

OKLAHOMA STATUTES
TITLE 62. PUBLIC FINANCE

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§62-10.1. Renumbered as § 34.54 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-10.3. Renumbered as § 34.55 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-10.4. Renumbered as § 34.87 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-11. Bond Commissioner.

The Attorney General is hereby made ex officio Bond Commissioner of the State of Oklahoma.

R.L.1910, § 376.

§62-13. Duties of Bond Commissioner - Certificate - Bonds incontestable after 30 days.

It shall be the duty of the Bond Commissioner to prepare uniform forms and prescribe a method of procedure under the laws of the state in all cases where it is desired to issue public securities or bonds, in any county, township, municipality or political or other subdivisions thereof of the State of Oklahoma; and it shall be the further duty of said Bond Commissioner to examine into and pass upon any security so issued, and such security, when declared by the certificate of said Bond Commissioner to be issued in accordance with the forms of procedure so provided shall be incontestable in any court in the State of Oklahoma unless suit thereon shall be brought in a court having jurisdiction of the same within thirty (30) days from the date of the approval thereof by the Bond Commissioner.

R.L.1910, § 377.

§62-14. Bond invalid without certificate.

No bond hereafter issued by any political or municipal subdivision of this state shall be valid without the certificate of said Bond Commissioner.
R.L.1910, § 378.

§62-15. Issuance and sale of general obligation bonds - Procedures - Fees.

A. In all stages of proceedings leading to the issuance and sale of general obligation bonds pledging the full faith and credit of the state, it shall be a duty of the Attorney General to perform all necessary legal work incident thereto. Neither the Attorney General nor any other officer of the state may use any public funds to pay for the services of a private attorney or consulting fee in connection with such work. Neither the Attorney General nor Assistant Attorney General shall receive any remuneration, other than salary, for legal services performed in proceedings leading to the issuance and sale of bonds as provided in this act. If a marketing opinion is desired, the bond buyers shall pay for its procurement.

B. In all proceedings leading to the issuance and sale of revenue bonds by any state agency acting pursuant to a specific legislative validating act, a private attorney or attorneys may be employed when the legislative validating act does not prohibit such employment. The employment contract with the private attorney or attorneys shall be filed of record with the Attorney General. In no case shall the employed private attorney be paid a fee in excess of that authorized in the validating act. In addition, the Attorney General is authorized to charge an examination fee for review and approval of revenue bond or note proceedings, as provided for in subsection E of this section. If a marketing opinion is desired, the bond buyers shall pay for its procurement.

C. In all proceedings leading to the issuance and sale of general obligation bonds or revenue bonds by any state agency acting pursuant to a specific legislative validating act, any financial or marketing consultant employed by the state for services relative to the marketing of such bonds shall not be paid a fee in excess of that authorized in the validating act.

D. Except for the provisions of subsection E of this section, nothing herein shall apply to legal proceedings leading to the issuance or sale of bonds pursuant to Article X, Sections 26, 27 and 35 of the Oklahoma Constitution or to any obligation issued by public trusts under the Public Trust Act (except those trusts created by the state as contrasted to its subdivisions or other governmental entities), the Interlocal Cooperation Act and the Local Industrial Development Act.

E. In all proceedings leading to the issuance and sale of revenue bonds or notes by any state agency, or the issuance and sale of general or limited obligation bonds pledging the faith and credit,

whether general or special, of the state or any political subdivision thereof, where the Attorney General is required by law to review such proceedings, the Attorney General is authorized to charge and collect a nonrefundable examination fee, payable at the time the proceedings are finally approved and bonds or notes are delivered. The issuer may reimburse itself for the examination fee from the proceeds of the bond or note issue. Such examination fee shall not exceed the following amounts:

1. Three one-hundredths of one percent (0.03%) of the first Five Million Dollars (\$5,000,000.00) of the principal amount of bonds or notes issued; and

2. Two one-hundredths of one percent (0.02%) of any principal amount of bonds or notes issued in excess of Five Million Dollars (\$5,000,000.00), up to and including Fifty Million Dollars (\$50,000,000.00); and

3. One one-hundredth of one percent (0.01%) of any principal amount of bonds or notes in excess of Fifty Million Dollars (\$50,000,000.00).

All fees collected as authorized by this subsection shall be deposited in the Attorney General's Revolving Fund created in Section 20 of Title 74 of the Oklahoma Statutes.

Added by Laws 1973, c. 129, § 1, emerg. eff. May 10, 1973 . Amended by Laws 2009, c. 320, § 1, eff. July 1, 2009.

§62-16. Bond counsel.

In each instance of the issuance of general obligation or revenue bonds by the State of Oklahoma or any political subdivision thereof, or by any trust or other agency on behalf of any such entity, the issuer may be represented by bond counsel. Such bond counsel is prohibited from representing or receiving compensation from underwriters or the purchasers of the bonds for the same issuance. However, said opinions by bond counsel may be addressed to and furnished to the underwriters and purchasers as long as no additional compensation is paid.

Added by Laws 1988, c. 319, § 12, eff. Nov. 1, 1988.

§62-34. Short title.

Section 34 et seq. of Title 62 of the Oklahoma Statutes shall be known and may be cited as the "Oklahoma State Finance Act".

Added by Laws 2009, c. 441, § 1, eff. July 1, 2009.

§62-34.1. Tax accounts with counties - Certification of information by State Board of Equalization - Reports by county clerks - Power and authority of State Auditor and Inspector.

A. The official tax accounts with the several counties of the state shall be kept by the State Auditor and Inspector, which said accounts shall exhibit the true amount of each class and year's taxes

charged to each of the several counties, together with the amounts received from each county, and the balance due therefrom; provided, that all taxes of each of the several counties that shall be delinquent for four (4) or more years may be consolidated by classes into one account.

B. As a means of accurately establishing the ad valorem tax accounts herein provided for, it is hereby made the duty of the State Board of Equalization to certify annually to the State Auditor and Inspector, within five (5) days after the same shall have been ascertained by such Board for the year, the state equalized value of all property assessed ad valorem in each of the counties of the state, the rate of levy for the year, together with the amount of ad valorem taxes assessed against the property in each of the several counties of the state for the year.

C. For the purpose of maintaining an accurate check and balance on the accounts between the state and the several counties, it shall be the duty of the county clerk of each county to make and file with the State Auditor and Inspector on or before the third Monday following the close of the semiannual periods ending June 30th, and December 31st, of each year, a certified report and statement in writing showing by years and by classes the amount of all taxes due the state, or its fund or funds under its management at close of such periods, together with the dates and amounts of all payments into the State Treasury during such periods, which said statement when so filed with the State Auditor and Inspector shall become a permanent and official record.

D. It shall be the duty of the State Auditor and Inspector, and the State Auditor and Inspector is hereby given full power and authority to reconcile and adjust all tax accounts with the several counties and to require a proper accounting for all revenue laid and levied, or required to be laid and levied, against all properties and subjects selected for taxation by the state in the respective counties, together with the amount thereof collected for or on behalf of the state by any county or any officer thereof.

Added by Laws 1995, c. 325, § 3, eff. July 1, 1995. Amended by Laws 2009, c. 441, § 2, eff. July 1, 2009. Renumbered from § 2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.2. Estimate of funds expected to accrue to General Revenue Fund and Special Revenue Funds - Comprehensive economic report

A. Agencies responsible for the collection of monies deposited to the credit of the General Revenue Fund and each of the Special Revenue Funds shall be subject to the provisions of this act. Upon request of the Director of the Office of Management and Enterprise Services, these agencies shall provide the Director of the Office of Management and Enterprise Services an itemized estimate of funds expected to accrue to the General Revenue Fund and each of the

Special Revenue Funds for the ensuing fiscal year in the manner and form established by the Director, in accordance with the duties assigned to the State Board of Equalization in Section 23 of Article X of the Oklahoma Constitution. Each of these agencies shall also provide to the Director, as requested, a written explanation of the methodology and relevant assumptions used in developing the current and future revenue estimates submitted, a statement of:

1. The prior year's actual revenue collections;
2. A projection of the current year's revenue collections; and
3. Estimated revenue collections for the ensuing fiscal year and the following two (2) fiscal years. No expenditure shall be made from any General Revenue Fund or Special Revenue Fund until such fund has been assigned to an agency by law or by the Director of the Office of Management and Enterprise Services.

B. In addition to providing the information listed above, the Oklahoma Tax Commission shall also provide to the Director of the Office of Management and Enterprise Services a comprehensive economic report no later than two (2) weeks prior to each of the meetings of the State Board of Equalization pursuant to paragraphs 1 and 3 of Section 23 of Article X of the Constitution of the State of Oklahoma. Each report shall include a summary of recent national and state economic performance and a forecast of national and state economic performance for the current fiscal year, the ensuing fiscal year and the following two (2) fiscal years. These reports shall be considered a basis upon which the itemized revenue estimates of the Commission are developed. The report shall include an analysis of the relative accuracy of the economic forecasts on which the previous and current fiscal years' revenue estimates were based.

C. The Tax Commission shall also provide all estimates, explanations, statements, projections, reports and other documents required by this section to the President Pro Tempore of the Senate, members of the Senate Appropriations and Finance Committees, the Speaker of the House of Representatives and members of the House Appropriations and Budget Committee at the same time that such documents are provided to the Director of the Office of Management and Enterprise Services.

Added by Laws 1995, c. 325, § 3, eff. July 1, 1995. Amended by Laws 2009, c. 441, § 3, eff. July 1, 2009. Renumbered from § 41.7b of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 333; Laws 2016, c. 304, § 2, emerg. eff. May 16, 2016.

§62-34.3. Office of Management and Enterprise Services.

A. There is hereby created in the Executive Department, the Office of Management and Enterprise Services.

B. The term "state agency" or "agency", when used in the Oklahoma State Finance Act, shall mean any agency, board, bureau,

commission, or other entity organized within the executive department of state government.

C. The term "authorization", when used in the Oklahoma State Finance Act, shall mean the legislative authorization for an agency to expend a certain amount of money from a specified fund or funds during a specified period of time.

Added by Laws 1947, p. 370, § 3, emerg. eff. Feb. 25, 1947. Amended by Laws 1965, c. 2, § 2, emerg. eff. Jan. 29, 1965; Laws 1968, c. 6, § 1, emerg. eff. Jan. 26, 1968; Laws 1983, c. 334, § 3, emerg. eff. June 30, 1983; Laws 1984, c. 290, § 1, operative July 1, 1984; Laws 2009, c. 441, § 4, eff. July 1, 2009. Renumbered from § 41.3 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 2, § 32, eff. April 5, 2010; Laws 2011, c. 302, § 3; Laws 2012, c. 303, § 2, eff. Nov. 1, 2012.

NOTE: Laws 2009, c. 451, § 3 repealed by Laws 2010, c. 2, § 33, eff. April 5, 2010.

NOTE: Laws 2010, c. 2, § 106, provides: "The provisions of Sections 32 through 43 and Sections 96 and 97 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided in Section 34.11.1 of Title 62 of the Oklahoma Statutes." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.3.1. Consolidated agencies.

A. The Department of Central Services, Office of Personnel Management, Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board are consolidated into the Office of Management and Enterprise Services. The Director of the Office of Management and Enterprise Services shall assume all executive-level responsibilities for each agency and shall function as and possess the powers of the agency director for each consolidated agency as enumerated by existing statute. For the purposes of this section the term "consolidated agencies" shall mean the Department of Central Services, Office of Personnel Management, Oklahoma State Employees Benefits Council and the State and Education Employees Group Insurance Board. Any funds appropriated to, in the possession of or allocated to any of the consolidated agencies shall be deemed to be funds of the Office of Management and Enterprise Services.

B. Upon request of the Director of the Office of Management and Enterprise Services, the personnel of the consolidated agencies shall deliver to the Office of Management and Enterprise Services all books, papers, records and property of the consolidated agencies.

C. All functions, powers, duties and obligations previously assigned to each of the consolidated agencies are hereby transferred to the Office of Management and Enterprise Services.

D. All rules, regulations, acts, orders, determinations and decisions of the consolidated agencies pertaining to the functions and powers herein transferred and assigned to the Office of Management and Enterprise Services, in force at the time of such transfer, assignment, assumption or devolution shall continue in force and effect as rules, regulations, acts, orders, determinations and decisions of the consolidated agencies until duly modified or abrogated by the appropriate body or until otherwise provided by law. Added by Laws 2011, c. 302, § 2. Amended by Laws 2012, c. 303, § 3, eff. Nov. 1, 2012.

§62-34.4. Revolving Fund for Office of Management and Enterprise Services.

There is hereby created in the State Treasury a Revolving Fund for the Office of Management and Enterprise Services. The revolving fund shall consist of any monies received for rental of machine metered time, sale of scrap cards and paper, and any other miscellaneous receipts. The revolving fund herein created may be expended for the same purposes and in the same manner as appropriated funds.

Added by Laws 1967, c. 311, § 2, emerg. eff. May 16, 1967. Amended by Laws 2009, c. 441, § 5, eff. July 1, 2009. Renumbered from § 41.40 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 334.

§62-34.5. Director of the Office of Management and Enterprise Services - Appointment.

The Governor shall appoint a Director of the Office of Management and Enterprise Services, by and with the consent of the Senate, who shall hold office at the pleasure of the Governor and shall continue to serve until a successor is duly appointed and is qualified.

Added by Laws 1947, p. 370, § 2, emerg. eff. Feb. 25, 1947. Amended by Laws 1965, c. 2, § 1, emerg. eff. Jan. 29, 1965; Laws 1967, c. 198, § 1, emerg. eff. May 1, 1967; Laws 1969, c. 31, § 1, emerg. eff. Feb. 18, 1969; Laws 1983, c. 334, § 2, emerg. eff. June 30, 1983; Laws 1985, c. 344, § 5, emerg. eff. July 30, 1985; Laws 2009, c. 441, § 6, eff. July 1, 2009. Renumbered from § 41.2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 335.

§62-34.6. General powers and duties of Director.

A. The Director of the Office of Management and Enterprise Services shall have the power and duty under the direction of the Governor to:

1. Prepare the budget document and assist in the drafting of legislation to make it effective;

2. Make field surveys and studies of governmental agencies, looking toward economy and greater efficiency;
3. Make allotments to control expenditures;
4. Authorize transfers of appropriation authorized by law;
5. Study accounting and other reports rendered by the Central Accounting and Reporting Division;
6. Enter into agreements with the United States Secretary of the Treasury for the purpose of implementing federal law;
7. Aid the Governor in the economical management of state affairs; and
8. Adopt such rules and regulations concerning the exercise of powers and duties as the Director shall deem appropriate, in accordance with the Administrative Procedures Act.

B. In addition to other duties, the Director of the Office of Management and Enterprise Services shall, upon request, advise and consult with members of the Legislature and legislative committees concerning revenue and expenditures of state agencies.

C. Not later than December 31, 2013, the Director of the Office of Management and Enterprise Services shall provide the Legislature with a proposal to consolidate, streamline, and reduce the size of the administrative code of the agencies consolidated pursuant to House Bill No. 2140 of the 1st Session of the 53rd Oklahoma Legislature. The recommendation shall contain the Director's advice on the possibility of consolidating the affected code into a single title.

Added by Laws 1947, p. 370, § 4, emerg. eff. Feb. 25, 1947. Amended by Laws 1965, c. 2, § 3, emerg. eff. Jan. 29, 1965; Laws 1981, c. 255, § 1; Laws 1991, c. 254, § 16, eff. July 1, 1991; Laws 2009, c. 441, § 7, eff. July 1, 2009. Renumbered from § 41.4 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2011, c. 302, § 4; Laws 2012, c. 304, § 336; Laws 2013, c. 342, § 1, eff. Nov. 1, 2013.

§62-34.7. Experts and assistants of Director.

The Director of the Office of Management and Enterprise Services, with the approval of the Governor, shall employ and make the appointment of such experts and assistants as may be necessary to execute the purposes of the Oklahoma State Finance Act. No appointments to positions shall be made in excess of those positions authorized by the Legislature for the Division of the Budget, the Division of Central Accounting and Reporting and the Information Services Division.

Added by Laws 1947, p. 380, § 23, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 8, eff. July 1, 2009. Renumbered from § 41.23 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 337.

§62-34.8. Public Information Officer subject to provisions of Merit System.

The position of Public Information Officer within the Office of Management and Enterprise Services shall be subject to the provisions of the Merit System of Personnel Administration prescribed by the Oklahoma Personnel Act, Section 840-1.1 et seq. of Title 74 of the Oklahoma Statutes, and the rules promulgated thereunder. Added by Laws 1986, c. 267, § 12, operative July 1, 1986. Amended by Laws 2009, c. 441, § 9, eff. July 1, 2009. Renumbered from § 41.42 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 338.

§62-34.9. Classification of funds - Manner of keeping fund accounts.

The Director of the Office of Management and Enterprise Services is hereby authorized and directed to classify funds in the State Treasury and to prescribe the manner of issuance of checks or warrants against each class of funds to accomplish the purpose for which each such fund was created. The State Treasurer shall be, and is, required to keep fund accounts in accordance with such classification. The Director of the Office of Management and Enterprise Services shall group funds of a similar nature in a series of classes. Accounting entities otherwise designated as funds, by other provisions of law, may be retained, deactivated, merged with other such entities or identified as accounts within funds as the Director of the Office of Management and Enterprise Services determines to be appropriate for purposes of the modernization and maintenance of the fund structure of the state.

Added by Laws 1947, p. 365, § 5, emerg. eff. April 16, 1947. Amended by Laws 1973, c. 46, § 13, operative July 1, 1973; Laws 1984, c. 289, § 5, operative July 1, 1984; Laws 2009, c. 441, § 10, eff. July 1, 2009. Renumbered from § 7.5 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 339.

§62-34.10. Annual financial report - Accounting procedures and guidelines.

The Director of the Office of Management and Enterprise Services shall cause to be prepared a comprehensive annual financial report, in accordance with generally accepted accounting principles for governments, and shall further have the general purpose financial statements included in the comprehensive annual financial report audited in accordance with generally accepted auditing standards. The Director is hereby authorized to establish procedures and guidelines which are consistent with those issued by the Government Accounting Standards Board, and which shall be followed by state agencies, colleges and universities and other entities who are included in the report, for purposes of establishing consistent

application of accounting principles and to ensure the timeliness of the report.

Added by Laws 1996, c. 290, § 22, eff. July 1, 1996. Amended by Laws 2009, c. 441, § 11, eff. July 1, 2009. Renumbered from § 7.13 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 340.

§62-34.11. Duties and functions of Division of Central Accounting and Reporting.

The Division of Central Accounting and Reporting shall be responsible for accounting and auditing duties and the auditing and settlement of purchase orders, contracts, claims, payrolls, and other obligations.

The Division of Central Accounting and Reporting shall prepare uniform budget and accounting classifications for all state agencies and shall implement appropriate accounting methods and systems in state agencies. The Division of Central Accounting and Reporting shall:

1. Settle all claims payable by this state;
2. Verify distribution of all taxes and other dues collected for local governments;
3. Superintend the recovery of all debts due state government;
4. Keep the central budget and proprietary accounts of the state government;
5. Prepare and issue financial and accounting reports, at least quarterly;
6. Prescribe all forms, systems, and procedure for administering accounting for the several departments and establishments;
7. At the request of a state agency, assist in establishing standards, policies and procedures that ensure a strong and effective system of internal controls and regular monitoring of them;
8. Certify each and every requisition by a duly accredited disbursing officer for an advance of funds from the State Treasury to the Director of the Office of Management and Enterprise Services for approval; and
9. Establish a pre-audit system of settling claims for the entire government of this state and for state agencies in which vouchers supporting proposed payments are submitted to the Office of Management and Enterprise Services for audit and settlement.

Added by Laws 1947, p. 370, § 5, emerg. eff. Feb. 25, 1947. Amended by Laws 1979, c. 30, § 95, emerg. eff. April 6, 1979; Laws 1983, c. 304, § 54, eff. July 1, 1983; Laws 2009, c. 441, § 12, eff. July 1, 2009. Renumbered from § 41.5 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 341.

§62-34.11.1.1. Performance metrics - Data sets.

A. The Chief Information Officer shall source and submit to the State Governmental Technology Applications Review Board proposed state employee performance information metrics, convenience information sets and other data streams for possible publication on the "data.ok.gov" website in accordance with guidelines established by Section 34.11.2 of Title 62 of the Oklahoma Statutes.

B. The Chief Information Officer shall assist the State Governmental Technology Applications Review Board with developing performance metrics pursuant to the requirements of Section 34.27 of Title 62 of the Oklahoma Statutes.

C. The following data sets shall be placed online at the "data.ok.gov" website:

1. All state expenditures which shall include but not be limited to the name and address of the recipient of the expenditure, amount of expenditure, entire description of item or service purchased, date of expenditure, agency making expenditure and account from which the expenditure is made;

2. A detailed listing of all state revolving funds and the amount contained in each fund to be updated on a monthly basis; and

3. All spending data subject to publication by the School District Transparency Act.

Added by Laws 2011, c. 292, § 10.

§62-34.11.1. Chief Information Officer.

A. There is hereby created the position of Chief Information Officer who shall be appointed by the Governor. The Chief Information Officer, in addition to having authority over the Information Services Division of the Office of Management and Enterprise Services, shall also serve as Secretary of Information Technology and Telecommunications or successor cabinet position and shall have jurisdictional areas of responsibility related to information technology and telecommunications systems of all state agencies as provided for in state law. The salary of the Chief Information Officer shall not be less than One Hundred Thirty Thousand Dollars (\$130,000.00) or more than One Hundred Sixty Thousand Dollars (\$160,000.00).

B. Any person appointed to the position of Chief Information Officer shall meet the following eligibility requirements:

1. A baccalaureate degree in Computer Information Systems, Information Systems or Technology Management, Business Administration, Finance, or other similar degree;

2. A minimum of ten (10) years of professional experience with responsibilities for management and support of information systems and information technology, including seven (7) years of direct management of a major information technology operation;

3. Familiarity with local and wide-area network design, implementation, and operation;

4. Experience with data and voice convergence service offerings;
5. Experience in developing technology budgets;
6. Experience in developing requests for proposal and administering the bid process;
7. Experience managing professional staff, teams, and consultants;
8. Knowledge of telecommunications operations;
9. Ability to develop and set strategic direction for information technology and telecommunications and to manage daily development and operations functions;
10. An effective communicator who is able to build consensus;
11. Ability to analyze and resolve complex issues, both logical and interpersonal;
12. Effective verbal and written communications skills and effective presentation skills, geared toward coordination and education;
13. Ability to negotiate and defuse conflict; and
14. A self-motivator, independent, cooperative, flexible and creative.

C. The salary and any other expenses for the Chief Information Officer shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The operating expenses of the Information Services Division shall be set by the Chief Information Officer and shall be budgeted as a separate line item through the Office of Management and Enterprise Services. The Office of Management and Enterprise Services shall provide adequate office space, equipment and support necessary to enable the Chief Information Officer to carry out the information technology and telecommunications duties and responsibilities of the Chief Information Officer and the Information Services Division.

D. 1. Within twelve (12) months of appointment, the first Chief Information Officer shall complete an assessment, which shall be modified annually pursuant to Section 35.5 of this title, of the implementation of the transfer, coordination, and modernization of all information technology and telecommunication systems of all state agencies in the state as provided for in the Oklahoma Information Services Act. The assessment shall include the information technology and telecommunications systems of all institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet as assembled and submitted by the Oklahoma Higher Education Chief Information Officer, as designated by the Oklahoma State Regents for Higher Education.

2. Within twelve (12) months of appointment, the first Chief Information Officer shall issue a report setting out a plan of action which will include the following:

- a. define the shared service model organization structure and the reporting relationship of the recommended organization,
- b. the implementation of an information technology and telecommunications shared services model that defines the statewide infrastructure environment needed by most state agencies that is not specific to individual agencies and the shared applications that are utilized across multiple agencies,
- c. define the services that shall be in the shared services model under the control of the Information Services Division of the Office of Management and Enterprise Services,
- d. define the roadmap to implement the proposed shared services model. The roadmap shall include recommendations on the transfer, coordination, and modernization of all information technology and telecommunication systems of all the state agencies in the state,
- e. recommendations on the reallocation of information technology and telecommunication resources and personnel,
- f. a cost benefit analysis to support the recommendations on the reallocation of information technology and telecommunication resources and personnel,
- g. a calculation of the net savings realized through the reallocation and consolidation of information technology and telecommunication resources and personnel after compensating for the cost of contracting with a private consultant as authorized in paragraph 4 of this subsection, implementing the plan of action, and ongoing costs of the Information Services Division of the Office of Management and Enterprise Services, and
- h. the information required in subsection B of Section 35.5 of this title.

3. The plan of action report shall be presented to the Governor, Speaker of the House of Representatives, and the President Pro Tempore of the State Senate.

4. The Chief Information Officer may contract with a private consultant or consultants to assist in the assessment and development of the plan of action report as required in this subsection.

E. The Chief Information Officer shall be authorized to employ personnel, fix the duties and compensation of the personnel, not otherwise prescribed by law, and otherwise direct the work of the personnel in performing the function and accomplishing the purposes

of the Information Services Division of the Office of Management and Enterprise Services.

F. The Information Services Division of the Office of Management and Enterprise Services shall be responsible for the following duties:

1. Formulate and implement the information technology strategy for all state agencies;
2. Define, design, and implement a shared services statewide infrastructure and application environment for information technology and telecommunications for all state agencies;
3. Direct the development and operation of a scalable telecommunications infrastructure that supports data and voice communications reliability, integrity, and security;
4. Supervise the applications development process for those applications that are utilized across multiple agencies;
5. Provide direction for the professional development of information technology staff of state agencies and oversee the professional development of the staff of the Information Services Division of the Office of Management and Enterprise Services;
6. Evaluate all technology and telecommunication investment choices for all state agencies;
7. Create a plan to ensure alignment of current systems, tools, and processes with the strategic information technology plan for all state agencies;
8. Set direction and provide oversight for the support and continuous upgrading of the current information technology and telecommunication infrastructure in the state in support of enhanced reliability, user service levels, and security;
9. Direct the development, implementation, and management of appropriate standards, policies and procedures to ensure the success of state information technology and telecommunication initiatives;
10. Recruit, hire and transfer the required technical staff in the Information Services Division of the Office of Management and Enterprise Services to support the services provided by the Division and the execution of the strategic information technology plan;
11. Establish, maintain, and enforce information technology and telecommunication standards;
12. Delegate, coordinate, and review all work to ensure quality and efficient operation of the Information Services Division of the Office of Management and Enterprise Services;
13. Create and implement a communication plan that disseminates pertinent information to state agencies on standards, policies, procedures, service levels, project status, and other important information to customers of the Information Services Division of the Office of Management and Enterprise Services and provide for agency feedback and performance evaluation by customers of the Division;

14. Develop and implement training programs for state agencies using the shared services of the Information Services Division of the Office of Management and Enterprise Services and recommend training programs to state agencies on information technology and telecommunication systems, products and procedures;

15. Provide counseling, performance evaluation, training, motivation, discipline, and assign duties for employees of the Information Services Division of the Office of Management and Enterprise Services;

16. For all state agencies, approve the purchasing of all information technology and telecommunication services and approve the purchase of any information technology and telecommunication product except the following:

- a. a purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website, or
- b. a purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website;

17. Develop and enforce an overall infrastructure architecture strategy and associated roadmaps for desktop, network, server, storage, and statewide management systems for state agencies;

18. Effectively manage the design, implementation and support of complex, highly available infrastructure to ensure optimal performance, on-time delivery of features, and new products, and scalable growth;

19. Define and implement a governance model for requesting services and monitoring service level metrics for all shared services; and

20. Create the budget for the Information Services Division of the Office of Management and Enterprise Services to be submitted to the Legislature each year.

G. The State Governmental Technology Applications Review Board shall provide ongoing oversight of the implementation of the plan of action required in subsection D of this section. Any proposed amendments to the plan of action shall be approved by the Board prior to adoption.

H. 1. The Chief Information Officer shall act as the Information Technology and Telecommunications Purchasing Director for

all state agencies and shall be responsible for the procurement of all information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services for all state agencies. The Chief Information Officer shall establish, implement, and enforce policies and procedures for the procurement of information technology and telecommunication software, hardware, equipment, peripheral devices, maintenance, consulting services, high technology systems, and other related information technology, data processing, telecommunication and related peripherals and services by purchase, lease-purchase, lease with option to purchase, lease and rental for all state agencies. The procurement policies and procedures established by the Chief Information Officer shall be consistent with The Oklahoma Central Purchasing Act.

2. The Chief Information Officer, or any employee or agent of the Chief Information Officer acting within the scope of delegated authority, shall have the same power and authority regarding the procurement of all information technology and telecommunication products and services as outlined in paragraph 1 of this subsection for all state agencies as the State Purchasing Director has for all acquisitions used or consumed by state agencies as established in The Oklahoma Central Purchasing Act. Such authority shall, consistent with the authority granted to the State Purchasing Director pursuant to Section 85.10 of Title 74 of the Oklahoma Statutes, include the power to designate financial or proprietary information submitted by a bidder confidential and reject all requests to disclose the information so designated, if the Chief Information Officer requires the bidder to submit the financial or proprietary information with a bid, proposal, or quotation.

I. The Information Services Division of the Office of Management and Enterprise Services and the Chief Information Officer shall be subject to The Oklahoma Central Purchasing Act for the approval and purchase of equipment and products not related to information and telecommunications technology, equipment, software, products and related peripherals and services and shall also be subject to the requirements of the Public Competitive Bidding Act of 1974, the Oklahoma Lighting Energy Conservation Act and the Public Building Construction and Planning Act when procuring data processing, information technology, telecommunication, and related peripherals and services and when constructing information technology and telecommunication facilities, telecommunication networks and supporting infrastructure. The Chief Information Officer shall be authorized to delegate all or some of the procurement of information technology and telecommunication products and services and construction of facilities and telecommunication networks to another

state entity if the Chief Information Officer determines it to be cost-effective and in the best interest of the state. The Chief Information Officer shall have authority to designate information technology and telecommunication contracts as statewide contracts and mandatory statewide contracts pursuant to Section 85.5 of Title 74 of the Oklahoma Statutes and to negotiate consolidation contracts, enterprise agreements and high technology systems contracts in accordance with the procedures outlined in Section 85.9D of Title 74 of the Oklahoma Statutes. Any contract entered into by a state agency for which the Chief Information Officer has not acted as the Information Technology and Telecommunications Purchasing Director as required in this subsection or subsection H of this section, shall be deemed to be unenforceable and the Office of Management and Enterprise Services shall not process any claim associated with the provisions thereof.

J. The Chief Information Officer shall establish, implement, and enforce policies and procedure for the development and procurement of an interoperable radio communications system for state agencies. The Chief Information Officer shall work with local governmental entities in developing the interoperable radio communications system.

K. The Chief Information Officer shall develop and implement a plan to utilize open source technology and products for the information technology and telecommunication systems of all state agencies.

L. All state agencies and authorities of this state and all officers and employees of those entities shall work and cooperate with and lend assistance to the Chief Information Officer and the Information Services Division of the Office of Management and Enterprise Services and provide any and all information requested by the Chief Information Officer.

M. The Chief Information Officer shall prepare an annual report detailing the ongoing net saving attributable to the reallocation and consolidation of information technology and telecommunication resources and personnel and shall submit the report to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate.

N. For purposes of the Oklahoma Information Services Act, unless otherwise provided for, "state agencies" shall include any office, officer, bureau, board, commission, counsel, unit, division, body, authority or institution of the executive branch of state government, whether elected or appointed; provided, except with respect to the provisions of subsection D of this section, the term "state agencies" shall not include institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

O. As used in this section:

1. "High technology system" means advanced technological equipment, software, communication lines, and services for the processing, storing, and retrieval of information by a state agency;

2. "Consolidation contract" means a contract for several state or public agencies for the purpose of purchasing information technology and telecommunication goods and services; and

3. "Enterprise agreement" means an agreement for information technology or telecommunication goods and services with a supplier who manufactures, develops and designs products and provides services that are used by one or more state agencies.

Added by Laws 2009, c. 451, § 2. Renumbered from § 41.5.1 of this title by Laws 2009, c. 451, § 24. Amended by Laws 2011, c. 296, § 10; Laws 2012, c. 304, § 342; Laws 2013, c. 15, § 56, emerg. eff. April 8, 2013; Laws 2013, c. 358, § 6, eff. July 1, 2013; Laws 2017, c. 384, § 2, eff. July 1, 2017.

NOTE: Laws 2012, c. 292, § 1 repealed by Laws 2013, c. 15, § 57, emerg. eff. April 8, 2013.

§62-34.11.2. Oklahoma State Government 2.0 Initiative - Policies, schedules and standards.

A. There is hereby established the Oklahoma State Government 2.0 Initiative.

B. The State Governmental Technology Applications Review Board shall consider and approve a standardized social media policy for use by state agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary.

C. The board shall establish open technology standards and a schedule by which state agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall utilize these standards to provide citizens with web-based interactivity to state government services. Whenever possible these standards shall match commonly used standards by other government entities.

D. The board shall set a schedule by which state agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall publish and update convenience information sets which shall be accessible through standardized application programming interfaces and published in standardized formats including but not limited to eXtensible Markup Language (XML) and Comma Separated Value (CSV) formats. The board shall establish application programming interface standards which enable access to convenience information sets. The schedule shall place an emphasis on first making accessible convenience information sets most commonly requested in open records requests. A directory and link to all available convenience information sets shall be prominently featured on the portal system referenced in Section 34.24 of this title and if possible linked to the *data.ok.gov* web portal.

E. The board may conduct events and contests to provide recognition of software application development provided that the application being recognized utilizes standards established in this section to the benefit of the citizens of Oklahoma.

F. The board shall establish an application process through which applicants can request the scheduled implementation of application programming interfaces, creation of open technology standards and publication of convenience information sets pursuant to the provisions of this section. Instructions regarding the application process shall be prominently featured on the portal system referenced in Section 34.24 of this title.

G. State agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall comply with the policies, schedules and standards established by this section.

H. The board shall promulgate performance information metrics and guidelines which shall be used to establish criteria which govern participation in the "State Government Employee Performance Transparency Pilot Program". The board shall set a schedule for the publication of performance information metrics through the *data.ok.gov* website.

I. For the purposes of this section, "open technology standards" are widely accepted standards and mechanisms for the web-based connectivity and asynchronous communication between software programs. "Application programming interface" is a standardized interface enabling a standard form of connectivity between convenience information sets and software programs, "performance information metrics" are sets of information which reflect the performance of state employees and state agencies, and "convenience information sets" are sets of information which are subject to public access under the Oklahoma Open Records Act and which do not contain personally identifiable information.

Added by Laws 2010, c. 475, § 4, emerg. eff. June 10, 2010. Amended by Laws 2011, c. 292, § 9; Laws 2013, c. 358, § 7, eff. July 1, 2013.

§62-34.11.3. Oklahoma State Government Open Documents Initiative.

A. There is hereby established the "Oklahoma State Government Open Documents Initiative".

B. The Chief Information Officer shall develop and maintain an online web presence at the web address "documents.ok.gov". The site shall allow public access to electronic documents described in this section. The site shall include functionality allowing site visitors to search the documents by term.

C. The Chief Information Officer shall promulgate procedures by which each state agency, board, commission, and public trust having the State of Oklahoma as a beneficiary shall submit a searchable electronic version of each publication to the "documents.ok.gov" website. The procedures shall require submission to the site of all

publications otherwise required by law to be submitted to either the Publications Clearinghouse of the Department of Libraries, the Governor, the Speaker of the House of Representatives or the President Pro Tempore of the Senate. The procedures shall require the electronic documents to be provided in an indexed format which enables the document to be searched by specific term.

D. State agencies, boards, commissions, and public trusts having the State of Oklahoma as a beneficiary shall comply with procedures promulgated pursuant to the terms of this section.

Added by Laws 2011, c. 292, § 4.

§62-34.11.4. Oklahoma State Government Forms One-Stop Initiative.

A. There is hereby established the "Oklahoma State Government Forms One-Stop Initiative".

B. The Chief Information Officer shall develop and maintain an online web presence at the web address "forms.ok.gov". The site shall allow public access to forms described in this section. The site shall include functionality allowing site visitors to search the forms by term.

C. The Chief Information Officer shall promulgate procedures by which each state agency, board, commission, and public trust having the State of Oklahoma as a beneficiary shall submit a searchable electronic version of each form to the "forms.ok.gov" website. The procedures shall require the forms to be provided in an indexed format which enables the form to be searched by specific term.

D. State agencies, boards, commissions, and public trusts having the State of Oklahoma as a beneficiary shall comply with procedures promulgated pursuant to the terms of this section.

Added by Laws 2011, c. 292, § 5.

§62-34.11.5. Oklahoma State Government Geographic Information One-Stop Initiative.

A. There is hereby established the "Oklahoma State Government Geographic Information One-Stop Initiative".

B. The State Geographic Information Coordinator shall develop and maintain an online web presence at the web address "maps.ok.gov". The site shall allow public access to geodata described in this section.

C. The State Geographic Information Coordinator shall promulgate procedures by which each state agency, board, commission and public trust having the State of Oklahoma as a beneficiary shall submit geodata to the Office of Geographic Information to be published on the "maps.ok.gov" website.

D. For the purposes of this section, the term "geodata" shall mean information which can be presented as a component of a geographic or spatial presentation.

E. State agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall comply with procedures promulgated pursuant to the terms of this section.
Added by Laws 2011, c. 292, § 7.

§62-34.11.6. Repealed by Laws 2013, c. 358, § 38, eff. July 1, 2013.

§62-34.11.7. Statewide assistance program - Performance reporting metrics - Telework pilot program.

A. 1. The State Governmental Technology Applications Review Board shall establish a statewide assistance program with guidelines and support to encourage all state agencies in the development of a telework model designed for maximum efficiency and to reduce the need for additional state office space and to produce cost savings.

2. In establishing a statewide assistance telework program, the Board, working with the Office of Management and Enterprise Services, shall:

- a. provide policies and guidance for telework in the areas of pay and leave, performance management, official worksite, recruitment and retention and accommodation for employees with disabilities,
- b. assist each state agency in establishing qualitative and quantitative measures and telework goals,
- c. provide guidance to ensure the adequacy of information and security protections for information and information systems while teleworking to:
 - (1) control access to agency information and information systems,
 - (2) protect agency information and information systems,
 - (3) protect information systems not under the control of the state agency that are used for telework,
 - (4) limit the introduction of vulnerabilities, and
 - (5) safeguard wireless and other telecommunications capabilities, and
- d. maintain a central telework website including:
 - (1) telework links,
 - (2) announcements,
 - (3) guidance developed by the Board and the Office of Management and Enterprise Services, and
 - (4) documents to be used by staff, managers and human resource professionals.

B. The State Governmental Technology Applications Review Board shall establish performance reporting metrics for each state employee who begins participating in telework following July 1, 2012. These reports shall be published through the data.ok.gov website.

C. The Oklahoma Healthcare Authority shall authorize one division of employees to participate in a telework pilot program pursuant to the terms of this section.

D. For the purposes of this section, "performance reporting metrics" shall mean a set of criteria which demonstrates the quantity and quality of work. "Telework" shall mean work which is performed outside of the traditional on-site work environment.
Added by Laws 2011, c. 292, § 11. Amended by Laws 2013, c. 358, § 8, eff. July 1, 2013; Laws 2019, c. 204, § 1, eff. Nov. 1, 2019.

§62-34.11.8. Oklahoma State Government IT Project Monitoring and Transparency Initiative.

A. There is hereby established the "Oklahoma State Government IT Project Monitoring and Transparency Initiative".

B. The Chief Information Officer shall develop and maintain an online web presence at the web address "projects.ok.gov". The site shall allow the public to monitor the status of every information technology project resulting in expenditure in excess of One Hundred Thousand Dollars (\$100,000.00).

C. A report of each project subject to the terms of this initiative shall be updated regularly and provide the public with updates as to the status of the project's estimated completion time, deliverables and cost. Projects shall be judged against clear metrics which shall be articulated on the website prior to the commencement of each project.

Added by Laws 2011, c. 292, § 12.

§62-34.11.9. Oklahoma State Government Business Licensing One-Stop Program.

A. There is hereby established the Oklahoma State Government Business Licensing One-Stop Program.

B. The Chief Information Officer shall promulgate procedures by which state agencies shall enter into an arrangement with the Office of Management and Enterprise Services for the provision of a real-time licensing and permitting one-stop web-based offering.

C. Real-time licensing and permitting services shall be made available to the public through the website *Business.ok.gov* and shall be offered through the 2nd Century Entrepreneurship Center business licensing framework.

D. The 2nd Century Entrepreneurship Center and all corresponding assets and personnel are hereby transferred from the Oklahoma Department of Commerce to the Information Services Division of the Office of Management and Enterprise Services.

E. The Chief Information Officer may grant an exemption from the requirements of this section to state agencies which offer licensing and permitting procedures requiring documentation that cannot be provided through a web-based portal. Exemptions shall be limited to

individual licensing processes, shall not be granted on an agency-by-agency basis and shall be reported according to the requirements of subsection D of Section 34.24.1 of this title. Each exemption shall be renewed on an annual basis.

F. State agencies shall comply with procedures promulgated pursuant to the terms of this section.

Added by Laws 2011, c. 300, § 1. Amended by Laws 2012, c. 304, § 344; Laws 2013, c. 358, § 9, eff. July 1, 2013.

§62-34.11.10. Oklahoma State Government Security Breach Transparency Initiative.

A. There is hereby established the Oklahoma State Government Security Breach Transparency Initiative.

B. The Chief Information Officer shall develop and maintain an online web presence at the web address *security.ok.gov*. The site shall allow the public access to security breaches as described in this section.

C. For each security breach of a system for which notification may be required of any state agency pursuant to Section 3113.1 of Title 74 of the Oklahoma Statutes or any other applicable Oklahoma or federal law, rule or regulation, the state agency shall immediately notify the Chief Information Officer of the breach and fully cooperate to provide all information related to the breach that is requested by the Chief Information Officer.

D. Information related to each security breach referenced in subsection C of this section shall be posted on the *security.ok.gov* website and when applicable the information shall be updated.

Added by Laws 2013, c. 358, § 10, eff. July 1, 2013.

§62-34.12. Information Services Division - Powers and duties.

A. The Information Services Division of the Office of Management and Enterprise Services shall:

1. Coordinate information technology planning through analysis of the long-term information technology plans for each agency;

2. Develop a statewide information technology plan with annual modifications to include, but not be limited to, individual agency plans and information systems plans for the statewide electronic information technology function;

3. Establish and enforce minimum mandatory standards for:

- a. information systems planning,
- b. systems development methodology,
- c. documentation,
- d. hardware requirements and compatibility,
- e. operating systems compatibility,
- f. acquisition of software, hardware and technology-related services,
- g. information security and internal controls,

- h. data base compatibility,
- i. contingency planning and disaster recovery, and
- j. imaging systems, copiers, facsimile systems, printers, scanning systems and any associated supplies.

The standards shall, upon adoption, be the minimum requirements applicable to all agencies. These standards shall be compatible with the standards established for the Oklahoma Government Telecommunications Network. Individual agency standards may be more specific than statewide requirements but shall in no case be less than the minimum mandatory standards. Where standards required of an individual agency of the state by agencies of the federal government are more strict than the state minimum standards, such federal requirements shall be applicable;

4. Develop and maintain applications for agencies not having the capacity to do so;

5. Operate a data service center to provide operations and hardware support for agencies requiring such services and for statewide systems;

6. Maintain a directory of the following which have a value of Five Hundred Dollars (\$500.00) or more: application systems, systems software, hardware, internal and external information technology, communication or telecommunication equipment owned, leased, or rented for use in communication services for state government, including communication services provided as part of any other total system to be used by the state or any of its agencies, and studies and training courses in use by all agencies of the state; and facilitate the utilization of the resources by any agency having requirements which are found to be available within any agency of the state;

7. Assist agencies in the acquisition and utilization of information technology systems and hardware to effectuate the maximum benefit for the provision of services and accomplishment of the duties and responsibilities of agencies of the state;

8. Coordinate for the executive branch of state government agency information technology activities, encourage joint projects and common systems, linking of agency systems through the review of agency plans, review and approval of all statewide contracts for software, hardware and information technology consulting services and development of a statewide plan and its integration with the budget process to ensure that developments or acquisitions are consistent with statewide objectives and that proposed systems are justified and cost effective;

9. Develop performance reporting guidelines for information technology facilities and conduct an annual review to compare agency plans and budgets with results and expenditures;

10. Establish operations review procedures for information technology installations operated by agencies of the state for

independent assessment of productivity, efficiency, cost effectiveness, and security;

11. Establish data center user charges for billing costs to agencies based on the use of all resources;

12. Provide system development and consultant support to state agencies on a contractual, cost reimbursement basis; and

13. In conjunction with the Oklahoma Office of Homeland Security, enforce the minimum information security and internal control standards established by the Information Services Division. An enforcement team consisting of the Chief Information Officer of the Information Services Division or a designee, a representative of the Oklahoma Office of Homeland Security, and a representative of the Oklahoma State Bureau of Investigation shall enforce the minimum information security and internal control standards. If the enforcement team determines that an agency is not in compliance with the minimum information security and internal control standards, the Chief Information Officer shall take immediate action to mitigate the noncompliance, including the removal of the agency from the infrastructure of the state until the agency becomes compliant, taking control of the information technology function of the agency until the agency is compliant, and transferring the administration and management of the information technology function of the agency to the Information Services Division or another state agency.

B. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition of any category of computer hardware, software or any contract for information technology or telecommunication services and equipment, service costs, maintenance costs, or any other costs or fees associated with the acquisition of the services or equipment, without written authorization of the Chief Information Officer or a designee except the following:

1. A purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website; or

2. A purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website.

If written authorization is not obtained prior to incurring an expenditure or entering into any agreement as required in this subsection or as required in Section 35.4 of this title, the Office of Management and Enterprise Services may not process any claim

associated with the expenditure and the provisions of any agreement shall not be enforceable. The provisions of this subsection shall not be applicable to any member of The Oklahoma State System of Higher Education, any public elementary or secondary schools of the state, any technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes, or CompSource Oklahoma.

C. The Chief Information Officer and Information Services Division of the Office of Management and Enterprise Services and all agencies of the executive branch of the state shall not be required to disclose, directly or indirectly, any information of a state agency which is declared to be confidential or privileged by state or federal statute or the disclosure of which is restricted by agreement with the United States or one of its agencies, nor disclose information technology system details that may permit the access to confidential information or any information affecting personal security, personal identity, or physical security of state assets. Added by Laws 1984, c. 290, § 2, operative July 1, 1984. Amended by Laws 1992, c. 268, § 5, eff. Sept. 1, 1992; Laws 2001, c. 33, § 51, eff. July 1, 2001; Laws 2005, c. 391, § 1, eff. July 1, 2005; Laws 2006, c. 266, § 1, eff. July 1, 2006. Renumbered from § 41.5a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 4, eff. April 5, 2010; Laws 2010, c. 2, § 34, eff. April 5, 2010; Laws 2011, c. 296, § 11; Laws 2012, c. 292, § 2; Laws 2013, c. 15, § 58, emerg. eff. April 8, 2013; Laws 2013, c. 358, § 11, eff. July 1, 2013; Laws 2017, c. 384, § 3, eff. July 1, 2017. NOTE: Laws 2009, c. 454, § 7 repealed by Laws 2010, c. 2, § 35, eff. April 5, 2010. Laws 2012, c. 304, § 345 repealed by Laws 2013, c. 15, § 59, emerg. eff. April 8, 2013.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

NOTE: Laws 2010, c. 2, § 106, provides: "The provisions of Sections 32 through 43 and Sections 96 and 97 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided in Section 34.11.1 of Title 62 of the Oklahoma Statutes." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.12.1. High technology systems and upgrades and enhancements.

A. No state agency shall enter into a contract for the acquisition of a high technology system unless the vendors proposing to supply the acquisition:

1. Provide documentation of the projected schedule of recommended or required upgrades or improvements to the high technology system over a projected three-year period following the targeted purchase date; or

2. Provide documentation that no recommended or required upgrades or improvements to the high technology system are planned over a projected three-year period following the targeted purchase date.

For purposes of this subsection, vendors shall provide documentation required for all entities which will be utilized in satisfying any phase.

B. No state agency shall enter into a contract for the acquisition of an upgrade or enhancement to a high technology system unless:

1. The vendor agrees to provide the acquisition at no charge to the state;

2. The vendor previously agreed in a contract to provide the acquisition at no additional charge to the state;

3. The state agency obtains from the vendor proposing to supply the acquisition documentation that any required or recommended upgrade will enhance or is necessary for the performance of the state agency duties and responsibilities; or

4. The vendor provides documentation that the vendor will no longer supply assistance to the state agency for the purpose of maintenance of the high technology system and the state agency documents that the functions performed by the high technology system are necessary for the performance of the state agency duties and responsibilities.

