act. The duration of such
8 accounts shall continue for the period of time that monies related
9 to the American Rescue Plan Act of 2021 are being budgeted,
10 expended, or managed in the state. The ending of such period shall
11 be determined by the State Treasurer, and shall result in the
12 closing of such accounts as a matter of law. Such accounts shall be
13 continuing accounts as otherwise provided in this section, not
14 subject to fiscal year limitations, and shall exclusively consist of
15 monies related to the relevant appropriations made in this act and
16 as otherwise directed by law. All monies deposited to the credit of
17 such accounts are hereby appropriated and may be budgeted and
18 expended by the Oklahoma Water Resources Board in accordance with
19 the provisions of this act. Expenditures from such accounts shall
20 be made upon warrants issued by the State Treasurer against claims
21 filed as prescribed by law with the Director of the Office of
22 Management and Enterprise Services for approval and payment.

23 B. The Oklahoma Water Resources Board is authorized to request
24 in writing that the monies appropriated by the provisions of this

1 act be deposited or transferred to the accounts created pursuant to
2 subsection A of this section. No later than seven (7) calendar days
3 from the date of such request, the Director of the Office of
4 Management and Enterprise Services shall comply with such request
5 and verify to the requesting agency that such deposit or transfer
6 has been completed.

7 SECTION 4. NEW LAW A new section of law not to be
8 codified in the Oklahoma Statutes reads as follows:

9 The Oklahoma Water Resources Board may enter into memorandums of
10 understanding with other agencies of the State of Oklahoma for the
11 auditing, documentation, evaluation, implementation, oversight,
12 reporting, and management of funds and associated efforts related to
13 the appropriations made in this act; provided, that no such
14 memorandum of understanding shall require or include, as an option
15 or condition, the direct or practical transfer or relinquishment of
16 control by the agency appropriated such funds to budget, expend,
17 allocate, and request the distribution of the funds appropriated by
18 this act.

19 SECTION 5. NEW LAW A new section of law not to be
20 codified in the Oklahoma Statutes reads as follows:

21 The Oklahoma Water Resources Board may promulgate rules, utilize
22 existing rules, establish procedures, and utilize existing
23 procedures to implement the provisions of this act; provided, such
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1 rules and procedures do not conflict with or impede the provisions
2 of this act.

3 SECTION 6. NEW LAW A new section of law not to be
4 codified in the Oklahoma Statutes reads as follows:

5 The Oklahoma Water Resources Board is authorized to enter into
6 contracts with financial institutions and execute such instruments
7 as may be necessary and convenient to hold and disseminate grant
8 funds in accordance with applicable federal and state regulations
9 and Board policies.

10 SECTION 7. NEW LAW A new section of law not to be
11 codified in the Oklahoma Statutes reads as follows:

12 From the funds appropriated by Sections 1 and 2 of this act, the
13 Oklahoma Water Resources Board shall retain no more than four
14 percent (4%) of the funds appropriated by this act to reimburse:

- 15 1. Costs incurred by the Oklahoma Water Resources Board; or
16 2. Costs incurred on the agency's behalf,

17 associated with the administration of the appropriated funds and
18 programming required by the Oklahoma Water Resources Board under the
19 provisions of this act; provided, that no funds shall be retained
20 that would be disallowable under the provisions of the American
21 Rescue Plan Act of 2021.

22 SECTION 8. NEW LAW A new section of law not to be
23 codified in the Oklahoma Statutes reads as follows:

24 A. The Oklahoma Water Resources Board shall:

1 1. Submit to the Chairs of the Joint Committee on Pandemic
2 Relief Funding, or any successor, Oklahoma House of Representatives,
3 or Oklahoma State Senate legislative committee or joint committee,
4 as designated by the Speaker of the Oklahoma House of
5 Representatives and the President Pro Tempore of the Oklahoma State
6 Senate:

7 a. a written or electronic quarterly report detailing the
8 budgeting, expenditure, and management of all monies
9 appropriated in this act, and

10 b. a copy of all memorandums of understanding and
11 contracts with third parties entered into by the
12 Oklahoma Water Resources Board to facilitate, assist,
13 or administer powers and duties provided to the
14 Oklahoma Water Resources Board under the provisions of
15 this act; and

16 2. At the Joint Committee on Pandemic Relief Funding's request,
17 appear before the Joint Committee no later than six (6) months after
18 the effective date of this act, and as otherwise requested by the
19 Joint Committee to provide a status update regarding the
20 implementation of the provisions of this act.

21 B. The provisions of subsection A of this section shall remain
22 applicable for the period of time that monies appropriated under
23 this act are being budgeted, expended, or managed in the state. The
24 ending of such period shall be determined by the State Treasurer,

1 and shall be reported to the Governor, the Speaker of the House of
2 Representatives, and President Pro Tempore of the Senate.

3 SECTION 9. This act shall become effective July 1, 2025.

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

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