C. The Chief Information Officer or the procurement officer of state agencies not subject to The Oklahoma Central Purchasing Act shall not process any state agency request for a high technology system acquisition unless the proposed vendor provides documentation that complies with subsections A or B of this section.

D. The Chief Information Officer shall provide such advice and assistance as may be required in order for state agencies to comply with the provisions of this section. For purposes of this section, "state agency" shall include all state agencies, whether or not the agency is subject to The Oklahoma Central Purchasing Act or any other law related to procurement of goods and services.

Added by Laws 1998, c. 371, § 6, eff. Nov. 1, 1998. Amended by Laws 2013, c. 358, § 28, eff. July 1, 2013. Renumbered from § 85.7c of Title 74 by Laws 2013, c. 358, § 34, eff. July 1, 2013.

§62-34.13. Statement of charges.

The Information Services Division of the Office of Management and Enterprise Services shall, at the end of each month, render a statement of charges to all state agencies to which it has furnished

processing services for the direct costs of the Data Service Center of the Information Services Division, which shall be timely paid. In total, the charges shall not exceed the direct costs of the Data Service Center of the Information Services Division. Systems analysts and programming services costs shall be recovered directly from the agency for which the service was rendered, as agreed to by that agency, and shall not be prorated to agencies not receiving such services. If the charges or programming services costs are not timely paid by a state agency, the Information Services Division may request the Division of Central Accounting and Reporting of the Office of Management and Enterprise Services to create vouchers and process payments to the Information Services Division against the funds of the delinquent agency. All amounts so collected shall be deposited in the State Treasury to the credit of the General Revenue Fund.

Added by Laws 1985, c. 203, § 49, operative July 1, 1985. Amended by Laws 1985, c. 344, § 4, emerg. eff. July 30, 1985; Laws 2006, c. 266, § 2, eff. July 1, 2006. Renumbered from § 41.5a-1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 5, eff. April 5, 2010; Laws 2012, c. 304, § 346; Laws 2013, c. 358, § 12, eff. July 1, 2013.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.14. Renumbered from § 41.5a-2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Repealed by Laws 2009, c. 451, § 25, eff. July 1, 2009.

§62-34.15. Information Services Division - Authority over certain information technology equipment facilities.

The Information Services Division of the Office of Management and Enterprise Services is authorized to:

1. Define the requirements for a facility that can be used by any state agency to:
 - a. install backup information technology equipment, or
 - b. install information technology equipment acquired as the result of the primary processing facilities being unavailable for an extended period of time;
2. Enter into a multiyear agreement for a private facility that meets the defined requirements; and
3. Advise state agencies when the facility is available for their use.

Added by Laws 2007, c. 148, § 3, emerg. eff. May 16, 2007.
Renumbered from § 41.5a-3 of this title by Laws 2009, c. 441, § 64,
eff. July 1, 2009. Amended by Laws 2012, c. 304, § 347.

§62-34.16. Repealed by Laws 2013, c. 358, § 38, eff. July 1, 2013.

§62-34.17. Repealed by Laws 2013, c. 358, § 38, eff. July 1, 2013.

§62-34.18. Repealed by Laws 2013, c. 358, § 38, eff. July 1, 2013.

§62-34.19. Information Services Division of Office of Management and Enterprise Services - Creation and maintenance of state central communication or intercommunication system.

A. The Information Services Division of the Office of Management and Enterprise Services is directed, authorized and empowered to enter into contracts for, to establish criteria for and manage the installation, maintenance and administration of a central communication or intercommunication system for and upon behalf of this state. The installation shall fulfill communication or intercommunications requirements of this state and its agencies located in the Capitol and those buildings situated on the Capitol grounds, known as the "Capitol Complex" in Oklahoma City, Oklahoma, the state-owned building known as the "Tulsa Capitol Building" in Tulsa, Oklahoma, buildings which house state agencies located within four (4) miles of the Capitol Complex, and any location used for the administration of the information technology and telecommunication infrastructure and security for the state.

B. The Information Services Division shall render a statement of charges at the end of each month to all state agencies to which it has furnished communications services for the direct cost sustained, which shall timely be paid. If the charges are not timely paid by a state agency, the Information Services Division may request the Division of Central Accounting and Reporting of the Office of Management and Enterprise Services to create vouchers and process payments to the Information Services Division against the funds of the delinquent agency. The following provisions shall apply to the charges:

1. A pro rata formula is to be established in writing after giving consideration to the type of service furnished, the number and kinds of instruments used, the cost of operation and special installations required in each such agency in relation to the total cost of local service. The formula, once determined, is not to be redetermined more often than once every six (6) months nor to be changed after any such redetermination before the expiration of six (6) months; and

2. The Information Services Division is to be reimbursed by the state or any of its agencies for actual cost incurred for equipment

installation or modification or for toll charges for use of telephone, telegraph, teletype, data communications, Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of this title, or other form or forms of communication or intercommunication incurred by the state or by any agency.

C. No telephone, teletype, switchboard, line, cable system, data communication system, Internet, eGovernment, or systems of communication or intercommunication are to be installed in any building or buildings owned, rented, leased or otherwise held by this state or its agencies at locations described in subsection A of this section without written order of the Chief Information Officer or a designee. Provided, however, that acquisition and installation of such equipment in the Legislature shall be subject to the final approval of the Speaker of the House of Representatives or the President Pro Tempore of the Senate as appropriate.

Added by Laws 1985, c. 48, § 4, eff. July 1, 1985. Amended by Laws 2006, c. 266, § 4, eff. July 1, 2006. Renumbered from § 41.5h of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 9, eff. April 5, 2010; Laws 2012, c. 304, § 351; Laws 2013, c. 358, § 13, eff. July 1, 2013.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.20. Information Services Division of Office of Management and Enterprise Services - Additional powers and duties relating to communications and telecommunications.

In addition to the powers and duties as defined elsewhere in this title, the Information Services Division of the Office of Management and Enterprise Services shall:

1. Coordinate statewide planning and approve statewide contracts for communication and telecommunications needs of state agencies, including, but not limited to, voice, data, radio including the interoperable radio communications system for state agencies, video, broadband, Wi-Fi or wireless networking, Global Positioning Systems (GPS), Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of this title, and facsimile transmissions through analysis of the telecommunications and information technology plan of each agency;

2. In coordination with the Oklahoma Office of Homeland Security, establish minimum mandatory standards and protocols for:

- a. communication networks and equipment,
- b. wide area and local area systems,
- c. integration of equipment, systems and joint usage,

- d. Internet and eGovernment,
- e. operating systems or methods to be used to meet communications requirements efficiently, effectively, and securely,
- f. rendering of aid between state government and its political subdivisions with respect to organizing of communications systems, and
- g. an economical and cost-effective utilization of communication services.

The standards and protocols shall be compatible with the standards and protocols established for the Oklahoma Government Telecommunications Network;

3. Serve as a focal point for all statewide projects and approve all statewide contracts for state agencies involving current communications vendors where the focus of such authority can substantially enhance the state communications plan or the savings which can be achieved thereunder;

4. Provide, when requested by political subdivisions of the state, for the organizing of communications or telecommunications systems and service between the state and its political subdivisions and enter into agreements to effect the purposes of this section;

5. Cooperate with any federal, state or local emergency management agency in providing for emergency communications and telecommunication services;

6. Apply for, receive, and hold, or assist agencies in applying for, receiving or holding such authorizations, licenses and allocations of channels and frequencies to carry out the purposes of this section;

7. Accomplish such other purposes as may be necessary or incidental to the administration of its authority or functions pursuant to law; and

8. Provide support for telecommunication networks of state agencies through analysis of the telecommunications needs and requirements of each agency and promotion of the use of the Oklahoma Government Telecommunications Network.

Added by Laws 1985, c. 48, § 5, eff. July 1, 1985. Amended by Laws 1992, c. 268, § 6, eff. Sept. 1, 1992; Laws 2005, c. 391, § 2, eff. July 1, 2005; Laws 2006, c. 266, § 5, eff. July 1, 2006; Laws 2009, c. 212, § 2, eff. Nov. 1, 2009. Renumbered from § 41.5i of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 10, eff. April 5, 2010; Laws 2012, c. 304, § 352.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.20.1. OneNet - Statewide contract - GSA schedule or contract purchases - Negotiation for education or government discounts.

A. The Office of Management and Enterprise Services shall recognize as a statewide contract an unencumbered contract consummated in behalf of the telecommunications network known as OneNet by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet; provided, said recognition shall require recommendation by the Information Services Division of the Office of Management and Enterprise Services. The Office of Management and Enterprise Services shall not subject purchases pursuant to said contracts to any quantity limit.

B. For purchases that require review of the purchase requisition by the Information Services Division of the Office of Management and Enterprise Services and that are not available on a statewide contract but are available from a General Services Administration (GSA) schedule or contract, or are available from a GSA schedule or contract at a lesser price than from a state contract, state agencies may, with the approval of the Information Services Division, purchase from the vendor or vendors on the GSA schedule or contract.

C. The Oklahoma State Regents for Higher Education and any other state entity assigned responsibility for OneNet are authorized to negotiate for education or government discounts from published price listings and to make contracts at such prices subject to adjustment for price increases nationally published.

Added by Laws 1996, c. 214, § 1, emerg. eff. May 21, 1996. Amended by Laws 2012, c. 304, § 745. Renumbered from § 85.9E of Title 74 by Laws 2013, c. 358, § 37, eff. July 1, 2013.

§62-34.21. Authorization and requirements for obtaining, developing or enhancing communication or telecommunication systems - Interagency contracts - Exception.

A. No agency of the executive branch of the state shall use state funds for or enter into any agreement for the acquisition, development or enhancement of a communication or telecommunication system including voice, data, radio, video, Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of this title, printers, scanners, copiers, facsimile systems and associated supplies, service costs, maintenance costs, or any other costs or fees associated with the acquisition of the system or equipment, without written authorization of the Chief Information Officer or a designee. The Chief Information Officer or a designee shall verify that any acquisition, development or enhancement is compatible with the operation of the Oklahoma Government Telecommunications Network.

B. No agency of the executive branch of the state shall enter into any agreement for the acquisition, development or enhancement of a communication or telecommunication system or service including

voice, data, radio, video, Internet, eGovernment, printers, scanners, copiers, and facsimile systems, unless the cost of such addition, change, improvement or development has been included in the statewide communications plan of the Information Services Division of the Office of Management and Enterprise Services, as said plan may have been amended or revised.

C. State agencies may enter into interagency contracts to share communications and telecommunications resources for mutually beneficial purposes. The contract shall clearly state how its purpose contributes to the development or enhancement or cost reduction of a state network which includes voice, data, radio, video, Internet, eGovernment, or facsimile systems. The contract shall be approved by the Information Services Division before any payments are made.

D. The provisions of subsections A, B and C of this section shall not apply to the telecommunications network known as OneNet whether said network is governed or operated by the Oklahoma State Regents for Higher Education or any other state entity assigned responsibility for OneNet.

E. The provisions of this section shall not apply to CompSource Oklahoma.

F. No state agency shall use state funds or enter into any agreement for the acquisition, development or enhancement of a public safety communication system unless the request is consistent with the Statewide Communications Interoperability Plan and the public safety communications standards issued by the Oklahoma Office of Homeland Security. Agencies interested in acquiring, developing or enhancing a public safety communications system shall submit a proposal to the Oklahoma Office of Homeland Security. The Oklahoma Office of Homeland Security shall issue a proposal review which summarizes whether the proposal is consistent with the Statewide Communications Interoperability Plan and the technology standards issued. The proposal review shall be submitted to the requesting agency and to the Chief Information Officer.

Added by Laws 1985, c. 48, § 6, eff. July 1, 1985. Amended by Laws 1992, c. 268, § 7, eff. Sept. 1, 1992; Laws 1996, c. 214, § 7, emerg. eff. May 21, 1996; Laws 2006, c. 266, § 6, eff. July 1, 2006; Laws 2009, c. 212, § 3, eff. Nov. 1, 2009. Renumbered from § 41.5j of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 11, eff. April 5, 2010; Laws 2010, c. 2, § 40, eff. April 5, 2010; Laws 2012, c. 292, § 3; Laws 2013, c. 15, § 60, emerg. eff. April 8, 2013; Laws 2013, c. 358, § 14, eff. July 1, 2013.

NOTE: Laws 2009, c. 454, § 10 repealed by Laws 2010, c. 2, § 41, eff. April 5, 2010. Laws 2012, c. 304, § 353 repealed by Laws 2013, c. 15, § 61, emerg. eff. April 8, 2013.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

NOTE: Laws 2010, c. 2, § 106, provides: "The provisions of Sections 32 through 43 and Sections 96 and 97 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided in Section 34.11.1 of Title 62 of the Oklahoma Statutes." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.22. Telecommunications Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services to be designated the "Telecommunications Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of appropriations made by the Legislature and reimbursements for providing telecommunications services as defined in Sections 34.19, 34.20, 34.21 and 34.24 of this title. All monies accruing to such fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services for the purpose of providing telecommunications, Internet, and eGovernment services, as referenced in Sections 34.24 and 34.25 of this title, the construction and maintenance of information technology facilities and services, and other related services. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1987, c. 203, § 105, operative July 1, 1987. Amended by Laws 2006, c. 266, § 8, eff. July 1, 2006. Renumbered from § 41.51 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 354.

§62-34.23. Oklahoma Government Telecommunications Network.

A. There is hereby created a wide area telecommunications network to be known and referred to as the "Oklahoma Government Telecommunications Network (OGTN)". The OGTN shall consist of the telecommunications systems and networks of educational entities and agencies of state government.

B. Notwithstanding the provisions of subsection A of this section:

1. The Oklahoma State Regents for Higher Education may continue to operate, maintain and enhance the State Regents Educational Telecommunications Network, subject to the provisions of the Oklahoma

Information Services Act. The Oklahoma State Regents for Higher Education shall submit all plans for the enhancement of the State Regents Educational Telecommunications Network to the Information Services Division of the Office of Management and Enterprise Services for review and approval within the context of the statewide telecommunications network provided for in subsection C of this section and shall participate with the Information Services Division in joint efforts to provide services for the OGTN; and

2. The Department of Public Safety may continue to operate, maintain and enhance the statewide law enforcement data communications network provided for in Section 2-124 of Title 47 of the Oklahoma Statutes, subject to the provisions of the Oklahoma Information Services Act. The Department of Public Safety shall submit all plans for the enhancement of the statewide law enforcement data communications network to the Information Services Division of the Office of Management and Enterprise Services for review and approval and shall participate with the Information Services Division in joint efforts to provide services for the OGTN.

C. The Information Services Division shall be responsible for developing, operating and maintaining the OGTN. The purposes of the OGTN shall include the following:

1. Development of a comprehensive, unified statewide telecommunications network to effectively, efficiently, and securely meet the communication needs of educational entities and agencies of state government;

2. Effective and efficient utilization of existing telecommunications systems operated by educational entities and agencies of state government; and

3. Elimination and prevention of unnecessarily duplicative telecommunications systems operated by educational entities and agencies of state government.

D. In developing, operating and maintaining the OGTN, the Information Services Division shall:

1. Develop a statewide master plan for meeting the communications needs of educational entities and of agencies of state government. To facilitate the development of a statewide master plan as provided for in this paragraph:

- a. the Oklahoma State Regents for Higher Education shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of each member of The Oklahoma State System of Higher Education. For purposes of developing such report, each member shall cooperate with and submit to the State Regents a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, as referenced in Sections 34.24 and 34.25 of this title, any interactive video plans, the purchase of

- informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,
- b. the State Superintendent of Public Instruction shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of the public common school system of the state. For purposes of developing such report, the respective public elementary and secondary schools shall cooperate with and submit to the State Superintendent a plan of their telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,
 - c. the Director of the Oklahoma Department of Career and Technology Education shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of technology center school districts. For purposes of developing such report, each technology center school district as defined in Section 14-108 of Title 70 of the Oklahoma Statutes shall cooperate with and submit to the Director of the Oklahoma Department of Career and Technology Education a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services,
 - d. the chief administrative officer of each state agency of the executive branch shall submit a plan annually to the Chief Information Officer identifying the telecommunications needs of the state agency, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records, and the use of telecommunications equipment or services, and
 - e. the Director of the Oklahoma Department of Libraries shall submit a report annually to the Chief Information Officer identifying the telecommunications plans of public libraries and public library systems. For purposes of developing such report, the chief administrative officer of any public library or public library system not otherwise required to submit a plan of its telecommunications needs pursuant to the provisions of this paragraph shall cooperate with and

submit annually to the Director of the Oklahoma Department of Libraries a plan of its telecommunications needs, including, but not limited to, Internet, eGovernment, any interactive video plans, the purchase of informational data bases, software for manipulation of bibliographic records and the use of telecommunications equipment or services. To assure inclusion in the report of the plans of the telecommunications needs of any library that is a part of any member of The Oklahoma State System of Higher Education, a public elementary or secondary school, or technology center school district, all such plans relating to libraries received by the Oklahoma State Regents for Higher Education, the State Superintendent of Higher Education, and the State Director of the Oklahoma Department of Career and Technology Education shall be submitted to the Director of the Oklahoma Department of Libraries by the respective recipients thereof as soon as practicable after receipt. The Director of the Oklahoma Department of Libraries shall certify to the Information Services Division that such plans are consistent with the plan developed by the Oklahoma Library Technology Network or explain any inconsistencies therewith;

2. Identify the most cost-effective means of meeting the telecommunications needs of educational entities and of agencies of state government;

3. Develop minimum mandatory standards and protocols for equipment, facilities and services of the OGTN;

4. Evaluate the advantages and disadvantages of utilizing equipment, facilities, and services of both private entities and those owned and operated by the state; and

5. Recommend a fee structure to provide for the operation and maintenance of the OGTN.

Added by Laws 1992, c. 268, § 1, eff. Sept. 1, 1992. Amended by Laws 1995, c. 246, § 4, eff. Nov. 1, 1995; Laws 1998, c. 45, § 3, emerg. eff. April 2, 1998; Laws 2001, c. 33, § 52, eff. July 1, 2001; Laws 2006, c. 266, § 9, eff. July 1, 2006. Renumbered from § 41.5m of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 12, eff. April 5, 2010; Laws 2012, c. 304, § 355.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.24. State portal system.

A. In order to be at the forefront of electronic commerce and provide constituents, agencies and out-of-state users with state-of-the-art electronic commerce and Internet tools, the State of Oklahoma recognizes the need for a state portal system connecting state agency websites and information systems.

B. The Information Services Division of the Office of Management and Enterprise Services shall manage the installation, maintenance and administration of the state portal system.

C. For purposes of this section and Section 34.27 of this title, a "portal system" shall mean a system that hosts and connects to a collection of online government and public services and serves as the single point of access to state government services, information, and transaction processing with a common enterprise wide user interface allowing navigation among the services.

Added by Laws 2001, c. 375, § 1, emerg. eff. June 4, 2001. Amended by Laws 2006, c. 266, § 10, eff. July 1, 2006. Renumbered from § 41.5p of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 13, eff. April 5, 2010; Laws 2012, c. 304, § 356.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.24.1. Web-based license and permit application and renewals required - Report.

A. Unless exempted pursuant to Section 34.27 of this title, each state agency, board, commission or other entity organized within the executive department of state government responsible for licensing or permitting shall utilize the portal system to allow for a link to a web-based application and renewal application for any license or permit issued by that agency. Access to the online renewal systems shall be featured prominently on the portal system.

B. Each entity responsible for licensing or permitting shall make available to the Office of Management and Enterprise Services on a yearly basis a report describing the number of licenses issued, license renewals and permits issued as well as an estimate of the amount of savings incurred by the entity as a result of the online licensing and permitting process.

C. The Office of Management and Enterprise Services shall make available to the public a copy of each report submitted in accordance with the requirements of subsection B of this section by placing the report on the website defined in Section 46 of this title.

D. The state agencies may accept an electronic signature in the application process for any license or permit; provided, the use of an electronic signature shall not create a significant risk to the integrity of the license or permit.

E. Nothing in this section shall apply to driver license renewal applications.

Added by Laws 2009, c. 322, § 5. Amended by Laws 2011, c. 240, § 2 **and** Laws 2011, c. 347, § 2. Renumbered from § 41.5p-1 of this title by Laws 2011, c. 240, § 4 and Laws 2011, c. 347, § 8. Amended by Laws 2012, c. 304, § 357; Laws 2013, c. 358, § 15, eff. July 1, 2013. NOTE: Laws 2011, c. 240, § 2 and Laws 2011, c. 347, § 2 made identical changes to this section.

§62-34.25. Reimbursement of merchant fee - Convenience fee for manual transaction - Convenience fee for electronic transaction.

A. Subject to review and approval as provided for in Section 34.27 of this title, a state agency, board, commission, or authority may obtain reimbursement of a merchant fee incurred in connection with any electronic or online transaction.

B. Subject to review and approval as provided for in Section 34.27 of this title, unless otherwise permitted by law, a state agency, board, commission or authority may charge a convenience fee for a manual transaction. Each state entity shall keep a record of how the convenience fee has been determined and shall file the record with the Information Services Division of the Office of Management and Enterprise Services. A state agency, board, commission, or authority may periodically adjust a convenience fee as needed upon review and approval as provided for in Section 34.27 of this title.

Any state agency, board, commission or authority may apply to the State Governmental Technology Applications Review Board for authorization to charge a convenience fee for electronic or online transactions. If authorization is granted, the state entity shall not assess a convenience fee for equivalent manual transactions. The Board shall annually review the authorization for a convenience fee for electronic or online transactions and shall take action to renew or revoke the authorization as provided for in this subsection.

C. For purposes of this section:

1. "Merchant fee" shall mean and be limited to the cost of a charge imposed by a third-party credit card or debit card issuer that is necessary to process an electronic or online transaction with a state agency, board, commission or authority;

2. "Convenience fee" shall mean a fee charged to partially compensate for costs incurred as a result of providing for a manual transaction or an electronic or online transaction if authorization is approved as provided for in subsection B of this section; and

3. "Manual transaction" shall mean a transaction that is not conducted online or electronically if the transaction is made available online or electronically.

Added by Laws 2001, c. 375, § 2, emerg. eff. June 4, 2001. Amended by Laws 2006, c. 266, § 11, eff. July 1, 2006; Laws 2009, c. 322, § 4. Renumbered from § 41.5q of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 2, § 42, eff. April 5, 2010; Laws 2012, c. 304, § 358; Laws 2013, c. 358, § 16, eff. July 1, 2013.

NOTE: Laws 2009, c. 451, § 14 repealed by Laws 2010, c. 2, § 43, eff. April 5, 2010.

NOTE: Laws 2010, c. 2, § 106, provides: "The provisions of Sections 32 through 43 and Sections 96 and 97 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided in Section 34.11.1 of Title 62 of the Oklahoma Statutes." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.26. Open-systems concept.

A. Any state agency, board, commission, or authority which establishes an electronic portal system shall use an open-systems concept for the portal system which has been approved by the Information Services Division of the Office of Management and Enterprise Services.

B. No state agency, board, commission, or authority shall enter into an agreement for development of, enhancement to, or maintenance of an electronic portal system without the written authorization of the Information Services Division.

C. For purposes of this section, an "open-systems concept" shall mean a system that implements sufficient open specifications for interfaces, services, and supporting formats to enable properly engineered components to be utilized across a wide range of systems with minimal changes, to interoperate with other components on local and remote systems, and to interact with users in a style that facilitates portability. An open-systems concept is characterized by the following:

1. Well-defined, widely used, and nonproprietary interfaces or protocols;

2. Use of standards which are developed and adopted by industry recognized standards-making bodies;

3. A definition of all aspects of system interfaces to facilitate new or additional system capabilities for a wide range of applications; and

4. An explicit provision for expansion or upgrading through the incorporation of additional or higher performance elements with minimal impact on the system.

Added by Laws 2001, c. 375, § 3, emerg. eff. June 4, 2001.
Renumbered from § 41.5r of this title by Laws 2009, c. 441, § 64,
eff. July 1, 2009. Amended by Laws 2009, c. 451, § 15, eff. April 5,
2010; Laws 2012, c. 304, § 359.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.27. State Governmental Technology Applications Review Board.

A. There is hereby established the State Governmental Technology Applications Review Board. The Board shall be composed of the following members:

1. The Director of the Office of Management and Enterprise Services or a designee;
2. Four representatives from different state agencies, boards, commissions, or authorities to be appointed by the Governor, at least one of which shall be employed by a law enforcement agency;
3. Two members who are not state government employees to be appointed by the Speaker of the House of Representatives; and
4. Two members who are not state government employees to be appointed by the President Pro Tempore of the Senate.

B. Members of the Board shall serve for terms of two (2) years. The Board shall select a chair from among its members.

C. Members of the Board shall not receive compensation for serving on the Board, but shall be reimbursed for travel expenses incurred in the performance of their duties by their respective agencies or appointing authority in accordance with the State Travel Reimbursement Act.

D. Notwithstanding any other section of law, any member of the Board attending a meeting via teleconference shall be counted as being present in person and shall count toward the determination of whether a quorum of the Board is present at the meeting.

E. The Board shall have the duty and responsibility of:

1. Reviewing for approval all convenience fees and merchant fees as defined in Section 34.25 of this title and changes in convenience fees and merchant fees charged by state agencies, boards, commissions, or authorities;
2. Monitoring all portal systems and applications for portal systems created by state agencies, boards, commissions, or authorities, reviewing portal systems applications approved or denied by the Information Services Division of the Office of Management and Enterprise Services, and making recommendations to the Legislature and Governor to encourage greater use of the open-systems concept as is defined in Section 34.26 of this title;

3. Granting an exemption for a specific license or permit to a state agency from the requirements of Section 34.24.1 of this title. The exemption shall be limited in time as warranted by the circumstances. The Board shall grant the exemption only if presented compelling evidence that the issuance of the license or permit requires the provision of information that cannot be provided through an online licensing or permitting process and that the failure of the applicant to provide the information would create a significant risk to the integrity of the license or permit. The exemption provided for in this paragraph shall not apply to license renewals pursuant to the Oklahoma Vehicle License and Registration Act;

4. Providing ongoing oversight of implementation of the plan of action developed by the Chief Information Officer pursuant to Section 34.11.1 of this title and approving any amendments to the plan of action;

5. Approving charges to state agencies established by the Information Services Division pursuant to Section 35.5 of this title for shared services as defined in Section 35.3 of this title;

6. Functioning in an advisory capacity to the Chief Information Officer; and

7. Approving a plan by which public elementary and secondary schools of the state may recover the cost of instructional technology resources issued by the schools.

Added by Laws 2001, c. 375, § 4, emerg. eff. June 4, 2001. Amended by Laws 2006, c. 266, § 12, eff. July 1, 2006. Renumbered from § 41.5s of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 16; Laws 2011, c. 296, § 12; Laws 2012, c. 304, § 360; Laws 2013, c. 122, § 2, eff. July 1, 2013; Laws 2013, c. 358, § 17, eff. July 1, 2013.

§62-34.28. Accessibility of information technology for individuals with disabilities - Undue burden - Rules.

A. The Information Services Division of the Office of Management and Enterprise Services shall work to assure state compliance regarding accessibility of information technology for individuals with disabilities based on the provisions of Section 508 of the Workforce Investment Act of 1998.

B. When developing, procuring, maintaining or using information technology, or when administering contracts or grants that include the procurement, development, upgrading, or replacement of information technology each state agency shall ensure, unless an undue burden would be imposed on the agency, that the information technology allows employees, program participants, and members of the general public access to use of information and data that is comparable to the access by individuals without disabilities.

C. To assure accessibility, the Information Services Division shall:

1. Adopt accessibility standards that address all technical standard categories of Section 508 of the Workforce Investment Act of 1998 to be used by each state agency in the procurement of information technology, and in the development and implementation of custom-designed information technology systems, Web sites, and other emerging information technology systems;

2. Adopt an accessibility clause which shall be included in all contracts for the procurement of information technology by or for the use of state agencies;

3. Establish and implement a review procedure to be used to evaluate the accessibility of custom-designed information technology systems proposed by a state agency prior to expenditure of state funds;

4. Review and evaluate accessibility of information technology commonly purchased by state agencies, and provide accessibility reports on such products to those responsible for purchasing decisions;

5. Provide in partnership with Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University, training and technical assistance for state agencies to assure procurement of information technology that meets adopted accessibility standards;

6. Consult with the State Department of Rehabilitation Services and individuals with disabilities in accessibility reviews of information technology and in the delivery of training and technical assistance;

7. Establish complaint procedures, consistent with Section 508 of the Workforce Development Act of 1998, to be used by an individual who alleges that a state agency fails to comply with the provisions of this section;

8. Work with and seek advice from the Electronic and Information Technology Accessibility Advisory Council, created in Section 34.30 of this title in developing accessibility standards and complaint procedures as required in this section; and

9. Require state agencies to submit evidence of assurance of compliance with state standards on accessibility of information technology for individuals with disabilities developed in accordance with this section.

D. The Director of the Office of Management and Enterprise Services shall promulgate rules, as necessary, to implement the provisions of this section.

Added by Laws 2004, c. 128, § 2, eff. July 1, 2004. Amended by Laws 2005, c. 391, § 3, eff. July 1, 2005. Renumbered from § 41.5t of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 17, eff. April 5, 2010; Laws 2012, c. 304, § 361; Laws 2013, c. 358, § 18, eff. July 1, 2013.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.29. Definitions.

As used in Sections 34.28 through 34.30 of this title:

1. "Accessibility" means compliance with nationally accepted accessibility and usability standards, such as those established in Section 508 of the Workforce Investment Act of 1998;

2. "Individual with disabilities" means any individual who is considered to have a disability or handicap for the purposes of any federal or Oklahoma law;

3. "Information technology" means any electronic information equipment or interconnected system that is used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information, including audio, graphic, and text;

4. "State agency" means any office, officer, bureau, board, counsel, court, commission, institution, unit, division, body or house of the executive or judicial branches of the state government, whether elected or appointed, excluding political subdivisions of the state. State agency shall include the Oklahoma State Regents for Higher Education, the institutions, centers, or other constituent agencies of The Oklahoma State System of Higher Education, the State Board of Career and Technology Education and Technology Center school districts; and

5. "Undue burden" means significant difficulty or expense, including, but not limited to, difficulty or expense associated with technical feasibility.

Added by Laws 2004, c. 128, § 3, eff. July 1, 2004. Amended by Laws 2006, c. 266, § 13, eff. July 1, 2006. Renumbered from § 41.5t.1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2013, c. 358, § 19, eff. July 1, 2013.

§62-34.30. Electronic and Information Technology Accessibility Advisory Council - Creation and composition.

A. There is hereby re-created, to continue until July 1, 2020, the Electronic and Information Technology Accessibility Advisory Council. The Advisory Council shall study and make recommendations concerning the accessibility for the disabled to publicly produced and provided electronic and information technology and to provide advice and assistance to the Information Services Division of the Office of Management and Enterprise Services on the development of

accessibility standards and complaint procedures as provided for in Section 34.28 of this title.

B. The Advisory Council shall be composed of the following members:

1. Two members of the House of Representatives, appointed by the Speaker of the House of Representatives;
2. Two members of the Senate, appointed by the President Pro Tempore of the Senate;
3. The Chief Information Officer, or a designee;
4. The Director of the Office of Management and Enterprise Services, or a designee;
5. The Director of the State Department of Rehabilitation Services, or a designee;
6. The Superintendent of Public Instruction, or a designee;
7. The Director of the Oklahoma Department of Career and Technology Education, or a designee;
8. The Director of the Library for the Blind and Physically Handicapped with the State Department of Rehabilitation Services, or a designee;
9. The Director of the Office of Disability Concerns, or a designee;
10. A representative of OneNet, the state telecommunications network within the Oklahoma State Regents for Higher Education;
11. The Director for Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University;
12. A representative of state agency web managers appointed by the Governor from a list submitted by a state agency web manager group;
13. A representative of an association representing education technology administrators appointed by the Speaker of the House of Representatives;
14. A representative of an association of distance learning education professionals appointed by the President Pro Tempore of the Senate;
15. Two representatives of corporations or vendors of information or electronic technology hardware or software who are knowledgeable or have experience in the field of assistive technology appointed by the Governor;
16. A representative of a corporation or vendor specializing in assistive technology appointed by the Governor; and
17. Four representatives who are individuals with a disability, one who is blind or visually impaired, one who is deaf or hard of hearing, one with a mobility disability, and one with a cognitive disability and all of whom are users of information or electronic technology appointed by the Governor.

C. Members who were serving on the Electronic and Information Technology Accessibility Task Force as of July 1, 2004, shall

automatically be appointed to serve on the Electronic and Information Technology Accessibility Advisory Council after July 1, 2004.

D. The Advisory Council shall:

1. Make recommendation on action, including legislative action, needed to ensure that all electronic and information technology produced, procured, or developed by state agencies are accessible to the disabled;
2. Identify disability accessibility standards that are emerging or fully adopted by national standard organizations;
3. Review and make recommendations on disability accessibility initiatives and legislation undertaken in other states; and
4. Provide advice and assistance to the Information Services Division of the Office of Management and Enterprise Services on the development of accessibility standards and complaint procedures as provided for in Section 34.28 of this title.

E. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair from among the members of the Advisory Council.

F. A majority of the members of the Advisory Council shall constitute a quorum. A majority of the members present at a meeting may act for the Advisory Council.

G. Meetings of the Advisory Council shall be called by either cochair.

H. Proceedings of all meetings of the Advisory Council shall comply with the provisions of the Oklahoma Open Meeting Act.

I. The Advisory Council may divide into subcommittees in furtherance of its purpose.

J. Staff of the Oklahoma Able Tech, the state assistive technology program located at Oklahoma State University, shall serve as primary staff for the Advisory Council. Appropriate personnel from the Information Services Division shall also assist with the work of the Advisory Council.

K. The Advisory Council may use the expertise and services of the staffs of the Oklahoma House of Representatives and State Senate and may, as necessary, seek the advice and services of experts in the field as well as other necessary professional and clerical staff.

L. All departments, officers, agencies, and employees of this state shall cooperate with the Advisory Council in fulfilling its duties and responsibilities including, but not limited to, providing any information, records, or reports requested by the Advisory Council.

M. Members of the Advisory Council shall receive no compensation for their service, but shall receive travel reimbursement as follows:

1. Legislative members of the Advisory Council shall be reimbursed for necessary travel expenses incurred in the performance of their duties in accordance with the provisions of Section 456 of Title 74 of the Oklahoma Statutes; and

2. Nonlegislative members of the Advisory Council shall be reimbursed by their appointing authorities or respective agencies for necessary travel expenses incurred in the performance of their duties in accordance with the State Travel Reimbursement Act.

Added by Laws 2004, c. 128, § 4, eff. July 1, 2004. Amended by Laws 2006, c. 266, § 14, eff. July 1, 2006; Laws 2007, c. 98, § 3, eff. Nov. 1, 2007; Laws 2008, c. 330, § 1, emerg. eff. June 2, 2008; Laws 2009, c. 33, § 1, emerg. eff. April 13, 2009. Renumbered from § 41.5t.2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 18, eff. April 5, 2010; Laws 2010, c. 25, § 1; Laws 2012, c. 304, § 362; Laws 2014, c. 59, § 1.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.31. Escrow of source code required for acquisition of customized computer software - Required escrow provisions.

A. No state agency, as defined by Section 250.3 of Title 75 of the Oklahoma Statutes, the Purchasing Division of the Office of Management and Enterprise Services nor the Information Services Division of the Office of Management and Enterprise Services, unless otherwise provided by federal law, shall enter into a contract for the acquisition of customized computer software developed or modified exclusively for the agency or the state, unless the vendor agrees to place into escrow with an independent third party the source code for the software and/or modifications.

B. The vendor must agree to place the source code for the software and any upgrades supplied to an agency in escrow with a third party acceptable to the agency and to enter into a customary source code escrow agreement which includes a provision that entitles the agency to receive everything held in escrow upon the occurrence of any of the following:

1. A bona fide material default of the obligations of the vendor under the agreement with the agency;

2. An assignment by the vendor for the benefit of its creditors;

3. A failure by the vendor to pay, or an admission by the vendor of its inability to pay, its debts as they mature;

4. The filing of a petition in bankruptcy by or against the vendor when such petition is not dismissed within sixty (60) days of the filing date;

5. The appointment of a receiver, liquidator or trustee appointed for any substantial part of the vendor's property;

6. The inability or unwillingness of the vendor to provide the maintenance and support services in accordance with the agreement with the agency; or

7. The ceasing of a vendor of maintenance and support of the software.

The fees of any third-party escrow agent subject to this section shall be borne by the vendor.

C. The State Purchasing Director or a procurement officer of a state agency shall not process any state agency request for the customization, modernization, or development of computer software unless the proposed vendor provides documentation that complies with subsections A and B of this section.

D. The State Purchasing Director shall provide advice and assistance, as may be required, in order for state agencies to comply with the provisions of this section.

E. As used in this section:

1. "State agency" shall include all state agencies, whether subject to The Oklahoma Central Purchasing Act or not, except the Oklahoma Lottery Commission; and

2. "Source code" means the programming instruction for a computer program in its original form, created by a programmer with a text editor or a visual programming tool and saved in a file. Added by Laws 2005, c. 391, § 4, eff. July 1, 2005. Amended by Laws 2006, c. 310, § 1, eff. Nov. 1, 2006. Renumbered from § 41.5u of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 19, eff. April 5, 2010; Laws 2012, c. 304, § 363.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.31.1. Software acquisition requests.

A. For the purposes of this section, "open source software" means software that guarantees the user of the software use of the software for any purpose, allows unrestricted access to the respective source code, enables the use of the internal mechanisms and arbitrary portions of the software with the ability to adapt them to the needs of the user, provides the freedom to make and distribute copies of the software, and guarantees the right to modify the software with the freedom to distribute modifications of the new resulting software under the same license as the original software. "Open standards" means specifications for the encoding and transfer of computer data that is free for all to implement and use in perpetuity, with no royalty or fee, has no restrictions on the use of

data stored in the format, has no restrictions on the creation of software that stores, transmits, receives, or accesses data codified in such way, has a specification available for all to read, in a human-readable format, written in commonly accepted technical language, is documented, so that anyone can write software that can read and interpret the complete semantics of any data file stored in the data format, allows any file written in that format to be identified as adhering or not adhering to the format, and provides that any encryption or obfuscation algorithms are usable in a royalty-free, nondiscriminatory manner in perpetuity, and are documented so that anyone in possession of the appropriate encryption key or keys or other data necessary to recover the original data is able to write software to access the data. "Proprietary software" means software that does not fulfill all of the guarantees provided by open source software.

B. Prior to approving software acquisition requests, the purchasing entity shall consider whether proprietary or open source software offers the most cost-effective software solution for the agency, based on consideration of all associated acquisition, support, maintenance, and training costs.

C. Whenever possible the Chief Information Officer or purchasing entity shall avoid approving requests for the acquisition of products that do not comply with open standards for interoperability or data storage.

Added by Laws 2012, c. 106, § 6. Amended by Laws 2013, c. 358, § 29, eff. July 1, 2013. Renumbered from § 85.7h of Title 74 by Laws 2013, c. 358, § 35, eff. July 1, 2013.

§62-34.31.2. State technology contracts.

Notwithstanding any other section of law, the Chief Information Officer may allow a public agency to utilize duly awarded state information technology and telecommunications contracts in lieu of bidding procedures, if any, otherwise applicable to such purchases by the public agency. For the purposes of this section the term "public agency" means a governmental entity specified as a political subdivision of the state pursuant to The Governmental Tort Claims Act or a state, county or local governmental entity in its state of origin.

Added by Laws 2012, c. 106, § 7. Amended by Laws 2013, c. 358, § 30, eff. July 1, 2013. Renumbered from § 85.7i of Title 74 by Laws 2013, c. 358, § 36, eff. July 1, 2013.

§62-34.32. Standard security risk assessment and audit of state agency information technology systems.

A. The Information Services Division of the Office of Management and Enterprise Services shall create a standard security risk assessment for state agency information technology systems that

complies with the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) Information Technology - Code of Practice for Security Management (ISO/IEC 27002).

B. Each state agency that has an information technology system shall obtain an information security risk assessment to identify vulnerabilities associated with the information system. The Information Services Division of the Office of Management and Enterprise Services shall approve not less than two firms which state agencies may choose from to conduct the information security risk assessment.

C. A state agency with an information technology system that is not consolidated under the Information Technology Consolidation and Coordination Act or that is otherwise retained by the agency shall additionally be required to have an information security audit conducted by a firm approved by the Information Services Division that is based upon the most current version of the NIST Cyber-Security Framework, and shall submit a final report of the information security risk assessment and information security audit findings to the Information Services Division each year on a schedule set by the Information Services Division. Agencies shall also submit a list of remedies and a timeline for the repair of any deficiencies to the Information Services Division within ten (10) days of the completion of the audit. The final information security risk assessment report shall identify, prioritize, and document information security vulnerabilities for each of the state agencies assessed. The Information Services Division may assist agencies in repairing any vulnerabilities to ensure compliance in a timely manner.

D. Subject to the provisions of subsection C of Section 34.12 of this title, the Information Services Division shall report the results of the state agency assessments and information security audit findings required pursuant to this section to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate by the first day of January of each year. Any state agency with an information technology system that is not consolidated under the Information Technology Consolidation and Coordination Act that cannot comply with the provisions of this section shall consolidate under the Information Technology Consolidation and Coordination Act.

E. This act shall not apply to state agencies subject to mandatory North American Electric Reliability Corporation (NERC) cybersecurity standards and institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet that follow the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC)-Security

techniques-Code of Practice for Information Security Controls or National Institute of Standards and Technology.

Added by Laws 2006, c. 266, § 15, eff. July 1, 2006. Renumbered from § 41.5v of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2009, c. 451, § 20, eff. April 5, 2010; Laws 2012, c. 304, § 364; Laws 2014, c. 285, § 1; Laws 2019, c. 331, § 1, eff. Nov. 1, 2019.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-34.33. Agreements to administer information technology and telecommunications infrastructure and security.

The Office of Management and Enterprise Services is authorized to enter into a multi-year agreement to acquire land, develop, design, construct and furnish facilities necessary for the administration of the state's information technology and telecommunications infrastructure and security. Such action shall not be subject to The Oklahoma Central Purchasing Act. The area of the facility authorized by this section dedicated for computer-ready space shall not exceed ten percent (10%) of the total square footage of the entire facility, but under no circumstances shall exceed nine thousand (9,000) square feet. The Office of Management and Enterprise Services is authorized to use existing and future funds from fees, appropriations and federal funds, as necessary, to finance such facilities.

Added by Laws 2007, c. 205, § 1, eff. Sept. 1, 2007. Renumbered from § 41.5x of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 365.

§62-34.34. Preparation of budget by Director of Office of Management and Enterprise Services.

It shall be the duty of the Director of the Office of Management and Enterprise Services, after making a complete detailed study of each state agency, to prepare the budget under the supervision and direction of the Governor.

Added by Laws 1947, p. 381, § 31, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 14, eff. July 1, 2009. Renumbered from § 41.31 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 366.

§62-34.35. Information furnished to the Director of Office of Management and Enterprise Services.

Each state agency shall immediately furnish the Director of the Office of Management and Enterprise Services any information

concerning their respective affairs or activities, upon request and in such form as directed.

Added by Laws 1947, p. 381, § 30, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 15, eff. July 1, 2009. Renumbered from § 41.30 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 367.

§62-34.36. Estimate of funds needed

A. On the first day of October preceding each regular session of the Legislature, each state agency, including those created or established pursuant to constitutional provisions, shall report to the Director of the Office of Management and Enterprise Services and the Chair and Vice Chair of the Legislative Oversight Committee on State Budget Performance an itemized request showing the amount needed for the ensuing fiscal year beginning with the first day of July.

B. The forms which must be used in making these reports shall be approved by the Director of the Office of Management and Enterprise Services and the Legislative Oversight Committee on State Budget Performance.

C. The forms shall be uniform, and shall clearly designate the information to be given.

D. The information provided shall include, but not be limited to:

1. A budget analysis of existing and proposed programs utilizing performance-informed budgeting techniques. Such analysis shall be included as a part of the estimate of funds needed;

2. A statement listing any other state, federal or local agencies which administer a similar or cooperating program and an outline of the interaction among such agencies;

3. A statement of the statutory authority for the missions and quantified objectives of each program;

4. A description of the groups of people served by each program in the agency;

5. A quantification of the need for the program;

6. A description of the tactics which are intended to accomplish each objective;

7. A list of quantifiable program outcomes which measure the efficiency and effectiveness of each program;

8. A ranking of these programs by priority;

9. Actual program expenditures for the current fiscal year and prior fiscal years and the number of personnel required to accomplish each program;

10. Revenues expected to be generated by each program, if any;

11. With respect to appropriated state agencies, a detailed listing of all employees and resources dedicated to the provision of financial services including but not limited to procurement, payroll,

accounts receivable and accounts payable. The provisions of this paragraph shall not be applicable to the Oklahoma State Regents for Higher Education or to any institutions within The Oklahoma State System of Higher Education; and

12. A certification that following the effective date of this act and prior to July 1, 2011, no expenditure shall have been made or funds encumbered for the purchase, lease, lease-purchase or rental of any computers, software, telecom, information technology hardware, firmware or information technology services, including support services without the prior written approval of the State Comptroller or his or her designee.

E. These appropriated agencies shall make an itemized estimate of needs for the ensuing fiscal year and the following two (2) fiscal years and request for funds for the ensuing fiscal year and an estimate of the revenues from all sources to be received by the agency during the ensuing fiscal year and the following two (2) fiscal years.

F. The Director of the Office of Management and Enterprise Services shall submit to the Governor and the Legislative Oversight Committee on State Budget Performance no later than the fifth day of October a complete list of all spending agencies which have failed to submit budgets by October 1.

G. The reports required by this section shall include an itemized listing of outstanding capital lease debt and estimated capital lease needs for the ensuing fiscal year and the following two (2) fiscal years, and shall be provided on forms prescribed by the Director of the Office of Management and Enterprise Services.

H. For the purposes of this section, "capital lease" means a lease-purchase agreement which provides an option for the State of Oklahoma or its agencies to purchase property, including personal and real property, which is the subject thereof and/or a lease agreement that provides an option for the State of Oklahoma or its agencies to lease such property, which is the subject thereof, at a nominal annual amount, after a period in which leased property is rented at fair market value.

I. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 3316 and 3317 of Title 74 of the Oklahoma Statutes.

J. Not later than January 1, the Director of the Office of Management and Enterprise Services shall publish a shared services cost-performance assessment report documenting the amount of each state agency's cost for providing shared services. The lowest ranking state agencies shall enter into a contract with the Office of Management and Enterprise Services for the provision of shared financial services, provided that the Director of the Office of Management and Enterprise Services determines that implementation of

such a contract would be feasible and documents that the contractual agreement will result in cost savings or efficiencies to the state. Contracts required by this subsection shall be entered into at the start of the next fiscal year. When a state agency is contracted with the Office of Management and Enterprise Services for the provision of shared financial services, the agency may discontinue using shared services when documentation showing that the agency can provide the services at a lower cost to the state is provided to and approved by the Director of the Office of Management and Enterprise Services. As used in this subsection, "shared services" means process, resource utilization or action as defined by administrative rule. On a yearly basis the Director of the Office of Management and Enterprise Services shall compile and publish a report documenting the cost savings resulting from shared services contracts. The provisions of this subsection shall not be applicable to the Oklahoma State Regents for Higher Education or to any institutions within The Oklahoma State System of Higher Education.

Added by Laws 1947, p. 381, § 29, emerg. eff. Feb. 25, 1947. Amended by Laws 1981, c. 255, § 4; Laws 1983, c. 334, § 6, emerg. eff. June 30, 1983; Laws 1985, c. 319, § 16, operative Oct. 1, 1985; Laws 1986, c. 105, § 3, emerg. eff. April 5, 1986; Laws 1987, c. 203, § 112, operative July 1, 1987; Laws 1989, c. 300, § 15, operative July 1, 1989; Laws 1994, c. 279, § 8, eff. July 1, 1994; Laws 2003, c. 301, § 1, eff. July 1, 2003; Laws 2008, c. 311, § 2, eff. Nov. 1, 2008; Laws 2009, c. 441, § 16, eff. July 1, 2009. Renumbered from § 41.29 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 2, § 44, emerg. eff. March 3, 2010; Laws 2011, c. 240, § 3; Laws 2012, c. 304, § 368; Laws 2013, c. 237, § 2, eff. Nov. 1, 2013; Laws 2014, c. 125, § 1, eff. July 1, 2014; Laws 2015, c. 168, § 2, eff. July 1, 2015; Laws 2016, c. 304, § 3, emerg. eff. May 16, 2016.

NOTE: Laws 2009, c. 454, § 12 repealed by Laws 2010, c. 2, § 45, emerg. eff. March 3, 2010. Laws 2011, c. 347, § 4 repealed by Laws 2012, c. 11, § 17, emerg. eff. April 4, 2012.

§62-34.36.1. Written report required.

A. Each state agency that is required to provide an itemized budget request pursuant to the provisions of Section 34.36 of Title 62 of the Oklahoma Statutes shall provide to the Director of the Office of Management and Enterprise Services a written report, in a form approved by the Director, containing the following information:

1. The amount of federal funds received by the agency;
2. The source or sources of federal funds received by the agency;
3. A description of any action required to be taken by the agency as a condition for the receipt or continued receipt of federal funds; and

4. A description of any action prohibited to be taken by the agency as a condition for the receipt or continued receipt of federal funds.

B. The report shall be submitted with the budget information required by Section 34.36 of Title 62 of the Oklahoma Statutes by the date required by that section.

C. The Director of the Office of Management and Enterprise Services shall post the information contained in each agency's report on the website created pursuant to Section 46 of Title 62 of the Oklahoma Statutes.

Added by Laws 2016, c. 84, § 1, eff. Sept. 1, 2016.

§62-34.37. Submission of budget - Plan of expenditures - Proposed revenues.

Immediately after the beginning of each regular session of the Legislature, the Governor shall submit to the presiding officer of each house, copies of the budget based upon the investigations and conclusions of the Office of Management and Enterprise Services. Such budget document shall contain a complete and itemized plan of all proposed expenditures for each agency or undertaking classified according to the various cabinet areas designated by the Governor or otherwise created by law. Such expenditures shall be further classified by function, character and object, and in the event such proposed expenditures exceed the estimate made by the State Board of Equalization, the Governor shall accompany the budget document with a proposal of new revenue raising measures sufficient to effect a balanced budget for the ensuing fiscal year.

Added by Laws 1947, p. 382, § 34, emerg. eff. Feb. 25, 1947. Amended by Laws 1986, c. 207, § 6, operative July 1, 1986; Laws 2008, c. 311, § 4, eff. Nov. 1, 2008; Laws 2009, c. 441, § 17, eff. July 1, 2009. Renumbered from § 41.34 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 369.

§62-34.38. Form of budget - Budget message - Budget estimates.

The budget shall be submitted to the Legislature and shall be in two parts:

1. A budget message:
 - a. outlining the fiscal policy of the state for the fiscal year and describing the important features of the budget,
 - b. giving a summary of the budget setting forth aggregate figures of proposed revenues and expenditures and the balanced relations between the proposed revenues and expenditures and the total expected income and other means of financing the budget compared with the corresponding figures for the preceding fiscal year,

- c. including explanatory schedules classifying proposed expenditures by organization units, objects and funds,
- d. giving estimated statements of assets and liabilities as of the close of the preceding fiscal year and of the budget year, and
- e. explaining any proposed major increases in revenue from any existing source or any new source of revenue proposed, and
- f. giving any further information or making any suggestions; and

2. The detailed budget estimates of revenues and expenditures for each fund as provided for in the Oklahoma State Finance Act showing the recommendations of the Governor on each, compared with the figures for the preceding fiscal year and giving an explanation of each major change in the recommendations from the revenues and expenditures in the previous fiscal year.

Added by Laws 1947, p. 381, § 33, emerg. eff. Feb. 25, 1947. Amended by Laws 2008, c. 311, § 3, eff. Nov. 1, 2008; Laws 2009, c. 441, § 18, eff. July 1, 2009. Renumbered from § 41.33 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.39. Appropriations to state agency - Reduction.

Except as otherwise specifically provided by law, the total amount of appropriations to a state agency contained in a bill shall be reduced by the amount that any monies designated or limited for a specified purpose have been disapproved by the Governor pursuant to Section 12 of Article VI of the Oklahoma Constitution. Any such monies shall remain in the fund from which they were appropriated.

Added by Laws 1990, c. 80, § 1, emerg. eff. April 18, 1990. Amended by Laws 2009, c. 441, § 19, eff. July 1, 2009. Renumbered from § 9.10 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.40. Segregation of lump sum appropriations.

A. When lump sum appropriations are made for personal services, or for maintenance and operations, or for maintenance and operations including personal services, no monies so appropriated shall be available for payments for such expenses until a schedule of positions and salaries and the amounts to be available for the expenses shall have been approved by the Director of the Office of Management and Enterprise Services and posted to the state accounting system. The provisions of this subsection shall not apply to such appropriations for the Legislature or judiciary, for expenses of holding elections, or for temporary services or day labor.

B. Any such approved schedule of positions and salaries may be amended with the approval of the Director of the Office of Management and Enterprise Services.

C. The request officer for each agency shall show the classification of the expenditures for their agency, and such classification shall follow the uniform budget and accounting classifications adopted for similar spending agencies, except for items peculiar to certain departments or institutions.

D. The Director of the Office of Management and Enterprise Services shall not have authority to fix the amount of any agency salary or eliminate any position listed on such schedule. However, the Director shall not approve the schedule of positions and salaries when the total amount of funds requested to be allotted fails to reserve a sufficient balance to finance the operations of the agency for the remainder of that fiscal year, considering any possible failure in the revenue estimated to be collected for that fiscal year.

E. The Director of the Office of Management and Enterprise Services shall not have the authority to curtail the operation of any particular part of the program, but shall order a reduction in the total program only where insufficient revenues are anticipated to carry on the program for the period concerned.

Added by Laws 1947, p. 373, § 11, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 20, eff. July 1, 2009. Renumbered from § 41.11 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 370.

§62-34.41. Availability of appropriations - Conditioned on budget resources being sufficient.

Appropriations shall not be available for contractual or expenditure purposes until allotted as provided in the Oklahoma State Finance Act. Appropriations made by the Legislature to each state agency are hereby declared to be maximum, conditional and proportionate appropriations. The purpose of this section is to make appropriations payable in full in the amounts named only in the event that the estimated budget resources within each state fund during each fiscal year are sufficient to pay all of the appropriations for such fiscal year in full. It is also the purpose of this provision to ensure that there shall be no overdraft or deficit created in the several funds of the state at the end of any fiscal year, and the Director of the Office of Management and Enterprise Services is directed and required so to administer the Oklahoma State Finance Act to prevent such overdraft or deficit.

Added by Laws 1947, p. 371, § 6, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 21, eff. July 1, 2009. Renumbered from § 41.6 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 371.

§62-34.42. Budget work programs.

A. On or before the first day of June in each year, or as soon thereafter as possible, all agencies shall file agency budgets with the Director of the Office of Management and Enterprise Services. Copies of all agency budgets shall also be made available electronically to the staff of the Joint Legislative Committee on Budget and Program Oversight.

B. The required instructions, content and format of agency budgets shall be developed by the staff of the Budget Division of the Office of Management and Enterprise Services.

C. 1. The agency budget shall include a description of all funds available to the agency for expenditure and set out allotments requested by the agency by quarter and the entire fiscal year.

2. The agency budget shall be accompanied by an organizational chart of the agency, a statement of agency mission and program objectives.

3. The agency budget shall delineate agency spending by such categories and with at least as much detail as is specified in the legislative appropriation and as prescribed by the Director of the Office of Management and Enterprise Services.

4. Agency budgets shall be signed by the executive officer of each agency.

D. A "request officer" shall be designated by each state agency for the purpose of making program and allotment requests.

E. Executive officers of agencies shall cooperate with the Office of Management and Enterprise Services staff and Joint Committee staff in developing program budgeting categories.

F. All funds available or expected to be made available to any agency, including nonfiscal appropriations, shall not be available for expenditure until the request officer of the agency has complied with the applicable provisions of the Oklahoma State Finance Act and has received approval of such request for funds from the Director of the Office of Management and Enterprise Services.

G. The provisions of this section shall not apply to CompSource Oklahoma if CompSource Oklahoma is operating pursuant to a pilot program authorized by Sections 3316 and 3317 of Title 74 of the Oklahoma Statutes.

Added by Laws 1994, c. 279, § 5, eff. July 1, 1994. Amended by Laws 1995, c. 292, § 5, eff. July 1, 1995; Laws 2009, c. 441, § 22, eff. July 1, 2009. Renumbered from § 41.7c of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 2, § 46, emerg. eff. March 3, 2010; Laws 2012, c. 304, § 372.

NOTE: Laws 2009, c. 454, § 11 repealed by Laws 2010, c. 2, § 47, emerg. eff. March 3, 2010.

§62-34.42.1. Annual disclosure of all federal funds under control of the entity.

A. Except as provided in subsection C of this section, all agencies shall make an annual disclosure pursuant to a separate written report and information available through a website maintained by or on behalf of the entity of all federal funds under the control of the entity and the programs for which the federal funds are used by distinct expenditure categories and shall identify the priority or rank of the federal funds in descending order with the funding source the agency relies on to the greatest extent listed first and the funding source the agency relies on to the least extent listed last. The information required by this subsection shall include, but shall not be limited to:

1. A description of any action required to be taken by the state government entity as a condition for the receipt or continued receipt of federal funds;

2. A description of any action prohibited to be taken by the state government entity as a condition for the receipt or continued receipt of federal funds;

3. A description of any action required to be taken by any individual or lawfully recognized business entity or other entity as a condition for the benefits purported to be conferred on the individual or other legal entity as a result of the use of the federal funds; and

4. A description of any action prohibited to be taken by any individual or lawfully recognized business entity or other entity as a condition for the benefits purported to be conferred on the individual or other legal entity as a result of the use of the federal funds.

B. Every entity subject to the requirements of this section shall make an annual disclosure, either pursuant to a separate written report, information available through a website maintained by or on behalf of the entity or both, of the federal funds for which the agency must incur costs to implement and shall provide such information in descending order with the most costly federal funds listed first and the least costly federal funds listed last.

C. Any agency receiving and administering federal funds that require the receiving agency to maintain any level of security clearance in order to administer those funds shall be exempt from the provisions of this section.

Added by Laws 2019, c. 210, § 1, eff. Nov. 1, 2019.

§62-34.43. Itemization of data processing expenses - Budgeting and disbursement.

A. All agencies of the state shall submit to the Director of the Office of Management and Enterprise Services in all agency budgets, in addition to other required information, whether such reports relate to past, present or future expenditures, an itemization of the amount attributable to each of the following expenses:

1. The number of persons, total amount of all salaries, the total amount of travel and subsistence expense and the total amount of personnel expense for:

- a. data processing directors,
- b. systems analysts,
- c. programmers,
- d. electronic data processing operators,
- e. punch card machine operators,
- f. data processing control personnel,
- g. data processing clerical personnel, and
- h. other data processing personnel;

2. Rental of data processing equipment;

3. Purchase of data processing equipment;

4. Maintenance of data processing equipment, if not included in rental expense;

5. Data processing supplies;

6. Data processing planning;

7. Data processing conversion from one system to another;

8. Rental and purchase of non-data processing equipment and supplies utilized in a data processing operation;

9. Shipment of data processing equipment;

10. Rental of communication lines for transmission of data processing information;

11. Data processing education;

12. Rental of software packages;

13. Contracting for development of systems; and

14. Other data processing expense.

B. All disbursements made from treasury funds by any state agency for the above-named expenses shall be budgeted to and disbursed from a special allotment account to be created by the Director of the Office of Management and Enterprise Services.

C. This section shall not preclude agencies from programming and expending intra-agency data processing costs for cost allocation purposes.

Added by Laws 1972, c. 72, § 1, eff. July 1, 1972. Amended by Laws 1981, c. 255, § 5; Laws 1985, c. 326, § 13, emerg. eff. July 29, 1985; Laws 2009, c. 441, § 23, eff. July 1, 2009. Renumbered from § 41.41 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 373.

§62-34.44. Budget in year in which Governor-elect assumes office.

In any year in which a Governor-elect assumes office, the budget shall be the budget of the new Governor and shall be submitted to the Legislature by the new Governor. The Division of the Budget shall render to the Governor-elect all possible assistance in the preparation of the budget. The Governor and agencies of the state shall furnish the Governor-elect estimates and other budget

information, in order that the Governor-elect may discharge effectively his or her budget responsibilities upon assuming office. Added by Laws 1947, p. 381, § 32, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 24, eff. July 1, 2009. Renumbered from § 41.32 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.45. Governor-elect and Lieutenant Governor-elect - Expenses prior to assuming office.

The Office of Management and Enterprise Services is hereby authorized to provide the Governor-elect and Lieutenant Governor-elect with such reasonable and necessary services as the Governor-elect or Lieutenant Governor-elect may request in the performance of their duties prior to taking office and in preparation for assuming the duties of office. The Office of Management and Enterprise Services is further authorized to allocate from the funds appropriated to the Office of Management and Enterprise Services the sum of Thirty Thousand Dollars (\$30,000.00), or so much thereof as may be necessary for use by the Governor-elect, if not incumbent, and the sum of Ten Thousand Dollars (\$10,000.00), or so much thereof as may be necessary for use by the Lieutenant Governor-elect, if not incumbent, for expenses of personal services, office expense, supplies, materials, travel and other necessary expenses incurred by such Governor-elect or Lieutenant Governor-elect in the performance of his or her duties prior to taking office and in preparation for assuming the duties of office.

Added by Laws 1967, c. 273, § 1, emerg. eff. May 8, 1967. Amended by Laws 1982, c. 348, § 7, emerg. eff. June 2, 1982; Laws 2009, c. 441, § 25, eff. July 1, 2009. Renumbered from § 41.39 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 374.

§62-34.46. Allocation of revenues - Accounts with agencies - Nonfiscal year appropriations - Supplemental appropriations.

A. Revenues deposited in the State Treasury to the credit of the General Revenue Fund or of any special fund which derives its revenue in whole or part from state taxes or fees shall be allocated monthly to each state agency or special appropriation on a percentage basis, in that ratio that the total appropriation for each such state agency or special appropriation from each fund for that fiscal year bears to the total of all appropriations from each fund for that fiscal year. Appropriation allocations to the State Board of Education for the financial support of public schools shall be effective August 1 of the fiscal year in which they apply.

B. A cash account shall be maintained by the agency of the state charged with the allocation of revenues for each agency or special appropriation which receives appropriations from the general fund or any special fund, and no check or warrant shall be issued in excess

of the unexpended balance of said cash account at the time such check or warrant is issued.

C. Cash allocations to each cash account shall be cumulative and shall be available for the payment of any claim incurred within the appropriations for which such cash was allocated, including claims incurred against nonfiscal year appropriations which are available for contracts for thirty (30) months from date such acts are passed.

D. Revenue allocations shall be made to nonfiscal appropriations. During the applicable fiscal year such appropriations shall become available for expenditure. Such appropriations may be expended only in that fiscal year. This limitation applies equally to those revenue allocations made to such appropriation.

E. Measures passed by the Legislature appropriating revenues from the General Revenue Fund, which are supplemental to the original budget in effect on July 1 of any fiscal year, shall be considered supplemental appropriations and shall receive revenue allocations for the first time in the month in which such acts become effective in compliance with Section 23 of Article X of the Oklahoma Constitution.

F. Supplemental appropriations from the General Revenue Fund passed by the Legislature in excess of the Board of Equalization's estimate for that fiscal year shall be null and void.

Added by Laws 1947, p. 367, § 1, emerg. eff. Feb. 10, 1947. Amended by Laws 1973, c. 46, § 14, operative July 1, 1973; Laws 1995, c. 305, § 2, eff. July 1, 1995; Laws 2009, c. 441, § 26, eff. July 1, 2009. Renumbered from § 9.1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.47. Allocation of revenues - Capital expenditures - Nonfiscal appropriations - Public Building Fund.

A. The Division of Central Accounting and Reporting shall allocate all revenues to the credit of any fund in the State Treasury except the Public Building Fund, in accordance with the provisions of Section 23 of Article X of the Oklahoma Constitution.

B. The Director of the Office of Management and Enterprise Services may require that appropriations for capital expenditures be financed by a separate cash account so that allocations of cash to any agency for purposes of constructing buildings, making improvements, purchasing equipment, or other capital expenditures, may not be used to finance the current operations of the agency.

C. Appropriations which are nonfiscal for contractual and expenditure purposes, shall be considered fiscal for revenue purposes, but may be allotted for expenditure at any time within thirty (30) months from date such acts are enacted. Revenue which accrues to the credit of the Public Building Fund in the State Treasury shall be allocated to the appropriations from the Public Building Fund in consecutive order. The Governor shall designate the

order of payment of the appropriations from the Public Building Fund. The Director of the Office of Management and Enterprise Services shall allocate the collections sufficient to pay the first appropriation designated by the Governor, before the Director allocates any amount to the second and so on, until all appropriations are provided for. The contracting agency receiving such appropriation shall not contract the same until revenue has been allocated as provided in the Oklahoma State Finance Act. Added by Laws 1947, p. 376, § 15, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 27, eff. July 1, 2009. Renumbered from § 41.15 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 375.

§62-34.48. Federal funds - Deposit and disbursement.

Federal funds received by any agency of the state shall be deposited in the State Treasury and disbursed upon warrants issued by the State Treasurer. These funds shall be subject to the other fiscal controls imposed by the Oklahoma State Finance Act, except where federal laws and/or regulations of a federal agency which makes such funds available to the State requires such federal funds to be granted, deposited, allocated or expended through channels other than those required by the provisions of the Oklahoma State Finance Act. Added by Laws 1947, p. 372, § 8, emerg. eff. Feb. 25, 1947. Amended by Laws 1979, c. 47, § 46, emerg. eff. April 9, 1979; Laws 2009, c. 441, § 28, eff. July 1, 2009. Renumbered from § 41.8 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.49. Allotment of appropriations - Exemption of Legislature.

A. Appropriations and/or federal funds shall be allotted for each agency as provided by the language of the legislative appropriation and other applicable state law. Items may be allotted on a monthly, quarterly, semiannual or annual basis upon the written request of the agency and the approval of the Director of the Office of Management and Enterprise Services.

B. The request officer for each agency shall present the proposed classification of the expenditures for that agency in such manner as may be required by the Office of Management and Enterprise Services.

C. Each agency shall be required to identify those items that are for capital purposes in keeping with the definition of capital projects promulgated by the Long-Range Capital Planning Commission. Requests for capital appropriations and an agency's original budget request shall be for capital projects that have been submitted to the Long-Range Capital Planning Commission for review.

D. The Director of the Office of Management and Enterprise Services shall review the requested allotments with respect to the agency budget with each agency. The Director may require the agency

to change such allotments before approving them, if it is deemed necessary, reserving a sufficient balance in the appropriation to finance the operations of the agency for the remainder of any fiscal year.

E. At the end of any fiscal year, the entire amount appropriated to any agency must be allotted to the agency by the Director of the Office of Management and Enterprise Services, except where the estimated budget resources during any fiscal year are insufficient to pay all of the appropriations of the state in full for such year. The Director of the Office of Management and Enterprise Services shall not allot to any agency during any fiscal year, an amount which will be in excess of the amount of revenue collected and allocated to appropriations made to such agency.

F. In the event of a failure of revenue, the Director of the Office of Management and Enterprise Services shall control the allotment to prevent obligations being incurred in excess of the revenue to be collected. However, within each state fund where a revenue failure occurs, the Director of the Office of Management and Enterprise Services shall make all reductions apply to each state agency or special appropriation made by the State Legislature, in the ratio that its total appropriation for that fiscal year bears to the total of all appropriations for that fiscal year, as provided in Section 23 of Article X of the Oklahoma Constitution.

G. An allotment may be approved for any item for the entire year or may be approved on a monthly, quarterly, or semiannual basis, but in no case shall the aggregate of such allotments for any agency exceed the total appropriation made available to such agency for the fiscal year to which they apply. Each agency's request for appropriation allotments shall show the amount required to finance each item of the request for the entire year and on a quarterly basis within each fiscal year.

H. The Director of the Office of Management and Enterprise Services shall review each allotment request for the purpose of determining whether:

1. The itemized requests are in accordance with the agency budget;

2. The accounting classification is sufficient to reflect the purposes for which the expenditures are to be made;

3. The current financial requirements of the agency justify the monthly or quarterly allotment, reserving a sufficient balance to finance the remaining months or quarters; and

4. The realization of the estimated revenues is sufficient to allow the allotments to be made.

I. The Legislature shall be exempt from submitting any agency budget or allotment request.

Added by Laws 1947, p. 372, § 9, emerg. eff. Feb. 25, 1947. Amended by Laws 1995, c. 123, § 1, eff. July 1, 1995; Laws 2009, c. 441, §

29, eff. July 1, 2009. Renumbered from § 41.9 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 376.

§62-34.50. Revenues not derived from legislative appropriations.

A. All agencies of the state which are operating either partially or entirely from revenues derived from sources other than legislative appropriations or authorizations shall file requests for allotments under the same provisions as are required for those agencies that receive direct legislative appropriations which distinctly specify the amount appropriated.

B. The Director of the Office of Management and Enterprise Services shall approve such requests for allotments pursuant to the language of the legislative appropriation and other applicable state law, if the estimated revenues accruing to such fund are sufficient to finance such allotments within the period for which the items are approved, and if the account classification clearly shows the purposes for which the money is to be expended. However, obligations as they are incurred may not exceed the unencumbered balance of surplus cash on hand in accordance with Section 23 of Article X of the Oklahoma Constitution.

C. The Director of the Office of Management and Enterprise Services may require a more detailed breakdown of accounts before approving such requests.

D. This section shall apply to agencies receiving federal funds, but shall not apply to donated funds, trust funds or funds of an agency relationship.

Added by Laws 1947, p. 374, § 13, emerg. eff. Feb. 25, 1947. Added by Laws 2009, c. 441, § 30, eff. July 1, 2009. Renumbered from § 41.13 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 377.

§62-34.51. Approval of requested allotments - Records - Claims for payment - New and increased allotments - Expenditure in subsequent period.

A. If an allotment request is approved by the Director of the Office of Management and Enterprise Services, it shall be transmitted to the request officer of the agency concerned and to the Division of Central Accounting and Reporting.

B. Legislative appropriations or authorizations are the legal basis for expending the state's monies. Allotments shall be made against these legislative appropriations or authorizations and shall be entered on the records of the Division of Central Accounting and Reporting in such accounts as may be required by the Director of the Office of Management and Enterprise Services.

C. The allotments approved by the Director of the Office of Management and Enterprise Services shall be the portion of the

appropriation set aside to cover encumbrances and expenditures for a designated purpose during a monthly, quarterly, semiannual or annual period.

D. The Division of Central Accounting and Reporting shall not approve claims for payment in excess of the amount allotted for each account approved by the Director of the Office of Management and Enterprise Services.

E. After the first allotments for each agency of the state have been authorized by the Director of the Office of Management and Enterprise Services, subsequent allotments may be authorized upon the request of an agency and with the approval of the Director of the Office of Management and Enterprise Services.

F. The Director of the Office of Management and Enterprise Services may authorize new accounts in addition to those requested in the original allotment request, or may increase the amount allotted for a monthly, quarterly, semiannual or annual period. A balance remaining in any of the allotment accounts at the end of any monthly, quarterly, or semi-annual period, shall be available for expenditure the subsequent period; however, subsequent allotment requests and the Director's approval should take into consideration any unencumbered or unexpended balance remaining at the time such subsequent requests are approved.

Added by Laws 1947, p. 373, § 10, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 31, eff. July 1, 2009. Renumbered from § 41.10 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 378.

§62-34.52. Requests for budget category transfer.

A. The administrative head of any agency or the request officer may request that any current item of appropriation, allotment, or budget category be transferred to any other budget category within the same agency.

B. The administrative head shall make a request for budget transfer to the Director of the Office of Management and Enterprise Services in writing and file a revised agency budget.

C. Copies of the request for budget transfer and corresponding agency budget revisions shall also be filed with the Joint Legislative Committee on Budget and Program Oversight as created by Section 34.96 of this title.

D. The Director of the Office of Management and Enterprise Services shall approve the request for transfer unless both the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight provide written notification to the Director of the Office of Management and Enterprise Services within twelve (12) calendar days of receipt of transfer request that the transfer subverts the intention and objectives of the Legislature in establishing the original appropriation, or unless the transfer does

not meet the requirements of this section or Section 34.49 of this title. Notification of noncompliance with legislative intent shall be transmitted to the Director of the Office of Management and Enterprise Services within twelve (12) calendar days of receipt of the transfer request. The Director of the Office of Management and Enterprise Services shall give written notice of approval or disapproval of each budget transfer to the agency, the Governor and the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight within eighteen (18) calendar days of receiving the request.

E. Transfers shall be subject to the following limitations:

1. The amount to be transferred, together with all previous transfers, shall not exceed twenty-five percent (25%) of the total appropriation of the least of the items of appropriation, allotment or agency budget involved in the transfer; and

2. If the amount to be transferred, and all previous transfers, is greater than twenty-five percent (25%) of the least items of appropriation, allotment or agency budget involved in the transfer request, the agency may make an application to the Director of the Office of Management and Enterprise Services, and the Chair and Vice Chair of the Joint Legislative Committee on Budget and Program Oversight. If the agency obtains written approval from the Director of the Office of Management and Enterprise Services and the Chair and Vice Chair of the Joint Legislative Committee Budget and Program Oversight, an additional fifteen percent (15%) may be transferred. Added by Laws 1994, c. 279, § 3, eff. July 1, 1994. Amended by Laws 1995, c. 292, § 3, eff. July 1, 1995; Laws 2009, c. 441, § 32, eff. July 1, 2009. Renumbered from § 41.46 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 379.

§62-34.53. State System of Higher Education and institutions of higher education.

A. 1. The Oklahoma State System of Higher Education, established by Article XIII-A of the Oklahoma Constitution, shall operate an allotment system similar to the procedure set out in the Oklahoma State Finance Act for other agencies of the state except that the Oklahoma State Regents for Higher Education shall be substituted for the Director of the Office of Management and Enterprise Services in connection with approving allotment requests of the constituent institutions comprising The Oklahoma State System of Higher Education.

2. The account classification for the State System of Higher Education shall conform as nearly as possible with the classification of accounts recommended by the National Committee on Standard Reports for Institutions of Higher Education.

3. The Board of Regents shall allocate to each institution under its control from the consolidated, or lump sum appropriation made by

the Legislature, an amount sufficient to meet the needs and functions of each institution for the entire year.

4. The amount allocated to each institution for each fiscal year in accordance with Article XIII-A of the Oklahoma Constitution, shall be made in a lump sum without regard to uniform budget or accounting classifications, but shall not be available for expenditure until subsequently allotted by the Regents in accordance with the uniform budget and accounting classifications recommended by the National Committee on Standard Reports.

B. The Oklahoma State Regents for Higher Education may reduce the allocation of funds which could otherwise be made to an institution within The Oklahoma State System of Higher Education in order to make payments for leases within the lease financing program authorized by Section 3206.5 of Title 70 of the Oklahoma Statutes.

C. 1. The Regents, with the approval of the Director of the Office of Management and Enterprise Services, may allot money to any constituent institution to set up and operate a petty cash fund at said institution. Such petty cash fund shall be reimbursed upon the filing of claims showing the purposes for which the funds were expended.

2. The Division of Central Accounting and Reporting shall make cash allocations of revenue in accordance with Section 23 of Article X of the Oklahoma Constitution, to each of the constituent institutions. These cash allocations shall be based on the allocations made by the Regents to each institution from the lump sum legislative appropriations and such allocation shall be the total appropriation for each institution, in lieu of legislative appropriations.

3. After these funds have been allocated and allotted as provided in this section, all institutional income shall operate as a continuing nonfiscal appropriation which may be spent for any educational and general purposes for which appropriated funds may be spent. "Institutional income" for such purposes shall mean all income available for educational and general purposes, as defined in the uniform budget and accounting classifications recommended by the National Committee on Standard Reports, and including income defined by law as revolving fund income. Expenditures shall be limited to the extent that obligations as they are incurred may not exceed the unencumbered balance of cash on hand in accordance with Section 23 of Article X of the Oklahoma Constitution.

D. 1. At least thirty (30) days prior to the beginning of each fiscal year, each of the constituent institutions shall file with the Regents its request for appropriation allotments for each of the purposes for which expenditures are to be made.

2. Such requests shall be broken down to conform to the uniform budget or accounting classifications recommended by the National Committee on Standard Reports.

3. Each institution's request for appropriation allotments shall show the amount required to finance each item of the request for the entire year and for each quarter or each six-months period within the fiscal year, as required by the Director of the Office of Management and Enterprise Services.

E. The Regents, or the official or employee who has been authorized to approve itemized allotment requests, shall consider the allotment requests for the purpose of making a determination whether:

1. The current financial requirements of the institution concerned justify the allotment to be made;

2. The accounting classification is sufficient to reflect the purpose for which expenditures are to be made and that such classification is in accordance with the budget classifications adopted by the Director of the Office of Management and Enterprise Services and the Regents, which shall conform as nearly as possible to the account classification recommended by the National Committee on Standard Reports for Institutions of Higher Education; and

3. The realization of estimated revenues determined by the Director of the Office of Management and Enterprise Services is sufficient to allow the commitments to be made.

F. 1. In allotting appropriations and other funds, and approving subsequent allotments which may be required by each institution, the Regents shall follow the same general procedure set forth in the Oklahoma State Finance Act for other agencies of the state not under the control of said Regents, except as otherwise provided in this section.

2. All forms and account classifications shall be mutually agreed upon by the Director of the Office of Management and Enterprise Services and the State Regents.

3. The Regents shall file approved requests of constituent institutions with the Division of Central Accounting and Reporting and such requests shall be entered on the records of the Office of Management and Enterprise Services in the same manner as is provided in the Oklahoma State Finance Act for other agencies of the state.

4. The State Regents and the Director of the Office of Management and Enterprise Services shall approve any request from the administrative head of a constituent institution for amendment of the approved schedule of positions and salaries, or transfers between items, so long as the currently approved allotment for such purposes is not exceeded. Each such amendment shall be filed with the Office of Management and Enterprise Services, in such detail as may be required, prior to the date on which the first payroll or other disbursement affected by such amendment or transfer is submitted for payment.

G. 1. In the event that the realization of estimated revenues at any time during the fiscal year indicates that the total revenue for that fiscal year to any state fund will be insufficient at the

end of the fiscal year to meet the total appropriations from that fund, the Director of the Office of Management and Enterprise Services shall notify the Oklahoma State Regents for Higher Education as to the amount of reduction necessary against the consolidated, or lump sum appropriations, made to the Regents.

2. The Regents, in making itemized allotments during the fiscal year, may reserve an amount sufficient to meet a reasonable failure of revenue until receipt of notice from the Director of the Office of Management and Enterprise Services that the realization of estimated revenues indicates that the total appropriation may be allotted for expenditure. Upon receipt of notice from the Director of the Office of Management and Enterprise Services of a necessary reduction in the consolidated, or lump sum appropriation, to meet a failure in revenue, the Regents for Higher Education shall immediately take action to control the approval of subsequent allotment requests sufficient to make the aggregate reduction in allotments of all constituent institutions under their control equal the amount of reduction ordered against the lump sum appropriation made by the Legislature. Such reductions against the lump sum appropriation shall not exceed the percentage reduction ordered against other agencies of the state in accordance with Section 23, Article 10, Oklahoma Constitution.

Added by Laws 1947, p. 374, § 14, emerg. eff. Feb. 25, 1947. Amended by Laws 1999, c. 371, § 5, eff. July 1, 1999; Laws 2009, c. 441, § 33, eff. July 1, 2009. Renumbered from § 41.14 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 380.

§62-34.54. General Revenue Cash-flow Reserve Fund - Transfer of funds.

There is hereby created in the State Treasury a division of the State General Revenue Fund which shall be designated the "General Revenue Cash-flow Reserve Fund". The purpose of the General Revenue Cash-flow Reserve Fund is to make cash available for the July cash allocation and so that, insofar as possible, each monthly cash allocation thereafter can equal one-twelfth (1/12) of the annual appropriation from the General Revenue Fund.

1. Each year the Director of the Office of Management and Enterprise Services may transfer monies from the then current fiscal year General Revenue Fund to the General Revenue Cash-flow Reserve Fund for the succeeding fiscal year when the apportionment to the General Revenue Fund is in excess of amounts required for the allocations necessary to fund appropriations made by the Legislature for the then current fiscal year. The amount to be transferred shall not exceed ten percent (10%) of the amount certified by the State Board of Equalization as available for appropriation from the General Revenue Fund for the next succeeding fiscal year.

2. Any monies transferred to the General Revenue Cash-flow Reserve Fund pursuant to paragraph 1 of this section, shall be transferred by the Director of the Office of Management and Enterprise Services as nonrevenue receipts to the State General Revenue Fund in the amounts necessary to make cash available for the July cash allocation and so that, insofar as possible, each monthly cash allocation thereafter can equal one-twelfth (1/12) of the annual appropriation.

3. By the first Monday of each December, the Office of Management and Enterprise Services shall analyze and submit to the State Board of Equalization the amount of monies remaining in the General Revenue Cash-flow Reserve Fund which are not necessary for current year cash-flow needs and are available for legislative appropriation.

4. On the second Monday of June of each year, the Director of the Office of Management and Enterprise Services shall close the preceding fiscal year General Revenue Cash-flow Reserve Fund by transfer to the then current fiscal year General Revenue Fund.

5. Any monies in the prior year General Revenue Cash-flow Reserve Fund which are not necessary for the current year cash-flow needs shall be subject to legislative appropriation.

Added by Laws 1983, c. 183, § 1, emerg. eff. June 9, 1983. Amended by Laws 1984, c. 224, § 1, emerg. eff. May 23, 1984; Laws 1987, c. 5, § 145, emerg. eff. March 11, 1987; Laws 1988, c. 119, § 16, emerg. eff. April 7, 1988; Laws 2009, c. 441, § 34, eff. July 1, 2009. Renumbered from § 10.1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 381; Laws 2016, c. 315, § 1, eff. Sept. 1, 2016.

§62-34.55. Transfer of treasury funds to General Revenue Cash-flow Reserve Fund.

A. The Director of the Office of Management and Enterprise Services may transfer monies from any treasury fund to the General Revenue Cash-flow Reserve Fund as required to satisfy monthly allocations scheduled from the General Revenue Fund for the then current fiscal year. Funds from which any monies are so transferred shall be repaid before any transfers are made from the General Revenue Fund to the General Revenue Cash-flow Reserve Fund for the subsequent fiscal year.

B. The Director of the Office of Management and Enterprise Services may transfer monies to any treasury fund from the General Revenue Cash-flow Reserve Fund as required to satisfy cash-flow requirements of the federal Cash Management Improvement Act. Funds to which any monies are so transferred shall be repaid within the same month. If insufficient funds exist in the General Revenue Cash-flow Reserve Fund for this purpose, the General Revenue Fund for the

then current fiscal year may be used with the same repayment stipulations.

Added by Laws 1987, c. 203, § 106, operative July 1, 1987. Amended by Laws 1993, c. 291, § 2, eff. July 1, 1993; Laws 2009, c. 441, § 35, eff. July 1, 2009. Renumbered from § 10.3 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 382.

§62-34.56. Special Agency Account Board.

A. There is hereby re-created, to continue until July 1, 2008, in accordance with the provisions of the Oklahoma Sunset Law, a Special Agency Account Board, to consist of the Director of the Office of Management and Enterprise Services, the State Treasurer and the Director of the Legislative Service Bureau. The Board shall have the authority to approve the establishment of agency special accounts in the official depository of the State Treasury. In the case of institutions of higher education, the Special Agency Account Board, acting in conjunction with the Oklahoma State Regents for Higher Education, shall establish special agency accounts as appropriate which shall be consistent with provisions of the Oklahoma State Finance Act, as it relates to institutions in The Oklahoma State System of Higher Education.

B. The Board, created by this section, shall adopt procedures including application forms, justification and other pertinent information as to the basis for a state agency application for the establishment of agency special accounts.

C. The Board may approve agency special accounts for money received by state agencies for the following purposes:

1. Benefit programs for individuals, including, but not limited to, unemployment compensation, workers' compensation and state retirement programs;

2. Revenues produced by activities or facilities ancillary to the operation of a state agency which receive no money, directly or indirectly, from or through that state agency, including, but not limited to, revenues from the sales of food at retail level, sales at canteens, sales at student unions, sales at student bookstores, receipts from athletic programs and receipts from housing. Provided, however, that a state institution of higher learning may purchase necessary equipment and instructional supplies and office supplies from a student bookstore, or, subject to authorization by the Oklahoma State Regents for Higher Education, may rent building space for institutional use in a building operated by an organization or entity whose existence is ancillary to the operation of a state agency, and whose cost was financed in whole or in part with revenue-type bonds; provided, further, that the cost of such office supplies or space rental shall not exceed the cost of similar supplies or rentals available commercially;

3. Gifts, devises and bequests with an agency as beneficiary, unless otherwise provided by statute;
 4. Evidence funds for law enforcement agencies;
 5. Student loan funds and scholarship funds;
 6. Funds held in escrow;
 7. Land Commission funds;
 8. Funds for which the state agency acts as custodian, including, but not limited to, fees from employee earnings approved by the governing board of the agency, funds of student organizations including student activity fees collected by an educational institution as a separate item in enrollment procedures, professional organizations, patients and inmates;
 9. Funds used by the Oklahoma Tax Commission to pay for the filing of liens with the Federal Aviation Administration;
 10. Temporary accounts for funds arising from new or amended legislation not otherwise provided for in statute or for other emergency situations. Such accounts are to be utilized only pending legislative action directing custody of such funds;
 11. Payment of liability claims against the state;
 12. Activities of the various Armory Boards of the Oklahoma Military Department to receive and dispense funds derived by the Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of the Oklahoma Statutes; and
 13. Payment of expenses incurred in connection with the acceptance of payments made with nationally recognized credit cards.
- D. The State Treasurer is authorized to accept deposit of money made directly to agency special accounts approved by the Board. All money received by a state agency, as described in Section 34.57 of this title, shall be deposited in State Treasury funds or accounts and no money shall be deposited in banks or other depositories unless the bank accounts are maintained by the State Treasurer or are for the deposit of authorized petty cash funds.
- E. Money deposited in agency special accounts shall be disbursed on vouchers issued by the state agency concerned to accomplish the purpose for which the money was intended.
- F. Funds and revenues of the Grand River Dam Authority are exempt from the requirements of this section.
- G. Funds and revenues of the Oklahoma Municipal Power Authority are exempt from the requirements of this section.
- H. Monies used for investment purposes by the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the State Insurance Fund, the Oklahoma Employees Insurance and Benefits Board, the Commissioners of the Land Office, and the Oklahoma State Regents for Higher Education for its

Endowment Trust Fund are exempt from the requirements of this section, and shall be placed with the respective custodian bank or trust company.

Added by Laws 1973, c. 46, § 17, operative July 1, 1973. Amended by Laws 1978, c. 115, § 1, emerg. eff. March 31, 1978; Laws 1980, c. 145, § 1; Laws 1981, c. 218, § 22, emerg. eff. June 2, 1981; Laws 1981, c. 272, § 13, eff. July 1, 1981; Laws 1984, c. 116, § 1, eff. July 1, 1984; Laws 1984, c. 221, § 3, operative July 1, 1984; Laws 1985, c. 312, § 42, emerg. eff. July 25, 1985; Laws 1988, c. 321, § 44, operative July 1, 1988; Laws 1990, c. 319, § 1, emerg. eff. May 30, 1990; Laws 1991, c. 335, § 20, emerg. eff. June 15, 1991; Laws 1992, c. 176, § 1, emerg. eff. May 6, 1992; Laws 1995, c. 212, § 2, eff. July 1, 1995; Laws 1996, c. 290, § 6, eff. July 1, 1996; Laws 1997, c. 2, § 12, emerg. eff. Feb. 26, 1997; Laws 2002, c. 105, § 1; Laws 2009, c. 441, § 36, eff. July 1, 2009. Renumbered from § 7.2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 383.

NOTE: Laws 1978, c. 76, § 1 repealed by Laws 1980, c. 145, § 2. Laws 1981, c. 204, § 2 repealed by Laws 1981, c. 272, § 46, eff. July 1, 1981. Laws 1985, c. 319, § 12 repealed by Laws 1988, c. 321, § 45, operative July 1, 1988. Laws 1989, c. 291, § 2, as amended by Laws 1989, c. 318, § 2 repealed by Laws 1990, c. 258, § 40, operative July 1, 1990. Laws 1989, c. 375, § 14 repealed by Laws 1990, c. 319, § 2, emerg. eff. May 30, 1990. Laws 1990, c. 258, § 39 repealed by Laws 1991, c. 335, § 36, emerg. eff. June 15, 1991. Laws 1996, c. 30, § 1 repealed by Laws 1997, c. 2, § 26, emerg. eff. Feb. 26, 1997. NOTE: A former § 7.2 of this title, enacted by Laws 1947, p. 365, § 2 and amended by Laws 1959, p. 246, § 1, was repealed by Laws 1973, c. 46, § 19, operative July 1, 1973.

§62-34.57. Agency clearing accounts - Deposits - Transfers - Exemptions.

A. There is hereby created in the official depository in the State Treasury an agency clearing account for each state officer, department, board, commission, institution or agency of the state, hereinafter referred to collectively as state agencies. An agency special account established under Section 7.2 of this title may be used for the purposes of an agency clearing account.

B. It shall be the duty of each state agency, officer or employee, to deposit in the agency clearing account, or agency special account, established under Section 7.2 of this title, all monies of every kind, including, but not limited to:

1. Tax revenues;
2. Receipts from licenses, examinations, per diem and all other reimbursements, fees, permits, fines, forfeitures and penalties; and
3. Income from money and property, grants and contracts, refunds, receipts, reimbursements, judgments, sales of materials and

services of employees, and nonrevenue receipts, received by a state agency, officer or employee by reason of the existence of and/or operation of a state agency.

C. All such monies collected pursuant to this section shall be deposited as follows in the agency clearing account or agency special account established therefor:

1. Receipts of One Hundred Dollars (\$100.00) or more shall be deposited on the same banking day as received; and

2. Receipts of less than One Hundred Dollars (\$100.00) may be held until accumulated receipts equal One Hundred Dollars (\$100.00) or for five (5) business days, whichever occurs first, and shall then be deposited no later than the next business day.

a. Each state agency that has custody of receipts of less than One Hundred Dollars (\$100.00) shall provide adequate safekeeping of such receipts.

b. No disbursements shall be made from such receipts prior to this deposit.

c. All checks received must be restrictively endorsed immediately upon receipt.

D. The State Treasurer is authorized to accept deposits directly to State Treasury funds, consisting of cash, bank drafts, bank cashier's checks, federal treasury checks and other forms of remittance which are uniformly honored for payment. The State Treasurer is further authorized to accept checks deposited directly into State Treasury funds if the depositing state agency maintains sufficient balances in their agency clearing account to cover return items. Notwithstanding the provisions of subsection E of this section, state agencies are authorized to maintain sufficient balances in their agency clearing account to cover returned checks, credit card adjustments, credit card returns, and other debit items. Amounts of said balances shall be subject to approval by the State Treasurer.

All checks, drafts, orders and vouchers so deposited shall be credited and cleared at par and should payment be refused on any such check, draft, order or voucher, or should the same prove otherwise worthless, the amount thereof shall be charged by the State Treasurer against the account or fund theretofore credited with the same; and the person issuing the check, draft, order or voucher shall be charged a fee of Twenty-five Dollars (\$25.00) to cover the costs of processing each returned check; provided, such charge shall not be made unless efforts have been made to present such check, draft, order or voucher for payment a second time. Unless otherwise provided by law, such fee shall be deposited to the revolving fund of the state agency to which the check, draft, order or voucher was issued. If no revolving fund exists for the state agency, then such fee shall be deposited to the General Revenue Fund. The State Treasurer shall not accept for deposit to any agency clearing

account, or any agency special account, created pursuant to the provisions of Section 7.2 of this title, any warrant, check, order or voucher drawn against any state fund or account in favor of any individual or other person except the state officer, department, institution or agency for which account or fund the deposit is made, or a bona fide student enrolled at any of the state institutions of higher learning when such warrant, check, order or voucher is endorsed to the institution as payment of any fees or other accounts due such institution.

E. 1. Except as provided in paragraph 2 of this subsection, at least once each month each state agency shall transfer monies deposited in agency clearing accounts to the various funds or accounts, subdivisions of the state, or functions as may be provided by statute and no money shall ever be disbursed from the agency clearing account for any other purpose, except in refund of erroneous or excessive collections and credits.

2. District offices under the control of the Corporation Commission shall be permitted to make deposit of receipts on a monthly basis, provided that such receipts must be deposited within the month received or when such receipts equal or exceed One Hundred Dollars (\$100.00), whichever first occurs. The Oklahoma Tourism and Recreation Department and entities under its control shall be required to make deposit of receipts on a weekly basis, provided that such receipts must be deposited within seven (7) calendar days from the date received or when such deposits equal or exceed Five Hundred Dollars (\$500.00), whichever first occurs.

F. Funds and revenues of the Oklahoma Municipal Power Authority, the Grand River Dam Authority, the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority are exempt from the requirements of this section.

G. Monies used for investment purposes by the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the Oklahoma State Regents for Higher Education, the State and Education Employees Group Insurance Board and the Commissioners of the Land Office are exempt from the requirements of this section, and shall be placed with the respective custodian bank or trust company.

Added by Laws 1947, p. 364, § 1, emerg. eff. April 16, 1947. Amended by Laws 1959, p. 246, § 1, emerg. eff. June 16, 1959; Laws 1968, c. 131, § 1, emerg. eff. April 8, 1968; Laws 1973, c. 46, § 10, operative July 1, 1973; Laws 1981, c. 218, § 21, emerg. eff. June 2, 1981; Laws 1985, p. 1684, H.J.R. No. 1039, § 2, eff. Nov. 1, 1985; Laws 1986, c. 245, § 6, emerg. eff. June 12, 1986; Laws 1987, c. 163, § 3, eff. Nov. 1, 1987; Laws 1988, c. 244, § 6, emerg. eff. June 24,

1988; Laws 1988, c. 321, § 43, operative July 1, 1988; Laws 1989, c. 375, § 13, emerg. eff. June 6, 1989; Laws 1990, c. 168, § 1, eff. Sept. 1, 1990; Laws 1990, c. 337, § 12; Laws 1991, c. 335, § 19, emerg. eff. June 15, 1991; Laws 1995, c. 212, § 1, eff. July 1, 1995; Laws 1996, c. 219, § 2, eff. July 1, 1996; Laws 2008, c. 123, § 1, eff. July 1, 2008. Renumbered from § 7.1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

NOTE: Laws 1981, c. 204, § 1 repealed by Laws 1985, p. 1688, H.J.R. No. 1039, § 8, eff. Nov. 1, 1985. Laws 1989, c. 284, § 3 and Laws 1989, c. 318, § 1 repealed by Laws 1990, c. 337, § 26. Laws 1990, c. 264, § 118 repealed by Laws 1991, c. 335, § 36, emerg. eff. June 15, 1991.

§62-34.58 Information on income, disbursements and transfers.

A. Each state agency shall furnish to the Director of the Office of Management and Enterprise Services, in such form as the Director shall prescribe, detailed information showing the income, disbursements, and transfers for each agency clearing account and each agency's special account. Income, disbursements and transfers shall be identified in accordance with code designations as provided in the accounting procedures of the Office of Management and Enterprise Services.

B. The Director of the Office of Management and Enterprise Services may approve any modification in the code designations of income, disbursements and transfers that he or she finds expedient.

C. The State Treasurer shall not honor vouchers disbursing and transferring monies from agency clearing accounts or special accounts, when he or she has been notified by the Director of the Office of Management and Enterprise Services that an agency is not in compliance with the provisions of subsection A of this section.

Added by Laws 1947, p. 365, § 3, emerg. eff. April 16, 1947. Amended by Laws 1973, c. 46, § 11, operative July 1, 1973; Laws 1996, c. 290, § 7, eff. July 1, 1996; Laws 2009, c. 441, § 37, eff. July 1, 2009. Renumbered from § 7.3 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 384.

§62-34.59. Withdrawals from agency clearing accounts and special accounts.

All withdrawals of money from agency clearing accounts and agency special accounts shall be made on the voucher of the agency making such deposit and such voucher shall be payable at the State Treasury and when presented for payment shall be charged against the account designated, and shall, when redeemed by the State Treasurer, be delivered monthly to the state agency drawing said vouchers.

Added by Laws 1947, p. 365, § 4, emerg. eff. April 16, 1947. Amended by Laws 1973, c. 46, § 12, operative July 1, 1973. Renumbered from § 7.4 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.60. Form and manner of issuing vouchers - Waiver.

The State Treasurer shall prescribe the forms and manner of issuance of vouchers against agency clearing accounts and agency special accounts in the State Treasury. All vouchers drawn against agency clearing accounts and agency special accounts shall be signed by an authorized person designated by the administrative authority of the agency and countersigned by the principal fiscal officer of the agency or another person specifically designated by the administrative authority. Provided, the State Treasurer may waive the counter signature requirement if an agency certifies that controls are in place and will be followed to prevent the unauthorized issuance of its vouchers and if the vouchers are generated and signed by automated processes. Unless such waiver is granted, no voucher shall be paid by the State Treasurer without such signature and countersignature, if required.

Added by Laws 1973, c. 46, § 18, operative July 1, 1973. Amended by Laws 1997, c. 164, § 2, eff. July 1, 1997; Laws 1999, c. 292, § 2, eff. July 1, 1999. Renumbered from § 7.5a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.61. Commitment or expenditure of federal block grant funds - Preconditions.

No state agency shall commit or expend any funds from federal block grant funds created after June 9, 1995, including, but not limited to, employment, job training, vocational education, vocational rehabilitation, adult education or literacy programs without:

1. Prior authorization;
2. Appropriation of the funds by the Legislature as provided in Section 23 of Article X of the Oklahoma Constitution; or
3. Other formal expression of legislative intent.

Added by Laws 1995, c. 340, § 24, emerg. eff. June 9, 1995. Amended by Laws 2009, c. 441, § 38, eff. July 1, 2009. Renumbered from § 41.13a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.62. Encumbrance requirements for payment of state funds.

Encumbrance requirements for payments from funds of the state shall include the following:

1. Whenever agencies of this state enter into contracts for, or on behalf of the state for the purchase of tangible or intangible property, or for services or labor, such agreement shall be evidenced by written contracts or purchase orders, and must be transmitted to the Director of the Office of Management and Enterprise Services within a reasonable time from the date of the awarding of the contract or purchase order, as determined by the Director;

2. The Director of the Office of Management and Enterprise Services shall charge such contracts or purchase orders against the proper account as an outstanding order until it is liquidated by payment of a claim, or claims, against said contracts or purchase orders, or by cancellation of the contract or purchase order;

3. The Director of the Office of Management and Enterprise Services shall have the power to authorize agencies of the state to make purchases without the submission of competitive bids as otherwise required by Sections 85.7 and 85.12 of Title 74 of the Oklahoma Statutes, for or on behalf of the state whenever the Director determines that it is in the best interests of the state. The administrative head of any agency shall be personally liable for obligations incurred in excess of the authorization granted by the Director;

4. The Director of the Office of Management and Enterprise Services shall never authorize payment of claims for any agency of the state unless they are supported by:

- a. contracts or purchase orders of the Office of Management and Enterprise Services,
- b. institutional purchase orders or contracts,
- c. departmental purchase orders or contracts, or
- d. authorizations for purchases granted by the Director as provided by paragraph 3 of this section;

5. Any invoice or claim dated prior to the date of any of the above-mentioned encumbrance documents shall be rejected by the Office of Management and Enterprise Services;

6. Any encumbrance document that is outstanding on the records in the Office of Management and Enterprise Services when its funding source or sources lapse shall be canceled, unless another current funding source is assigned; and

7. The Commissioners of the Land Office shall be authorized to make payment of fees to its custodial bank and investment managers from the proceeds of total realized investment gains and such payments may be made from a special fund hereby created in the State Treasury for this purpose. Total payments for this purpose in a fiscal year shall not exceed one-half percent (0.5%) of the market value of the funds under the Commissioners' management on June 30 of the previous fiscal year.

Added by Laws 1947, p. 376, § 16, emerg. eff. Feb. 25, 1947. Amended by Laws 1949, p. 416, § 1, emerg. eff. May 10, 1949; Laws 1955, p. 335, § 1, emerg. eff. June 6, 1955; Laws 1975, c. 269, § 1, emerg. eff. June 5, 1975; Laws 1983, c. 334, § 4, emerg. eff. June 30, 1983; Laws 1984, c. 166, § 5, operative July 1, 1984; Laws 1990, c. 264, § 60, operative July 1, 1990; Laws 1997, c. 301, § 1, eff. Sept. 1, 1997; Laws 1998, c. 85, § 6, eff. July 1, 1998; Laws 2009, c. 441, § 39, eff. July 1, 2009. Renumbered from § 41.16 of this title by Laws

2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 385.

§62-34.63. Disbursements.

A. The State Treasurer shall be the disbursing agency of the state and shall draw either checks or warrants payable at the State Treasury, in payment of all claims, including payrolls, against the state which shall be paid out of the Treasury, as follows:

1. Each check or warrant shall specify the date of its issue and the name of the person to whom payable; and

2. For each check, or warrant, issued by the State Treasurer, there shall be a record which shall specify the gross amount, the amount of withholding, if any, and the net amount payable to the payee.

B. At the end of each month the State Treasurer shall report to the Director of the Office of Management and Enterprise Services in such form as the Director shall prescribe, all checks or warrants issued during the month.

C. Checks or warrants issued by the State Treasurer shall be registered on the records of the State Treasurer in such manner as shall be prescribed by the Director of the Office of Management and Enterprise Services; provided, that each check or warrant shall indicate thereon the fund against which the same shall be charged. The purpose of this section is to permit checks or warrants to be registered in the order in which they are drawn upon the State Treasury.

Added by Laws 1947, p. 378, § 18, emerg. eff. Feb. 25, 1947. Amended by Laws 1947, p. 383, § 1, emerg. eff. April 16, 1947; Laws 1979, c. 47, § 47, emerg. eff. April 9, 1979; Laws 2009, c. 441, § 40, eff. July 1, 2009. Renumbered from § 41.18 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 386.

§62-34.64. Payment of claims or payrolls.

A. Except as otherwise provided in the Oklahoma State Finance Act and except for Automated Clearing House (ACH) debits for transactional fees, procedures for paying claims or payrolls shall include the following:

1. All miscellaneous claims and payroll claims for the payment of money from the State Treasury shall be filed with the Director of the Office of Management and Enterprise Services for audit and settlement prior to being filed for payment with the State Treasurer;

2. The Director of the Office of Management and Enterprise Services may establish alternative procedures for the settlement of claims whenever such procedures are more advantageous so long as they are consistent with the requirements of state law;

3. Such alternative procedures shall be at the discretion of the Director of the Office of Management and Enterprise Services and may include, but are not limited to:

- a. a procedure to permit consolidated payment to vendors for claims involving more than one agency of the state when audit and settlement of such claims, as hereinafter provided, can in all respects be accomplished,
- b. procedures based upon valid statistical sampling models for preaudit of claims, against contracts, purchase orders and other commitments before entering such claims against the accounts, and
- c. policies, procedures and performance criteria for the participation of agencies or departments, not authorized by this section, to engage in an alternative system for the settlement of claims; and

4. The Director of the Office of Management and Enterprise Services may use a numeric or alphanumeric designation to cross-reference claims or payrolls to check warrant numbers, transfer entry or optional settlement mode used in the payment thereof.

B. Except for ACH debits for transactional fees, after claims or payrolls or both have been properly audited and recorded against the respective contracts, purchase orders, other commitments and accounts, the Division of Central Accounting and Reporting shall certify such claims or payrolls to the State Treasurer for payment.

C. Except for ACH debits for transactional fees, it shall be the responsibility of the Division of Central Accounting and Reporting to determine that:

1. All material legal requirements concerning the expenditure of monies involved in each claim or payroll have been complied with;
2. Funds have been properly and legally allotted for the payment of the claim or payroll; and
3. A sufficient balance exists for the payment of same.

D. The Director of the Office of Management and Enterprise Services or bonded employees in the Division of Central Accounting and Reporting authorized by the Director shall certify to the State Treasurer that the claim or payroll has been approved for payment.

E. 1. The Director of the Office of Management and Enterprise Services shall be authorized to establish necessary agency disbursing funds to efficiently accommodate the cash flow requirements of applicable federal regulations, bond indebtedness and other directives deemed appropriate by the Director.

2. Agencies operating such disbursing funds are authorized to establish a preaudit and settlement system for claims or payments or both relating to the purposes of the stated directives.

3. The State Treasurer shall establish procedures for the state in accordance with Federal Banking and National Automated Clearing

House Association standards and agencies shall be required to utilize automated clearing house procedures established by the State Treasurer.

4. No individual or entity shall be required to have a bank account unless required by federal law or federal regulation.

5. Agencies shall be further required to present these transactions to the Office of Management and Enterprise Services in a summarized format and shall include any accounting information necessary as determined by the Director of the Office of Management and Enterprise Services including, but not limited to, information related to federal law.

6. Administrative expenditures shall not be eligible for these procedures.

7. The efficiency of the payment system shall be considered when the interest earnings of the state are not diminished.

F. The Director of the Office of Management and Enterprise Services shall be authorized to process payments for federal tax withholding without claim forms. The Director shall establish a separate fund for the purpose of accumulating federal income tax withholding from payrolls and remitting same to the United States Treasury. Institutions under the administrative authority of the Oklahoma State Regents for Higher Education which are responsible for processing payments for federal tax withholding shall be authorized to process such payments to the United States Treasury without claim forms.

G. 1. The Director of the Office of Management and Enterprise Services shall be authorized to process, without claim forms, interest payments to the U.S. Treasury as required by federal law.

2. Agencies are responsible for the accrual of such interest liability of the state and shall provide payment to the Office of Management and Enterprise Services in the amount and method prescribed by the Director of the Office of Management and Enterprise Services.

3. Any liability of the U.S. Treasury as determined by federal law shall be deposited in the State Treasury and transferred by the Director of the Office of Management and Enterprise Services to the General Revenue Fund of the state subsequent to final determination and necessary audit resolution.

H. Payments disbursed from the State Treasury shall be conveyed solely through an electronic payment mechanism. The State Treasurer may provide an exemption from the provisions of this subsection, with cause, provided the number of exempted payments and a corresponding list of causes shall be published in a regularly updated report which is featured prominently on the State Treasurer's website.

I. Notwithstanding any other provision of the Oklahoma State Finance Act and subject to any applicable restrictions in the Oklahoma Constitution, the Director of the Office of Management and

Enterprise Services may establish procedures by which agencies may contract for, incur and account for transaction-based fees, such as fees for accepting credit cards, that may be processed by ACH debit without claim forms, provided the agency has sufficient statutory authority for purchase. Prior to authorizing ACH debit transactions without claim forms, state agencies shall provide notice to the State Treasurer.

Added by Laws 1947, p. 379, § 21, emerg. eff. Feb. 25, 1947. Amended by Laws 1979, c. 47, § 49, emerg. eff. April 9, 1979; Laws 1983, c. 334, § 5, emerg. eff. June 30, 1983; Laws 1986, c. 247, § 17, operative July 1, 1986; Laws 1990, c. 265, § 15, operative July 1, 1990; Laws 1991, c. 24, § 1, emerg. eff. March 29, 1991; Laws 1991, c. 330, § 4; Laws 1992, c. 358, § 1, eff. July 1, 1992; Laws 1993, c. 328, § 31, operative July 1, 1993; Laws 1993, c. 364, § 18, emerg. eff. June 11, 1993; Laws 1994, c. 2, § 21, emerg. eff. March 2, 1994; Laws 1994, c. 277, § 4; Laws 1995, c. 292, § 6, eff. July 1, 1995; Laws 1996, c. 290, § 9, eff. July 1, 1996; Laws 1997, c. 2, § 13, emerg. eff. Feb. 26, 1997; Laws 1997, c. 164, § 3, eff. July 1, 1997; Laws 1998, c. 392, § 4, eff. Sept. 1, 1998; Laws 2000, c. 347, § 3, emerg. eff. June 6, 2000; Laws 2001, c. 33, § 53, eff. July 1, 2001; Laws 2002, c. 150, § 1, eff. July 1, 2002; Laws 2009, c. 441, § 41, eff. July 1, 2009. Renumbered from § 41.21 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2011, c. 292, § 2, eff. July 1, 2012; Laws 2012, c. 304, § 387; Laws 2015, c. 252, § 1, eff. July 1, 2015; Laws 2019, c. 442, § 1.

NOTE: Laws 1992, c. 326, § 8 repealed by Laws 1993, c. 10, § 16, emerg. eff. March 21, 1993. Laws 1993, c. 10, § 6 repealed by Laws 1994, c. 277, § 18. Laws 1993, c. 291, § 1 repealed by Laws 1994, c. 2, § 34, emerg. eff. March 2, 1994. Laws 1994, c. 78, § 1 repealed by Laws 1994, c. 277, § 18. Laws 1996, c. 204, § 1 repealed by Laws 1997, c. 2, § 26, emerg. eff. Feb. 26, 1997.

§62-34.65. Payment of vendor invoices.

A. To facilitate the payment of vendor invoices and contract estimates, the Director of the Office of Management and Enterprise Services shall prescribe a uniform document to be used by all agencies of the state. The document shall provide summarized information relative to the referenced invoices or contract estimates, together with a space for the approval of the head of the agency approving said vendor invoices or contract estimates for payment.

B. Vendor invoices and contract estimates shall be accepted by the state in lieu of the claim form previously required in the same manner as commercial invoices are paid.

C. Vendor invoices and contract estimates shall be filed with the agency receiving the merchandise or services in the same manner as invoices are filed with commercial firms.

D. Upon receipt of invoices or contract estimates, the head of the agency, or the agency's authorized agent, may approve said documents for payment as confirmation of delivery or acceptance of the goods or services. Whereupon, the approved invoices or contract estimates shall be attached to the document provided for such purpose and the head of the agency approving such invoices or contract estimates for payment shall affix the approval in the space provided on the document.

E. Commercial invoices shall be accepted in lieu of the standard notarized claim prescribed by the state.

Added by Laws 1949, p. 622, § 1, emerg. eff. June 2, 1949. Amended by Laws 2009, c. 441, § 42, eff. July 1, 2009. Renumbered from § 86.1 of Title 74 by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 388.

§62-34.66. Writing of checks and warrants - Delegation of check and warrant issuing authority - Payment register - Transfer entries - Electronic fund transfers.

A. The State Treasurer shall write checks or warrants in payment of claims and payrolls certified to the State Treasurer for payment by the Division of Central Accounting and Reporting or:

1. The Department of Human Services;
2. The Department of Rehabilitative Services;
3. The State Department of Health;
4. The Department of Transportation;
5. The State Department of Education;
6. The Oklahoma Department of Career and Technology Education;

and

7. The institutions within The Oklahoma State System of Higher Education.

B. The State Treasurer, within such limitations as the State Treasurer may prescribe, may authorize the Director of the Office of Management and Enterprise Services and the entities specified in subsection A of this section to issue the checks or warrants for payment of claims and payrolls that have been certified by the respective agency.

C. The Director of the Office of Management and Enterprise Services and the entities specified in subsection A of this section shall provide the State Treasurer a register of each payment for each check or warrant issued. To protect against fraud, information contained within the register of checks or warrants shall not be subject to the Oklahoma Open Records Act until the earlier of:

1. Such checks or warrants are submitted for redemption; or
2. Such checks or warrants are cancelled by statute.

D. In lieu of checks or warrants:

1. The Director of the Office of Management and Enterprise Services may, with the concurrence of the State Treasurer, settle interagency claims by transfer entry; and

2. At the discretion of the State Treasurer, pay claims and payrolls by the electronic transfer of funds.

Added by Laws 2009, c. 441, § 43, eff. July 1, 2009. Amended by Laws 2010, c. 241, § 6, emerg. eff. May 10, 2010; Laws 2012, c. 304, § 389.

§62-34.67. Claims and payrolls.

A. The Director of the Office of Management and Enterprise Services is hereby authorized to prescribe forms and electronic systems to process claims and payroll to be used by the various agencies of the state. Any agency of the state may file a claim against more than one item of the current allotments within funds by indicating on the claim or payroll the account, or accounts to be charged. The Director shall approve and charge such claim to the account, or accounts, indicated after proper audit of the claim or payroll.

B. These payroll systems are hereby authorized for use in claiming amounts due individually to all employees within an agency of the state. Each payroll record shall show the total earnings, the amount of each type of withholding and the net amount due each employee. Withholdings may be reserved by the Director of the Office of Management and Enterprise Services to be paid to the proper entity by lump sum payments.

Added by Laws 1947, p. 377, § 17, emerg. eff. Feb. 25, 1947. Amended by Laws 2009, c. 441, § 44, eff. July 1, 2009. Renumbered from § 41.17 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 390.

§62-34.68. Approval of claims and payrolls.

A. The elected or appointed executives of any state agency or their designated administrative employees shall approve individual claims of the agency which are used as the basis for the payment of money from the State Treasury from any fund. These individuals shall be known as the "agency approving officers".

B. Payrolls shall show the amount to be paid to each named person for the period of time shown.

C. The number of persons authorized to make such approval shall not exceed five people for any one state agency without the special approval of the Director of the Office of Management and Enterprise Services.

D. All agency approving officers shall execute a bond issued by a surety company licensed to do business in this state, payable to the state in the amount required by the Director of the Office of Management and Enterprise Services but not less than Fifty Thousand

Dollars (\$50,000.00) and conditioned for the faithful performance of their duties, as surety, which shall be approved by the Director of the Office of Management and Enterprise Services and filed in the office of the Secretary of State.

E. After state claims and/or payrolls have been approved by the above agency approving officers, they shall be filed with the Director of the Office of Management and Enterprise Services for auditing and settlement.

Added by Laws 1947, p. 380, § 26, emerg. eff. Feb. 25, 1947. Amended by Laws 1968, c. 52, § 1, emerg. eff. March 18, 1968; Laws 1971, c. 329, § 1, emerg. eff. June 25, 1971; Laws 1973, c. 46, § 15, operative July 1, 1973; Laws 2009, c. 441, § 45, eff. July 1, 2009. Renumbered from § 41.26 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 391.

§62-34.69. Payroll Fund - Web-based access to employment and compensation information.

There is hereby created in the State Treasury a Payroll Fund which shall be used by the Director of the Office of Management and Enterprise Services and the State Treasurer to issue a consolidated payroll for each agency of the state. Payrolls of state agencies shall be charged against the Payroll Fund created herein. Each state agency shall prepare summary distributions of the amounts of payrolls to be charged against each fund within the State Treasury and the Director shall transfer monies from each fund in the State Treasury to the Payroll Fund amounts as shown on payroll distribution summaries, and shall charge such amounts to the account affected thereby.

B. As of July 1, 2010, the Office of Management and Enterprise Services shall make available and each executive state agency shall make available to all state employees a centralized web-based system to access their personal employment and compensation-related information. The provisions of this subsection as it pertains to executive agencies may be waived by the Director of the Office of Management and Enterprise Services in the event that lack of timely access prevents employees from utilizing the centralized system. As used in subsections B, C and D of this section, "executive state agency" shall mean any state agency, authority, board, commission or other entity organized within the executive department of state government. Executive state agency shall not mean any government entity organized or created within the legislative or judicial departments of state government.

C. Except for institutions within The Oklahoma State System for Higher Education, executive state agencies converting to a multi-monthly payroll system shall consult with the Office of Management and Enterprise Services on the timing of the agency's conversion.

1. All state employees hired during the six (6) months prior to an executive state agency's conversion to a multi-monthly payroll shall be placed on either the biweekly payroll system or supplemental payroll upon the date of hire.

2. In the six (6) months prior to an executive state agency's conversion to multi-monthly payroll, the executive state agency shall offer either multi-monthly or supplemental payroll to any employee who chooses to participate. The provisions of this paragraph shall not apply to employees placed on the multi-monthly payroll pursuant to paragraph 1 of this subsection.

D. Six (6) months prior to an executive state agency converting to the multi-monthly payroll system, it shall create employee payroll conversion banks for the purpose of providing a one-time payroll payment to an employee for the gap in payroll payments created by the conversion to the multi-monthly system.

1. Each executive state agency shall allow its employees to accumulate funds up to a maximum of eighty (80) hours for the conversion bank from the following sources:

- a. earned compensatory time, if the agency normally provides its employees compensatory time,
- b. earned annual leave,
- c. earned sick leave up to a maximum of forty (40) hours, and
- d. shared leave as approved by the appointing authority.

2. During the six-month period leading up to an executive state agency's conversion to the multi-monthly payroll system, all executive state agencies shall inform, in writing or by electronic means, all their employees of their leave and compensatory time balances on a monthly basis.

E. The Office of Management and Enterprise Services shall establish procedures concerning the conversion.

Added by Laws 1947, p. 365, § 6, emerg. eff. April 16, 1947. Amended by Laws 1979, c. 47, § 44, emerg. eff. April 9, 1979; Laws 1984, c. 166, § 4, operative July 1, 1984; Laws 2009, c. 326, § 1, emerg. eff. May 27, 2009. Renumbered from § 7.6 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 2, § 48, emerg. eff. March 3, 2010; Laws 2011, c. 347, § 5; Laws 2012, c. 304, § 392.

NOTE: Laws 2009, c. 441, § 46 repealed by Laws 2010, c. 2, § 49, emerg. eff. March 3, 2010.

§62-34.70. Voluntary payroll deductions.

A. 1. Upon the request of a state employee, a state agency shall make voluntary payroll deductions for the employee to any credit union, bank, or savings association having an office in this state.

2. If the governing body of any county, municipality, or school district provides for voluntary payroll deductions to a credit union serving the employees of the county, municipality, or school district, it shall provide voluntary payroll deductions to any credit union, bank, or savings association having an office in this state which has a minimum participation of twenty percent (20%) of the employees of the county, municipality, or school district.

B. Upon the request of a state employee and pursuant to procedures established by the Director of the Office of Management and Enterprise Services, a state agency shall make payroll deductions for:

1. The payment of any insurance premiums due a private insurance organization with a minimum participation of five hundred (500) state employees for life, accident, and health insurance which is supplemental to that provided for by the state;

2. The payment of any insurance premiums due a private insurance organization or service company which is regulated by the State Insurance Commissioner and with a minimum participation of five hundred (500) state employees for legal services;

3. Premiums or payments for retirement plans with a minimum participation of five hundred (500) state employees for retirement plans which are supplemental to that provided for by the state;

4. Salary adjustment agreements included in a flexible benefits plan as authorized by the State Employees Flexible Benefits Act;

5. Membership dues utilized for benefits, goods or services provided by the Oklahoma Public Employees Association to the organization's membership or any other statewide association limited to state employee membership with a minimum membership of two thousand (2,000) dues-paying members. For purposes of this paragraph, state agencies shall accept online or electronically submitted forms from the Oklahoma Public Employees Association and other state employee associations. The Office of Management and Enterprise Services shall develop and implement a verification process for online or electronically submitted forms which may include the use of electronic signature technology or other process as determined appropriate;

6. Contributions to any foundation organized pursuant to 26 U.S.C., Section 501(c)(3) of the Oklahoma Public Employees Association or any other statewide association limited to state employee membership with a minimum membership of two thousand (2,000) dues-paying members;

7. Payments to a college savings account administered under the Oklahoma College Savings Plan Act pursuant to Section 3970.1 et seq. of Title 70 of the Oklahoma Statutes;

8. Subscriptions to the Oklahoma Today magazine published by the State of Oklahoma through the Oklahoma Tourism and Recreation Department; and

9. The payment of any insurance premiums due a private insurance organization, which is regulated by the State Insurance Commission, for an Oklahoma Long-Term Care Partnership Program approved policy pursuant to the Oklahoma Long-Term Care Partnership Act.

C. The administrative costs of processing payroll deductions or administering salary adjustment agreements for insurance premiums as provided for in subsection B of this section shall be a charge of two percent (2%) of the gross annual premiums for insurance plans. The administrative costs of processing payroll deductions or administering salary adjustment agreements for payments for retirement plans as provided for in subsection B of this section shall be one percent (1%) of the gross annual payments for retirement plans. These charges shall be collected monthly from the private insurance or retirement plan organization by the Office of Management and Enterprise Services and shall be deposited to the credit of the General Revenue Fund. Provided that these costs shall not be collected from state employees or state agencies unless otherwise directed in the Oklahoma State Finance Act.

D. Any statewide association granted a payroll deduction prior to January 1, 2008, shall be exempt from the minimum state employee membership requirement.

E. Approval of a payroll deduction or salary adjustment agreement for any insurance organization, line of coverage or policy shall not be construed as an assumption of liability, for the term of policy or the performance of the insurance organization, by this state, or any of its agencies or any officer or employee thereof. Contracts for such insurance shall be in all respects subject to the insurance laws of this state, and shall be enforceable solely pursuant to such laws.

F. The Oklahoma Employment Security Commission is authorized to deduct from the wages or salary of its employees the employees' contribution to the Oklahoma Employment Security Commission Retirement Plan.

G. Payroll deductions shall be made for premium payments for group insurance for retired members or beneficiaries of any state-supported retirement system upon proper authorization given by the member or beneficiary to the board from which the member or beneficiary is currently receiving retirement benefits.

H. Upon request of instructional personnel employed at either the Oklahoma School for the Blind or the Oklahoma School for the Deaf and pursuant to procedures established by the Director of the Office of Management and Enterprise Services, the Commission for Rehabilitation Services shall make payroll deductions for membership dues in any statewide educational employee organization or association.

I. Upon the request of a state employee of the Department of Corrections, the Department shall make voluntary payroll deductions for the employee to the Correctional Peace Officer Foundation. Added by Laws 1984, c. 28, § 1, emerg. eff. March 23, 1984. Amended by Laws 1988, c. 248, § 6, operative July 1, 1988; Laws 1989, c. 370, § 11, operative July 1, 1989; Laws 1992, c. 142, § 1, eff. July 1, 1992; Laws 1997, c. 73, § 1, eff. Nov. 1, 1997; Laws 2000, c. 336, § 12, eff. July 1, 2000; Laws 2001, c. 5, § 35, emerg. eff. March 21, 2001; Laws 2002, c. 204, § 1, eff. Nov. 1, 2002; Laws 2003, c. 212, § 4, eff. July 1, 2003; Laws 2004, c. 5, § 52, emerg. eff. March 1, 2004; Laws 2005, c. 49, § 1, eff. July 1, 2005; Laws 2008, c. 392, § 1, emerg. eff. June 3, 2008; Laws 2009, c. 12, § 1, eff. July 1, 2009; Laws 2009, c. 135, § 1, eff. Nov. 1, 2009; Laws 2009, c. 441, § 47, eff. July 1, 2009. Renumbered from § 7.10 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 393.

NOTE: Laws 2000, c. 73, § 1 repealed by Laws 2001, c. 5, § 36, emerg. eff. March 21, 2001. Laws 2003, c. 93, § 3 repealed by Laws 2004, c. 5, § 53, emerg. eff. March 1, 2004. Laws 2003, c. 114, § 1 repealed by Laws 2004, c. 5, § 54, emerg. eff. March 1, 2004.

§62-34.70.1. Unlawful payroll deductions for membership dues - Definitions.

A. It shall be unlawful for any state agency to make payroll deductions on behalf of a state employee for membership dues in any public employee association or organization or professional organization that on or after November 1, 2015, collectively bargains on behalf of its membership pursuant to any provision of federal law.

B. For purposes of this section:

1. "State agency" means any office, officer, bureau, board, counsel, court, commission, institution, unit, division, body or house of the executive or judicial branches of the state government, whether elected or appointed, excluding political subdivisions of the state. State agency shall include public school districts, the Oklahoma State Regents for Higher Education, the institutions, centers, or other constituent agencies of The Oklahoma State System of Higher Education, the State Board of Career and Technology Education, technology center school districts, the State Legislature, and the Office of the Governor; and

2. "Public employee" means an elected or appointed officer or employee or contract employee of a state agency as defined in this section, unless otherwise indicated.

Added by Laws 2015, c. 5, § 1, eff. Nov. 1, 2015.

§62-34.71. Procedure to issue payment for goods and services.

The Director of the Office of Management and Enterprise Services shall establish a procedure to issue payment of a proper invoice for

goods or services within no more than forty-five (45) days from the date on which the invoice was received in the office designated by the agency to which the goods or services were sold and delivered. Added by Laws 1983, p. 1168, H.J.R. No. 1010, § 1, emerg. eff. May 24, 1983. Amended by Laws 2009, c. 441, § 48, eff. July 1, 2009. Renumbered from § 41.4a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2010, c. 170, § 6, emerg. eff. April 26, 2010; Laws 2012, c. 304, § 394.

§62-34.72. Procedure for payment of interest.

The Director of the Office of Management and Enterprise Services shall establish a procedure to assess and pay interest for the late payment of an invoice, which interest shall be calculated beginning the thirtieth day after receipt by the designated office of a proper invoice for which payment has not been mailed, transmitted, or delivered to a vendor by the close of business on the forty-fifth day. Such interest shall be at an annualized rate based on an average of the interest rate for thirty-day time deposits of state funds during the last calendar quarter of the last preceding fiscal year, as reported by the State Treasurer.

Added by Laws 1983, p. 1168, H.J.R. No. 1010, § 2, emerg. eff. May 24, 1983. Amended by Laws 2009, c. 441, § 49, eff. July 1, 2009. Renumbered from § 41.4b of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 395.

§62-34.73. Definition.

A "proper invoice" means one which is complete in all requirements necessary for processing it for payment in accordance with the terms of appropriate contracts and applicable state or federal statutes.

Added by Laws 1983, p. 1168, H.J.R. No. 1010, § 3, emerg. eff. May 24, 1983. Amended by Laws 2009, c. 441, § 50, eff. July 1, 2009. Renumbered from § 41.4c of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.74. Grievance - Remedy.

Any vendor of goods or services purchased by or delivered to an agency of the state whose payment is delayed beyond the forty-five-day limit and who has not been compensated by payment of interest as provided for in the Oklahoma State Finance Act may file a grievance with the Office of the Governor, who shall transmit it to the Director of the Office of Management and Enterprise Services. Upon receipt of such grievance, the Director shall pay the total amount of such invoice with interest as required, within fifteen (15) days, to remedy such grievance. If the Director determines that the invoice or interest should not be paid, such determination and the reasons therefor shall be reported to the Governor and the aggrieved vendor.

Added by Laws 1983, p. 1168, H.J.R. No. 1010, § 4, emerg. eff. May 24, 1983. Amended by Laws 2009, c. 441, § 51, eff. July 1, 2009. Renumbered from § 41.4d of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 396.

§62-34.75. Human Services encumbrance and preaudit claim settlement system - Detailed listings - Daily reports.

A. The Department of Human Services may establish an encumbrance and preaudit system for settlement of claims relating to public assistance, social service benefits and medical benefits to or for persons eligible under applicable federal laws and rules, Oklahoma Statutes, and policies established by the Oklahoma Commission for Human Services. The following programs shall be eligible for this procedure:

1. Aid to Families with Dependent Children;
2. Aid to Aged, Blind and Disabled;
3. Medical Assistance;
4. Day Care;
5. Refugee Resettlement;
6. Low Income Heating and Energy Assistance;
7. General Assistance;
8. Crippled Children;
9. Social Services under Title XX of the U.S. Social Security Act, 42 U.S.C., Section 301 et seq.;
10. Adoption Subsidies;
11. Foster Care;
12. Medical Examination;
13. Area Agencies on Aging;
14. Any contract for service for which the Office of Management and Enterprise Services has approved as qualifying for a fixed and uniform rate pursuant to Section 85.7 of Title 74 of the Oklahoma Statutes;
15. Sheltered Workshops;
16. Contracted Group Homes;
17. Rehabilitative Client Interpreters;
18. Rehabilitative Client Drivers; and
19. Maternal and Child Health Services Block Grant.

B. Prior to inclusion in this procedure, the Department of Human Services shall provide to the Director of the Office of Management and Enterprise Services, for approval, detailed listings of the type of payments to be made for each of these programs specified in subsection A of this section.

C. The Department of Human Services shall provide the Director of the Office of Management and Enterprise Services a daily report of the dollar amount of claims settled and checks or warrants issued, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes.

D. The Department of Human Services and the Director of the Office of Management and Enterprise Services shall jointly establish a system for the settlement of claims, except for payroll, by the Department of Human Services. The settlement system shall include policy, procedures and performance criteria for participation. Added by Laws 2009, c. 441, § 52, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 397.

§62-34.76. WIC Supplemental Nutrition Program - Establishment of system for processing of claims - Procedures for payment of gross vouchers - Transfer of certain funds.

A. The State Department of Health is authorized to enter into contracts with third party administrators to establish a system for processing claims for payment pursuant to the United States Department of Agriculture Women, Infants and Children Supplemental Nutrition Program.

B. The State Board of Health shall promulgate rules and develop procedures necessary for implementation and administration of the system.

C. The State Board of Health is authorized to develop procedures that allow for the payment of gross vouchers received by a third party administrator adjusted by returned items or any other disallowances.

D. The State Department of Health is authorized to transfer any available federal or revolving funds to their WIC Disbursing Fund as needed for the purpose of providing cash flow until federal funds are received. Any such funds transferred into the WIC Disbursing Fund shall be transferred back to the original fund source before the end of the fiscal year in which the transfer was made.

Added by Laws 1992, c. 32, § 1, eff. July 1, 1992. Amended by Laws 1993, c. 269, § 8, eff. Sept. 1, 1993; Laws 2009, c. 441, § 53, eff. July 1, 2009. Renumbered from § 41.16a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.77. Rehabilitation services encumbrance and preaudit claim settlement system - Detailed listings - Daily reports.

A. The State Department of Rehabilitation Services is authorized to establish an encumbrance and preaudit system for settlement of claims relating to social service benefits and medical benefits to or for persons eligible under applicable federal laws and regulations, Oklahoma Statutes, and policies established by the Commission for Rehabilitation Services for the following programs:

1. Vocational and other rehabilitation;
2. Educational services;
3. Disability Determination Services; and
4. Services for the Blind and Visually Impaired.

B. Prior to inclusion in this procedure, the State Department of Rehabilitation Services shall provide to the Director of the Office of Management and Enterprise Services, for approval, detailed listings of the type of payments to be made for each of these programs specified in subsection A of this section.

C. The State Department of Rehabilitation Services shall provide the Director of the Office of Management and Enterprise Services a daily report of the dollar amount of claims settled and checks or warrants issued, the dollar amount of checks or warrants canceled, and the dollar amount of checks or warrants canceled by statutes. Added by Laws 2009, c. 441, § 54, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 398; Laws 2019, c. 51, § 3, eff. Nov. 1, 2019.

§62-34.78. Higher educational institution claim settlement systems.

A. The Oklahoma State Regents for Higher Education and the Director of the Office of Management and Enterprise Services shall jointly establish a system for the settlement of claims, except for payroll, by institutions of The Oklahoma State System of Higher Education. The settlement system shall include policy, procedures, and performance criteria for participation. The State Regents may approve or disapprove the participation of any institution or other entity of the State System in the claims settlement system.

B. The Department of Education and the Oklahoma Department of Career and Technology Education may establish a preaudit and settlement system for claims and/or payments of state-funded assistance to school districts and institutions within The Oklahoma State System of Higher Education. The payment system shall be neutral as to interest income to the state and the school districts. Added by Laws 2009, c. 441, § 55, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 399.

§62-34.79. Transportation preaudit and settlement system for claims and payments.

A. The Department of Transportation may establish a preaudit and settlement system for claims and payments of state-funded contractor estimates and right-of-way payments.

B. Nothing in this section shall modify or alter condemnation proceedings as provided by law.

Added by Laws 2009, c. 441, § 56, eff. July 1, 2009.

§62-34.80. Record of warrants, checks or orders by Office of Management and Enterprise Services - Revocation and cancellation of unpaid obligations - Reissuance - Canceled Warrant Fund.

A. All warrants, checks or orders issued by the State Treasurer against claims submitted through the Office of Management and Enterprise Services in payment of obligations of the state which shall for any cause remain outstanding or unpaid for a period of

ninety (90) days after funds are available for their payment shall be revoked and canceled.

B. Such warrants, checks or orders shall be entered into the records of the Office of Management and Enterprise Services and the State Treasurer and the administrative head of the agency certifying the claim for payment shall be notified that such items have been canceled.

C. If, for any reason, a warrant should not be issued to replace a warrant canceled pursuant to the provisions of this section, the administrative head of the agency originally certifying the claim for payment shall, within seven (7) days after notification of the cancellation, advise the Director of the Office of Management and Enterprise Services that a reissue should not be made.

D. Notwithstanding the provisions of subsection B of this section, warrants issued or caused to be issued by the Department of Human Services for public assistance or medical assistance may be reissued at any time within three (3) years after cancellation upon submission of the canceled warrants to the Department.

E. No canceled warrants shall be paid, except that the holder of any warrant that may have been canceled pursuant to the provisions of this section may, within thirty-six (36) months following the month in which the warrant was canceled, present the warrant or an affidavit of loss or destruction, and a request for reissuance to the Director of the Office of Management and Enterprise Services.

F. The Director of the Office of Management and Enterprise Services shall certify a claim as needed for payment of those verified unpaid requests presented, unless the certifying agency has advised that a reissuance should not be made.

G. 1. There is hereby created in the State Treasury a fund to be known as the Canceled Warrant Fund.

2. The Director of the Office of Management and Enterprise Services shall transfer to the Canceled Warrant Fund the total of the payable amounts of the warrants canceled pursuant to the provisions of this section from the funds and accounts against which the canceled warrants had been drawn.

3. The Office of Management and Enterprise Services shall disburse from the fund such amounts as necessary to pay warrants reissued as provided in this section.

4. These expenditures shall remain recorded in the funds and accounts against which the original canceled warrants were issued and they shall not be considered expenses of the state nor shall receipts to the fund be considered revenue to the state.

5. Any such claim drawn against the Canceled Warrant Fund shall identify the current holder of record and the warrant number of the canceled warrant, which shall be provided on the warrant record.

H. The Director of the Office of Management and Enterprise Services shall determine the minimum necessary balance to be

maintained in the Canceled Warrant Fund and on the third Monday of October shall transfer the amount in excess of the required minimum balance to the General Revenue Fund of the current year. The minimum balance retained shall be not less than the total amount of the warrants canceled by statute within the past thirty-six (36) months preceding October 1 of each year and which remain eligible for replacement according to the records of the Office of Management and Enterprise Services.

Added by Laws 1947, p. 378, § 19, emerg. eff. Feb. 25, 1947. Amended by Laws 1979, c. 47, § 48, emerg. eff. April 9, 1979; Laws 1980, c. 105, § 1, eff. July 1, 1980; Laws 1982, c. 39, § 1, emerg. eff. March 26, 1982; Laws 1988, c. 277, § 6, operative July 1, 1988; Laws 1989, c. 367, § 1, operative July 1, 1989; Laws 1992, c. 152, § 1, emerg. eff. May 1, 1992; Laws 1996, c. 290, § 8, eff. July 1, 1996; Laws 2009, c. 441, § 57, eff. July 1, 2009. Renumbered from § 41.19 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 400.

NOTE: Laws 1989, c. 171, § 1 repealed by Laws 1990, c. 337, § 26.

§62-34.81. Replacement warrant or bond - Affidavit - Records.

A. The State Treasurer is hereby authorized and empowered to issue a replacement warrant or bond in lieu of any warrant or bond that has been lost or destroyed; provided, that no replacement warrant or bond shall be issued until an affidavit setting forth the facts as to the loss or destruction of said original warrant or bond has been filed with the Director of the Office of Management and Enterprise Services.

B. The Director and the State Treasurer shall maintain appropriate records in their offices to prevent, as nearly as reasonably possible, the state from mistakenly issuing any replacement warrant or bond.

C. Such records shall include a stop payment order against the original warrant to cancel the original warrant.

D. For such lost or destroyed miscellaneous warrants, the Director of the Office of Management and Enterprise Services shall cancel the original warrant record and process a replacement warrant against the original disbursement claim when possible, or otherwise shall transfer to the Canceled Warrant Fund the payable amount of lost or destroyed warrants on which payment has been stopped pursuant to the provisions of this section from the fund and account against which said warrant had been drawn and issue a replacement from the Canceled Warrant Fund.

E. For lost or destroyed payroll warrants, the Director of the Office of Management and Enterprise Services shall issue all payroll replacement warrants pursuant to the provisions of this section from the Canceled Warrant Fund. The Director shall allow the original payroll warrant record to cancel by statute and shall transfer to the

Canceled Warrant Fund the payable amount to cover the lost or destroyed warrants on which payment has been stopped pursuant to the provisions of this section from the fund and account against which the warrant had been drawn.

R.L. 1910, § 8067. Amended by Laws 1915, c. 63, § 1; Laws 1979, c. 47, § 93, emerg. eff. April 9, 1979; Laws 1982, c. 39, § 3, emerg. eff. March 26, 1982; Laws 1996, c. 219, § 5, eff. July 1, 1996; Laws 2009, c. 441, § 58, eff. July 1, 2009. Renumbered from § 34 of Title 74 of Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 401.

§62-34.82. Posting of disbursement information - Receipts for deposits - Permanent record - Audits, apportionment, and distribution - Maintenance of redeemed warrants and checks.

A. Disbursement information for all bonds and interest coupons redeemed by the State Treasurer shall be delivered to the Director of the Office of Management and Enterprise Services for posting. Deposit information for each and every receipt issued for monies received into the State Treasury shall be receipted for by the Office of Management and Enterprise Services.

B. Such information shall be maintained as a permanent record in the Office of Management and Enterprise Services.

C. The Office of Management and Enterprise Services shall audit such redeemed information and apportion and distribute the collections as indicated by the State Treasury receipts.

D. All warrants and checks redeemed by the State Treasurer shall be maintained by the State Treasurer in accordance with state law. Added by Laws 2009, c. 441, § 59, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 402.

§62-34.83. Nonpayable warrants - Notice - Claim custody and records.

A. If nonpayable warrants are issued pursuant to the provisions of Section 23 of Article X of the Oklahoma Constitution, the Director of the Office of Management and Enterprise Services shall issue and publish the official call for payment for any warrants that may be outstanding and registered as "nonpayable".

B. Notice of such call shall be published in some newspaper of general circulation, published at the seat of government, and interest on all warrants so called for payment shall cease on or after ten (10) days from the date of the first publication of such notice.

C. The Director of the Office of Management and Enterprise Services shall be responsible for the custody of claims certified for payment which call for the disbursement of money from the Treasury.

D. Such claims shall be maintained in files accessible to the Division of Central Accounting and Reporting and the employees of the Division of Central Accounting and Reporting shall have authority to

inspect such claims for the purpose of making accounting adjustments in the records maintained by the Office of Management and Enterprise Services.

Added by Laws 2009, c. 441, § 60, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 403.

§62-34.84. Deficiency certificates.

A. The Governor shall have discretion to issue a deficiency certificate or certificates, for the benefit of any agency of the state, if the amount of such deficiency certificate, or certificates, is within the limit of the current appropriation for that agency.

B. The State Treasurer shall issue warrants to the extent of such certificate or certificates for the payment of such claims as may be authorized by the Governor.

C. Such warrants shall become a part of the public debt and shall be paid out of any money appropriated by the Legislature and made lawfully available therefor.

D. In no event shall said deficiency certificate, or certificates, exceed in the aggregate the sum of Five Hundred Thousand Dollars (\$500,000.00), in any fiscal year.

Added by Laws 1947, p. 380, § 27, emerg. eff. Feb. 25, 1947. Amended by Laws 1979, c. 47, § 50, emerg. eff. April 9, 1979; Laws 2009, c. 441, § 61, eff. July 1, 2009. Renumbered from § 41.27 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.85. Interest on warrants issued under deficiency certificates.

The warrants issued under the authority of any deficiency certificate shall bear interest at a rate to be fixed by the State Treasurer not to exceed four percent (4%) per annum.

Added by Laws 1947, p. 381, § 28, emerg. eff. Feb. 25, 1947. Amended by Laws 1989, c. 343, § 1, operative July 1, 1989. Renumbered from § 41.28 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.86. Repealed by Laws 2019, c. 449, § 1, eff. Nov. 1, 2019.

§62-34.87. Transfer of funds to Higher Learning Access Trust Fund.

In order to ensure that the Oklahoma Higher Learning Access Program will be fully funded and all eligible and qualifying students receive scholarships, the following procedures shall be observed:

1. Not later than November 1, 2007, and November 1 of each subsequent year, the Oklahoma State Regents for Higher Education shall estimate the amount of revenue they deem necessary to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act, for the fiscal year which begins the following July 1 and provide such estimate to the State Board of Equalization;

2. At its meeting in December 2007, and December of each subsequent year, held pursuant to the provisions of paragraph 1 of Section 23 of Article X of the Oklahoma Constitution, the State Board of Equalization shall determine the total amount of revenue necessary to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act for the fiscal year which begins the following July 1 and subtract such amount from the amount it certifies as available for appropriation from the General Revenue Fund by the Legislature for such fiscal year; and

3. Notwithstanding any other provisions of law directing the apportionment of revenues, beginning with the fiscal year ending June 30, 2009, and for each subsequent fiscal year, the Director of the Office of Management and Enterprise Services shall transfer on a periodic basis as needed the amount of revenue subtracted pursuant to the provisions of paragraph 2 of this section to be deposited to the Oklahoma Higher Learning Access Trust Fund, in lieu of being deposited to the General Revenue Fund.

Added by Laws 2007, c. 355, § 4, emerg. eff. June 4, 2007.

Renumbered from § 10.4 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 404.

§62-34.88. Education Reform Revolving Fund - Separate accounting for revenues - Use of funds - Tracking apportionment of revenue.

A. The Office of Accountability shall separately account for and report monthly revenues which it determines accrued to the Education Reform Revolving Fund which were attributable to the tax increases contained in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature.

B. Funds separately accounted for herein shall be used only to fund the reforms provided for in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature and for no other purpose. Any appropriation or expenditure of any of such funds for any other purpose shall be null and void and of no effect.

C. The Office of Accountability shall track apportionment of revenues which are deposited to the credit of the Education Reform Revolving Fund of the State Treasury which are attributable to the changes contained in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature on a fiscal year basis and shall provide an accounting to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate, within thirty (30) days after the end of the fiscal year.

Added by Laws 1989, 1st Ex. Sess., c. 2, § 98, emerg. eff. April 25, 1990. Amended by Laws 1990, c. 126, § 8, emerg. eff. April 25, 1990; Laws 1990, c. 263, § 72, operative July 1, 1990; Laws 1995, c. 111, § 1, eff. July 1, 1995; Laws 1996, c. 269, § 1, eff. June 1, 1996.

Renumbered from § 41.29a of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-34.89. Education Reform Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Education Reform Revolving Fund". The Education Reform Revolving Fund shall consist of any monies as apportioned by Sections 1353, 1403 and 2352 of Title 68 of the Oklahoma Statutes, Section 312.1 of Title 36 of the Oklahoma Statutes, Section 1135.5 of Title 47 of the Oklahoma Statutes and any other funds designated by law for deposit thereto. The Education Reform Revolving Fund herein created may be expended for the purposes stated in Enrolled House Bill No. 1017 of the 1st Extraordinary Session of the 42nd Oklahoma Legislature, and in the same manner as appropriated funds.

Added by Laws 1996, c. 269, § 2, eff. June 1, 1996. Amended by Laws 2003, c. 315, § 2, eff. July 1, 2003; Laws 2004, c. 322, § 16, eff. Dec. 1, 2004 (State Question No. 713, Legislative Referendum No. 336, adopted at election held Nov. 2, 2004). Renumbered from § 41.29b of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009; Laws 2017, c. 284, § 2, eff. Nov. 1, 2017.

NOTE: Laws 2004, c. 8, § 22 repealed by Laws 2005, c. 1, § 91, emerg. eff. March 15, 2005.

§62-34.90. Common Education Technology Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the State Department of Education to be designated the "Common Education Technology Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subparagraph a of paragraph 2 and subparagraph a of paragraph 3 of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Common Education Technology Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the State Department of Education as authorized by the Oklahoma Legislature. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1999, 1st Ex. Sess., c. 1, § 4, emerg. eff. Feb. 5, 1999. Amended by Laws 2000, c. 419, § 1, emerg. eff. June 9, 2000. Renumbered from § 41.29c of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 405.

§62-34.91. Higher Education Capital Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma State Regents for Higher Education to be designated the "Higher Education Capital Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations, and shall

consist of monies received pursuant to the provisions of subparagraph b of paragraph 2 and subparagraph b of paragraph 3 of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Higher Education Capital Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Regents for Higher Education as authorized by the Oklahoma Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. Added by Laws 1999, 1st Ex. Sess., c. 1, § 5, emerg. eff. Feb. 5, 1999. Amended by Laws 2000, c. 419, § 2, emerg. eff. June 9, 2000. Renumbered from § 41.29d of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 406.

§62-34.92. Oklahoma Student Aid Revolving Fund.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma State Regents for Higher Education to be designated the "Oklahoma Student Aid Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies received pursuant to the provisions of subparagraph c of paragraph 2 and subparagraph c of paragraph 3 of subsection A of Section 1004 of Title 68 of the Oklahoma Statutes and any funds previously deposited in the Oklahoma Tuition Scholarship Fund. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Regents for Higher Education as authorized by the Oklahoma Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. Beginning with fiscal year 2003, monies accruing to the credit of the Oklahoma Student Aid Revolving Fund shall be appropriated for and budgeted and expended for providing student aid in the form of state tuition aid grants awarded pursuant to the Higher Education Tuition Aid Act and scholarships awarded pursuant to the Oklahoma State Regents' Academic Scholars Program. Added by Laws 1999, 1st Ex. Sess., c. 1, § 6, emerg. eff. Feb. 5, 1999. Amended by Laws 2000, c. 419, § 3, emerg. eff. June 9, 2000; Laws 2002, c. 99, § 1, eff. July 1, 2002; Laws 2007, c. 355, § 5, emerg. eff. June 4, 2007; Laws 2009, c. 441, § 62, eff. July 1, 2009. Renumbered from § 41.29e of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 407.

§62-34.93. Teachers' Retirement System Dedicated Revenue Revolving Fund - Separate accounting of revenues - Permitted expenditures.

A. The Office of Management and Enterprise Services shall separately account for revenues which are deposited to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund of the State Treasury pursuant to the provisions of Sections 1353, 1403 and 2352 of Title 68 of the Oklahoma Statutes on a fiscal year basis and shall provide an accounting to the Governor, President Pro Tempore of the Senate, and the Speaker of the House of Representatives within thirty (30) days after the end of the fiscal year.

B. Funds separately accounted for herein shall be used only to fund the currently unfunded liability of the Teachers' Retirement System and for no other purpose. Any appropriation or expenditure of any of such funds for any other purpose shall be null and void and of no effect. Each month the State Department of Education shall transfer the monies apportioned to the Teachers' Retirement System Dedicated Revenue Revolving Fund to the Teachers' Retirement System of Oklahoma to be used by the System for the purposes prescribed by this section.

C. There is hereby created in the State Treasury a revolving fund for the benefit of the Oklahoma Teachers' Retirement System to be designated the "Teachers' Retirement System Dedicated Revenue Revolving Fund" which fund shall be administered by the State Department of Education. The fund shall consist of any monies as apportioned to the fund by Sections 1353, 1403 and 2352 of Title 68 of the Oklahoma Statutes. The fund herein created may be expended for the purpose set forth in subsection B of this section and in the same manner as appropriated funds.

Added by Laws 1999, c. 254, § 7, eff. June 30, 1999. Renumbered from § 41.29f of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2011, c. 62, § 2; Laws 2012, c. 304, § 408.

NOTE: Editorially renumbered from § 41.29c of this title to avoid a duplication in numbering.

§62-34.94. Separate accounting of revenues attributable to fees collected by Oklahoma Board of Private Vocational Schools.

The Office of Management and Enterprise Services shall separately account for and report monthly revenues which it determines are attributable to fees collected by the Oklahoma Board of Private Vocational Schools pursuant to Section 21-106 of Title 70 of the Oklahoma Statutes. The Office of Management and Enterprise Services shall track the fee revenue deposited by the Board on a fiscal year basis and shall provide an accounting to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate within thirty (30) days after the end of the fiscal year.

Added by Laws 2002, c. 301, § 6, eff. July 1, 2002. Renumbered from § 41.29g of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 409.

§62-34.95. Utilization of information collected by Office of Management and Enterprise Services - Evaluation reports by House appropriations and budget and Senate appropriations committees

A. The Appropriations and Budget Committee of the Oklahoma House of Representatives and the Appropriations Committee of the State Senate shall:

1. Utilize information collected by the Office of Management and Enterprise Services pursuant to Section 34.36 of this title and any reports issued by the Legislative Oversight Committee on State Budget Performance to evaluate management programs, operations and fiscal needs of state agencies, boards, commissions, departments, divisions, offices, bureaus, institutions and other spending agencies, including those created or established pursuant to constitutional provisions; and

2. File an evaluation report no later than March 1 of each fiscal year with the Chief Clerk of the Oklahoma House of Representatives and the Clerk of the State Senate which shall include, but not be limited to, the following information:

- a. a review of the agency's programs, performance and management,
- b. whether the agency has demonstrated a public need for the services and programs justifying the agency's continued existence, and
- c. whether the agency is the most appropriate provider of the programs and services furnished by the agency.

B. The Appropriations and Budget Committee of the Oklahoma House of Representatives and the Appropriations Committee of the State Senate shall utilize information contained in the evaluation report in determining final appropriations for state agencies and in any future adjustments in funding levels.

C. No action shall be taken on a measure making an appropriation unless the evaluation report described by paragraph 2 of subsection A of this section with respect to the entity to which the appropriation is made has first been filed with the applicable clerk.

D. Each subcommittee of the Appropriations Committee of the Oklahoma State Senate and the Appropriations and Budget Committee of the Oklahoma House of Representatives shall establish budget performance measurements for each spending agency under its jurisdiction. The performance measurements shall be developed in order to allow the Legislature and the Governor to obtain measureable data to determine if the agency is performing its duties in the most cost-effective manner possible.

Each spending agency, whether or not it receives state appropriations, shall submit analysis reports as required by the subcommittee in order to enable the subcommittee to make a

determination as to whether the agency has met the established performance measurements.

Such requirements may be established for the forthcoming fiscal year and for such additional fiscal years in the future as the subcommittees deem appropriate.

Added by Laws 2003, c. 301, § 2, eff. July 1, 2003. Renumbered from § 41.29-1 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 410; Laws 2016, c. 304, § 4, emerg. eff. May 16, 2016.

§62-34.96. Legislative Oversight Committee on State Budget Performance.

A. There is hereby established the Legislative Oversight Committee on State Budget Performance. The purposes of this committee shall include oversight of the implementation of a system of program performance-based budgeting for implementation by state agencies.

B. The Committee's duties shall also include:

1. Development of agency budget request forms and instructions in conjunction with the Office of Management and Enterprise Services;
2. Directing studies to aid in the development of legislative and procedural changes to further improve the budgetary, financial, accounting, reporting, personnel, and purchasing processes and systems of the state;
3. Direction of program evaluation and management studies;
4. Oversight and reporting on executive branch compliance with the legislative intent of appropriation measures. Such oversight and reporting duties may include:
 - a. agency reorganization actions,
 - b. executive orders calling for reduction of full-time-equivalents or hiring freezes, and
 - c. transfer of funds by the executive branch;
5. The development of revenue and expenditure estimates and analyses;
6. Study of the management, operations, programs and fiscal needs of the agencies and institutions of Oklahoma state government pursuant to the Oklahoma Program Performance Budgeting and Accountability Act;
7. Review of the executive budget, agency strategic plans and the estimate of needs of each state agency and institution. Reports may be issued by the Committee as it deems appropriate; and
8. Implementation of an ongoing evaluation review procedure of existing programs based on performance-informed budgeting techniques pursuant to the Oklahoma Program Performance Budgeting and Accountability Act. The committee in cooperation with the Office of Management and Enterprise Services shall establish a schedule to review strategic plans and existing programs for each agency a

minimum of once every four (4) years. The committee shall issue an evaluation report for each agency once every four (4) years which will include but not be limited to the following information:

- a. a review of the agency's programs, performance and management,
- b. whether the agency has demonstrated that there is a need for the services and programs which justifies the agency's continued existence,
- c. whether the agency is the most appropriate provider of the programs and services furnished by the agency.

C. Any reference in the Oklahoma Statutes to the Joint Legislative Committee on Budget and Program Oversight shall be a reference to the Legislative Oversight Committee on State Budget Performance.

D. The Committee shall be composed of three members appointed by the President Pro Tempore of the Senate, three members appointed by the Speaker of the House of Representatives, two members by the minority leader of the Senate and two members appointed by the minority leader of the House of Representatives. The Chair and Vice Chair of the Committee shall rotate every two (2) years between the Senate and the House of Representatives beginning with a Senate member serving as Chair in 2003. The Committee shall meet at least four (4) times per year and at other times as called by the Chair. The Legislative Oversight Committee on State Budget Performance shall function as a committee of the Legislature when the Legislature is in session and is not in session. Each member of the Committee shall serve until a successor is appointed. The duties of the Committee may be performed by the Appropriations Committee of the Senate and the Appropriations and Budget Committee of the House of Representatives or subcommittees thereof.

E. The Committee shall be staffed jointly by the staff of the fiscal divisions of the Senate and the House of Representatives.

F. The Committee may make use of all available teleconferencing technology to facilitate meetings of the Committee when the Legislature is not in session. The Committee shall take any appropriate action to make such teleconferenced meetings comply with the provisions of the Oklahoma Open Meeting Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes.

G. The Committee shall periodically meet in different geographical regions of the state to enhance the Committee's understanding of local conditions and to help educate the public as to the fiscal condition of the state.

Added by Laws 1994, c. 279, § 4, emerg. eff. May 26, 1994. Amended by Laws 1995, c. 292, § 4, eff. July 1, 1995; Laws 1999, c. 358, § 10, eff. July 1, 1999; Laws 2003, c. 301, § 3, eff. July 1, 2003.

Renumbered from § 41.47 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 411; Laws 2015, c. 168, § 3, eff. July 1, 2015.

§62-34.100. Disclosure of disbursement of federal stimulus funds.

The Office of Management and Enterprise Services shall maintain a website providing public access to the documentation of the disbursement by state agencies of federal funds received pursuant to the federal American Recovery and Reinvestment Act of 2009. The website shall provide a list of all stimulus fund expenditures regardless of amount. The entire list of stimulus fund expenditures shall be available for export in standardized formats including but not limited to eXtensible Markup Language (XML) and Comma Separated Value (CSV) formats. The list of expenditures shall include searchable functionality including but not limited to the ability to search the expenditures by the name of the entity receiving funding, name of entity processing funding and name of entity benefiting from funding. This site shall include the name and principal location of the entity and/or recipients of the funds regardless of amount, the amount of funds expended, the funding or expending agency, and a descriptive purpose of the funding action or expenditure. The State Auditor and Inspector shall not be responsible for maintaining the website described in this section.

Added by Laws 2011, c. 347, § 3. Amended by Laws 2012, c. 304, § 412.

§62-34.102. Revenue Stabilization Fund.

A. There is hereby created in the State Treasury a revolving fund to be known and designated as the "Revenue Stabilization Fund". The fund shall be a continuing fund, not subject to fiscal year limitations.

B. For determinations made regarding deposits for fiscal years beginning on or after July 1, 2019, no monies shall be deposited to the credit of the Revenue Stabilization Fund until such time as the amount of actual revenue certified by the State Board of Equalization as having been deposited into the General Revenue Fund for the first fiscal year prior to the beginning of the fiscal year that deposits to the Revenue Stabilization Fund are first made equals or exceeds Six Billion Six Hundred Million Dollars (\$6,600,000,000.00).

C. Once the provisions prescribed by subsection B of this section have been met, deposits to the Revenue Stabilization Fund as prescribed by this section may be made during any subsequent fiscal year according to the requirements and limitations imposed by this act; provided that no deposits shall be made during a fiscal year where the State Board of Equalization General Revenue Fund certification for said fiscal year is less than the State Board of Equalization General Revenue Fund certification for the previous

fiscal year plus an increment equal to the amount otherwise calculated for deposit pursuant to subsection E of this section.

D. Notwithstanding any other provisions of this section, no monies shall be deposited to the credit of the Revenue Stabilization Fund:

1. For any month during a fiscal year after the month during which the declaration of a revenue failure pursuant to the provisions of Section 34.49 of this title has been made. For purposes of this subsection, the limitation on deposits to the Revenue Stabilization Fund shall be imposed for the remaining months of the fiscal year during which the revenue failure was declared, but shall not operate as a limitation upon deposits for any subsequent fiscal year unless a revenue failure is declared at some time during such fiscal year; or

2. That would cause deposits to the Revenue Stabilization Fund for the fiscal year to exceed three percent (3%) of the State Board of Equalization General Revenue Fund certification for that fiscal year.

E. Except as provided in subsection I of this section, the Revenue Stabilization Fund shall consist of:

1. One hundred percent (100%) of the revenue derived from the gross production tax on oil levied pursuant to Section 1001 of Title 68 of the Oklahoma Statutes which is in excess of the five-year average computed as prescribed by Section 34.103 of this title;

2. One hundred percent (100%) of the revenue derived from the gross production tax on natural gas levied pursuant to Section 1001 of Title 68 of the Oklahoma Statutes which is in excess of the five-year average computed as prescribed by Section 34.103 of this title;

3. Seventy-five percent (75%) of the revenue derived from corporate income tax levied pursuant to Section 2355 of Title 68 of the Oklahoma Statutes which is in excess of the five-year average computed as prescribed by Section 34.103 of this title; and

4. Any amounts appropriated by the Legislature.

F. In the event that a revenue failure is declared with respect to the General Revenue Fund pursuant to Section 34.49 of this title, the Director of the Office of Management and Enterprise Services may withdraw up to one-quarter (1/4) of the balance of the Revenue Stabilization Fund available at the beginning of the fiscal year, provided the total amount withdrawn shall not exceed the amount of the declared revenue failure, to reduce or avoid reductions to agencies for the current fiscal year and to mitigate potential reductions of funds to be expended by common school districts which were appropriated or authorized by the Legislature, but excluding any funds which are apportioned directly to common school districts.

G. In the event that a revenue failure is declared with respect to the General Revenue Fund pursuant to Section 34.49 of this title, the Legislature may appropriate up to one-quarter (1/4) of the balance of the Revenue Stabilization Fund available at the beginning

of the fiscal year, not to exceed the amount of the revenue failure as declared with respect to the General Revenue Fund pursuant to Section 34.49 of this title.

H. If the amount of revenue certified by the State Board of Equalization at its February meeting in any year to be collected in the General Revenue Fund for the upcoming fiscal year is less than the amount of revenue certified by the State Board of Equalization to be collected in the General Revenue Fund for the current fiscal year as determined at its February meeting conducted in the preceding calendar year, the Legislature may appropriate up to one-half (1/2) of the balance of the Revenue Stabilization Fund available at the beginning of the fiscal year; provided, that the amount withdrawn shall not exceed the amount of the decline in revenue certified.

I. If during the Board of Equalization certification process, one or more of the revenue sources identified in paragraphs 1, 2 and 3 of subsection E of this section are forecasted to experience a revenue decrease, then the total deposits to the Revenue Stabilization Fund as otherwise calculated under subsection E of this section shall be reduced in an amount equal to such revenue decreases. For purposes of this subsection, "revenue decrease" means an identified revenue source derived in an amount less than the five-year average for such revenue source.

Added by Laws 2016, c. 337, § 1, eff. Nov. 1, 2016. Amended by Laws 2018, c. 316, § 1, eff. Nov. 1, 2018; Laws 2019, c. 516, § 1, eff. Nov. 1, 2019.

§62-34.103. Revenue certification and apportionment by the State Board of Equalization.

A. In addition to any other duties prescribed by law, at the meeting required by Section 23 of Article X of the Oklahoma Constitution to be held in February of 2017, and at the February meeting of the State Board of Equalization each year thereafter, the State Board of Equalization shall certify:

1. For the revenue derived from the tax levied on oil pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, which would otherwise be apportioned to the General Revenue Fund, the average annual amount of actual revenue apportioned to the General Revenue Fund for the immediately preceding five (5) complete fiscal years. For any year after the first year during which a deposit to the Revenue Stabilization Fund is made, the amount of any deposit to the Revenue Stabilization Fund shall be disregarded for purposes of this paragraph and the average shall be computed using the total amount of revenue that was available to be apportioned to the General Revenue Fund for the applicable period of time;

2. For the revenue derived from the tax levied on natural gas pursuant to Section 1001 of Title 68 of the Oklahoma Statutes, which would otherwise be apportioned to the General Revenue Fund, the

average annual amount of actual revenue apportioned to the General Revenue Fund for the previous five (5) fiscal years. For any year after the first year during which a deposit to the Revenue Stabilization Fund is made, the amount of any deposit to the Revenue Stabilization Fund shall be disregarded for purposes of this paragraph and the average shall be computed using the total amount of revenue that was available to be apportioned to the General Revenue Fund for the applicable period of time; and

3. For the revenue derived from the corporate income tax levied pursuant to Section 2355 of Title 68 the Oklahoma Statutes, which would otherwise be apportioned to the General Revenue Fund, the average annual amount of actual revenue apportioned to the General Revenue Fund for the previous five (5) fiscal years. For any year after the first year during which a deposit to the Revenue Stabilization Fund is made, the amount of any deposit to the Revenue Stabilization Fund shall be disregarded for purposes of this paragraph and the average shall be computed using the total amount of revenue that was available to be apportioned to the General Revenue Fund for the applicable period of time.

B. If the amount of revenue available for apportionment to the General Revenue Fund for the next ensuing fiscal year exceeds the amounts certified pursuant to paragraph 1 or 2 of subsection A of this section, with respect to each such revenue source, one hundred percent (100%) of such amount in excess of the separately computed five-year average, which would otherwise be apportioned to the General Revenue Fund, shall be deposited to the credit of the Revenue Stabilization Fund.

C. If the amount of revenue available for apportionment to the General Revenue Fund for the next ensuing fiscal year exceeds the amount certified pursuant to paragraph 3 of subsection A of this section:

1. Twenty-five percent (25%) of such amount in excess of the five-year average, which would otherwise be apportioned to the General Revenue Fund, shall be deposited to the credit of the Constitutional Reserve Fund unless such deposit would exceed the maximum balance permitted pursuant to Section 23 of Article X of the Oklahoma Constitution and in such case the amount in excess of the maximum balance shall be deposited to the credit of the Revenue Stabilization Fund; and

2. Seventy-five percent (75%) of such amount in excess of the five-year average, which would otherwise be apportioned to the General Revenue Fund, shall be deposited to the credit of the Revenue Stabilization Fund, together with any amount required for deposit pursuant to the provisions of paragraph 1 of this subsection. Added by Laws 2016, c. 337, § 2, eff. Nov. 1, 2016.

§62-34.104. Revenue Stabilization Fund performance report.

Not later than December 15, 2018, and every five (5) years thereafter, the Office of Management and Enterprise Services shall submit a report to the Joint Committee on Appropriations and Budget, and the Governor on the performance of the Revenue Stabilization Fund set forth in this section. The reports shall include an analysis of the deposit formulae impact on General Revenue Fund tax revenue volatility, the adequacy of deposits required by the formula to the Revenue Stabilization Fund to replace potential future revenue declines, and the withdrawal provisions of the Revenue Stabilization Fund. The reports shall include recommended changes, if any, to the deposit formulae or withdrawal rules that are consistent with the purposes of the Revenue Stabilization Fund.
Added by Laws 2016, c. 337, § 3, eff. Nov. 1, 2016.

§62-34.200. Debt limit.

A. The State of Oklahoma shall not become indebted in an amount that causes total annual debt service payments from the General Revenue Fund to exceed five percent (5%) of the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years. The Legislature, upon an affirmative vote of two-thirds of the members of both houses, may declare an emergency and permit the total annual debt service payments of the state to exceed the amount provided in this section.

B. The state shall not be in violation of the provisions of this section if a decline in the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years, results in annual debt service payments exceeding the limit provided in subsection A of this section; provided that, the state shall not incur any additional debt service payments so long as the amount of debt service payments, as defined in this section, continue to exceed five percent (5%) of the average of the general fund revenue, as certified by the State Board of Equalization in December of each calendar year, for the preceding five (5) fiscal years.

C. For purposes of calculating the total amount of indebtedness as provided in subsection A of this section, annual debt service payments shall not include any indebtedness incurred through the master lease program as provided in Sections 3206.6 and 3206.6a of Title 70 of the Oklahoma Statutes, pursuant to a declaration of an emergency as provided in subsection A of this section or any general obligation bonds issued pursuant to Section 39A of Article X of the Oklahoma Constitution.

Added by Laws 2013, c. 399, § 1, eff. Nov. 1, 2013.

§62-34.200-1. Debt affordability study.

A. The State Treasurer in cooperation with the Office of Management and Enterprise Services shall produce a written debt affordability study (study) to be presented to the Legislature and the Governor.

B. The study shall be used to determine Oklahoma's debt position relative to its benchmark debt ratio of debt service as a percentage of revenues. The study shall incorporate information available in other sources, such as the Annual Bonded Indebtedness Report produced by the State Treasurer, into an analysis of Oklahoma's debt position.

C. The study shall include the net tax-supported and net revenue-supported debt of this state for the most recently concluded fiscal year. It shall also include the debt for the most recently concluded fiscal year of state agencies and state-beneficiary public trusts which are authorized to issue debt.

D. The study shall include the following:

1. Projections of debt service, future debt issuance, and debt to capacity, such as debt service as a percentage of revenues. Each projection shall extend at least five (5) years from the study's fiscal year of publication;

2. A discussion of Oklahoma's unfunded pension liabilities and the impact of these liabilities on the state's ability to borrow and cost of debt;

3. An identification and calculation of relevant metrics including, but not limited to, debt service as a percentage of revenues, total debt as a percentage of state personal income, and total debt per capita;

4. A comparison of debt metrics to a select group of at least ten other states so that Oklahoma may be able to measure and contextualize its debt relative to other states;

5. A sensitivity analysis to understand the effects of uncertain conditions. This sensitivity analysis may include analysis on the impact of debt ratios of revenues being above or below expectations or interest rates increasing or decreasing from positions at time of publication; and

6. An estimate of available debt capacity the state may issue over the next five (5) years without causing the benchmark debt ratio of debt service as a percentage of revenues to exceed five percent (5%). This estimate is based on the state's net tax-supported debt and the debt of the relevant state units and agencies.

E. In preparing any authorization of new debt, the debt-issuing entity, the Legislature, and the Governor shall take the study's recommendations and estimates into consideration. In addition, the study's recommendations and estimates shall be taken into consideration by the Legislature and the Governor during capital planning and budgeting processes.

F. The State Treasurer and the Office of Management and Enterprise Services shall report the results of the study to the

Legislature by transmitting a copy to the Speaker of the House of Representatives, the President Pro Tempore of the State Senate, and to the Governor on or before January 15 of each year.

G. The study's recommendations and estimates shall be advisory and not binding.

Added by Laws 2017, c. 278, § 1, eff. Nov. 1, 2017. Amended by Laws 2019, c. 53, § 11, eff. Nov. 1, 2019.

§62-34.201. Health Information Technology Advisory Board

A. There is hereby created the Health Information Technology Advisory Board. The Advisory Board shall provide guidance related to health information technology and act in an advisory capacity to the Chief Information Officer as established under the Oklahoma Information Services Act. The Advisory Board shall advise in the development of a long-range plan to achieve improved cost effectiveness and improved health outcomes for all Oklahomans through the state's utilization of health information technology including, but not limited to, best practices and policies to secure and protect individual and personal health information, the capabilities and use of electronic health record systems, the engagement of state entities with Oklahoma's private health information exchanges, statewide data-sharing interchanges among health information exchanges, health information service providers and other methods of incorporating and monitoring information technology in pursuit of protecting the privacy of patient personal and health care information, greater cost effectiveness and better patient outcomes in health care. As a component of providing guidance to the Chief Information Officer, the Advisory Board will provide input in the review and consideration of all potential health information exchange solutions.

B. The Advisory Board shall meet as often as necessary to conduct business but shall meet no less than four times a year, with an organizational meeting to be held prior to December 1, 2016. The organizational meeting shall be called by the Chief Information Officer. A majority of the members of the Advisory Board shall constitute a quorum for the transaction of business, and any official action of the Advisory Board must have a favorable vote by a majority of the members present.

C. The initial chair and vice-chair shall be elected by the Advisory Board members at the first meeting of the Advisory Board and shall preside over meetings of the Advisory Board and perform other duties as may be required by the Advisory Board. Upon the resignation or expiration of the term of the chair or vice-chair, the members shall elect a chair or vice-chair. The Advisory Board shall elect one of its members to serve as secretary.

D. Appointments to the Advisory Board shall be for three-year terms. Members of the Advisory Board shall serve at the pleasure of and may be removed from office by the appointing authority. Members

shall continue to serve until their successors are appointed. Any vacancy shall be filled in the same manner as the original appointment. The Advisory Board shall be composed of nine (9) members as follows:

1. The Governor shall appoint:
 - a. the Health and Human Services Secretary or his or her designee,
 - b. one member who is a representative of a statewide organization representing urban and rural hospitals, and
 - c. one member representing a city-county health department;
2. The President Pro Tempore of the Senate shall appoint:
 - a. one member who is a representative of a statewide organization representing osteopathic physicians,
 - b. one member who is a representative of a statewide organization representing primary care providers, and
 - c. one member who is a payor that participates in a private health information exchange; and
3. The Speaker of the House of Representatives shall appoint:
 - a. one member who is a representative of a Native American tribal health care facility operating in this state,
 - b. one member who is a private citizen receiving health care services in this state, and
 - c. one member who is a representative of a statewide organization representing allopathic physicians.

E. Members of the Advisory Board shall be subject to the following:

1. In the event an appointed member does not attend at least seventy-five percent (75%) of the regularly scheduled meetings of the Advisory Board during a calendar year, the appointing authority may remove the member;
2. No Advisory Board member shall be individually or personally liable for any action of the Advisory Board;
3. Except for a breach of fiduciary obligation, an Advisory Board member shall not be individually or personally responsible for any action of the Advisory Board;
4. A member may also be removed for any other cause as provided by law;
5. No member of the Advisory Board shall accept gifts or gratuities with a value in excess of Ten Dollars (\$10.00) per year from an individual or an organization that is a health information technology vendor responding to a request for proposal. The provisions of this section shall not be construed to prevent the members of the Advisory Board from attending educational seminars, conferences, meetings or similar functions;

6. Notwithstanding any other section of law, any member of the Advisory Board attending a meeting via teleconference shall be counted as being present in person and shall count toward the determination of whether quorum of the Advisory Board is present at the meeting; and

7. Except as otherwise provided in this subsection, no member of the Advisory Board shall be a lobbyist registered in this state as provided by law or be employed directly or indirectly by any vendor or organization eligible to bid on a proposal for technology. No more than two of the Advisory Board members shall be a member of a single governing board or employed directly or indirectly by a single private health information exchange operating in this state.

F. Members of the Board shall serve without compensation.

G. Any vacancy occurring on the Advisory Board shall be filled for the unexpired term of office in the same manner as provided for in subsection D of this section.

H. The Advisory Board shall act in accordance with the provisions of the Oklahoma Open Meeting Act, the Oklahoma Open Records Act and the Administrative Procedures Act.
Added by Laws 2016, c. 258, § 1, eff. Nov. 1, 2016.

§62-34.202. Policy changes - Thirty days written notice - Final notice.

A. In all instances in which the Office of Management and Enterprise Services changes a policy affecting a state agency, the Office of Management and Enterprise Services shall provide the affected agency with written notice no fewer than thirty (30) days in advance of the policy's implementation.

B. During the period after an affected agency has been notified, and prior to the implementation of the policy, the affected agency shall be permitted to respond to the Office of Management and Enterprise Services and request to be exempted from the policy change, or request modifications to the policy. The affected agency shall be given a final notice in written format explaining any changes to a policy prior to its implementation.

C. The provisions of this act shall not apply to any policy changes made necessary by federal law or policy, or any other policy changes deemed an emergency by the Office of Management and Enterprise Services.

Added by Laws 2019, c. 117, § 1, eff. Nov. 1, 2019.

§62-34.203. Request for proposal for ongoing maintenance of desktop support and management systems.

A. By July 1, 2020, the Director of the Office of Management and Enterprise Services shall initiate a request for proposal for the ongoing maintenance of desktop support and management systems for all state agencies. The Office of Management and Enterprise Services is

authorized to enter into a contract for such services, pursuant to the provisions of law.

B. Notice of the request for proposal shall be published in the manner provided for competitive bidding. The requests for proposal must solicit quotations and must specify the importance of guaranteed savings, price, quality, technical ability and experience. The contract shall be awarded to the responsible offeror whose proposal is determined to achieve guaranteed savings to this state in comparison with the cost of current desktop support and management as provided by the Information Services Division of the Office of Management and Enterprise Services.

C. The Director of the Office of Management and Enterprise Services shall promulgate rules and establish procedures to implement the request for proposal pursuant to this section.
Added by Laws 2019, c. 330, § 1, eff. Nov. 1, 2019.

§62-35.1. Information Technology Consolidation and Coordination Act.

Sections 2 through 9 of this act shall be known and may be cited as the "Information Technology Consolidation and Coordination Act".
Added by Laws 2011, c. 296, § 1.

§62-35.2. Legislative intent.

It is the intent of the Legislature, through enactment of the Information Technology Consolidation and Coordination Act, to:

1. Reform and consolidate the information technology structure, operations and purchasing procedures of the state to ensure that state government promotes and encourages private sector growth in a competitive global economy;

2. Move state government forward with respect to electronic purchasing, billing and payment services, and other transactions, to ensure that the state delivers essential public services to its citizens in the most efficient manner at the lowest possible cost to taxpayers;

3. Streamline and consolidate systems for financial and administrative services, with particular emphasis on combining the seventy-six financial systems, twenty-two unique employee time and record-keeping systems, seventeen types of document imaging systems, thirty data center locations and one hundred twenty-nine electronic mail and smart phone services used by the state; and

4. Coordinate and require central approval of state agency information technology purchases and projects to enable the Chief Information Officer to assess the needs and capabilities of state agencies.

Added by Laws 2011, c. 296, § 2.

§62-35.3. Definitions.

As used in the Information Technology Consolidation and Coordination Act:

1. "Appropriated state agency" means any state agency that receives funding through the annual legislative appropriations process;

2. "Information technology assets" means any equipment or interconnected system or subsystem of equipment that is used in the acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information. The term shall include computers, ancillary equipment, software, firmware and similar procedures, services, including support services and consulting services, software development, and related resources, and shall further include telecommunications fiber networks used for conveying electronic communication or information systems to multiple physical locations;

3. "Information technology position" means a classified or unclassified position in the following functional areas:

- a. applications programming,
- b. EDP audit,
- c. data examination,
- d. computer applications,
- e. computer data entry,
- f. computer networking,
- g. computer operations,
- h. computer programming,
- i. computer security,
- j. computer software design,
- k. web applications,
- l. database analysis,
- m. data management analysis,
- n. database development,
- o. database programming,
- p. software design/development,
- q. help desk,
- r. imaging,
- s. systems analysis,
- t. systems application planning,
- u. systems application,
- v. systems administration,
- w. systems coordination,
- x. systems integration,
- y. systems operation,
- z. systems planning/development,
- aa. systems programming,
- bb. systems engineering,
- cc. systems service specialist,
- dd. systems support,

- ee. network administration,
- ff. network management,
- gg. network technical,
- hh. operating systems specialist,
- ii. systems program manager,
- jj. telecommunications, whether data or voice,
- kk. software training, and
- ll. technology development or support;

4. "Nonappropriated state agency" means any state agency that does not receive funding through the annual legislative appropriations process;

5. "Shared services" means those state agency functions which are or could be provided through:

- a. the services and systems specified in subsection A of Section 35.6 of this title, and
- b. the programs, services, software or processes specified in subsection B of Section 35.6 of this title; and

6. "State agency" means any office, elected or appointed officer, bureau, board, commission, counsel, unit, division, body, authority or institution of the executive branch of state government, excluding institutions within The Oklahoma State System of Higher Education, the Oklahoma State Regents for Higher Education and the telecommunications network known as OneNet.

Added by Laws 2011, c. 296, § 3. Amended by Laws 2012, c. 304, § 413; Laws 2013, c. 358, § 20, eff. July 1, 2013.

§62-35.4. Information technology assets - Approval of Chief Information Officer.

No state agency shall expend or encumber any funds for the purchase, lease, lease-purchase, lease with option to purchase, rental or other procurement of any information technology assets without the prior written approval of the Chief Information Officer except the following:

1. A purchase less than or equal to Five Thousand Dollars (\$5,000.00) if such product is purchased using a state purchase card and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website; or

2. A purchase over Five Thousand Dollars (\$5,000.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00) if such product is purchased using a state purchase card, the product is listed on an information technology or telecommunications statewide contract, and the product is listed on either the Approved Hardware or Approved Software list located on the Office of Management and Enterprise Services website.

Added by Laws 2011, c. 296, § 4. Amended by Laws 2013, c. 358, § 21, eff. July 1, 2013; Laws 2017, c. 384, § 4, eff. July 1, 2017.

§62-35.5. Integral information technology assets - Information technology positions - Assessment.

A. 1. All state agencies shall provide to the Chief Information Officer a list of information technology assets of the agency which are integral to agency-specific applications or functions and a list of information technology positions which are directly associated with the assets. The agency shall further provide the reference to federal or state statutory or constitutional provisions which require it to perform the applications or functions.

2. If the Chief Information Officer disputes the identification of assets or positions provided by a state agency as being integral to agency-specific applications or functions, the Director of the Office of Management and Enterprise Services shall make the final determination.

B. Not later than December 1 of each year, the Chief Information Officer shall modify the assessment required by subsection D of Section 34.11.1 of this title to include identification of:

1. All information technology assets of all state agencies, which are not integral to agency-specific applications or functions, and the transfer of which to the Information Services Division of the Office of Management and Enterprise Services and the Chief Information Officer would result in a cost savings to the taxpayers of this state or improved efficiency of state government operations, including all furniture, equipment, vehicles, supplies, records, current and future liabilities, fund balances, encumbrances, obligations, and indebtedness associated with the information technology assets;

2. All information technology positions associated with the information technology assets identified pursuant to paragraph 1 of this subsection. The assessment shall identify the amount of compensation and related liabilities for accrued sick leave, annual leave, holidays, unemployment benefits, and workers' compensation benefits for the positions;

3. The amount of savings to the taxpayers of this state resulting from the provisions of the Information Technology Consolidation and Coordination Act; and

4. Any changes in law required or any changes to the amount of state appropriations or other state funds associated with the transfer of the information technology assets or positions.

C. The information technology assets and positions of each appropriated state agency identified pursuant to this section shall be transferred as part of the consolidation of information technology operations of the state agency to the Information Services Division of the Office of Management and Enterprise Services when determined by the Information Services Division. The costs of operation, maintenance, licensing and service of the information technology

assets shall remain the responsibility of the state agency from which the assets are transferred until the state agency information technology operations are consolidated in the Information Services Division, unless otherwise agreed to by the state agency and the Information Services Division. Appropriate conveyances and other documents shall be executed to effectuate the transfer of the information technology assets and positions to the Information Services Division of the Office of Management and Enterprise Services.

D. The Chief Information Officer shall recommend changes to the Director of the Office of Management and Enterprise Services and the Governor for inclusion in the next executive budget to be submitted to the Legislature.

E. The Information Services Division shall provide shared services to each state agency and shall bill agencies for those shared services at an estimated cost to provide the services. The estimated cost shall include the full cost of the services, including materials, depreciation related to capital costs, labor, and administrative expenses of the Information Services Division of the Office of Management and Enterprise Services in connection with the operation of the data center and Information Services Division operations and shall include expenses associated with acquiring, installing, and operating information technology and telecommunications infrastructure, hardware and software for use by state agencies. The Information Services Division shall publish a schedule of costs for each available shared service and shall enter into an agreement with each state agency for the shared services that will be provided to the agency. The aggregated cost of shared services to be provided to each state agency shall be budgeted annually as a separate line item through each state agency. State agencies shall process request for payments as provided for under the agreement entered into with the Information Services Division in a timely manner. If payments are deemed to be delinquent for shared services provided to a state agency, the Information Services Division may request the Division of Central Accounting and Reporting of the Office of Management and Enterprise Services to create vouchers and process payments to the Information Services Division against the funds of the delinquent state agency. If the state agency for which shared services were provided disputes the provision of shared services in accordance with its agreement with the Information Services Division, no voucher shall be processed against the funds of the delinquent agency until the dispute over services has been resolved, at which point a voucher may be processed in accordance with the terms of the dispute resolution.

F. The Information Services Division of the Office of Management and Enterprise Services shall succeed to any contractual rights, easement rights, lease rights, and other similar rights and

responsibilities related to the information technology assets that are transferred as provided for in this section and incurred by an appropriated state agency.

Added by Laws 2011, c. 296, § 5. Amended by Laws 2012, c. 304, § 414; Laws 2013, c. 15, § 62, emerg. eff. April 8, 2013; Laws 2013, c. 358, § 22, eff. July 1, 2013.

NOTE: Laws 2012, c. 292, § 4 repealed by Laws 2013, c. 15, § 63, emerg. eff. April 8, 2013.

§62-35.6. Required information technology services and programs.

A. All appropriated and nonappropriated state agencies shall be required to use the following information technology services and systems operated and maintained by the Office of Management and Enterprise Services for all agency functions:

1. Data Service Center of the Information Services Division;
2. Networking services;
3. Communication or intercommunication systems;
4. Electronic mail systems; and
5. Data and network security systems.

B. All appropriated and nonappropriated state agencies shall be required to exclusively use the following programs, services, software and processes provided through the Integrated Central Financial System known as CORE and as implemented by the Office of Management and Enterprise Services and shall not utilize any programs, services, software or processes that are duplicative of the following:

1. Payroll;
2. Employee leave system;
3. Human resources;
4. Accounts receivable;
5. Accounts payable;
6. Purchasing system;
7. Budgeting system;
8. Enterprise Learning Management (ELM);
9. Budget request system;
10. Asset management; and
11. Projects, grants and contracts, which includes federal

billing.

C. The Chief Information Officer shall have the authority to enforce the provisions of this section.

Added by Laws 2011, c. 296, § 6. Amended by Laws 2012, c. 304, § 415; Laws 2013, c. 358, § 23, eff. July 1, 2013.

§62-35.6.1. Criminal Justice Information Systems Center for Excellence.

A. In order to comply with Executive Orders and federal and state statutory and regulatory requirements related to the criminal

justice information system, to support agencies within the Oklahoma Safety and Security Cabinet, and to accomplish the purposes of the Information Services Division of the Office of Management and Enterprise Services, there is hereby established the "Criminal Justice Information Systems Center for Excellence" to provide shared infrastructure services for such agencies. The Criminal Justice Information Systems Center for Excellence shall be under the administrative control of the Chief Information Officer.

B. In establishing and operating the Criminal Justice Information Systems Center for Excellence through the Information Services Division, the Chief Information Officer shall collaborate with agencies subject to criminal justice information system requirements. The Chief Information Officer, in conjunction with the Commissioner of Public Safety, shall establish an appropriate governance model for priorities, shared services and systems for the Criminal Justice Information Systems Center for Excellence. The Chief Information Officer may utilize the Criminal Justice Information Systems Center for Excellence to accomplish such other purposes as may be necessary for the administration of the duties of the Information Services Division that are related to stringent federal or state data security requirements, provided the security of investigative and law enforcement information and support systems is not jeopardized.

Added by Laws 2015, c. 174, § 1, eff. Nov. 1, 2015.

§62-35.6.2. Land Mobile Radio Public Safety Interoperability Cooperative

A. In order to comply with Executive Orders and federal and state statutory and regulatory requirements related to interoperable public safety communications and to support the critical mission and purposes of the agencies within the Oklahoma Safety and Security Cabinet, the Transportation Cabinet and the Finance, Administration and Information Technology Cabinet, there is hereby established the Land Mobile Radio Public Safety Interoperability Cooperative. The Land Mobile Radio Public Safety Interoperability Cooperative shall be governed by a committee initially consisting of the Secretary of Finance, Administration and Information Technology or designee, the Secretary of Transportation or designee and the Secretary of Safety and Security or designee. The Cooperative is established to focus on unifying, stabilizing and enhancing the infrastructure and capabilities for land mobile radio public safety system communications for the State of Oklahoma and shall include representatives of other public radio system boards or committees along with future voting or non-voting public entity members as deemed appropriate, nominated and agreed to by vote of the committee members defined in this paragraph.

B. 1. In establishing and operating the Land Mobile Radio Public Safety Interoperability Cooperative, the committee shall collaborate with other public agencies, public entities and other interested parties having public safety radio communications requirements and resources.

2. The Cooperative shall establish an appropriate governance model for determining priorities, leveraging state-owned or other shared services and infrastructure, identifying existing and new resources and directing new investments to facilitate reliable, statewide and fully operational public safety radio communications to serve the purposes described.

3. In support of the requirements of the Oklahoma Homeland Security Act, the Oklahoma Information Services Act and the Information Technology Consolidation and Coordination Act, the Cooperative shall have the following duties:

- a. enable cost savings to the State of Oklahoma through unification and enhancement of current land mobile radio public safety systems,
- b. sustain existing interoperability of land mobile public safety radio systems,
- c. recommend standards and protocols for land mobile radio public safety systems,
- d. recommend standards to become P25 compliant and other common radio interoperability standards, and
- e. establish service metrics to ensure reliable land mobile public safety services statewide in support of state, local and first responders.

C. Actions, decisions and operation of the Land Mobile Radio Public Safety Interoperability Cooperative shall be performed in compliance with, in support of and secondary to all statutory duties, requirements, responsibilities and authority provided to the Office of Management and Enterprise Services and the Oklahoma Office of Homeland Security; however, the resources and mechanisms available to Cooperative members by ownership or through agreement may be collectively utilized to carry out the provisions of this statute. Added by Laws 2016, c. 123, § 1, eff. Nov. 1, 2016.

§62-35.7. Exemptions and extensions.

A. A state agency may apply to the Chief Information Officer for an exemption from any provisions of the Information Technology Consolidation and Coordination Act or for an extension of any deadline specified in the Act, if it determines that compliance with the provisions of the Act would:

1. Cause it to be in violation of federal law or regulations or in violation of any provision of the Oklahoma Constitution or statutes;
2. Result in a loss of federal funds to the state; or

3. Create an impediment to the performance of a unique agency function that is not duplicated by another state agency and is required by the Oklahoma Statutes or Constitution or by federal law.

B. Any state agency applying for an exemption or extension pursuant to this section shall provide written documentation of the circumstances to the Chief Information Officer. After reviewing the documentation, the Chief Information Officer shall grant or deny the application. If the state agency disputes the decision of the Chief Information Officer, the Director of the Office of Management and Enterprise Services shall make the final determination as to whether the exemption or extension will be granted.

Added by Laws 2011, c. 296, § 7. Amended by Laws 2012, c. 304, § 416.

§62-35.8. Security standards.

A. Notwithstanding any other provision of law, the provisions of the Information Technology Consolidation and Coordination Act shall operate to maintain or increase security standards and shall not jeopardize confidentiality or compliance with state or federal laws or regulations. The State Governmental Technology Applications Review Board shall consider and approve security protocols which shall be followed by employees of the Information Services Division of the Office of Management and Enterprise Services who are assigned to service law enforcement agencies. The Board shall make recommendations to state officers and employees related to continuity of criminal justice information system security protocols.

B. Notwithstanding the provisions of Section 35.5 of this title, the transfer of information technology assets and positions of the Department of Public Safety shall occur prior to the transfer of assets and positions of other public safety agencies.

C. Unless otherwise provided for in law, the transfer of information technology assets and positions of any state agency pursuant to the Information Technology Consolidation and Coordination Act shall not act to transfer to the Information Services Division of the Office of Management and Enterprise Services or to the Chief Information Officer the duties of a state agency to keep, maintain and open to any person all records of the agency in compliance with the Oklahoma Open Records Act. Each state agency shall continue to be responsible for records created by, received by, under the authority of, or coming into the custody, control or possession of the agency including the duty to organize and categorize the records in a retrievable form and the duty to respond to requests for records, even if the records have been transmitted to or stored by the Information Services Division of the Office of Management and Enterprise Services or the Chief Information Officer.

D. State employees who are members of the Teachers' Retirement System of Oklahoma and are transferred pursuant to the Information

Technology Consolidation and Coordination Act may elect to continue their participation in the Teachers' Retirement System of Oklahoma in lieu of participating in the Oklahoma Public Employees Retirement System. Any transferred employee who wishes to make such election shall do so in writing within thirty (30) days of the effective date of this act. If any transferred employee has already started participating in the Oklahoma Public Employees Retirement System, the employee may make an election to return to the Teachers' Retirement System of Oklahoma if the election is made in writing within thirty (30) days of the effective date of this act. In the event a transferred employee who has already begun participating in the Oklahoma Public Employees Retirement System elects to return to the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System shall transfer the service credit and contributions to the Teachers' Retirement System of Oklahoma for any credit that accrued after the initial transfer. The election to continue or return to participation in the Teachers' Retirement System of Oklahoma pursuant to this subsection shall be irrevocable and shall be effective until the employment with the Office of Management and Enterprise Services is terminated.

Added by Laws 2011, c. 296, § 8. Amended by Laws 2012, c. 292, § 5; Laws 2013, c. 15, § 64, emerg. eff. April 8, 2013; Laws 2013, c. 227, § 14, eff. Nov. 1, 2013; Laws 2013, c. 358, § 24, eff. July 1, 2013. NOTE: Laws 2012, c. 304, § 417 repealed by Laws 2013, c. 15, § 65, emerg. eff. April 8, 2013.

§62-35.9. Quarterly progress reports.

In addition to any other reporting requirements required by law, the Chief Information Officer shall submit quarterly progress reports to the Director of the Office of Management and Enterprise Services, the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The reports shall be submitted not later than January 31, April 30, July 31 and October 31 of each year and shall include, but not be limited to, the following information:

1. The status of the implementation of the plan of action required in paragraph 2 of subsection D of Section 34.11.1 of this title;
2. A list of information technology assets and positions transferred to the Information Services Division of the Office of Management and Enterprise Services pursuant to the provisions of subsection C of Section 35.5 of this title;
3. After July 1, 2012, and until the information technology consolidation is completed, an annual reduction of three percent (3%) in operational information technology and telecommunications expenditures realized in the aggregate by all consolidated state agencies;

4. A list of all state agencies which are not using the shared services as required in Section 35.6 of this title;

5. A list of all exemptions or extensions granted pursuant to the provisions of Section 35.7 of this title; and

6. Any other information as deemed appropriate by the Chief Information Officer.

Added by Laws 2011, c. 296, § 9. Amended by Laws 2012, c. 304, § 418; Laws 2013, c. 358, § 25, eff. July 1, 2013.

§62-36. Digital Transformation Program Revolving Fund.

A. There is hereby created in the State Treasury a fund for the Office of Management and Enterprise Services to be designated the "Digital Transformation Program Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of monies designated to the fund by law. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of Management and Enterprise Services for the sole purpose of implementing digital transformation initiatives. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. Monthly the Director of the Office of Management and Enterprise Services shall submit reports to the Speaker of the Oklahoma House of Representatives, the President Pro Tempore of the Oklahoma State Senate, the Chair of the Appropriations and Budget Committee of the Oklahoma House of Representatives and the Chair of the Appropriations Committee of the Oklahoma State Senate detailing:

1. Expenditures from the Digital Transformation Program Revolving Fund; and

2. Projects under consideration for future expenditures from the fund.

Added by Laws 2019, c. 441, § 1, emerg. eff. May 24, 2019.

§62-36.1. Short title - Oklahomans Virtually Everywhere Act of 2019 - Research and development proposal.

A. This act shall be known and may be cited as the "Oklahomans Virtually Everywhere Act of 2019". The Oklahomans Virtually Everywhere Act creates a statewide initiative that allows Oklahomans to provide their expertise throughout the world without leaving their communities by Oklahoma becoming the leader in telepresence and virtual presence.

B. For purposes of this section:

1. "Telepresence" means the ability of people who are not physically present with each other to collaborate and interact with others in meetings, conferences, office work and other contexts as though they were physically present; and

2. "Virtual presence" means that the interactions between individuals and groups virtually present in meetings, conferences, office work and other social contexts are indistinguishable between those who are physically present and those who are not.

C. The Oklahoma State Regents for Higher Education shall lead an effort in conjunction with OneNet, the State Board of Career and Technology Education, State Department of Education, Oklahoma Department of Libraries, Oklahoma Department of Commerce and the Office of Management and Enterprise Services on behalf of all state agencies to create a research and development proposal to make Oklahoma a leader in telepresence, with the ultimate goal of being a leader in virtual presence as the technology matures. The proposal shall include a proposed budget and be prepared for the legislative session following the effective date of this act. Each agency in this subsection shall designate a liaison for this effort.

D. The proposal shall:

1. Include a proposed budget and be prepared for the budget hearings of the legislative session;

2. Be created in consultation with businesses and state agencies;

3. Include a strategy for training Oklahoma organizations to use existing technology for telepresence and virtual presence; and

4. Include an overview of the current state of telepresence in Oklahoma education, government and business, with the following:

- a. research and actions necessary to become a leader in telepresence in education,
- b. research and actions necessary to become a leader in telepresence in government,
- c. research and actions necessary to become a leader in telepresence in business,
- d. research and actions necessary to become a leader in telepresence in Oklahoma rural communities,
- e. identification of potential partners and sources of matching or other funds,
- f. strategy for training Oklahoma organizations to use existing technology for telepresence and virtual presence, and
- g. any additional information deemed necessary by the participants.

Added by Laws 2019, c. 106, § 1.

§62-41.1. Repealed by Laws 2009, c. 441, § 63, eff. July 1, 2009.

§62-41.2. Renumbered as § 34.5 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.3. Renumbered as § 34.3 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.4. Renumbered as § 34.6 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.4a. Renumbered as § 34.71 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.4b. Renumbered as § 34.72 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.4c. Renumbered as § 34.73 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.4d. Renumbered as § 34.74 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5. Renumbered as § 34.11 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5.1. Renumbered as § 34.11.1 of this title by Laws 2009, c. 451, § 24, eff. July 1, 2009.

§62-41.5a. Renumbered as § 34.12 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5a-1. Renumbered as § 34.13 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5a-2. Renumbered as § 34.14 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009. Repealed by Laws 2009, c. 451, § 25, eff. July 1, 2009.

§62-41.5a-3. Renumbered as § 34.15 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5a-4. Policies and procedures for destruction or disposal of electronic storage media - Notification of policies and procedures - Removal of storage media - Funding.

A. The Information Services Division of the Office of Management and Enterprise Services is authorized to:

1. Develop and publish a state policy and procedures for the destruction or disposal of all electronic storage media to ensure that all confidential information stored on such electronic media devices is destroyed or disposed of in a secure and safe manner;

2. Define the requirements for the secure destruction or disposal of electronic storage media; and

3. Assist in implementing the policy and procedures for the destruction or disposal of state electronic storage media.

B. The Information Services Division of the Office of Management and Enterprise Services shall notify all agencies, boards, commissions and authorities of the policy and procedures for the secure and safe destruction or disposal of electronic storage media.

C. The Office of Management and Enterprise Services shall remove all data from electronic storage media from all surplus information technology and telecommunication equipment before it is sold, donated, stored or destroyed. A state agency may remove electronic storage media from their surplus information technology and telecommunication equipment prior to sending the surplus to the Office of Management and Enterprise Services, so long as the agency has the technical expertise for removal and that the electronic storage media is sent for destruction or disposal pursuant to this subsection.

D. The Office of Management and Enterprise Services shall use existing and future funds from the sale of state surplus equipment and appropriations, as necessary, to pay for the destruction of electronic storage media of equipment processed through the Office of Management and Enterprise Services.

Added by Laws 2008, c. 340, § 1, emerg. eff. June 2, 2008. Amended by Laws 2009, c. 451, § 6, eff. April 5, 2010; Laws 2010, c. 170, § 5, emerg. eff. April 26, 2010; Laws 2012, c. 304, § 419.

NOTE: Laws 2009, c. 451, § 26, provides: "The provisions of Sections 3 through 15, 17 through 20, 22 and 23 of this act shall be effective and shall become operative on the effective date of the appointment of the first Chief Information Officer by the Governor as provided for in Section 2 of this act." The first Chief Information Officer was appointed by the Governor on April 5, 2010.

§62-41.5b. Repealed by Laws 1995, c. 246, § 8, eff. Nov. 1, 1995.

§62-41.5c. Repealed by Laws 1995, c. 246, § 8, eff. Nov. 1, 1995.

§62-41.5d. Repealed by Laws 1992, c. 268, § 12, eff. Sept. 1, 1992.

§62-41.5e. Renumbered as § 34.16 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5f. Renumbered as § 34.17 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5g. Renumbered as § 34.18 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5h. Renumbered as § 34.19 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5i. Renumbered as § 34.20 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5j. Renumbered as § 34.21 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5k. Repealed by Laws 2007, c. 93, § 6, eff. Nov. 1, 2007.

§62-41.5m. Renumbered as § 34.23 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5n. Repealed by Laws 1998, c. 45, § 4, emerg. eff. April 2, 1998.

§62-41.5o. Repealed by Laws 2006, c. 266, § 16, eff. July 1, 2006.

§62-41.5p. Renumbered as § 34.24 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5p-1. Renumbered as § 34.24.1 of Title 62 by Laws 2011, c. 240, § 4 and Laws 2011, c. 347, § 8.

§62-41.5q. Renumbered as § 34.25 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5r. Renumbered as § 34.26 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5s. Renumbered as § 34.27 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5t. Renumbered as § 34.28 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5t.1. Renumbered as § 34.29 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5t.2. Renumbered as § 34.30 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5u. Renumbered as § 34.31 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5v. Renumbered as § 34.32 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.5w. Repealed by Laws 2007, c. 148, § 4, emerg. eff. May 16, 2007.

§62-41.5x. Renumbered as § 34.33 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.6. Renumbered as § 34.41 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.7. Repealed by Laws 1995, c. 292, § 12, eff. July 1, 1995.

§62-41.7a. Repealed by Laws 1986, c. 223, § 59, operative July 1, 1986.

§62-41.7b. Renumbered as § 34.2 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.7c. Renumbered as § 34.42 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.8. Renumbered as § 34.48 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.9. Renumbered as § 34.49 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.10. Renumbered as § 34.51 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.11. Renumbered as § 34.40 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.12. Repealed by Laws 1995, c. 292, § 12, eff. July 1, 1995.

§62-41.13. Renumbered as § 34.50 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.13a. Renumbered as § 34.61 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.13b. Repealed by Laws 1999, c. 358, § 12, eff. July 1, 1999.

§62-41.14. Renumbered as § 34.53 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.15. Renumbered as § 34.47 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.16. Renumbered as § 34.62 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.16a. Renumbered as § 34.76 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.17. Renumbered as § 34.67 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.18. Renumbered as § 34.63 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.19. Renumbered as § 34.80 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.20. Repealed by Laws 1979, c. 30, § 164, emerg. eff. April 6, 1979.

§62-41.21. Renumbered as § 34.64 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.22. Repealed by Laws 1979, c. 30, § 164, emerg. eff. April 6, 1979.

§62-41.23. Renumbered as § 34.7 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.24. Renumbered as § 212.4 of Title 74 by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.25. Repealed by Laws 1980, c. 68, § 1, emerg. eff. April 10, 1980.

§62-41.26. Renumbered as § 34.68 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.27. Renumbered as § 34.84 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.28. Renumbered as § 34.85 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29. Renumbered as § 34.36 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29-1. Renumbered as § 34.95 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29a. Renumbered as § 34.88 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29b. Renumbered as § 34.89 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29c. Renumbered as § 34.90 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29d. Renumbered as § 34.91 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29e. Renumbered as § 34.92 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29f. Renumbered as § 34.93 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.29g. Renumbered as § 34.94 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.30. Renumbered as § 34.35 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.31. Renumbered as § 34.34 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.32. Renumbered as § 34.44 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.33. Renumbered as § 34.38 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.34. Renumbered as § 34.37 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.35. Repealed by Laws 1994, c. 279, § 10, eff. July 1, 1994.

§62-41.36. Repealed by Laws 1969, c. 35, § 1, eff. Feb. 20, 1969.

§62-41.37. Repealed by Laws 2009, c. 441, § 63, eff. July 1, 2009.

§62-41.38. Repealed by Laws 1980, c. 68, § 1, emerg. eff. April 10, 1980.

§62-41.39. Renumbered as § 34.45 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.40. Renumbered as § 34.4 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.41. Renumbered as § 34.43 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.42. Renumbered as § 34.8 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.43. Repealed by Laws 1991, c. 254, § 17, eff. July 1, 1991.

§62-41.44. Repealed by Laws 1999, c. 358, § 11, eff. July 1, 1999.

§62-41.45. Repealed by Laws 1995, c. 292, § 12, eff. July 1, 1995.

§62-41.46. Renumbered as § 34.52 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.47. Renumbered as § 34.96 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-41.51. Renumbered as § 34.22 of this title by Laws 2009, c. 441, § 64, eff. July 1, 2009.

§62-42.13. Revenues not derived from legislative appropriations.

All departments, institutions, or agencies of the state which are operating either partially or entirely from revenues derived from sources other than legislative appropriations, shall file requests for allotments under the same provisions herein stated as are required for direct legislative appropriations which distinctly specify the amount appropriated. The Budget Director shall approve such requests for allotments on a line item basis, if the estimated revenues accruing to such fund are sufficient to finance such allotments within the period for which the items are approved, and if the account classification is sufficient to show the purposes for which the money is to be expended, except that obligations as they are incurred may not exceed the unencumbered balance of surplus cash on hand in accordance with Section 23, Article 10, Constitution of the State of Oklahoma. The Budget Director may require a more detailed breakdown of accounts before he approves such requests if

the request fails to show sufficient information for the Division of Central Accounting and Reporting. This section shall apply to such spending agencies as the State Highway Department, Fish and Game Department, Oklahoma Employment Security Commission and other spending agencies operating under similar financial arrangements, including federal funds received by any spending agency of the state, but shall not apply to donated funds, trust funds or funds of an agency relationship.

Laws 1947 p. 374, Sec. 13.

§62-45.1. Short title - Duties of all state agencies.

Sections 45.1 through 45.10 of this title shall be known and may be cited as the "Oklahoma Program Performance Budgeting and Accountability Act". All state agencies are to prepare and submit their budgetary systems in a program format. In addition, all state agencies are to collect and identify data to measure performance of their programs.

Implementation of this act shall be designed to better prioritize state funding needs, reduce program duplication, enhance budgeting information necessary to improve the efficiency of state operations and improve state services to the public.

Added by Laws 1999, c. 358, § 1, eff. July 1, 1999. Amended by Laws 2003, c. 301, § 4, eff. July 1, 2003.

§62-45.2. Definitions.

In this act, "state agency" means a department, board, commission, or other entity of state government within the Executive Department of the State of Oklahoma, including institutions of higher education, that:

1. Was created by the Constitution or a state statute with an ongoing mission and responsibilities;
2. Is not the Office of the Governor or Lieutenant Governor;
3. Is not a committee created under state law whose primary function is to advise an agency; and
4. Is not CompSource Oklahoma, provided CompSource Oklahoma is operating pursuant to a pilot program authorized pursuant to Sections 1 and 2 of this act.

Added by Laws 1999, c. 358, § 2, eff. July 1, 1999. Amended by Laws 2009, c. 454, § 13.

§62-45.3. Agency strategic plan - Elements required - "Capital improvement" defined.

A. Each state agency shall make a strategic plan for its operations. The first strategic plans will be due October 1, 2001, and in each subsequent even-numbered year. Each state agency plan shall cover five (5) fiscal years beginning with the next odd-numbered fiscal year.

B. The Office of Management and Enterprise Services shall determine the elements required to be included in each agency's strategic plan. Unless modified by the Office of Management and Enterprise Services, and except as provided by subsection C of this section, a plan must include, but is not limited to, the following items:

1. A statement of the mission and goals of the state agency;
2. A description of the indicators developed under this act and used to measure the output and outcome of the agency and its programs;
3. Identification of the groups of people served by the agency, including those having service priorities, or other service measures established by law, and estimates of changes in those groups expected during the term of the plan;
4. An analysis of the use of the agency's resources to meet the agency's mission, including future needs, and an estimate of additional resources that may be necessary to achieve said mission;
5. An analysis of expected changes in the services provided by the agency because of changes in state or federal law;
6. A description of the means and strategies, including cost-containment strategies and efficiency proposals, for meeting the agency's needs, including future needs, and achieving the goals for each area of state government for which the agency provides services;
7. A summary of the capital improvement needs of the agency which were provided to the Long-Range Capital Planning Commission as required by Section 901 of this title; and
8. Other information that may be required.

C. A state agency's plan that does not include an item described by subsection B of this section must include the reason the item does not apply to the agency.

D. Each state agency's plan shall be submitted at the same time as the estimate of funds needed developed pursuant to Section 34.36 of this title.

E. A state agency shall send one copy of the plan each to:

1. The Governor;
2. The President Pro Tempore of the State Senate;
3. The Speaker of the House of Representatives;
4. The Legislative Oversight Committee on State Budget Performance;
5. The Chair and Vice Chair of the Joint Committee on Accountability in Government;
6. The Director of the Office of Management and Enterprise Services; and
7. The State Auditor and Inspector.

F. In this section, "capital improvement" means any building or infrastructure project that will be owned by the state and built with direct appropriations or with the proceeds of state-issued bonds or

paid from revenue sources other than general revenue at a cost of at least Twenty-five Thousand Dollars (\$25,000.00) and has a useful life of at least five (5) years.

Added by Laws 1999, c. 358, § 3, eff. July 1, 1999. Amended by Laws 2003, c. 301, § 5, eff. July 1, 2003; Laws 2012, c. 304, § 420.

§62-45.4. Official forms.

The official forms which must be used in making those plans shall be approved or furnished by the Director of the Office of Management and Enterprise Services.

Added by Laws 1999, c. 358, § 4, eff. July 1, 1999. Amended by Laws 2012, c. 304, § 421.

§62-45.5. Determination of acceptable measures - Training and other services to be provided by Office of Management and Enterprise Services.

A. The Office of Management and Enterprise Services and the Joint Legislative Committee on Budget and Program Oversight shall work with each state agency to determine acceptable measures of output, outcome, unit cost, and cost-effectiveness for use in the agency's plan.

B. The Office of Management and Enterprise Services is authorized to provide training or other services to state agencies pursuant to this act.

Added by Laws 1999, c. 358, § 5, eff. July 1, 1999. Amended by Laws 2012, c. 304, § 422.

§62-45.6. Hearings.

The Office of Management and Enterprise Services or the Joint Legislative Committee on Budget and Program Oversight, jointly or separately, may hold hearings on any matter required by the Oklahoma Program Performance Budgeting and Accountability Act.

Added by Laws 1999, c. 358, § 6, eff. July 1, 1999. Amended by Laws 2001, c. 277, § 1, eff. July 1, 2001; Laws 2012, c. 304, § 423.

§62-45.7. Long-range strategic state plan.

A. The Governor and the State Legislature may compile a long-range strategic plan for state government using the state agency plans issued under this act.

B. The long-range strategic state plan shall be sent to the Governor, Lieutenant Governor, State Auditor and Inspector, and each member of the Legislature not later than when the Governor delivers the annual message on the condition of the state pursuant to Section 9 of Article VI of the Constitution of the State of Oklahoma.

Added by Laws 1999, c. 358, § 7, eff. July 1, 1999.

§62-45.8. Performance audits and investigations by State Auditor and Inspector and Joint Committee on Accountability in Government.

A. The State Auditor and Inspector when in the conduct of a performance audit of a state agency shall consider in the evaluation of an agency the extent to which the agency conforms to the agency's strategic plan and management and performance report.

B. The Joint Committee on Accountability in Government pursuant to its procedures may conduct a performance investigation of a state agency to consider to what extent an agency has improved performance.

C. The activities of the Joint Committee shall not preclude other oversight activities by other legislative entities.

Added by Laws 1999, c. 358, § 8, eff. July 1, 1999. Amended by Laws 2013, c. 218, § 1, eff. Nov. 1, 2013.

§62-45.9. Schedule of program evaluation and performance review of state agencies - Duties of Joint Legislative Committee on Budget and Program Oversight - Required elements of review - Reports.

A. The Joint Legislative Committee on Budget and Program Oversight shall annually establish a schedule of program evaluation and performance review for state agencies. In establishing this schedule the Joint Legislative Committee on Budget and Program Oversight shall take into consideration the work plan of studies, program evaluations and other related performance reviews developed by the Joint Committee on Accountability in Government. Where appropriate, the Joint Legislative Committee on Budget and Program Oversight shall coordinate its schedule with related work plan items of the Joint Accountability in Government Committee.

The Joint Legislative Committee on Budget and Program Oversight may request the Joint Committee on Accountability in Government to include additional evaluations or reviews to their schedule or expand any scheduled evaluation or review to include issues of interest to the Joint Legislative Committee on Budget and Program Oversight.

The Joint Legislative Committee on Budget and Program Oversight may request any assistance necessary from the Office of the State Auditor and Inspector in regard to program evaluations or performance reviews scheduled by the Committee.

B. The program evaluation and justification review shall be conducted on major programs, but may include other programs. The review shall be comprehensive in its scope but, at a minimum, must be conducted in such a manner as to specifically determine the following, and to consider and determine what changes, if any, are needed with respect thereto:

1. The specific purpose of each program, as well as the specific public benefit derived therefrom;

2. The progress toward achieving the outputs and outcomes associated with each program;

3. An explanation of circumstances contributing to the state agency's ability to achieve, not achieve, or exceed its projected outputs and outcomes associated with each program;

4. The identifiable cost of each program;

5. Alternate courses of action that would result in administration of the same program in a more efficient or effective manner. The courses of action to be considered must include, but are not limited to:

- a. whether the program could be organized in a more efficient and effective manner, whether the program's mission, goals, or objectives should be redefined, or, when the state agency cannot demonstrate that its efforts have had a positive effect, whether the program should be reduced in size or eliminated,
- b. whether the program could be administered more efficiently or effectively to avoid duplication of activities and ensure that activities are adequately coordinated,
- c. whether the program could be performed more efficiently or more effectively by another unit of government, including political subdivisions of the state, or a private entity, or whether a program performed by a private entity could be performed more efficiently and effectively by a state agency,
- d. when compared to costs, whether effectiveness warrants elimination of the program or, if the program serves a limited interest, whether it should be redesigned to require users to finance program costs,
- e. whether the cost to administer the program exceeds license and other fee revenues paid by those being regulated, and
- f. whether other changes could improve the efficiency and effectiveness of the program;

6. The consequences of discontinuing such program. If any discontinuation is recommended, such recommendation must be accompanied by a description of alternatives to implement such recommendation, including an implementation schedule for discontinuation and recommended procedures for assisting state agency employees affected by the discontinuation;

7. Determination as to public policy, which may include recommendations as to whether it would be sound public policy to continue or discontinue funding the program, either in whole or in part, in the existing manner; and

8. Whether state agency management has established control systems sufficient to ensure that performance data are maintained and supported by state agency records and accurately presented in state agency performance reports.

C. Evaluations and reviews may include consideration of programs provided by other agencies which are integrally related to the programs administered by the state agency.

D. Reports issued upon the completion of any performance evaluations and program reviews by the Joint Legislative Committee on Budget and Program Oversight shall be submitted to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the State Senate. All reports issued shall be available to the public once they have been submitted to the parties listed in this section.

Added by Laws 1999, c. 358, § 9, eff. July 1, 1999.

§62-45.10. Agency performance reporting mechanisms - Development - Procedure.

A. Pursuant to this act, the Director of the Office of State Finance shall develop processes and procedures to guide state agencies in preparation of performance reporting metrics to be published for each cabinet, state agency and statewide and agency-specific initiatives. These metrics shall account for input, output and outcome measures and provide benchmarks to which the performance measures can be compared for evaluation of performance. Metrics shall include not less than three consistent scales demonstrating that a performance expectation or benchmark has been achieved, partially achieved or not achieved. At least one metric shall demonstrate the cost per person served by the agency.

B. State agencies shall provide information as required by the Director to assist in the development of performance reporting metrics and benchmarks.

C. Cabinet secretaries and agencies shall provide appropriate benchmarks against which performance should be compared to determine the agencies' success or failure to meet established performance reporting benchmarks.

D. Performance metrics showing agency and agency program-level performance shall be published and prominently featured on the state Internet portal and through the direct domain performance.ok.gov. This data shall be updated on a regular basis.

E. Performance metrics and standards shall be reviewed and approved annually.

F. For the purposes of this section, "performance reporting metrics" shall mean a set of criteria which demonstrates the quantity and quality of work.

Added by Laws 2012, c. 303, § 20, eff. Nov. 1, 2012.

§62-45.11. Program management and performance report.

A. No later than October 1 of each year, each state agency shall submit a program management and performance report to the Chair and Vice Chair of the House Appropriations and Budget Committee, the

Chair and Vice Chair of the Senate Appropriations Committee, the Chair and Vice Chair of the Senate Finance Committee, and the Director of the Office of Management and Enterprise Services. The report shall contain, at a minimum, detailed data for each agency program relating to each of the evaluation factors set out in Section 45.9 of Title 62 of the Oklahoma Statutes. It shall also list:

1. Specific cost avoidance and cost containment measures implemented during the previous fiscal year;
2. The agency's methodology for:
 - a. determining its fee structure,
 - b. calculating fees, and
 - c. measuring customer satisfaction;
3. Programs or operations not required for the agency's core function; and
4. Details showing the actual cost of any programs or operations listed under paragraph 3 of this subsection.

B. For purposes of this section:

1. "State agency" means a governmental agency as defined in Section 34.29 of Title 62 of the Oklahoma Statutes that receives an appropriation and is authorized to adopt a fee; and
2. "Program" means a service, contract, operation or procedure of an agency.

Added by Laws 2013, c. 218, § 2, eff. Nov. 1, 2013.

§62-46. Short title - Definitions - Development and operation of website.

A. This act shall be known and may be cited as the "Taxpayer Transparency Act".

B. As used in the Taxpayer Transparency Act:

1. "Single website" means a website that allows the public to access information identified in subsection C of this section without any fee or charge to the public for such access;

2. "Expenditure of funds" means the disbursement of all state and federal funds regardless of amount of expenditure, whether appropriated or nonappropriated, excluding:

- a. the transfer of funds between two state agencies,
- b. payments of state or federal assistance to an individual,
- c. child support payments, and
- d. refunds issued by the Oklahoma Tax Commission resulting from the overpayment of tax;

3. "Incentive payments" means payments made under the Oklahoma Quality Jobs Program Act, Saving Quality Jobs Act, Oklahoma Quality Jobs Incentive Leverage Act, Small Employer Quality Jobs Incentive Act, Oklahoma Specialized Quality Investment Act and Oklahoma Quality Investment Act;

4. "Tax credit" means a credit pursuant to the Oklahoma Income Tax Act against tax liability which is taken by a taxpayer, excluding credits authorized under paragraphs 1 and 2 of subsection B of Section 2357 and Sections 2357.29, 2357.29A and 2357.43 of Title 68 of the Oklahoma Statutes; and

5. "Stimulus funds expenditure" means the disbursement by state agencies of federal funds received pursuant to the federal American Recovery and Reinvestment Act of 2009.

C. The Office of Management and Enterprise Services shall develop and operate a single website accessible by the public. The website shall include aggregate information on state and federal revenue, expenditures and incentive payments and information on state tax preferences as contained in the tax expenditure report published by the Oklahoma Tax Commission pursuant to subsection E of Section 205 of Title 68 of the Oklahoma Statutes. The website shall include search capabilities.

D. Effective January 1, 2011, the Office of Management and Enterprise Services shall update the website with "Open Books 2.0," an expanded online database through which each individual expenditure shall be listed individually separate of aggregated amount. The information shall be searchable by term including name of recipient, entity making expenditure and date of expenditure. The website shall allow members of the public to export sets of data produced by search query in a standardized exportable form. No later than eighteen (18) months after "Open Books 2.0" is online, the Office of Management and Enterprise Services shall create an online archive for each fiscal year, beginning with Fiscal Year 2011, which shall be accessible and searchable to online users.

E. Such website shall also include, but not be limited to:

1. For the expenditure of funds or incentive payments:
 - a. the name and principal location of the entity and/or recipients of the funds, excluding release of information relating to an individual's place of residence, release of information prohibited by subsection D of Section 24A.7 of Title 51 of the Oklahoma Statutes or by federal law relating to privacy rights,
 - b. the amount of funds expended,
 - c. the type of transaction,
 - d. the funding or expending agency, and
 - e. a descriptive purpose of the funding action or expenditure;
2. For stimulus fund expenditures:
 - a. a link to the name and principal location of the entity and/or recipients of the funds regardless of amount,
 - b. the amount of stimulus funds expended,
 - c. the funding or expending agency, and

- d. a descriptive purpose of the funding action or expenditure; and

3. For each state tax credit, information, including but not limited to:

- a. the name of each taxpayer to which a credit has been granted,
- b. the amount of such credit, and
- c. the specific provision under which a credit has been granted.

F. The single website provided for in subsection C of this section shall include data on state revenue, expenditures and incentive payments for the fiscal year 2007 and each fiscal year thereafter, on state tax credits for tax year 2007 and each tax year thereafter, and on stimulus fund expenditures for the fiscal year 2009 and each fiscal year thereafter. For the fiscal year 2017 and each fiscal year thereafter, the website shall include data which track the expenditure of federal funds by program. Such data shall be available on the single website no later than one hundred twenty (120) days after the last day of the preceding fiscal year; provided, data on stimulus fund expenditures for the fiscal year 2009 shall be available on the single website within one hundred twenty (120) days after June 10, 2010.

G. No later than January 1, 2012, the single website provided for in subsection C of this section shall include a section specific to data on road funding in this state. This section of the website shall include but not be limited to historical as well as current revenue collections and apportionment data on the following:

1. Diesel fuel and gasoline excise tax collected pursuant to Sections 500.4 and 603 of Title 68 of the Oklahoma Statutes;
2. Gross production tax collected pursuant to Section 1001 of Title 68 of the Oklahoma Statutes;
3. Motor vehicle collections collected pursuant to Sections 6-101, 6-114, 14-116 and 1105 et seq. of Title 47 of the Oklahoma Statutes; and
4. Motor vehicle excise tax collected pursuant to Sections 2103, 2104.3 and 2110 of Title 68 of the Oklahoma Statutes.

H. No later than January 1, 2012, the Office of Management and Enterprise Services shall include as part of the single website all spending data subject to publication by the "School District Transparency Act" in Title 70 of the Oklahoma Statutes.

I. No later than January 1, 2015, the Office of Management and Enterprise Services shall include as part of the single website an interactive Oklahoma Taxpayer Receipt function. Such function shall allow the taxpayer to enter an amount or estimated amount of income and sales tax paid during the most recent year in order to obtain an itemized estimate of the percentage and dollar amount of the income

and sales tax paid by the taxpayer which is allocated to various general categories of state expenditures.

J. The Oklahoma Tax Commission, the Office of the State Treasurer, all institutions of The Oklahoma State System of Higher Education and any other state agency shall provide to the Office of Management and Enterprise Services such information as is necessary to accomplish the purposes of the Taxpayer Transparency Act.

K. So that the Tax Commission may fulfill its obligations as required by this section, all recipients of tax credits, as that term is defined herein, shall file their reports or returns claiming the tax credits in an electronic format, as may be required by the Tax Commission. The Tax Commission may disallow any claim of a person for a tax credit due to its failure to file a report or return as required under the authority of this subsection.

L. Nothing in the Taxpayer Transparency Act shall require the disclosure of information which is required to be kept confidential by state or federal law.

M. The disclosure of information required by this section shall create no liability whatsoever, civil or criminal, to the State of Oklahoma or any member of the Office of Management and Enterprise Services or any employee thereof for disclosure of the information or for any error or omission in the disclosure.

N. The State Auditor and Inspector shall maintain a website providing public access to the documentation of stimulus funding pursuant to the requirements of this section. The website shall provide a list of all stimulus fund expenditures regardless of amount. The entire list of stimulus fund expenditures and each of the related content requirements as detailed in subsection D of this section shall be available for export in standardized formats including but not limited to eXtensible Markup Language (XML) and Comma Separated Value (CSV) formats. The list of expenditures shall include searchable functionality including but not limited to the ability to search the expenditures by the name of the entity receiving funding, name of entity processing funding and name of entity benefiting from funding.

O. Information about tax credits subject to disclosure pursuant to this section shall include the identity of all taxpayers or organizations having any part in the chain of custody or claim to the credit or credits at any time during the credit's existence.

Added by Laws 2007, c. 327, § 1, eff. Nov. 1, 2007. Amended by Laws 2010, c. 475, § 2, emerg. eff. June 10, 2010; Laws 2011, c. 1, § 29, emerg. eff. March 18, 2011; Laws 2011, c. 273, § 1, eff. Jan. 1, 2012; Laws 2012, c. 11, § 18, emerg. eff. April 4, 2012; Laws 2012, c. 304, § 424; Laws 2014, c. 170, § 1, eff. Nov. 1, 2014; Laws 2016, c. 43, § 1, eff. Jan. 1, 2017.

NOTE: Laws 2011, c. 292, § 6 repealed by Laws 2012, c. 11, § 19, emerg. eff. April 4, 2012.

§62-46.1. Transfer of surplus funds accruing to General Revenue Fund to certain funds.

A. On July 1, 2005, or as soon thereafter as feasible, the Office of Management and Enterprise Services shall transfer any surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2005, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2005, to the following funds and in the specified amounts:

1. Fifty percent (50%) to the Oklahoma Dynamic Economy and Budget Security Fund established in Section 46.2 of this title; and
2. Fifty percent (50%) to the Oklahoma Taxpayer Relief Revolving Fund established in Section 2355.2 of Title 68 of the Oklahoma Statutes.

B. On July 1, 2006, or as soon thereafter as feasible, the Office of Management and Enterprise Services shall transfer the following amounts of surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2006, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2006:

1. The first Eighty-five Million Five Hundred Thousand Dollars (\$85,500,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education, to be used for operations of The Oklahoma State System of Higher Education;
2. Contingent upon passage and approval of Enrolled House Bill No. 1169 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature, the next Forty-five Million Dollars (\$45,000,000.00) to the Oklahoma Opportunity Fund created in Section 48 of this title;
3. Contingent upon passage and approval of Enrolled Senate Bill No. 99 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature, the next One Hundred Fifty Million Dollars (\$150,000,000.00) to the Economic Development Generating Excellence (EDGE) Fund created in Section 47 of this title;
4. The next Twenty-five Million Dollars (\$25,000,000.00) to the County Bridges and Road Improvement Fund, to be expended for repair, renovation, rehabilitation, or replacement of county bridges;
5. The next Seven Million Dollars (\$7,000,000.00) to the Oklahoma Department of Veterans Affairs Revolving Fund, to be used for expenses associated with the veterans center in Sulphur;
6. The next Five Million Dollars (\$5,000,000.00) to the Rural Fire Equipment Grant Revolving Fund of the Oklahoma Department of Agriculture, Food, and Forestry;

7. The next Eighty Million Dollars (\$80,000,000.00) to the Comprehensive University Capital Projects Revolving Fund created in Section 2, Chapter 84, O.S.L. 2006;

8. The next Eight Million Dollars (\$8,000,000.00) to the Tourism Equipment Revolving Fund of the Oklahoma Tourism and Recreation Department, to be used for operations, capital improvements and maintenance of state parks; and

9. The next Fifteen Million Dollars (\$15,000,000.00) to the State Emergency Fund created in Section 139.42 of this title;

10. The next Nine Hundred Thousand Dollars (\$900,000.00) to the Oklahoma Tax Commission Fund created pursuant to Section 221 of this title for the implementation of a digital license plate system;

11. The next Thirty-five Million Dollars (\$35,000,000.00) to the Oklahoma Firefighters Pension and Retirement System in order to replace monies that would otherwise have been apportioned over a period of years pursuant to paragraph 1 of subsection C of Section 312.1 of Title 36 of the Oklahoma Statutes if such modified apportionment is enacted pursuant to legislation passed during the 2nd Extraordinary Session of the 50th Oklahoma Legislature. If such modification to the apportionment is not enacted as a result of the passage of such legislation, the sum specified by this paragraph shall not be transferred to the Oklahoma Firefighters Pension and Retirement System; and

12. The next Nine Hundred Thousand Dollars (\$900,000.00) to the Oklahoma Tax Commission Fund created pursuant to Section 221 of this title for the acquisition of a main frame computer.

The transfers authorized pursuant to the provisions of paragraphs 1 through 12 of this subsection shall not be subject to fiscal year 2007 agency category or budget limits.

Added by Laws 2005, c. 446, § 1, eff. July 1, 2005. Amended by Laws 2006, c. 7, § 5, emerg. eff. March 14, 2006; Laws 2006, 2nd Ex. Sess., c. 84, § 1, emerg. eff. June 27, 2006; Laws 2012, c. 304, § 425.

§62-46.2. Oklahoma Dynamic Economy and Budget Security Fund.

There is hereby created in the State Treasury a fund to be designated the "Oklahoma Dynamic Economy and Budget Security Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to such fund pursuant to paragraph 1 of Section 1 of this act. The monies in the Oklahoma Dynamic Economy and Budget Security Fund shall be subject to appropriation by the Legislature for the purposes of promoting research and development of critical sectors of the state's economy, commercialization of technology, health care, promotion of endowments to nonprofit entities, including private foundations, unmet infrastructure needs and to provide a source of funds for any needed stabilization of the budget for the fiscal year ending June 30, 2006.

Added by Laws 2005, c. 446, § 2, eff. July 1, 2005.

§62-46.3. Transfer of surplus funds accruing to General Revenue Fund for 2007.

A. On July 1, 2007, or as soon thereafter as feasible, the Office of Management and Enterprise Services shall transfer the following amounts of surplus funds which accrue to the General Revenue Fund of the State of Oklahoma for the fiscal year ending June 30, 2007, over and above that which is placed in the Constitutional Reserve Fund pursuant to Section 23 of Article X of the Constitution of the State of Oklahoma for the fiscal year ending June 30, 2007:

1. The first Ten Million Dollars (\$10,000,000.00) to the following entities in order to provide funding for the incremental revenues necessary to fund the employer contribution rate increases prescribed by Section 17-108.1 of Title 70 of the Oklahoma Statutes resulting from the enactment of Enrolled Senate Bill No. 357 of the 1st Session of the 51st Oklahoma Legislature:

- a. Six Million Six Hundred Twenty-one Thousand Four Hundred Sixty-eight Dollars (\$6,621,468.00) to the State Board of Education to transfer to the appropriate dispensing fund,
- b. Two Million Eight Hundred Twenty-one Thousand Ninety-three Dollars (\$2,821,093.00) to the State Regents Revolving Fund (210) of the Oklahoma State Regents for Higher Education,
- c. Five Hundred Thirty-one Thousand Eight Hundred Fifteen Dollars (\$531,815.00) to the State Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education,
- d. Two Thousand Nine Hundred Twenty-two Dollars (\$2,922.00) to the Oklahoma Department of Corrections Revolving Fund of the Oklahoma Department of Corrections,
- e. Eleven Thousand Seven Hundred Eighty Dollars (\$11,780.00) to the Oklahoma School of Science and Mathematics Revolving Fund of the Oklahoma School of Science and Mathematics, and
- f. Ten Thousand Nine Hundred Twenty-two Dollars (\$10,922.00) to the School for the Blind/Deaf Revolving Fund (205) for the Department of Rehabilitation Services;

2. The next Ten Million Dollars (\$10,000,000.00) to the State Emergency Fund;

3. The next Twenty-two Million Dollars (\$22,000,000.00) to be allocated to the following entities for purposes of a teacher salary increase:

- a. Nineteen Million Nine Hundred Fifty-three Thousand One Hundred Thirty-three Dollars (\$19,953,133.00) to the State Board of Education to transfer to the appropriate dispensing fund for teacher salary increases as provided for in Enrolled House Bill No. 1134 of the 1st Session of the Oklahoma Legislature. These funds shall be distributed in the same manner as funds appropriated to the State Board of Education for the financial support of public schools,
- b. One Million Seventy-three Thousand Six Hundred Four Dollars (\$1,073,604.00) to the State Board of Education to transfer to the appropriate dispensing fund shall be used to implement the Science and Mathematics Advanced Recruiting Technique Program which shall provide incentives for the employment of persons in the common schools of the state who have advanced degrees in science, mathematics or both such disciplines,
- c. Eight Hundred Forty-five Thousand Seven Hundred Seventy-eight Dollars (\$845,778.00) to the State Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education,
- d. Seventy-three Thousand Seven Hundred Twelve Dollars (\$73,712.00) to the Department of Corrections Revolving Fund to implement the teacher salary increase for those employees eligible for such increase, and
- e. Fifty-three Thousand Seven Hundred Seventy-three Dollars (\$53,773.00) to the School for the Blind/Deaf Revolving Fund (205) for the State Department of Rehabilitation Services to implement the teacher salary increase for those employees eligible for such increase;

4. The next Twenty Million Dollars (\$20,000,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education for operational expenses within The Oklahoma State System for Higher Education;

5. The next Sixteen Million Five Hundred Thousand Dollars (\$16,500,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education in order to fund capital improvements to be allocated as follows:

- a. Five Million Five Hundred Thousand Dollars (\$5,500,000.00) for the University of Oklahoma,
- b. Five Million Five Hundred Thousand Dollars (\$5,500,000.00) for Oklahoma State University, and
- c. Five Million Five Hundred Thousand Dollars (\$5,500,000.00) for the regional universities and two-year colleges within The Oklahoma State System of Higher Education;

6. The next Fifteen Million Dollars (\$15,000,000.00) to the Oklahoma Capitol Complex and Centennial Commemoration Commission Revolving Fund;

7. The next Five Million Five Hundred Thousand Dollars (\$5,500,000.00) to the Department of Public Safety Revolving Fund for a study of the feasibility of implementing a statewide interoperable communications system and for capital expenditures necessary to upgrade and maintain the existing statewide emergency communications system;

8. The next Four Million Dollars (\$4,000,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education for the construction of a forensics building on the campus of the University of Central Oklahoma;

9. The next Five Hundred Thousand Dollars (\$500,000.00) to the Research Support Revolving Fund of the Oklahoma Center for the Advancement of Science and Technology for the purpose of providing funding for seed capital;

10. The next Six Million Dollars (\$6,000,000.00) to the Research Support Revolving Fund of the Oklahoma Center for the Advancement of Science and Technology to provide funding for an Oklahoma Bioenergy Center involving collaborative efforts among Oklahoma State University, the University of Oklahoma and a private foundation. The amount authorized by this paragraph shall be allocated equally between the two universities;

11. The next One Million Eight Hundred Thousand Dollars (\$1,800,000.00) to the State Regents Revolving Fund of the Oklahoma State Regents for Higher Education for purposes of capital expenditures for the Langston University campus if such amount is utilized to match federal monies available through the United States Department of Agriculture;

12. The next Two Million Five Hundred Thousand Dollars (\$2,500,000.00) to the Rural Fire Equipment Grant Revolving Fund;

13. The next Six Million Five Hundred Thousand Dollars (\$6,500,000.00) to the Conservation Commission Infrastructure Revolving Fund of the Conservation Commission for purposes of matching funds available through federally authorized programs for the rehabilitation of flood control structures;

14. The next Five Million Dollars (\$5,000,000.00) to the Private Prison and Halfway House Capacity Development Revolving Fund for the purposes authorized by Section 561.4 of Title 57 of the Oklahoma Statutes;

15. The next Five Million Dollars (\$5,000,000.00) to the State Board of Education to transfer to the appropriate dispensing fund for the Educare Program if the funds are used in connection with a matching program with a private foundation;

16. The next One Million Dollars (\$1,000,000.00) to the Oklahoma Department of Agriculture, Food, and Forestry to the Agriculture

Revolving Fund for the Justin Whitefield Memorial Youth Expo Endowment;

17. The next Two Million Dollars (\$2,000,000.00) to the Oklahoma Space Industry Development Authority Revolving Fund for the construction of a security fence and other capital assets;

18. The next Two Hundred Fifty Thousand Dollars (\$250,000.00) to the Oklahoma Department of Agriculture, Food, and Forestry to the Agriculture Revolving Fund for equipment expenses of the agriculture laboratory;

19. The next One Million Dollars (\$1,000,000.00) to the Department of Public Safety Revolving Fund of the Department of Public Safety for vehicle replacement costs;

20. The next Two Million Dollars (\$2,000,000.00) to the School for the Deaf/Blind Revolving Fund of the State Department of Rehabilitation Services for capital improvements to the Oklahoma School for the Deaf and the Oklahoma School for the Blind;

21. The next One Million Two Hundred Thousand Dollars (\$1,200,000.00) to the Career Technology Revolving Fund of the Oklahoma Department of Career and Technology Education for an aerospace industries training program to be offered at the MetroTech campus facility;

22. The next Two Million Dollars (\$2,000,000.00) to the Department of Mental Health Revolving Fund of the Department of Mental Health and Substance Abuse Services for the "Smart on Crime" initiative; and

23. The next Fifty Thousand Dollars (\$50,000.00) to the Office of Juvenile Affairs Revolving Fund of the Office of Juvenile Affairs for the Oklahoma Statewide Gang Intervention Steering Committee as created pursuant to Enrolled House Bill No. 1760 of the 1st Session of the 51st Oklahoma Legislature.

B. The transfers authorized pursuant to the provisions of paragraphs 1 through 23 of subsection A of this section shall not be subject to fiscal year 2008 agency category or budget limits. Added by Laws 2007, c. 204, § 1, eff. July 1, 2007. Amended by Laws 2012, c. 304, § 426.

§62-46.4. Repealed by Laws 2019, c. 448, § 1, emerg. eff. May 24, 2019.

§62-46.5. State Revenue Apportionment Evaluation Commission.

A. There is hereby created until July 1, 2023, the "State Revenue Apportionment Evaluation Commission".

B. The Commission shall consist of nine (9) members to be appointed or selected as follows:

1. Two persons appointed by the Governor;

2. Two persons to be appointed by the Speaker of the Oklahoma House of Representatives, one member of the majority party and one member of the minority party;

3. Two persons to be appointed by the President Pro Tempore of the Oklahoma State Senate, one member of the majority party and one member of the minority party;

4. The Executive Director of the Oklahoma Tax Commission or a designee;

5. The Director of the Office of Management and Enterprise Services or a designee; and

6. The State Treasurer or a designee.

C. Any person appointed to the Commission pursuant to subsection B of this section shall serve at the pleasure of the appointing authority and may be removed by such appointing authority without cause.

D. The Commission shall hold an organizational meeting not later than sixty (60) days after the effective date of this act and shall select from among its membership a chair and vice-chair.

E. The Commission shall be subject to the provisions of the Oklahoma Open Meeting Act and the Oklahoma Open Records Act.

F. The Commission shall be authorized to meet as often as required in order to perform the duties imposed upon it by law.

G. Staff assistance to the Commission shall be provided by the Oklahoma House of Representatives, the Oklahoma State Senate, the Office of Management and Enterprise Services and the Oklahoma Tax Commission.

H. The Commission shall analyze the state revenue system with special emphasis on the amount of revenue which is apportioned for purposes other than expenditures from the General Revenue Fund of the State Treasury. The Commission shall prepare a summary, within one hundred twenty (120) days after the end of each fiscal year, of the revenue sources which are apportioned to destinations other than the General Revenue Fund, the amount of revenue apportioned to those sources or purposes and the tax or other revenue system from which the apportionment is derived, the total amount of revenue from the state tax and revenue structure that is apportioned for purposes other than expenditures from the General Revenue Fund, a summary of any changes to apportionments enacted during the immediately preceding regular session of the Legislature and any other information which the Commission determines to be necessary for a complete analysis of the topic of apportioned revenues.

I. The annual report required by subsection H of this section shall be delivered to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the State Senate by the deadline prescribed in subsection H of this section. The annual report shall also be posted to the Internet website of the Oklahoma Tax Commission.

Added by Laws 2019, c. 300, § 1, eff. July 1, 2019.

§62-46A. Measurable goal requirement.

All economic incentive provisions enacted after January 1, 2016, shall include a measurable goal or goals. For the purposes of this act, "incentive" shall include any provision available to be used by a business entity in the form of a credit, exemption, deduction or rebate pertaining to a state tax liability of any kind; any grant, loan or financing program offered by the state or a state-beneficiary public trust; or any program for incentive payments from the state.

Added by Laws 2015, c. 190, § 1, eff. Jan. 1, 2016.

§62-47. Creation of trust fund - Board of Investors abolished.

A. There is hereby created a trust fund for Economic Development Generating Excellence to be known as the "EDGE Fund". The trust fund principal shall consist of all funds appropriated, transferred, donated or otherwise directed to the fund by law.

B. The Board of Investors of the EDGE Fund is hereby abolished and the powers and duties previously conferred upon the Board are hereby transferred to the State Treasurer. The cost of up to two full-time-equivalent employees for the Office of the State Treasurer may be considered an administrative expense of the EDGE Fund until such time as the entire amount of the EDGE Fund has been transferred as provided in subsection C of this section.

C. On and after July 1, 2012, the State Treasurer shall not further invest monies or assets of the EDGE Fund. As funds become available from investments made prior to July 1, 2012, by the Board of Investors of the EDGE Fund, the State Treasurer shall transfer such funds as follows:

1. Interest or other proceeds earned on investments made prior to July 1, 2012, other than such interest or proceeds otherwise encumbered prior to May 25, 2012, shall be deposited to the Oklahoma Quick Action Closing Fund created in Section 48.2 of this title; and

2. The principal of any investments made prior to July 1, 2012, and maturing or otherwise available for expenditure on or after July 1, 2012, shall be deposited to the Oklahoma State Regents Endowment Trust Fund created in Section 3951 of Title 70 of the Oklahoma Statutes.

Added by Laws 2006, 2nd Ex.Sess., c. 85, § 1. Amended by Laws 2007, c. 350, § 1, eff. July 1, 2007; Laws 2012, c. 350, § 1.

§62-48. Oklahoma Opportunity Fund.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the "Oklahoma Opportunity Fund". The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. All monies apportioned or allocated to the fund pursuant to law;

2. Any amounts appropriated by the Legislature to the fund;

3. Interest earned on the investment of money in the fund; and

4. Gifts, grants, and other donations received for the fund.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Governor for the purposes of economic development and related infrastructure development, subject to the unanimous approval of the Contingency Review Board pursuant to subsection E of this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

C. Expenditures from the Oklahoma Opportunity Fund shall be proposed by the Director of the Oklahoma Department of Commerce. The Director of the Oklahoma Department of Commerce shall only propose expenditures that the Director determines are expected to result in a substantial economic benefit to the state through any of the following:

1. The creation of new jobs which offer a basic health benefit plan, as defined in the Oklahoma Quality Jobs Program Act;

2. The maintenance of existing jobs which are at risk for termination;

3. Investment in new real property, plant or equipment or in the improvement or retooling of existing plant or equipment; or

4. Additional revenues in either ad valorem, income or sales and use taxes.

D. The Oklahoma Department of Commerce shall develop rules for the process of reviewing proposed expenditures from the Oklahoma Opportunity Fund and for determination of whether or not proposed expenditures meet the criteria identified in subsection C of this section. Criteria shall include requirements for economic impact, local participation in the project and average wage thresholds.

E. No expenditure shall be made from the Oklahoma Opportunity Fund unless such expenditure has been unanimously approved by the Contingency Review Board.

F. The Oklahoma Department of Commerce shall administer the Oklahoma Opportunity Fund. The Governor may, on behalf of this state and with the express approval of the Contingency Review Board, award monies by entering into a written agreement.

G. Before awarding any monies pursuant to subsection F of this section, the Governor shall enter into a written agreement with the entity to be awarded the money specifying that:

1. If any or all of the amount to be awarded is used to build a capital improvement:

a. the state retains a lien or other interest in the capital improvement in proportion to the amount awarded by the written agreement for the capital improvement, and

b. if the capital improvement is sold, the recipient of the award shall:

(1) repay to the state the money awarded to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement, and

(2) share with the state a proportionate amount of any profit realized from the sale; and

2. If, as of the date certain provided in the agreement, the award recipient has not used monies awarded under this section for the intended purposes, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms.

H. The Legislature finds that for profit entities, nonprofit entities and state and local governmental entities that qualify for funding pursuant to the provisions of this section are a source of economic benefits for the state, its political subdivisions and its residents that can only be achieved through the use of specialized economic incentives. All expenditures from the Oklahoma Opportunity Fund shall be deemed to be in furtherance of essential governmental functions for public purposes as a method of promoting and sustaining economic growth and activity within the State of Oklahoma.

Added by Laws 2006, 2nd Ex. Sess., c. 41, § 1, eff. July 1, 2006.
Amended by Laws 2012, c. 304, § 427.

§62-48.1. Legislative findings.

A. The Legislature finds the following to be beneficial goals of the state: attracting, retaining and providing favorable conditions for the recruitment and growth of certain high-impact business projects or facilities which provide widespread economic benefits to the public through high-quality employment opportunities or capital investment in such projects or facilities and net economic benefits to the state.

B. The Legislature further finds that there exists serious competition for these projects and facilities, and that without a workable closing fund, Oklahoma continues to be at a competitive disadvantage in vying with states that have such a fund for attracting and/or retaining these business projects.

Added by Laws 2011, c. 301, § 1.

§62-48.2. See the following versions:

OS 62-48.2v1 (SB 840, Laws 2019, c. 262, § 1).

OS 62-48.2v2 (SB 200, Laws 2019, c. 313, § 1).

§62-48.2v1. Oklahoma Quick Action Closing Fund.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the Oklahoma Quick Action Closing Fund. The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. All monies apportioned or allocated to the fund pursuant to law;
2. Any amounts appropriated by the Legislature to the fund;
3. Interest earned on the investment of money in the fund;
4. Gifts, grants, and other donations received for the fund; and
5. Five percent (5%) of all funds paid by the Tax Commission to establishments that execute contracts for payment of incentives pursuant to the Oklahoma Quality Jobs Program Act and the 21st Century Quality Jobs Incentive Act if the contract is executed on or after August 2, 2018.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Governor for the purposes of economic development and related infrastructure development in instances in which expenditure of such funds would likely be a determining factor in locating a high-impact business project or facility in Oklahoma or in retaining such project or facility within the state. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

C. In order to qualify for any funds from the Oklahoma Quick Action Closing Fund, the establishment making application shall:

1. Be engaged in a business activity described by a North American Industry Classification System (NAICS) Code used to define eligibility for incentive payments from the Oklahoma Quality Jobs Program Act as defined in Section 3603 of Title 68 of the Oklahoma Statutes or a business activity described by Section 3603 of Title 68 of the Oklahoma Statutes or be engaged in a "basic industry" used to define eligibility for incentive payments from the 21st Century Quality Jobs Incentive Act as prescribed by Section 3913 of Title 68 of the Oklahoma Statutes; and
2. Be required to pay new jobs for which an application is being made an average annualized wage which exceeds the average county wage as that percentage is determined by the Department of Commerce based upon the most recent U.S. Department of Commerce data for the county in which the new jobs are located. For purposes of this paragraph,

health care premiums paid by the applicant for individuals in new jobs shall not be included in the annualized wage.

D. The Governor shall not approve payments from the Oklahoma Quick Action Closing Fund unless the Department of Commerce has conducted a complete analysis of the potential impact of the applicant's business activity which shall include, but not be limited to:

1. The number of jobs to be created by a new business establishment;
2. The number of jobs to be retained by an existing business establishment;
3. The average salary of jobs to be created by a new establishment;
4. The average salary of jobs to be retained by an existing business establishment;
5. The total capital investment to be made by the business establishment;
6. The likelihood of other business establishments locating within the same vicinity or within the state as a result of the business activity to be conducted by the entity to receive payments from the Oklahoma Quick Action Closing Fund;
7. The impact on the economy of the area or community in which the business activity of the applicant is or will be conducted; and
8. Such other factors as the Governor and the Department of Commerce determine to be relevant.

E. The Oklahoma Department of Commerce shall administer the Oklahoma Quick Action Closing Fund, and expenditures from the fund shall be recommended by the Director of the Oklahoma Department of Commerce to the Governor after a thorough evaluation of selected projects or facilities. The Director of the Oklahoma Department of Commerce shall only recommend expenditures that the Director determines are expected to result in a net economic benefit to the state through the following:

1. The creation of new jobs which offer a basic health benefit plan, as defined in the Oklahoma Quality Jobs Program Act;
2. The maintenance of existing jobs which are at a risk for termination;
3. Investment in new real property, plant or equipment or in the improvement or retooling of existing plant or equipment; or
4. Additional revenues in either ad valorem, income or sales and use taxes.

F. The Oklahoma Department of Commerce shall develop rules for the process of reviewing proposed expenditures from the Oklahoma Quick Action Closing Fund and for the determination of whether or not proposed expenditures meet the criteria identified in subsection E of this section. Criteria shall include requirements for economic

impact, local participation in the project, capital investment and average wage thresholds.

G. Upon receipt of an evaluation that recommends an expenditure from the Oklahoma Quick Action Closing Fund from the Director of the Oklahoma Department of Commerce, the Governor shall provide the evaluation and recommendation to the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives before giving final approval for the expenditure on the project. The Executive Office of the Governor shall recommend final approval of an expenditure on a project pursuant to consultation with the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives.

H. Upon approval by the Governor, the Oklahoma Department of Commerce shall enter into an agreement that sets forth the conditions for payment of monies from the Oklahoma Quick Action Closing Fund. The agreement must include:

1. The total amount of funds awarded;
2. The performance conditions that must be met to obtain the award, including, but not limited to, net new employment in the state, average salary, and total capital investment;
3. If appropriate, a baseline of current service and measure of enhanced capability;
4. The methodology of validating performance;
5. The schedule of payments from the fund, and claw-back provisions for failure to meet performance conditions; and
6. A requirement that no monies paid from the Oklahoma Quick Action Closing Fund shall be used by a recipient or any other person or entity for purposes of any political contribution to or on behalf of any candidate or for the support of or opposition to any measure including but not limited to an initiative petition or referendum.

I. The Department of Commerce shall make available on its website or other website dedicated for this purpose a complete disclosure of all payments made from the Oklahoma Quick Action Closing Fund. The disclosure shall include a description of the expenditures made by the business establishment with the payments made from the fund. No proprietary information of the business establishment shall be subject to the requirements of this subsection.

J. If any or all of the amount to be awarded is used to build a capital improvement:

1. The funds used for the capital improvement shall be deemed to be held in trust for the benefit of the state and shall be considered as a priority claim for purposes of federal bankruptcy law; and
2. If the capital improvement is sold, the recipient of the award shall:
 - a. repay the state the money awarded to pay for the capital improvement, with interest at the rate and

according to the other terms provided by the agreement,
and

- b. share with the state a proportionate amount of any profit realized from the sale.

K. If, as of the date certain provided in the agreement, the award recipient has not used monies awarded for the intended purposes, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms and any such amounts shall be deemed to be held in trust for the benefit of the state and shall be considered as a priority claim for purposes of federal bankruptcy law.

L. The provisions of this act shall cease to have the force and effect of law on July 1, 2024.

Added by Laws 2011, c. 301, § 2. Amended by Laws 2012, c. 304, § 428; Laws 2018, c. 144, § 1; Laws 2019, c. 262, § 1, eff. July 1, 2019.

§62-48.2v2. Oklahoma Quick Action Closing Fund.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Commerce to be designated the Oklahoma Quick Action Closing Fund. The fund shall be a continuing fund, not subject to fiscal year limitations and shall consist of:

1. All monies apportioned or allocated to the fund pursuant to law;
2. Any amounts appropriated by the Legislature to the fund;
3. Interest earned on the investment of money in the fund;
4. Gifts, grants, and other donations received for the fund; and
5. Five percent (5%) of all funds paid by the Tax Commission to establishments that execute contracts for payment of incentives pursuant to the Oklahoma Quality Jobs Program Act and the 21st Century Quality Jobs Incentive Act if the contract is executed on or after the August 2, 2018.

B. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Governor for the purposes of economic development and related infrastructure development in instances in which expenditure of such funds would likely be a determining factor in locating a high-impact business project or facility in Oklahoma, in retaining such project or facility within the state or for payment of rebates to a high impact production pursuant to the Oklahoma Film Enhancement Rebate Program. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

C. In order to qualify for any funds from the Oklahoma Quick Action Closing Fund, the establishment making application shall be engaged in a business activity described by a North American Industry

Classification System (NAICS) Code used to define eligibility for incentive payments from the Oklahoma Quality Jobs Program Act as defined in Section 3603 of Title 68 of the Oklahoma Statutes or a business activity described by Section 3603 of Title 68 of the Oklahoma Statutes or be engaged in a "basic industry" used to define eligibility for incentive payments from the 21st Century Quality Jobs Incentive Act as prescribed by Section 3913 of Title 68 of the Oklahoma Statutes or a high impact production company which has been approved for a rebate pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes.

D. Except in the case of a high impact production company which has been approved for a rebate pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes, the Governor shall not approve payments from the Oklahoma Quick Action Closing Fund unless the Department of Commerce has conducted a complete analysis of the potential impact of the applicant's business activity which shall include, but not be limited to:

1. The number of jobs to be created by a new business establishment;

2. The number of jobs to be retained by an existing business establishment;

3. The average salary of jobs to be created by a new establishment;

4. The average salary of jobs to be retained by an existing business establishment;

5. The total capital investment to be made by the business establishment;

6. The likelihood of other business establishments locating within the same vicinity or within the state as a result of the business activity to be conducted by the entity to receive payments from the Oklahoma Quick Action Closing Fund;

7. The impact on the economy of the area or community in which the business activity of the applicant is or will be conducted; and

8. Such other factors as the Governor and the Department of Commerce determine to be relevant.

E. The Oklahoma Department of Commerce shall administer the Oklahoma Quick Action Closing Fund, and expenditures from the fund shall be recommended by the Director of the Oklahoma Department of Commerce to the Governor after a thorough evaluation of selected projects or facilities or after a rebate is approved for payment to a high impact production company pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes. Except for rebates approved pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes, the Director of the Oklahoma Department of Commerce shall only recommend expenditures that the Director determines are expected to result in a net economic benefit to the state through the following:

1. The creation of new jobs which offer a basic health benefit plan, as defined in the Oklahoma Quality Jobs Program Act;
2. The maintenance of existing jobs which are at a risk for termination;
3. Investment in new real property, plant or equipment or in the improvement or retooling of existing plant or equipment; or
4. Additional revenues in either ad valorem, income or sales and use taxes.

F. The Oklahoma Department of Commerce shall develop rules for the process of reviewing proposed expenditures from the Oklahoma Quick Action Closing Fund and for the determination of whether or not proposed expenditures meet the criteria identified in subsection E of this section. Criteria shall include, but not be limited to, requirements for economic impact, local participation in the project, capital investment and average wage thresholds.

G. Upon receipt of an evaluation that recommends an expenditure from the Oklahoma Quick Action Closing Fund from the Director of the Oklahoma Department of Commerce, the Governor shall provide the evaluation and recommendation to the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives before giving final approval for the expenditure on the project. The Executive Office of the Governor shall recommend final approval of an expenditure on a project pursuant to consultation with the President Pro Tempore of the State Senate and the Speaker of the Oklahoma House of Representatives.

H. Upon approval by the Governor, the Oklahoma Department of Commerce shall enter into an agreement that sets forth the conditions for payment of monies from the Oklahoma Quick Action Closing Fund. The agreement must include:

1. The total amount of funds awarded;
2. Except in the case of a rebate approved for payment to a high impact production company pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes, the performance conditions that must be met to obtain the award including, but not limited to, net new employment in the state, average salary, and total capital investment;
3. If appropriate, a baseline of current service and measure of enhanced capability;
4. The methodology of validating performance;
5. The schedule of payments from the fund, and claw-back provisions for failure to meet performance conditions; and
6. A requirement that no monies paid from the Oklahoma Quick Action Closing Fund shall be used by a recipient or any other person or entity for purposes of any political contribution to or on behalf of any candidate or for the support of or opposition to any measure including but not limited to an initiative petition or referendum.

I. The Department of Commerce shall make available on its website or other website dedicated for this purpose a complete disclosure of all payments made from the Oklahoma Quick Action Closing Fund. The disclosure shall include a description of the expenditures made by the business establishment with the payments made from the fund. No proprietary information of the business establishment shall be subject to the requirements of this subsection.

J. If any or all of the amount to be awarded is used to build a capital improvement, except in the case of an amount approved for payment to a high impact production company pursuant to the provisions of Section 3624 of Title 68 of the Oklahoma Statutes:

1. The funds used for the capital improvement shall be deemed to be held in trust for the benefit of the state and shall be considered as a priority claim for purposes of federal bankruptcy law; and

2. If the capital improvement is sold, the recipient of the award shall:

a. repay the state the money awarded to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement, and

b. share with the state a proportionate amount of any profit realized from the sale.

K. If, as of the date certain provided in the agreement, the award recipient has not used monies awarded for the intended purposes, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms and any such amounts shall be deemed to be held in trust for the benefit of the state and shall be considered as a priority claim for purposes of federal bankruptcy law.

Added by Laws 2011, c. 301, § 2. Amended by Laws 2012, c. 304, § 428; Laws 2018, c. 144, § 1; Laws 2019, c. 313, § 1, eff. July 1, 2019.

§62-49. Multi-year trend analysis of budget outlook

On or before November 1 of each year, the Office of Management and Enterprise Services shall develop and publish a multi-year trend analysis of the state's budget outlook which includes the current fiscal year, the ensuing fiscal year and the following two (2) fiscal years. The trend analysis shall include projections of revenues and expenditures reflecting the best available information concerning economic activity, population change, policy developments and other factors affecting the state budget. The analysis shall be provided to the President Pro Tempore of the Senate, members of the Senate Appropriations and Finance Committees, the Speaker of the House of Representatives and members of the House Appropriations and Budget Committee.

Added by Laws 2007, c. 335, § 1, eff. Nov. 1, 2007. Amended by Laws 2012, c. 304, § 429; Laws 2016, c. 304, § 5, emerg. eff. May 16, 2016.

§62-50. Tobacco Settlement Fund - Monies.

A. There is hereby created in the State Treasury a revolving fund to be known and designated as the Tobacco Settlement Fund, into which fund shall be deposited:

1. All monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers during the month of April 2000;

2. All monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers during fiscal year 2001;

3. That portion of monies apportioned to the Tobacco Settlement Fund pursuant to the provisions of subsection B of this section; and

4. Such other monies as may be appropriated or otherwise directed thereto by law.

The Tobacco Settlement Fund shall be a continuing fund, not subject to fiscal year limitations. No monies shall be paid out of such fund except pursuant to appropriation by the Legislature.

B. Monies received by the state or any official, agency or department of the state in settlement of claims by the state against tobacco manufacturers which is not otherwise apportioned pursuant to the provisions of Section 40 of Article X of the Oklahoma Constitution shall be apportioned as follows:

1. Seventy-five percent (75%) shall be apportioned to the Tobacco Settlement Fund; and

2. Twenty-five percent (25%) shall be apportioned to the Attorney General's Evidence Fund.

Added by Laws 2000, c. 47, § 2, emerg. eff. April 14, 2000. Amended by Laws 2000, 1st Ex.Sess., c. 8, § 24, eff. July 1, 2000; Laws 2001, c. 66, § 1, emerg. eff. April 10, 2001; Laws 2012, c. 370, § 1, eff. July 1, 2012.

§62-50.1. Renumbered as § 2304 of this title by Laws 2001, c. 274, § 12, emerg. eff. May 31, 2001.

§62-52. Repealed by Laws 2012, c. 350, § 2.

§62-56. Creation and designation of fund - Deposits.

There is hereby created in the State Treasury a special fund to be known and designated as the Building Bond Fund, into which fund shall be deposited the proceeds received by the State of Oklahoma from the sale of bonds, authorized by Section 31, Article 10, of the Constitution of Oklahoma.

Added by Laws 1949, Ex.Sess., p. 9, § 1.

§62-57.2. Agency of state - Intent and purpose of act.

The Commission, acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the State of Oklahoma may incur indebtedness to the extent of but not to exceed the sum of Thirty-six Million Dollars (\$36,000,000.00), for the purpose of constructing, equipping, remodeling and repairing any and all buildings of the state, including those of its educational, recreational, penal and eleemosynary establishments, pursuant to and by the authority of Section 31, Article X, of the Constitution of Oklahoma and this act. It is declared to be the intent and purpose of this act to vitalize said Section 31, and to invoke and exercise the powers conferred upon the Legislature of Oklahoma thereby. Laws 1949, Ex.Sess., p. 12, § 2.

§62-57.3. Authority to issue and sell bonds - Pledges and covenants - Sinking fund.

The Commission, acting for and on behalf of the State of Oklahoma, is hereby authorized and empowered to issue, sell and deliver to the State Treasurer, the Commissioners of the Land Office of the State of Oklahoma, or other purchasers, "State of Oklahoma Building Bonds" in a total principal amount not to exceed Thirty-six Million Dollars (\$36,000,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds, that two cents (\$0.02) of the tax on each package of cigarettes authorized and levied by 68 O.S. 1951, Sections 586 to 586p, as amended and supplemented to the effective date of Section 31, Article X, of the Constitution of Oklahoma, or so much of said tax as may be necessary to pay and discharge the principal of and interest on said bonds as the same become due, and to create an adequate reserve to assure such payments when due, shall be and the same is hereby irrevocably pledged to the sole and exclusive use and purpose of paying and discharging the principal of and interest on said bonds. There is hereby created in the State Treasury, a fund to be known as the "State of Oklahoma Building Bonds Sinking Fund", which sinking fund is irrevocably pledged to the payment of the bonds issued hereunder, together with the interest thereon, and shall be paid out only in the manner and at the times and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning July 1, 1950, all cigarette taxes collected shall be paid monthly by the Oklahoma Tax Commission to the State Treasurer of the State of Oklahoma. Upon receiving from the Oklahoma Tax Commission the cigarette tax money hereinabove mentioned, accompanied by a schedule showing the net proceeds of the two cents (\$0.02) tax upon each package of cigarettes, it shall be the duty of the State Treasurer to place in said sinking fund the net proceeds of two cents (\$0.02[]) of the tax on each package of

cigarettes, or so much of said cigarette tax as may be necessary to assure prompt payment of the principal of and interest on the bonds as they fall due and to carry out the covenants with respect to reserve requirements. The cigarette tax herein referred to shall constitute the primary revenue dedicated to the payment of the principal and interest of said bonds but it is further pledged for the benefit of the purchasers, owners and holders of said bonds that the State of Oklahoma will, if necessary, impose and collect an additional tax, other than an ad valorem tax, and devote the same irrevocably to the payment of the principal and interest of said bonds, and that should said cigarette tax, herein referred to, ever fail to produce sufficient revenue to pay said principal and interest as they fall due, such cigarette tax, together with such additional tax, shall always be sufficient to pay and discharge said principal and interest when due. The bonds issued hereunder and the interest thereon shall be general obligations of the State of Oklahoma and the full faith, credit and resources of the State of Oklahoma is pledged for their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges, the same or substantially the same as those made herein. The pledges and covenants so made by said Commission shall constitute the commitment of the State of Oklahoma, made in full good faith in its sovereign capacity and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof so long as any of the principal or interest of the bonds are outstanding and unpaid. The Commission is authorized to make such other equally binding covenants and agreements, not inconsistent with this act, or with Section 31, Article X, Oklahoma Constitution, as it deems to be needful and appropriate to the general purpose of effectuating this act. Laws 1949, Ex.Sess., p. 12, § 3.

§62-57.4. Form and terms of bonds - Payments into sinking fund - Call and redemption - Negotiability - Exemption from taxation.

The bonds so authorized shall be serial coupon bonds and shall be issued to mature One Million Five Hundred Thousand Dollars (\$1,500,000.00) on the fifteenth day of July in each of the calendar years 1951 to 1974, both inclusive. Said bonds and the interest thereon shall be payable at the Office of the State Treasurer of the State of Oklahoma. Said bonds may be executed in such manner, may be payable in such medium of payment and may bear interest at such rate or rates, not in excess of two and one-half percent (2 1/2%) per annum, and payable at specified times, all as may be provided by resolution or resolutions to be adopted by the Commission; provided, all bonds maturing after ten (10) years from their dates shall be subject to call and redemption, in inverse order of maturity and bond numbers, at par and accrued interest, the detailed provisions for such call and redemption to be fixed by the Commission in the

resolution or resolutions authorizing the issuance of said bonds. All money in said sinking fund at the end of any fiscal year in excess of a sum equal to all principal and interest coming due in the next succeeding fiscal year shall be used to call and redeem such bonds as may be redeemed prior to maturity. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and said bonds and interest thereon shall not be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision therein.

(a) Prior to June 30, 1953, the State of Oklahoma Building Bonds Commission shall meet at the call of the Secretary of said Commission; and the said Commission hereby is directed and required to adopt such resolution or resolutions as shall be necessary, amending and supplanting any resolution or resolutions, covenants or agreements to the contrary theretofore adopted or made by said Commission, to provide that only such revenue as is specified in Section 31, Article X, of the Constitution of Oklahoma, and as provided in this act, as amended, shall be pledged to be paid into the State of Oklahoma Building Bonds Sinking Fund, and that any pledge, commitment, covenant or agreement to pay any greater sum into said sinking fund be rescinded and revoked immediately upon the written consent and agreement of the owner of all of the State of Oklahoma Public Building Bonds.

(b) Immediately following the adoption of said resolution or resolutions by the State of Oklahoma Building Bonds Commission as hereinabove directed, the State Treasurer, for and on behalf of the State of Oklahoma as the sole owner of all outstanding State of Oklahoma Public Building Bonds, hereby is directed and required to execute to the State of Oklahoma Building Bonds Commission his consent and agreement, in writing, to the terms and provisions of the said resolution or resolutions of said Commission herein directed and required to be adopted.

(c) Immediately after delivery of said fully executed consent and agreement, the State Treasurer shall endorse upon each State of Oklahoma Public Building Bond, in such form as shall be approved by the Attorney General, a certificate that the obligation of the State of Oklahoma in respect of payments into the State of Oklahoma Building Bonds Sinking Fund shall be as hereinabove provided, and not otherwise; and said certificate shall be full notice, and shall prescribe the maximum of the obligation of the State of Oklahoma to any subsequent purchaser of any of said bonds.

Laws 1959, p. 247, § 1.

§62-57.5. Sale of bonds to State Treasurer and Commissioners of Land Office.

(a) The State Treasurer of the State of Oklahoma is hereby authorized and required to purchase from the Commission at private

sale, all or any part of said bonds, or interim bonds, as an investment of the public monies in his possession. In the event of such sale or sales, the Commission shall determine and fix the rate of interest the bonds so sold shall bear, such rate of interest not to exceed the maximum hereinbefore authorized. All interest earned by such bonds as are held by the State Treasurer pursuant to such investment shall, as collected, be paid into the General Revenue Fund in the State Treasury.

(b) If the State Treasurer is unable to purchase all of the bonds at the original sale thereof as provided in subsection (a) hereof, then it shall be the mandatory duty of the Commissioners of the Land Office to purchase, at private sale, the bonds which the State Treasurer is unable to purchase. In such event, the Commissioners of the Land Office shall, to the extent necessary to carry out the provisions of this subsection, sell and liquidate such of their investments as they may constitutionally sell and liquidate, and shall purchase such bonds with the proceeds thereof. All State of Oklahoma Building Bonds purchased by the Commissioners of the Land Office under the provisions of this subsection shall provide for a rate of interest equal to the average interest yield of the securities sold and liquidated to make such purchase, but in no event more than two and one-half percent (2 1/2%) per annum.

(c) In the event any or all of the bonds are sold to the State Treasurer under the provisions of subsection (a) hereof and thereafter the uninvested cash on hand and in solvent banks should fall short of demand orders on the State Treasury, it shall be the duty of the State Treasurer to sell such part or all of the bonds as are necessary to be converted into cash to meet such demands, and, if confirmed and authorized as aforesaid, such bonds shall be sold to the Commissioners of the Land Office at par and accrued interest for either permanent or temporary investment. It shall be the mandatory duty of the Commissioners of the Land Office to purchase such of said bonds as it is necessary for the State Treasurer to sell and, to the extent necessary to carry out the provisions of this subsection, the Commissioners of the Land Office shall sell and liquidate such of their investments as they may constitutionally sell and liquidate and shall purchase such bonds with the proceeds thereof.

(d) If the Commissioners of the Land Office cannot purchase said bonds as offered by the State Treasurer as provided in subsection (c) hereof, it shall be the further duty of the State Treasurer to publish, advertise and, on the date given in the notice, sell at not less than par and accrued interest, to the highest and best bidder for cash, only so many of the bonds as will enable the state to meet such demand orders, provided, however, in lieu of so selling such bonds at the market, the State Treasurer and the Commission may agree to the refunding of part or all of such bonds, in accordance with the method and procedure for refunding provided in this act.

Laws 1949, Ex.Sess., p. 14, § 5; Laws 1953, p. 282, § 2; Laws 1959, p. 248, § 2.

§62-57.6. Sale of bonds not sold to State Treasurer or Commissioners of Land Office.

In the event said bonds, or some portion thereof, are not sold to the State Treasurer or the Commissioners of the Land Office, as authorized in Section 5 hereof, then the Commission is authorized to advertise said bonds or the unsold portion thereof, for sale to other bidders and to sell said bonds, or the unsold portion thereof, in the manner hereinafter provided. Notice of such sale shall be published at least thirty (30) days prior to the date fixed for such sale. Such notice shall be published for at least two (2) consecutive weeks in a newspaper having general circulation in the State of Oklahoma, and at least once in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest rate to the State of Oklahoma stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of the low bid, the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery. Provided, however, no tender of the bonds shall be valid until after the expiration of the period of contestability, provided for herein. All bidders shall be required to submit with their bids, such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits shall be made upon the agreement that the deposit made by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after tender of the bonds, to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state.

Laws 1949, Ex.Sess., p. 15, § 6.

§62-57.7. Interim bonds.

The Commission is authorized to issue one or more interim bonds, representative of the bonds so sold, which said interim bonds may be in any denomination, shall have all of the qualities and be secured by all of the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definitive bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma.

Laws 1949, Ex.Sess., p. 16, § 7.

§62-57.8. Investments in bonds - Collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, Board of Education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.

Laws 1949, Ex.Sess., p. 16, § 8.

§62-57.9. Attorney General's certificate of regularity - Signatures and seals - Registration.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization, issuance and sale of such bonds and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds in the aggregate principal amount of \$....., dated, authorized and sold pursuant to Section 31, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes.

.....
Date

.....
Attorney General of the
State of Oklahoma"

Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General, shall be incontestable for all purposes upon the expiration of thirty (30) days from the date of such certificate, unless suit be brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and of the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Laws 1949, Ex.Sess., p. 17, § 9.

§62-57.10. Delivery of bonds - Deposit and investment of proceeds.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid, if any. The proceeds of the sale of said bonds shall be deposited in the State Treasury of the State of Oklahoma, in a fund which is hereby created and designated the "Building Bond Fund", where they shall remain subject to disposition to be provided for by the Legislature of Oklahoma, provided that the State Treasurer of the State of Oklahoma shall invest said monies in interest bearing direct obligations of the United States of America, or of the State of Oklahoma, and provided further that, all such investments of said monies must be so made that the same may be liquidated in time to enable the State of Oklahoma to pay, in due course, the valid indebtedness incurred for constructing, equipping, remodeling and repairing buildings of the State of Oklahoma, when said indebtedness has been incurred pursuant to legislative authority.

Laws 1949, Ex.Sess., p. 17, § 10.

§62-57.11. Refunding bonds.

The Commission may issue bonds hereunder for the purpose of refunding any obligations issued under the provisions of this act.

Such bonds may either be sold or delivered in exchange for outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations refunded or deposited in escrow for the retirement thereof. Nothing herein contained shall be construed to authorize the refunding of any outstanding obligations which are not either maturing, callable for redemption under their terms, or voluntarily surrendered by their holders for cancellation, unless the Commission covenants that sufficient funds to pay all remaining interest and principal payments of outstanding obligations when due will be placed in escrow for such purpose in the State Treasury at the time of delivery of and payment for the new bonds issued hereunder. All bonds issued under this section shall in all respects be authorized, issued and secured in the manner provided for other bonds issued under this act, and shall have all the attributes of such bonds. The Commission may provide that any such refunding bonds shall have the same priority of payment and be paid from the same revenues in the manner enjoyed by the obligations refunded thereby. Laws 1949, Ex.Sess., p. 18, § 11.

§62-57.12. Judicial approval of bonds.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the court to give such applications precedence over the other business of the court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the State that on a day named the Commission will ask the court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the court. If the court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 31, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the

revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1949, Ex.Sess., p. 18, § 12.

§62-57.13. Intent as to use of existing resources.

It is hereby declared to be the intent of the Legislature of Oklahoma, in adopting this act, that the State of Oklahoma Building Bonds authorized by this act be financed and purchased with resources possessed by the State of Oklahoma, in the custody of the State Treasurer of the State of Oklahoma and of the Commissioners of the Land Office; and that the resources in the custody of the State Treasurer be used for said purpose to the maximum extent possible before the resources of the Commissioners of the Land Office are used for said purpose.

Laws 1949, Ex.Sess., p. 19, § 13.

§62-57.15. Intent and purpose.

It is the intent and purpose of this act to vitalize Section 33 of Article X of the Constitution of the State of Oklahoma, adopted at the special election held for such purpose on the 5th day of April, 1955, and to invoke and exercise the powers conferred upon the Legislature thereby.

Laws 1955, p. 338, § 1.

§62-57.16. Building Bonds Commission as agency - Indebtedness - Purposes and limitation.

The State of Oklahoma Building Bonds Commission, created by Section 1 of House Bill No. 4 of the Extraordinary Session of the Twenty-second (1949) Oklahoma Legislature (Chapter 4 of the Session Laws of said session), acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the state of Oklahoma may incur indebtedness to the extent of, but not to exceed the sum of Fifteen Million Dollars (\$15,000,000.00) as principal, for the purpose of constructing new buildings and other capital improvements, and for equipping, remodeling, modernizing, and repairing any and all existing buildings and capital improvements, at the constituent institutions of The Oklahoma State System of Higher Education and other state institutions, pursuant to, and under authority of, Section 33 of Article X of the Constitution of the State of Oklahoma, and this act.

Laws 1955, p. 338, § 2.

§62-57.17. Issuance and sale of bonds - Pledges and covenants - Sinking fund.

The Commission, acting for and on behalf of the State of Oklahoma, is hereby authorized and empowered to issue, sell and deliver to the State Treasurer, or to the Commissioners of the Land

Office of the State of Oklahoma, or to other purchasers, as hereinafter provided for, "State of Oklahoma Buildings Bonds of 1955", in a total principal amount not to exceed Fifteen Million Dollars (\$15,000,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that any remainder available from the two cents (\$0.02) of the tax on each package of cigarettes authorized and levied by 68 O.S.1941, Sections 538 and 586p, as amended and supplemented to the effective date of Section 31 of Article X of the Constitution of the State of Oklahoma, after the annual requirements for the payment of the interest on, and principal of, the Thirty-six Million Dollars (\$36,000,000.00) of "State of Oklahoma Building Bonds" authorized by Section 31 of Article X of the Constitution of the State of Oklahoma and Chapter 4 of House Bill No. 4 of the Extraordinary Session of the Twenty-second (1949) Oklahoma Legislature have been fully met and said Thirty-six Million Dollars (\$36,000,000.00) bond issue fully retired as to both principal and interest or so much of said remainder as shall be necessary, and, thereafter, the full amount of said two cents (\$0.02) of said tax on each package of cigarettes, or so much thereof as may be necessary, and if, at any time, said remainder of said two cents (\$0.02) of the tax on each package of cigarettes, or said two cents (\$0.02) of the tax on each package of cigarettes, as the case might be, shall not be sufficient for said purpose, three cents (\$0.03) of the tax now imposed, or which may hereafter be imposed, on each package of cigarettes containing more than twenty cigarettes, or so much of said three cents (\$0.03) of said tax as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is hereby created, in the State Treasury, a fund to be known as the "State of Oklahoma Building Bonds of 1955 Sinking Fund," which sinking fund is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder; and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning July 1, 1955, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, hereinabove mentioned, shall also transmit to the State Treasurer a schedule showing the net proceeds of two cents (\$0.02) of the tax on each package of twenty cigarettes or less, and the net proceeds of three cents (\$0.03) of the tax on each package of more than twenty cigarettes. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund, such portions of the cigarette tax

or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due and to comply with the covenants hereof with respect to reserve requirements. The cigarette tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma will, if and when it shall appear to be necessary, devote, irrevocably, to the payment of the interest on, and principal of, said bonds, any funds available in any fund or funds of the state not created or realized from ad valorem tax sources or so much thereof as may be necessary for such purpose, and, if the funds hereinabove mentioned are not sufficient for such purpose, will impose and collect a tax, other than an ad valorem tax, and devote the same, or so much thereof as may be necessary, to the payment of the interest on, and principal of, the bonds issued hereunder. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally-binding covenants and agreements, not inconsistent with this act or Section 33 of Article X of the Constitution of the State of Oklahoma, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1955, p. 338, § 3.

§62-57.18. Form and terms - Call and redemption - Negotiability - Tax exempt.

Bonds issued under this act shall be serial coupon bonds and shall be issued to mature One Million Five Hundred Thousand Dollars (\$1,500,000.00) in each of the calendar years 1973 through 1982, both inclusive, or if issued in series in proportionate amount thereof. Said bonds and the interest thereon shall be payable at the office of the State Treasurer of the State of Oklahoma, and, if the bonds shall be sold to private purchasers, at a fiscal agency in Oklahoma and/or New York City to be designated by the State of Oklahoma Building Bonds Commission. Said bonds may be executed in such manner, may be

issued in one or more series, may bear such date or dates, may be in such denomination or denominations, may provide for a reserve to assure prompt payment of the principal and interest of the bonds, may be in such form either coupon or registered, may be payable in such medium of payment at such times, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission. Provided, that all such bonds maturing after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the State of Oklahoma Building Bonds of 1955 Sinking Fund shall be sufficient to retire all outstanding bonds and interest coupons, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building Bonds Commission in its resolution authorizing the issuance of said bonds. In the event the bonds herein authorized to be issued and sold are sold to the State Treasurer or to the Commissioners of the Land Office of the State of Oklahoma, then, and in that event, all money in the State of Oklahoma Building Bonds of 1955 Sinking Fund at the close of any fiscal year, in excess of a sum equal to all principal and interest coming due on said bonds in the next succeeding fiscal year, shall be transferred by the State Treasurer to the General Revenue Fund of the state to be used as other monies accruing to said fund. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1955, p. 339, § 4.

§62-57.19. Sales to State Treasurer and Commissioners of Land Office.

(a) The State Treasurer of the State of Oklahoma, is hereby authorized and required to purchase from the Commission at private sale, all or any part of said bonds, or interim bonds, as an investment of the public monies in his possession. It shall be the responsibility of the State Treasurer to invest only that portion of such public monies as the State Treasurer deems to be more than sufficient to meet current expenditures payable from public monies. The State Treasurer is authorized and required to buy, and the Commission is authorized and required to sell to the State Treasurer at private sale as provided in this section so many of the bonds authorized by this act, as may be safely purchased for investment of

public monies by the State Treasurer, without handicapping the State of Oklahoma in promptly meeting its obligations. In event of such sale or sales, the Commission shall determine and fix the rate of interest the bonds so sold shall bear, such rate of interest not to exceed two and one-half percent (2 1/2%) per annum. All interest earned by such bonds as are held by the State Treasurer pursuant to such investment shall, as collected, be paid into the State of Oklahoma Building Bonds of 1955 Sinking Fund.

(b) If the State Treasurer is unable to purchase all of the bonds at the original sale thereof as provided in subsection (a) hereof, then it shall be the mandatory duty of the Commissioners of the Land Office to purchase, at private sale, the bonds which the State Treasurer is unable to purchase. In such event, the Commissioners of the Land Office shall, to the extent necessary to carry out the provisions of this subsection, sell and liquidate such of their investments as they may constitutionally sell and liquidate, and shall purchase such bonds with the proceeds thereof. All State of Oklahoma Building Bonds of 1955 purchased by the Commissioners of the Land Office under the provisions of this subsection shall provide for a rate of interest equal to the average interest yield of the securities sold and liquidated to make such purchase, but in no event more than two and one-half percent (2 1/2%) per annum.

(c) In the event any or all of the bonds are sold to the State Treasurer under the provisions of subsection (a) hereof and thereafter the uninvested cash on hand and in solvent banks should fall short of demand orders on the State Treasury, it shall be the duty of the State Treasurer to sell such part or all of the bonds as are necessary to be converted into cash to meet such demands, and, if confirmed and authorized as aforesaid, such bonds shall be sold to the Commissioners of the Land Office at par and accrued interest for either permanent or temporary investment. It shall be the mandatory duty of the Commissioners of the Land Office to purchase such of said bonds as it is necessary for the State Treasurer to sell and, to the extent necessary to carry out the provisions of this subsection, the Commissioners of the Land Office shall sell and liquidate such of their investments as they may constitutionally sell and liquidate and shall purchase such bonds with the proceeds thereof.

(d) If the Commissioners of the Land Office cannot purchase said bonds as offered by the State Treasurer as provided in subsection (c) hereof, it shall be the further duty of the State Treasurer to publish, advertise and, on the date given in the notice, sell at not less than par and accrued interest, to the highest and best bidder for cash, only so many of the bonds as will enable the state to meet such demand orders, provided, however, in lieu of so selling such bonds at the market, the State Treasurer and the Commission may agree to the refunding of part or all of such bonds, in accordance with the method and procedure for refunding provided in this act.

Laws 1955, p. 340, § 5.

§62-57.20. Sales to others than Treasurer or Commissioners. In the event said bonds, or some portion thereof, are not sold to the State Treasurer or the Commissioners of the Land Office, as authorized in Section 5 hereof, then the Commissioner is authorized to advertise said bonds or the unsold portion thereof, for sale to other bidders and to sell said bonds, or the unsold portion thereof, in the manner hereinafter provided. Notice of such sale shall be published at least thirty (30) days prior to the date fixed for such sale. Such notice shall be published for at least two (2) consecutive weeks in a newspaper having general circulation in the State of Oklahoma, and at least once in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest rate to the State of Oklahoma stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of the low bid (which shall not exceed an average rate of interest exceeding three percent (3%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery. Provided, however, no tender of the bonds shall be valid until after the expiration of the period of contestability, provided for herein. All bidders shall be required to submit with their bids, such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after the tender of the bonds, to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state.

Laws 1955, p. 341, § 6.

§62-57.21. Interim bonds.

The Commission is authorized to issue one or more interim bonds, representative of the bonds so sold, which said interim bonds may be in any denomination, shall have all the qualities and be secured by

all of the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definitive bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this Act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the state Treasurer of Oklahoma.
Laws 1955, p. 342, § 7.

§62-57.22. Investment - Approval as collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.
Laws 1955, p. 342, § 8.

§62-57.23. Attorney General's certificate - Registration - Signatures and seals.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization, issuance and sale of such bonds and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds of 1955 in the aggregate principal amount of \$... Dated, authorized and sold pursuant to Section 33, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date Attorney General of the State of Oklahoma". Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General, shall be incontestable for all purposes upon the expiration of thirty

(30) days from the date of such certificate, unless suit be brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this Act. All bonds shall bear the signature of the Governor and of the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Laws 1955, p. 342, § 9.

§62-57.24. Delivery of bonds upon payment - Deposit and investment of proceeds.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid, if any. The proceeds of the sale of said bonds shall be deposited in the State Treasury of the State of Oklahoma, in a fund which is hereby created and designated the "1955 Building Bond Fund", where they shall remain subject to disposition to be provided for by Legislature of Oklahoma, provided that the State Treasurer of the State of Oklahoma shall invest said monies in interest-bearing direct obligations of the United States of America, or of the State of Oklahoma, and provided further that, all such investments of said monies must be so made that the same may be liquidated in time to enable the State of Oklahoma to pay, in due course, the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority.

Laws 1955, p. 343, § 10.

§62-57.25. Refunding bonds.

The Commission may issue bonds hereunder for the purpose of refunding any obligations issued under the provisions of this act. Such bonds may either be sold or delivered in exchange for outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations refunded or deposited in escrow for the retirement thereof. Nothing herein shall be construed to authorize the refunding of any outstanding obligations which are not

either maturing, or callable for redemption under their terms, or voluntarily surrendered by their holders for cancellation, unless the Commission covenants that sufficient funds to pay all remaining interest and principal payments of outstanding obligations when due will be placed in escrow for such purpose in the State Treasury at the time of delivery of and payment for the new bonds issued hereunder. All bonds issued under this section shall in all respects be authorized, issued and secured in the manner provided for other bonds issued under this act, and shall have all the attributes of such bonds. The Commission may provide that any such refunding bonds shall have the same priority of payment and be paid from the same revenues in the manner enjoyed by the obligations refunded thereby. Laws 1955, p. 343, § 11.

§62-57.26. Approval of bonds by Supreme Court.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the court to give such applications precedence over the other business of the court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the Commission will ask the court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the court. If the court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 33, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma. Laws 1955, p. 343, § 12.

§62-57.27. Intent as to resources of state.

It is hereby declared to be the intent of the Legislature of Oklahoma, in adopting this act, that the State of Oklahoma Building Bonds of 1955 authorized by this act be financed and purchased with resources possessed by the State of Oklahoma, in the custody of the State Treasurer of the State of Oklahoma and of the Commissioners of the Land Office; and that the resources in the custody of the State Treasurer be used for said purpose to the maximum extent possible before the resources of the Commissioners of the Land Office are used for said purpose.

Laws 1955, p. 343, § 13.

§62-57.31. Intent and purpose.

It is the intent and purpose of this act to vitalize Section 34 of Article X of the Constitution of the State of Oklahoma, adopted at the special election held for such purpose on the 5th day of July, 1960, and to invoke and exercise the powers conferred upon the Legislature thereby.

Laws 1961, p. 462, § 1.

§62-57.32. Building Bonds Commission - Indebtedness - Purposes.

The State of Oklahoma Building Bonds Commission, created by Section 57.302 of Title 62 of the Oklahoma Statutes, acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the State of Oklahoma shall incur indebtedness to the extent of the sum of Thirty-five Million Five Hundred Thousand Dollars (\$35,500,000.00) as principal, for the purpose of constructing new buildings and other capital improvements, and for equipping, remodeling, modernizing and repairing any and all existing buildings and capital improvements, at the constituent institutions of The Oklahoma State System of Higher Education provided that Five Million Dollars (\$5,000,000.00) thereof shall be used to construct and equip a school and hospital for children with intellectual disabilities in Northeastern Oklahoma pursuant to, and under authority of, Section 34 of Article X of the Constitution of the State of Oklahoma and Section 57.15 et seq. of this title.

Added by Laws 1961, p. 462, § 2, emerg. eff. May 11, 1961. Amended by Laws 2019, c. 475, § 47, eff. Nov. 1, 2019.

§62-57.33. Issuance and sale of bonds - Pledges - Sinking fund.

The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell, and deliver as hereinafter provided, "State of Oklahoma Building Bonds of 1961" in a total principal amount of Thirty-five Million Five Hundred Thousand Dollars (\$35,500,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners, and holders of said bonds that three cents (\$0.03) of the five cents (\$0.05) of the tax on each package of cigarettes levied by 68 O.S.1951, Section 586a, as

amended, constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is hereby created, in the State Treasury, a fund to be known as the "State of Oklahoma Building Bonds of 1961 Sinking Fund" which sinking fund is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder; and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning July 1, 1961, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of three cents (\$0.03) of the tax on each package of cigarettes levied by 68 O.S.1951, Section 568a, as amended. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund, such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due and to comply with the covenants hereof with respect to reserve requirements. The State Treasurer shall deposit in the above-created sinking fund for the fiscal years 1961-1962 and 1962-1963 only, the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) each year. The State Treasurer in each fiscal year commencing July 1, 1963, shall deposit in the above-created sinking fund the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00), each fiscal year, plus the amount necessary to pay interest for each fiscal year. In the event that the payments into the above-created sinking fund in any fiscal year plus the accumulation in such sinking fund is not sufficient to pay the principal and interest due the following July 15, then it shall be the duty of the State Treasurer to pay into said sinking fund from the cigarette funds such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners, and owner of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary, hereby devotes irrevocably to the payment of the interest on, and principal of said bonds, any monies in the General Revenue Fund of the State of

Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners, and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary, for the purpose of paying the principal and interest of the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities, and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally-binding covenants and agreements, not inconsistent with this act or Section 34 of Article X of the Constitution of the State of Oklahoma, relating to indebtedness for capital improvements to institutions of higher education, adopted July 5, 1960, as it deems to be needful and appropriate to the general purpose of effectuating this act. As used herein, "68 O.S.1951, Section 586a, as amended," shall be deemed to refer to said Section 586a as amended to the effective date of House Bill No. 705 Of the Twenty-eighth Oklahoma Legislature. Laws 1961, p. 462, § 3; Laws 1961, p. 467, § 1; Laws 1965, c. 503, § 1, emerg. eff. July 19, 1965.

§62-57.34. Form and terms - Call and redemption - Negotiability - Tax exemption.

Bonds issued under this act shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. Said bonds may be issued in one or more series, may bear such date or dates, not earlier than July 15, 1961, shall mature as follows: One Million Five Hundred Thousand Dollars (\$1,500,000.00) on July 15, 1964, One Million Five Hundred Thousand Dollars (\$1,500,000.00) on the 15th day of July of each year thereafter to and including July 15, 1985, and Two Million Five Hundred Thousand Dollars (\$2,500,000.00) on July 15, 1986 with interest payable semiannually on January 15 and July 15 of each year, may be in such denomination or denominations, may provide for a reserve to assure prompt payment of the principal and interest of the bonds, may be in such form either coupon or registered, may carry such registration or

conversion privileges, may be executed in such manner, may be payable in such medium or payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission. Provided, that all such bonds maturing on and after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the State of Oklahoma Building Bonds of 1961 Sinking Fund shall be sufficient to retire all outstanding bonds and interest coupons, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building Bonds Commission in its resolution authorizing the issuance of said bonds. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1961, p. 464, § 4.

§62-57.35. Advertisement and sale of bonds.

The Commission shall advertise said bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least twenty (20) days prior to the date fixed for such sale. Such notice shall be published for at least two (2) consecutive weeks in a newspaper having general circulation in the State of Oklahoma, and at least once in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest rate to the State of Oklahoma stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of the low bid (which shall not exceed an average rate of interest exceeding three and six-tenths percent (3 6/10%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery. Provided, however, no tender of the bonds shall

be valid until after the expiration of the period of contestability, provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after the tender of the bonds, to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state.

Laws 1961, p. 464, § 5.

§62-57.36. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which interim bonds may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definitive bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and cancelled by the State Treasurer of Oklahoma.

Laws 1961, p. 465, § 6.

§62-57.37. Investment - Approval as collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.

Laws 1961, p. 465, § 7.

§62-57.38. Certificate of Attorney General - Signatures and seals.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and

sale of such bonds and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds of 1961 in the aggregate principal amount of Thirty-five Million Five Hundred Thousand Dollars (\$35,500,000.00) dated _____, authorized and sold pursuant to Section 34, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____, Attorney General of the State of Oklahoma". Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General, shall be incontestable for all purposes upon the expiration of thirty (30) days from the date of such certificate, unless suit be brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and of the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Added by Laws 1961, p. 465, § 8, emerg. eff. May 11, 1961.

§62-57.39. Delivery of bonds upon payment - Deposit and investment of proceeds - Interest.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury of this state, in a fund which is hereby created and designated the "1961 Building Bond Fund", where they shall remain subject to disposition to be provided for by the

Legislature of this state, provided that the State Treasurer, when so directed by the Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the 1961 Building Bond Fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be so made that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the 1961 Building Bond Fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall forthwith make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the 1961 Building Bond Fund.

Added by Laws 1961, p. 466, § 9, emerg. eff. May 11, 1961. Amended by Laws 1983, c. 304, § 55, eff. July 1, 1983; Laws 1989, c. 343, § 7, operative July 1, 1989; Laws 2012, c. 304, § 430.

§62-57.40. Investment of sinking fund monies.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the 1961 Building Bonds, which earnings shall be deposited in the sinking fund.

Laws 1961, p. 466, § 10.

§62-57.41. Refunding bonds.

The Commission may issue bonds hereunder for the purpose of refunding any obligations issued under the provisions of this act. Such bonds may either be sold or delivered in exchange for outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations refunded or deposited in escrow for

the retirement thereof. Nothing herein shall be construed to authorize the refunding of any outstanding obligations which are not either maturing, or callable for redemption under their terms, or voluntarily surrendered by their holders for cancellation, unless the Commission covenants that sufficient funds to pay all remaining interest and principal payments of outstanding obligations when due will be placed in escrow for such purpose in the State Treasury at the time of delivery of and payment for the new bonds issued hereunder. All bonds issued under this section shall in all respects be authorized, issued and secured in the manner provided for other bonds issued under this act, and shall have all the attributes of such bonds. The Commission may provide that any such refunding bonds shall have the same priority of payment and be paid from the same revenues in the manner enjoyed by the obligations refunded thereby. Laws 1961, p. 466, § 11.

§62-57.42. Approval of bonds by Supreme Court.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in an newspaper of general circulation in the state that on a day named the Commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the Court. If the Court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 34, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma. Laws 1961, p. 467, § 12.

§62-57.43. Attorney General as representative of Commission.

It is provided that the Attorney General of the State of Oklahoma shall represent the said Building Bonds Commission in the discharge of its functions provided by this act, and said Building Bonds Commission shall not employ a private attorney or attorneys.
Laws 1961, p. 467, § 13.

§62-57.51. Intent and purpose.

It is the intent and purpose of this act to vitalize Section 36 of Article X of the Constitution of the State of Oklahoma, adopted at the special election held for such purpose on the 3rd day of December 1963, and to invoke and exercise the powers conferred upon the Legislature thereby.

Added by Laws 1965, c. 293, § 1, emerg. eff. June 24, 1965.

§62-57.52. Building Bonds Commission as agency - Indebtedness - Purposes.

The State of Oklahoma Building Bonds Commission, acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the State of Oklahoma shall incur indebtedness to the extent of the sum of Seven Million Dollars (\$7,000,000.00) as principal, for the purpose of constructing, equipping and furnishing new buildings and other capital improvements, and for equipping, remodeling, modernizing and repairing any and all existing buildings and capital improvements at the University of Oklahoma Medical Center.

Added by Laws 1965, c. 293, § 2, emerg. eff. June 24, 1965.

§62-57.53. Issuance and sale of bonds - Pledges and covenants - Sinking fund.

The Commission, acting for and on behalf of of the State of Oklahoma, shall issue, sell and deliver as hereinafter provided, "State of Oklahoma Building Bonds of 1965" in a total principal amount of Seven Million Dollars (\$7,000,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that three cents (\$0.03) of the five cents (\$0.05) of the tax on each package of cigarettes levied by 68 O.S.1961, as amended, Section 586a constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is hereby created in the State Treasury, a fund to be known as the "State of Oklahoma

Building Bonds of 1965 Sinking Fund" which sinking fund is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder; and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning July 1, 1965, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of three cents (\$0.03) of the tax on each package of cigarettes levied by 68 O.S.1961, Section 586a, as amended. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund, such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due and to comply with the covenants hereof with respect to reserve requirements. The State Treasurer in each fiscal year commencing July 1, 1967, to and including the fiscal year commencing July 1, 1988, shall deposit in the above-created sinking fund, the sum of Three Hundred Thousand Dollars (\$300,000.00), plus interest for each fiscal year, and in the fiscal year commencing July 1, 1989, the sum of Four Hundred Thousand Dollars (\$400,000.00). In the event that the payments into the above-created sinking fund in any fiscal year plus the accumulation in such sinking fund is not sufficient to pay the principal and interest due the following July 15 then it shall be the duty of the State Treasurer to pay into said sinking fund from the cigarette funds such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary hereby devotes irrevocably to the payment of the interest on, and principal of said bond, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary for the purpose of paying the principal and interest of the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their

payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally-binding covenants and agreements, not inconsistent with this act or Section 36 of Article X of the Constitution of the State of Oklahoma adopted December 3, 1963, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1965, c. 293, § 3, emerg. eff. June 24, 1965.

§62-57.54. Form and terms - Call and redemption - Negotiability - Tax exemption.

Bonds issued under this act shall be serial coupon bonds and shall bear a rate of interest three and one-half percent (3 1/2%) per annum. Said bonds and the interest thereon shall be payable at the Office of the State Treasurer. Said bonds may be issued in one or more series, may bear such date or dates, not earlier than July 15, 1965, shall mature as follows: Three Hundred Thousand Dollars (\$300,000.00) on July 15, 1968, and Three Hundred Thousand Dollars (\$300,000.00) on the 15th day of July of each year thereafter to and including July 15, 1989, and Four Hundred Thousand Dollars (\$400,000.00) July 15, 1990, with interest payable semiannually on January 15 and July 15 of each year, may be in such denomination or denominations, may provide for a reserve to assure prompt payment of the principal and interest of the bonds, may be in such form either coupon or registered, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium or payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission. Provided, that all such bonds maturing on and after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the State of Oklahoma Building Bonds of 1965 Sinking Fund shall be sufficient to retire all outstanding bonds and interest coupons, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building

Bonds Commission in its resolution authorizing the issuance of said bonds. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1965, c. 293, § 4, emerg. eff. June 24, 1965.

§62-57.55. Sale of bonds to State Treasurer.

The State Treasurer of the State of Oklahoma shall purchase from the commission at a private sale all of said bonds at par as an investment of the public monies in his possession. The State Treasurer shall buy, and the commission is authorized and directed to, sell to the State Treasurer at private sale, as provided in this section, all of the bonds authorized by this act. All interest earned by such bonds as are held by the State Treasurer pursuant to such investment shall, as collected, be paid into the State of Oklahoma General Fund.

Laws 1965, c. 293, § 5, emerg. eff. June 24, 1965.

§62-57.56. Certificate of Attorney General - Signatures and seals.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds of 1965 in the aggregate principal amount of Seven Million Dollars (\$7,000,000.00) dated _____, authorized and sold pursuant to Section 36, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____, Attorney General of the State of Oklahoma". Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General, shall be incontestable for all purposes upon the expiration of thirty (30) days from the date of such certificate, unless suit be brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and of the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Laws 1965, c. 293, § 6, emerg. eff. June 24, 1965.

§62-57.57. Delivery of bonds upon payment - Deposit and investment of proceeds - Interest.

The bonds and interest coupons attached thereto shall be delivered to the State Treasurer upon payment of par and accrued interest to the date of delivery thereof. The proceeds of the sale of said bonds shall be deposited in the State Treasury of the State of Oklahoma, in a fund which is hereby created and designated the "1965 Building Bond Fund", where they shall remain subject to disposition to be provided for by the Legislature of Oklahoma, provided that the State Treasurer of the State of Oklahoma, when so directed by the Oklahoma State Regents for Higher Education acting on behalf of the governing board, as to the amounts available for investment shall invest said designated amounts of the 1965 Building Bond Fund in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, and provided further that, all such investments of said monies must be so made that the same shall mature in time to enable the State of Oklahoma to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. It shall be the duty of the Oklahoma State Regents for Higher Education to promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the 1965 Building Bond Fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall forthwith make the afore-mentioned investment. All interest received

by the State Treasurer upon the above-mentioned securities shall be deposited in the said sinking fund.

Laws 1965, c. 293, § 7, emerg. eff. June 24, 1965.

§62-57.58. Investment of sinking fund monies.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the 1965 Building Bonds, which earnings shall be deposited in the General Fund.

Laws 1965, c. 293, § 8, emerg. eff. June 24, 1965.

§62-57.59. Approval of bonds by Supreme Court.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the court to give such applications precedence over the other business of the court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the Commission will ask the court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the court. If the court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 34, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1965, c. 293, § 9, emerg. eff. June 24, 1965.

§62-57.60. Attorney General as representative of Commission.

It is provided that the Attorney General of the State of Oklahoma shall represent the said Building Bonds Commission in the discharge of its functions provided by this act, and said Building Bonds Commission shall not employ or pay any private attorney or attorneys directly or indirectly.

Added by Laws 1965, c. 293, § 10, emerg. eff. June 24, 1965.

§62-57.61. Purpose.

It is hereby declared to be the purpose of this act to vitalize the constitutional amendment indentified as House Joint Resolution No. 552 of the 30th Oklahoma Legislature, if, as and when the same shall be approved by the people of the State of Oklahoma.

Laws 1965, c. 515, § 1.

§62-57.62. Building Bonds Commission as agency - Indebtedness - Purposes.

The State of Oklahoma Building Bonds Commission, created by Title 62, Oklahoma Statutes 1961, Section 57.1 acting for and on behalf of the State of Oklahoma shall be the agency by and through which the State of Oklahoma shall incur indebtedness to the extent of the sum of Fifty-four Million Seven Hundred Fifty Thousand Dollars (\$54,750,000.00) as principal, for the purpose of constructing new buildings and other capital improvements, and for equipping, remodeling, modernizing and repairing any and all existing buildings and capital improvements, and purchase of land, equipment and furnishings necessary for such new construction or remodeling, as follows:

At the constituent institutions	of The Oklahoma State
System of	Higher Education in
the sum of.....	\$38,500,000.00
At the institutions under the Department	of Mental Health and
Substance Abuse Services in the sum of.....	6,500,000.00
The Southern Oklahoma Resource Center of Pauls Valley, the Northern	
Oklahoma Resource Center of Enid and The Hissom Memorial	
Center.....	1,000,000.00
State Department of Health.....	2,275,000.00
Oklahoma State Library.....	2,150,000.00
Oklahoma State Penitentiary.....	150,000.00
Oklahoma State Reformatory.....	150,000.00
Oklahoma School for the Blind.....	550,000.00
Oklahoma School for the Deaf.....	550,000.00
Oklahoma Educational Television	
Authority.....	250,000.00
Oklahoma Historical Society.....	125,000.00

Western Oklahoma Tuberculosis Sanatorium.....
150,000.00
Eastern Oklahoma Tuberculosis Sanatorium.....
150,000.00
Department of Public Health for the Building of Community Social
Service Centers 1,500,000.00
Purchase of Land in and about the Capital Improvement and Zoning
District and Medical Center Improvement Zoning District and for
Public Parks, Veterans Memorial Area and Landscaping 750,000.00
Laws 1965, c. 515, § 2, emerg. eff. July 21, 1965; Amended by Laws
1990, c. 51, § 124, emerg. eff. April 9, 1990; Laws 1992, c. 307, §
8, eff. July 1, 1992.

§62-57.63. Issuance and sale of bonds - Pledges - Sinking fund.

The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver as hereinafter provided, "State of Oklahoma Institutional Building Bonds of 1965" in a total principal amount of Fifty-four Million Seven Hundred Fifty Thousand Dollars (\$54,750,000.00). Said Commission shall issue and deliver said bonds as follows:

Series A, in the principal sum of Fifteen Million Four Hundred Twenty-five Thousand Dollars (\$15,425,000.00), following the approval by the people of the State of Oklahoma of House Joint Resolution No. 552; Series B, in the sum of Twelve Million Dollars (\$12,000,000.00), on or about June 25, 1966, and the remaining portion of said bonds as provided by the 31st Oklahoma Legislature. It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that the portion of seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of House Bill No. 511, enacted by the 30th Oklahoma Legislature constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is hereby created, in the State Treasury, a fund to be known as the "State of Oklahoma Institutional Building Bonds of 1965 Sinking Fund" which sinking fund is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder; and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning on the first day of the month following the adoption of said constitutional amendment, the Oklahoma Tax Commission, when

transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of House Bill No. 511 enacted by the 30th Oklahoma Legislature. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund, such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due and to comply with the covenants hereof with respect to reserve requirements. The State Treasurer shall deposit in the above-created sinking fund for the fiscal years 1965-1966 and 1966-1967, the amount necessary to pay the interest upon the outstanding bonds. The State Treasurer shall deposit in the above-created sinking fund the following sums for the following fiscal years for the payment of the principal upon Series A Bonds:

Commencing July 1, 1967, the sum of Two Hundred Twenty-five Thousand Dollars (\$225,000.00); commencing July 1, 1968 and 1969, the sum of Three Hundred Thousand Dollars (\$300,000.00) each year; for the fiscal years commencing July 1, 1970, to and including the fiscal year commencing July 1, 1976, the sum of Five Hundred Thousand Dollars (\$500,000.00) each year; for the fiscal years commencing July 1, 1977, to and including the fiscal year commencing July 1, 1988, the sum of Eight Hundred Thousand Dollars (\$800,000.00) each year; for the fiscal year commencing July 1, 1989, the sum of One Million Five Hundred Thousand Dollars (\$1,500,000.00) and for the payment of the principal on the Series B Bonds, in the fiscal years July 1, 1968, to and including July 1, 1973, the sum of Two Hundred Thousand Dollars (\$200,000.00) each year; for the fiscal year commencing July 1, 1974, to and including July 1, 1978, the sum of Five Hundred Thousand Dollars (\$500,000.00) each year; for the fiscal years commencing July 1, 1979 to and including July 1, 1988, the sum of Seven Hundred Thousand Dollars (\$700,000.00) each year and for the fiscal year commencing July 1, 1989, the sum of One Million Three Hundred Thousand Dollars (\$1,300,000.00), and in addition thereto, the amounts necessary for the payment of interest. In the event that the payments into the above-created sinking fund in any fiscal year plus the accumulation in such sinking fund is not sufficient to pay the principal and interest due the following July 15 then it shall be the duty of the State Treasurer to pay into said Sinking Fund from the cigarette funds such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners and owner of said bonds, that the State of

Oklahoma, if and when it shall appear to be necessary, hereby devotes irrevocably to the payment of the interest on, and principal of said bond, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary for the purpose of paying the principal and interest of the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally-binding covenants and agreements, not inconsistent with this act or House Joint Resolution No. 552 Of the 30th Oklahoma Legislature, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1965, c. 515, § 3.

§62-57.64. Form and terms - Call and redemption - Negotiability - Tax exemption.

Bonds issued under this act shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. Said bonds shall be issued in series bearing such date or dates, as set forth in Section 3 herein, and shall mature as follows:

	SERIES A	SERIES B
7/15/68	\$225,000.00	
7/15/69	\$300,000.00	\$200,000.00
7/15/70	\$300,000.00	\$200,000.00
7/15/71	\$500,000.00	\$200,000.00
7/15/72	\$500,000.00	\$200,000.00
7/15/73	\$500,000.00	\$200,000.00
7/15/74	\$500,000.00	\$200,000.00
7/15/75	\$500,000.00	\$500,000.00
7/15/76	\$500,000.00	\$500,000.00
7/15/77	\$500,000.00	\$500,000.00

7/15/78	\$800,000.00	\$500,000.00
7/15/79	\$800,000.00	\$500,000.00
7/15/80	\$800,000.00	\$700,000.00
7/15/81	\$800,000.00	\$700,000.00
7/15/82	\$800,000.00	\$700,000.00
7/15/83	\$800,000.00	\$700,000.00
7/15/84	\$800,000.00	\$700,000.00
7/15/85	\$800,000.00	\$700,000.00
7/15/86	\$800,000.00	\$700,000.00
7/15/87	\$800,000.00	\$700,000.00
7/15/88	\$800,000.00	\$700,000.00
7/15/89	\$800,000.00	\$700,000.00
7/15/90	\$1,500,000.00	\$1,300,000.00

Said bonds shall have interest payable semi-annually on January 15 and July 15 of each year, may be in such denomination or denominations, may provide for a reserve to assure prompt payment of the principal and interest of the bonds, may be in such form either coupon or registered, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission. Provided, that all such bonds maturing on and after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution for the issuance of such bonds. Until such time as the State of Oklahoma Institutional Building Bonds of 1965 Sinking Fund shall be sufficient to retire all outstanding bonds and interest coupons, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building Bonds Commission in its resolution authorizing the issuance of said bonds. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1965, c. 515, § 4.

§62-57.65. Advertisement and sale of bonds.

The Commission shall advertise said bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least twenty (20) days prior to the date fixed for such sale. Such notice shall be published for at least two (2) consecutive weeks in a

newspaper having general circulation in the State of Oklahoma, and at least once in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest rate to the State of Oklahoma, stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of the low bid (which shall not exceed an average rate of interest exceeding four percent (4%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery. Provided, however, no tender of the bonds shall be valid until after the expiration of the period of contestability, provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after the tender of the bonds to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state. Laws 1965, c. 515, § 5.

§62-57.66. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which interim bonds may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definite bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma. Laws 1965, c. 515, § 6.

§62-57.67. Investment - Approval as collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.
Laws 1965, c. 515, § 7.

§62-57.68. Certificate of Attorney General - Signatures and seals.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Institutional Building Bonds of 1965, Series A, in the aggregate principal amount of Fifteen Million Four Hundred Twenty-five Thousand Dollars (\$15,425,000.00) dated _____, authorized and sold pursuant to Section 37, Article X, Constitution of Oklahoma and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____, Attorney General of the State of Oklahoma". The procedure above enacted shall be followed after the sale of the Series B Bonds, and the above certificate shall be executed by the Attorney General in the same form and manner, except as to the amount which shall specify Series B in the sum of Twelve Million Dollars (\$12,000,000.00). Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General shall be incontestable for all purposes upon the expiration of thirty (30) days from the date of such certificate, unless suit be brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the

validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Laws 1965, c. 515, § 8.

§62-57.69. Delivery of bonds upon payment - Deposit and investment of proceeds - Interest.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury to a fund which is hereby created and designated the "State of Oklahoma Institutional Building Bonds of 1965 Fund", where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the State of Oklahoma Institutional Building Bonds of 1965 Fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be made so that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the State of Oklahoma Institutional Building Bonds of 1965 Fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be

deposited in the State of Oklahoma Institutional Building Bonds of 1965 Fund.

Added by Laws 1965, c. 515, § 9, emerg. eff. July 21, 1965. Amended by Laws 1983, c. 304, § 56, eff. July 1, 1983; Laws 1989, c. 343, § 12, operative July 1, 1989; Laws 2012, c. 304, § 431.

§62-57.70. Investment of sinking fund monies.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the State of Oklahoma Institutional Building Bonds of 1965, which earnings shall be deposited in the sinking fund.

Laws 1965, c. 515, § 10.

§62-57.71. Refunding bonds.

The Commission may issue bonds hereunder for the purpose of refunding any obligations issued under the provisions of this act. Such bonds may either be sold or delivered in exchange for outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations refunded or deposited in escrow for the retirement thereof. Nothing herein shall be construed to authorize the refunding of any outstanding obligations which are not either maturing, or callable for redemption under their terms, or voluntarily surrendered by their holders for cancellation, unless the Commission covenants that sufficient funds to pay all remaining interest and principal payments of outstanding obligations when due will be placed in escrow for such purpose in the State Treasury at the time of delivery of and payment for the new bonds issued hereunder. All bonds issued under this section shall in all respects be authorized, issued and secured in the manner provided for other bonds issued under this Act, and shall have all the attributes of such bonds. The Commission may provide that any such refunding bonds shall have the same priority of payment and be paid from the same revenues in the manner enjoyed by the obligations refunded thereby.

Laws 1965, c. 515, § 11.

§62-57.72. Approval of bonds by Supreme Court.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the

Court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the Commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the Court. If the Court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 37, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1965, c. 515, § 12.

§62-57.73. Attorney General as representative of Commission.

It is provided that the Attorney General of the State of Oklahoma shall represent the said Building Bonds Commission in the discharge of its functions provided by this act, and said Building Bonds Commission shall not employ a private attorney or attorneys.

Added by Laws 1965, c. 515, § 13.

§62-57.75. Building Bonds of 1950 - Cancellation of interest.

That all interest provided by 62 O.S.1961, section 57.1, on "State of Oklahoma Building Bonds 1950" issue, and refunded in the sum of Seventeen Million Three Hundred Thousand Dollars (\$17,300,000.00) by O.S.L.1961, page 460, enacted by the Twenty-eighth Session of the Oklahoma Legislature, be and the same is hereby canceled effective June 30, 1967, and no sums shall thereafter be transmitted by the Oklahoma Tax Commission out of the cigarette tax collections for interest on said bonds.

Laws 1967, c. 217, § 1, emerg. eff. May 1, 1967.

§62-57.76. Building Bonds of 1955 - Cancellation of interest.

That all interest provided by 62 O.S.1961, Section 57.17, on "State of Oklahoma Building Bonds of 1955" issue, be and the same is hereby canceled June 30, 1967, and no sums of money shall thereafter

be transmitted by the Oklahoma Tax Commission out of the cigarette tax collections for interest on said bonds.
Laws 1967, c. 217, § 2, emerg. eff. May 1, 1967.

§62-57.77. Building Bonds of 1965 - Cancellation of interest.

That all interest provided by House Bill No. 1010, O.S.L.1965, page 521, enacted by the Thirtieth Session of the Oklahoma Legislature on "State of Oklahoma Building Bonds 1965" issue, be and the same is hereby canceled effective June 30, 1967, and no sums of money shall thereafter be transmitted by the Oklahoma Tax Commission out of the cigarette tax collections for interest on said bonds.
Laws 1967, c. 217, § 3, emerg. eff. May 1, 1967.

§62-57.78. Reserve fund of 1965 - Cancellation.

That the reserve fund created and established in the office of the State Treasurer of Oklahoma by House Bill No. 1010, O.S.L.1965, page 521, enacted by the Thirtieth Session of the Oklahoma Legislature for payment of principal and interest on "State of Oklahoma Building Bonds 1965", be and the same is hereby canceled effective June 30, 1967, and no sums of money shall thereafter be transmitted by the Oklahoma Tax Commission out of the cigarette tax collections for such purpose, and provided this shall not affect the payment of the principal sums provided in said House Bill.
Laws 1967, c. 217, § 4, emerg. eff. May 1, 1967.

§62-57.79. Transfer of funds.

That on June 30, 1967, the State Treasurer of the State of Oklahoma shall transfer to the general fund of the State of Oklahoma all sums of money accrued and paid into the sinking funds and the reserve fund of the aforementioned bond issues for the purpose of paying interest thereon and creating a reserve fund.
Added by Laws 1967, c. 217, § 5, emerg. eff. May 1, 1967.

§62-57.81. Purpose.

It is hereby declared to be the purpose of this act to further vitalize Section 37, Article X, of the Oklahoma Constitution heretofore vitalized by House Bill No. 1122, enacted by the 30th Oklahoma Legislature, and to direct the issuance and sale of general obligation bonds authorized by said Constitutional Amendment and vitalizing act.
Laws 1967, c. 289, § 1, emerg. eff. May 8, 1967.

§62-57.82. Agency for issue and sale - Institutional bonds of 1965.

That the State of Oklahoma Building Bonds Commission, created by Title 62, Oklahoma Statutes 1961, Section 57.1, acting for and on behalf of the State of Oklahoma shall be the agency by and through which the State of Oklahoma shall issue and sell a portion of the

"State of Oklahoma Institutional Bonds of 1965" authorized and directed by said House Bill No. 1122.
Added by Laws 1967, c. 289, § 2, emerg. eff. May 8, 1967.

§62-57.83. Institutional Bonds of 1965 Series C - Pledges of cigarette tax and sinking fund - General obligation.

The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver as hereinafter provided, "State of Oklahoma Institutional Building Bonds of 1965 Series C", in the principal sum of Ten Million Eight Hundred Thousand Dollars (\$10,800,000.00), and the remaining portion of said "State of Oklahoma Institutional Building Bonds of 1965" shall be sold as provided by subsequent acts of the Oklahoma Legislature. It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of the House Bill No. 511, enacted by the 30th Oklahoma Legislature constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is in the State Treasury, a fund known as the "State of Oklahoma Institutional Building Bonds of 1965 Sinking Fund" to which Series C shall be added, said sinking fund is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder; and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of the bonds. Beginning on the first day of the month following the adoption of said constitutional amendment, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of House Bill No. 511 enacted by the 30th Oklahoma Legislature. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund, such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due. The State Treasurer shall deposit in the above-created sinking fund for the fiscal years 1966-1967, 1967-1968, 1968-1969, and 1969-1970,

the amount necessary to pay the interest upon the outstanding bonds. The State Treasurer shall deposit in the above-created sinking fund the following sums for the following fiscal years for the payment of the principal upon Series C Bonds:

Commencing July 1, 1970, 1971, 1972 and 1973, the sum of Two Hundred Thousand Dollars (\$200,000.00) each year; commencing July 1, 1974, 1975 and 1976, the sum of Three Hundred Thousand Dollars (\$300,000.00) each year; for the fiscal years commencing July 1, 1977, to and including the fiscal year commencing July 1, 1982, the sum of Five Hundred Thousand Dollars (\$500,000.00) each year; for the fiscal years commencing July 1, 1983, to and including the fiscal year commencing July 1, 1990, the sum of Seven Hundred Thousand Dollars (\$700,000.00) each year; for the fiscal year commencing July 1, 1991, the sum of Five Hundred Thousand Dollars (\$500,000.00), and in addition thereto, the amounts necessary for the payment of interest. In the event that the payments into the above-created sinking fund in any fiscal year plus the accumulation in such sinking fund is not sufficient to pay the principal and interest due the following July 15 then it shall be the duty of the State Treasurer to pay into said sinking fund from the cigarette funds such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary hereby devotes irrevocably to the payment of the interest on, and principal of said bonds, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary for the purpose of paying the principal and interest of the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain

outstanding and unpaid. The Commission is authorized to make such other equally-binding covenants and agreements, not inconsistent with this act or House Joint Resolution No. 522 of the 30th Oklahoma Legislature, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1967, c. 289, § 3, emerg. eff. May 8, 1967.

§62-57.84. Serial coupon bonds - Maturities - Interest payment dates - Call.

Bonds issued under this act shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. Said bonds shall be issued in series bearing such date or dates as set forth in Section 3 herein, and shall mature as follows:

	SERIES C
7/15/71	\$200,000.00
7/15/72	\$200,000.00
7/15/73	\$200,000.00
7/15/74	\$200,000.00
7/15/75	\$300,000.00
7/15/76	\$300,000.00
7/15/77	\$300,000.00
7/15/78	\$500,000.00
7/15/79	\$500,000.00
7/15/80	\$500,000.00
7/15/81	\$500,000.00
7/15/82	\$500,000.00
7/15/83	\$500,000.00
7/15/84	\$700,000.00
7/15/85	\$700,000.00
7/15/86	\$700,000.00
7/15/87	\$700,000.00
7/15/88	\$700,000.00
7/15/89	\$700,000.00
7/15/90	\$700,000.00
7/15/91	\$700,000.00
7/15/92	\$500,000.00

Said bonds shall have interest payable semi-annually on January 15 and July 15 of each year, may be in such denomination or denominations, may provide for a reserve to assure prompt payment of the principal and interest of the bonds, may be in such form either coupon or registered, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium or payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission. Provided, that all such bonds maturing on

and after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution for the issuance of such bonds. Until such time as the State of Oklahoma Institutional Building Bonds of 1965 Sinking Fund Series C shall be sufficient to retire all outstanding bonds and interest coupons, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building Bonds Commission in its resolution authorizing the issuance of said bonds. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1967, c. 289, § 4, emerg. eff. May 8, 1967.

§62-57.85. Advertisement for bids - Interest - Deposit.

The Commission shall advertise said bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least twenty (20) days prior to the date fixed for such sale. Such notice shall be published for at least two (2) consecutive weeks in a newspaper having general circulation in the State of Oklahoma, and at least once in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest rate to the State of Oklahoma, stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of the low bid (which shall not exceed an average rate of interest exceeding four and one-half percent (4 1/2%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery. Provided, however, no tender of the bonds shall be valid until after the expiration of the period of contestability, provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall

return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after the tender of the bonds, to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state.

Laws 1967, c. 289, § 5, emerg. eff. May 8, 1967.

§62-57.86. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which interim bonds may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definite bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma.

Laws 1967, c. 289, § 6, emerg. eff. May 8, 1967.

§62-57.87. Legal investments.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.

Laws 1967, c. 289, § 7, emerg. eff. May 8, 1967.

§62-57.88. Legal opinion - Period of contestability - Jurisdiction of contest - Formalities of execution.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds, and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of

the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Institutional Building Bonds of 1965, Series C, in the aggregate principal amount of Ten Million Eight Hundred Thousand Dollars (\$10,800,000.00) dated _____, authorized and sold pursuant to Section 37, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma, enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____ Attorney General of the State of Oklahoma".

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of the Governor's signature on the bonds, may be facsimile seals and signatures.

Laws 1967, c. 289, § 8, emerg. eff. May 8, 1967.

§62-57.89. Delivery - Deposit of proceeds - Investment of surplus.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury, in a fund which is hereby created and designated the "1965 Institutional Building Bond Fund Series C", where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the 1965 Institutional Building Bond Fund Series C in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such

certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be made so that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. The Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the 1965 Institutional Building Bond Fund Series C to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the 1965 Institutional Building Bond Fund Series C.

Added Laws 1967, c. 289, § 9, emerg. eff. May 8, 1967. Amended by Laws 1983, c. 304, § 57, eff. July 1, 1983; Laws 1989, c. 343, § 14, operative July 1, 1989.; Laws 2012, c. 304, § 432.

§62-57.90. Investment of sinking fund.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the 1965 Institutional Building Bonds Series C, which earnings shall be deposited in the sinking fund.

Laws 1967, c. 289, § 10, emerg. eff. May 8, 1967.

§62-57.91. Judicial approval of series.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the Court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the Commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be

present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the Court. If the Court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 37, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1967, c. 289, § 11, emerg. eff. May 8, 1967.

§62-57.92. Attorney General.

It is provided that the Attorney General of the State of Oklahoma shall represent the said Building Bonds Commission in the discharge of its functions provided by this act, and said Building Bonds Commission shall not employ a private attorney or attorneys.

Laws 1967, c. 289, § 12, emerg. eff. May 8, 1967.

§62-57.101. Purpose.

It is hereby declared to be the purpose of this act to further vitalize Section 37, Article X, of the Oklahoma Constitution heretofore vitalized by House Bill No. 1122, enacted by the Thirtieth Oklahoma Legislature, and to direct the issuance and sale of general obligation bonds authorized by said constitutional amendment and vitalizing act.

Laws 1968, c. 265, § 1, emerg. eff. April 29, 1968.

§62-57.102. Agency for issue and sale.

That the State of Oklahoma Building Bonds Commission, created by Title 62, Oklahoma Statutes 1961, Section 57.1, acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the State of Oklahoma shall issue and sell a portion of the "State of Oklahoma Institutional Bonds of 1965" authorized and directed by said House Bill No. 1122.

Added by Laws 1968, c. 265, § 2, emerg. eff. April 29, 1968.

§62-57.103. Institutional Building Bonds of 1965 Series D - Pledges of cigarette tax and sinking fund - General obligation.

The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver, as hereinafter provided, a series of bonds designated "State of Oklahoma Institutional Building

Bonds of 1965" (herein called the "Series D Bonds"), in the principal sum of Sixteen Million Five Hundred Twenty-five Thousand Dollars (\$16,525,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of House Bill No. 511, enacted by the Thirtieth Oklahoma Legislature, constituting the remainder of revenue available for the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes. There is in the State Treasury a fund known as the "State of Oklahoma Institutional Building Bonds of 1965 Sinking Fund" (herein called the "sinking fund"), established by said House Bill No. 1122, which is hereby irrevocably pledged to the payment of the interest on, and principal of, the Series D Bonds, in addition to other State of Oklahoma Institutional Building Bonds of 1965, and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of such bonds. Beginning on the first day of the month following the adoption of said constitutional amendment, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of seven cents (\$0.07) of the tax on each package of cigarettes levied by Section 302 of House Bill No. 511, enacted by the Thirtieth Oklahoma Legislature. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in the sinking fund such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, the outstanding State of Oklahoma Institutional Building Bonds of 1965 as the same fall due. The State Treasurer shall deposit in the sinking fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal years for the payment of the principal upon the Series D Bonds:

For the fiscal years commencing July 1, 1971, 1972 and 1973, the sum of Two Hundred Thousand Dollars (\$200,000.00) each year; for the fiscal years commencing July 1, 1974, 1975, and 1976, the sum of Four Hundred Thousand Dollars (\$400,000.00) each year; for the fiscal years commencing July 1, 1977, to and including the fiscal year commencing July 1, 1982, the sum of Seven Hundred Thousand Dollars

(\$700,000.00) each year; for the fiscal years commencing July 1, 1983, to and including the fiscal year commencing July 1, 1991, the sum of One Million Dollars (\$1,000,000.00) each year; for the fiscal year commencing July 1, 1992, the sum of One Million Five Hundred Twenty-five Thousand Dollars (\$1,525,000.00) and, in addition thereto, in each of said fiscal years the amount necessary for the payment of interest on the Series D Bonds. In the event that the payments into the sinking fund in any fiscal year plus the accumulation in such sinking fund is not sufficient to pay the principal and interest due the following July 15 on the State of Oklahoma Institutional Building Bonds of 1965, then it shall be the duty of the State Treasurer to pay into said sinking fund from the cigarette funds such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of the Series D Bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, said bonds issued hereunder, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary, hereby devotes irrevocably to the payment of the interest on, and principal of said bonds, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary, for the purpose of paying the principal of and interest on the Series D Bonds issued hereunder as they come due. The Series D Bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate on the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally binding covenants and agreements, not inconsistent with this act or House Joint Resolution No. 522 (552) of the Thirtieth Oklahoma Legislature, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1968, c. 265, § 3, emerg. eff. April 29, 1968.

§62-57.104. Serial coupon bonds - Maturities - Interest payment dates - Call and redemption.

The Series D Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. The Series D Bonds shall mature on July 15 in the years and amounts, respectively, as follows:

<u>Years</u>	<u>Amounts</u>
1972	\$ 200,000.00
1973	\$ 200,000.00
1974	\$ 200,000.00
1975	\$ 400,000.00
1976	\$ 400,000.00
1977	\$ 400,000.00
1978	\$ 700,000.00
1979	\$ 700,000.00
1980	\$ 700,000.00
1981	\$ 700,000.00
1982	\$ 700,000.00
1983	\$ 700,000.00
1984	\$1,000,000.00
1985	\$1,000,000.00
1986	\$1,000,000.00
1987	\$1,000,000.00
1988	\$1,000,000.00
1989	\$1,000,000.00
1990	\$1,000,000.00
1991	\$1,000,000.00
1992	\$1,000,000.00
1993	\$1,525,000.00

The Series D Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, may be in such denomination or denominations, may be secured by a reserve to assure prompt payment of the principal and interest, may be in such form either coupon or registered, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission; provided, that all such bonds maturing on and after ten (10) years from their dates may be subject to call and redemption, in inverse order of bond numbers, at par and accrued interest, with the detailed provisions for such calling and redemption thereof to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the sinking fund shall be sufficient to retire all outstanding State of Oklahoma Institutional Building Bonds of 1965, including interest thereon, there shall be paid into the sinking fund during each fiscal year from the sources

hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and provided by the State of Oklahoma Building Bonds Commission in its resolution or resolutions authorizing the issuance of said bonds. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1968, c. 265, § 4, emerg. eff. April 29, 1968.

§62-57.105. Advertisement for bids - Interest - Deposit.

The Commission shall advertise the Series D Bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least once in each of two (2) consecutive weeks prior to the date fixed for such sale in a newspaper having a general circulation in the State of Oklahoma and at least once not less than twenty (20) days prior to the date fixed for such sale in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest cost to the State of Oklahoma, such cost to be determined by deducting the total amount of any premium bid from the aggregate amount of interest on all of the bonds from their date until their respective maturities, stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of any bid (which shall name the interest rate or rates, not exceeding five percent (5%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery; provided, however, that no tender of the bonds shall be valid until after the expiration of the period of contestability provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that if the purchaser shall fail for five (5) days after the tender of the bonds to pay the

balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state. Laws 1968, c. 265, § 5, emerg. eff. April 29, 1968.

§62-57.106. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which interim bonds may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definitive bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma. Laws 1968, c. 265, § 6, emerg. eff. April 29, 1968.

§62-57.107. Legal investments.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds. 1968, c. 265, § 7, emerg. eff. April 29, 1968.

§62-57.108. Legal opinion - Period of contestability - Jurisdiction of contest - Formalities of execution.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds, and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows:

"I have examined all proceedings had in connection with the issuance of the State of Oklahoma Institutional Building Bonds of 1965, Series D, in the aggregate principal amount of Sixteen Million five Hundred Twenty-five Thousand Dollars (\$16,525,000.00), dated

_____, authorized and sold pursuant to Section 37, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____ "

Attorney General of the State of Oklahoma

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and the Secretary of State and shall bear the certificate required by Section 29, Article X, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of either the Governor's or the Secretary of State's signature on the bonds, may be facsimile seals and signatures. Laws 1968, c. 265, § 8, emerg. eff. April 29, 1968.

§62-57.109. Delivery - Deposit of proceeds - Investment of surplus.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid. The proceeds of the sale of said bonds shall be deposited in the State Treasury in the sinking fund, where they shall remain subject to disposition as provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education acting on behalf of the governing boards, according to the funds allocated, as to the amounts available for investment shall invest said designated amounts of the sinking fund in direct obligations of the United States of America or in certificates of deposits from banks in this state acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much as or more than direct obligations of the United States of America. All such investments of said monies must be made so that the same shall mature in time to enable this state to issue warrants for payment of the valid indebtedness incurred for the purpose for which said bonds are issued, when the said indebtedness has been

incurred pursuant to legislative authority. The Director of the Office of Management and Enterprise Services and the Oklahoma State Regents for Higher Education shall promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the sinking fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall make the investment specified in this section. All interest received by the State Treasurer upon the securities referred to in this section shall be deposited in the sinking fund.

Added by Laws 1968, c. 265, § 9, emerg. eff. April 29, 1968. Amended by Laws 1983, c. 304, § 58, eff. July 1, 1983; Laws 1989, c. 343, § 16, operative July 1, 1989; Laws 2012, c. 304, § 433.

§62-57.110. Investment of sinking fund.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer, when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the Series D Bonds, which earnings shall be deposited in the sinking fund.

Laws 1968, c. 265, § 10, emerg. eff. April 29, 1968.

§62-57.111. Judicial approval of Series D Bonds.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of the Series D Bonds, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the Court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the State that on a day named the Commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the Court. If the court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 37, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance

with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1968, c. 265, § 11, emerg. eff. April 29, 1968.

§62-57.112. Attorney General to represent Commission.

It is provided that the Attorney General of the State of Oklahoma shall represent the said Building Bonds Commission in the discharge of its functions provided by this act, and said Building Bonds Commission shall not employ a private attorney or attorneys.

Laws 1968, c. 265, § 12, emerg. eff. April 29, 1968.

§62-57.121. Purpose.

It is hereby declared to be the purpose of this act to vitalize Section 38, Article X, of the Oklahoma Constitution and to direct the issuance and sale of general obligation bonds authorized by said constitutional amendment.

Added by Laws 1969, c. 339, § 1, emerg. eff. May 8, 1969.

§62-57.122. Building Bonds Commission as agency - Indebtedness - Purposes.

The State of Oklahoma Building Bonds Commission, acting for and on behalf of the State of Oklahoma, shall be the agency by and through which the State of Oklahoma shall incur indebtedness to the extent of the sum of Ninety-nine Million Eight Hundred Eight Thousand Dollars (\$99,808,000.00) for the purpose of planning and constructing new buildings or additions to existing state buildings and other capital improvements for remodeling, modernizing and repairing existing buildings and capital improvements and purchase of land, equipment and furnishings necessary for construction or remodeling for the following departments and agencies of state government in the amounts and for the purposes set forth as follows:

1. The constituent institutions of The Oklahoma State System of Higher Education
.....\$34,250,000.00
2. Medical Center of the University of Oklahoma
.....26,870,000.00
3. A new junior college at Tulsa...4,000,000.00
4. A new junior college at Midwest City and new or existing community junior colleges
.....2,000,000.00

5. Griffin Memorial Hospital, Eastern State Hospital, Western State Hospital and Taft State Hospital, and for community mental health centers, provided not more than \$1,200,000.00 may be spent on community mental health centers.....8,000,000.00
6. Administrative offices and laboratories of the State Health Department.....4,516,000.00
7. Oklahoma General Hospital.....500,000.00
8. Acquisition of land and completion of streets and highways in the State Capitol Complex1,875,000.00
9. Equipment and remodeling at Wiley Post Building and acquisition and improvement of historic sites.....125,000.00
10. Technology center schools and technical institutes and equipment.....5,750,000.00
11. Oklahoma State University Institute of Technology-Okmulgee.....1,500,000.00
12. Southern Oklahoma Resource Center of Pauls Valley, the Northern Oklahoma Resource Center of Enid, Hissom Memorial Center, School for the Blind, School for the Deaf, Whitaker State Children's Home, Taft State Children's Home, Helena State School for Boys, Boley State School for Boys, Taft State School for Girls and Tecumseh Girls' Town.....4,375,000.00
13. Construction of a Juvenile Diagnostic Evaluation and Receiving Center 1,000,000.00
14. Construction of a Plans and Training Building and for district headquarters of the Department of Public Safety. .497,000.00
15. Construction of headquarters, warehouse and armory buildings of State Military Department 1,500,000.00
16. State Bureau of Investigation headquarters building.....200,000.00
17. Construction and equipping of a reception and diagnostic center and other capital improvements at the State Penitentiary1,000,000.00
18. Constructing, renovating and equipping academic and vocational school facilities and other capital projects at the State Reformatory.....750,000.00
19. Eastern Oklahoma Tuberculosis Sanatorium250,000.00

- 20. Western Oklahoma Tuberculosis Sanatorium
.....250,000.00
- 21. Constructing community social service centers
at Ada, Shawnee, Lawton and other communities
approved by the State Department of Health
.....500,000.00
- 22. Cerebral Palsy Institute.....100,000.00

Added by Laws 1969, c. 339, § 2, emerg. eff. May 8, 1969. Amended by Laws 1990, c. 265, § 60, operative July 1, 1990; Laws 1992, c. 307, § 9, eff. July 1, 1992; Laws 2001, c. 33, § 54, eff. July 1, 2001; Laws 2008, c. 54, § 2, eff. July 1, 2008.

§62-57.123. Issuance and sale of bonds - Series.

The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver, as hereinafter provided, "State of Oklahoma Building Bonds of 1968" in the principal sum of Ninety-nine Million Eight Hundred Eight Thousand Dollars (\$99,808,000.00). The Commission is hereby authorized and directed to issue, sell and deliver said bonds as follows:

Series A, in the principal sum of Thirty Million Three Hundred Thousand Dollars (\$30,300,000.00) on or about July 15, 1969;

Series B, in the principal sum of Twenty-five Million Dollars (\$25,000,000.00), on or about July 15, 1970;

Series C, in the principal sum of Twenty-five Million Dollars (\$25,000,000.00), on or about July 15, 1971; and

Series D, in the principal sum equal to the balance of the amount authorized in Section 38, Article X of the Oklahoma Constitution.

The bonds in Series B, C and D shall not be sold, issued or delivered until the Legislature has enacted a bill or joint resolution (1) confirming the authorization contained in this section, (2) confirming or adjusting the amount of bonds to be sold and (3) determining the schedule for the payments into the sinking fund and maturity schedule for such series. All proceeds from the sale of such bonds shall be deposited in the State Treasury to the credit of the "State of Oklahoma Building Bonds of 1968 Fund" which is hereby created.

Laws 1969, c. 339, § 3, emerg. eff. May 8, 1969.

§62-57.124. Pledge of cigarette tax.

It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that five cents (\$0.05) of the tax on each package of cigarettes levied by Section 1, Chapter 47, 1968 Oklahoma Session Laws, constituting the remainder of revenue available for the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge

of the interest on, and the principal of, the bonds issued hereunder as the same become due, and said revenues shall be, and hereby are, irrevocably pledged for such purposes.

Laws 1969, c. 339, § 4, emerg. eff. May 8, 1969.

§62-57.125. Sinking fund.

There is hereby created in the State Treasury a fund to be known as the "State of Oklahoma Building Bonds of 1968 Sinking Fund" (herein called the "sinking fund"), which is hereby irrevocably pledged to the payment of the interest on, and principal of, the bonds issued hereunder, and monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution or resolutions of the Commission authorizing the issuance of such bonds. Beginning on the first day of the month following the adoption of said constitutional amendment, the Oklahoma Tax Commission, when transmitting to the State Treasurer the monthly collection of the tax on cigarettes, shall also transmit to the State Treasurer a schedule showing the net proceeds of the tax on each package of cigarettes levied by Section 1, Chapter 47, 1968 Oklahoma Session Laws. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in the Sinking Fund such portions of the cigarette tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, the outstanding State of Oklahoma Building Bonds of 1968 as the same fall due.

Laws 1969, c. 339, § 5, emerg. eff. May 8, 1969.

§62-57.126. Deposits for payment of principal.

The State Treasurer shall deposit in the sinking fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal years for the payment of the principal upon the Series A Bonds:

FISCAL YEAR BEGINNING

<u>JULY 1</u>	<u>AMOUNT</u>
1969	-0-
1970	-0-
1971	\$ 850,000.00
1972	900,000.00
1973	1,000,000.00
1974	1,000,000.00
1975	1,100,000.00
1976	1,100,000.00
1977	1,200,000.00
1978	1,300,000.00
1979	1,300,000.00
1980	1,400,000.00

1981	1,500,000.00
1982	1,550,000.00
1983	1,650,000.00
1984	1,750,000.00
1985	1,850,000.00
1986	1,950,000.00
1987	2,050,000.00
1988	2,150,000.00
1989	2,250,000.00
1990	2,450,000.00

Laws 1969, c. 339, § 6, emerg. eff. May 8, 1969.

§62-57.127. Pledges and covenants.

In the event that the payments into the sinking fund in any fiscal year plus the accumulation in such sinking fund are not sufficient to pay the principal and interest due the following July 15 on the State of Oklahoma Building Bonds of 1968, then it shall be the duty of the State Treasurer to pay into said sinking fund from the State of Oklahoma Building Bonds of 1968 Reserve Fund such sum of money as may be necessary to pay said principal and interest. The cigarette tax monies hereinabove pledged to the retirement of the bonds issued hereunder shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, said bonds, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary, hereby devotes irrevocably to the payment of the interest on, and principal of, said bonds, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary, for the purpose of paying the principal of and interest on the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate on the face of each of the bonds issued under this act pledges, the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such

other equally-binding covenants and agreements, not inconsistent with this act or Section 38 of Article X of the Oklahoma Constitution, as it deems to be needful and appropriate to the general purpose of effectuating this act.

Laws 1969, c. 339, § 7, emerg. eff. May 8, 1969.

§62-57.128. Series A Bonds.

The Series A Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. The Series A Bonds shall mature on January 15 in the years and amounts, respectively, as follows:

<u>YEARS</u>	<u>AMOUNTS</u>
1972	\$ 850,000.00
1973	900,000.00
1974	1,000,000.00
1975	1,000,000.00
1976	1,100,000.00
1977	1,100,000.00
1978	1,200,000.00
1979	1,300,000.00
1980	1,300,000.00
1981	1,400,000.00
1982	1,500,000.00
1983	1,550,000.00
1984	1,650,000.00
1985	1,750,000.00
1986	1,850,000.00
1987	1,950,000.00
1988	2,050,000.00
1989	2,150,000.00
1990	2,250,000.00
1991	2,450,000.00

The Series A Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, may be in such denomination or denominations, may be in such form either coupon or registered, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium of payment at such place or places, as may be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission, provided, that all such bonds maturing on and after ten (10) years from their dates may, at the discretion of the Commission, be made subject to call and redemption, in inverse order of bond numbers, at par or with premium, and accrued interest, with the detailed provisions for such calling and redemption thereof and the amount of the premium, if any, to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the sinking fund

shall be sufficient to retire all outstanding State of Oklahoma Building Bonds of 1968, including interest thereon, there shall be paid into the sinking fund during each fiscal year from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal as they become due. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.
Laws 1969, c. 339, § 8, emerg. eff. May 8, 1969.

§62-57.129. Advertisement and sale of bonds.

The Commission shall advertise the bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least once in each of two (2) consecutive weeks prior to the date fixed for such sale in a newspaper having a general circulation in the State of Oklahoma and at least once not less than twenty (20) days prior to the date fixed for such sale in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state that the bonds will be sold to the bidder bidding the lowest interest cost to the State of Oklahoma, such cost to be determined by deducting the total amount of any premium bid from the aggregate amount of interest on all of the bonds from their date until their respective maturities, stating also, however, that the Commission may, in its discretion, reject all bids submitted and readvertise the bonds for sale. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to secure understanding of the offer and to assure maximum competition between bidders. Upon acceptance of any bid (which shall name the interest rate or rates, not exceeding six percent (6%) per annum), the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery; provided, however, that no tender of the bonds shall be valid until after the expiration of the period of contestability provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited upon the purchase price of the bonds so sold and with the further agreement that, if the purchaser shall fail for five (5) days after the tender of the bonds to pay the balance of the purchase price, said sale shall be thereby annulled

and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state. Added by Laws 1969, c. 339, § 9, emerg. eff. May 8, 1969.

§62-57.130. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which interim bonds may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold, but said interim bonds shall represent the bonded debt only until such time as the definitive bonds are printed, executed and delivered to the purchaser thereof. No tender of any such interim bonds shall be valid until the expiration of the period of contestability provided in this act. Simultaneously with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma.

Added by Laws 1969, c. 339, § 10, emerg. eff. May 8, 1969.

§62-57.131. Investment - Approval as collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions hereof. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.

Added by Laws 1969, c. 339, § 11, emerg. eff. May 8, 1969.

§62-57.132. Certificate of Attorney General - Signatures and seals.

Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds, and shall, if he finds such bond proceedings and sale to be constitutional and lawful, execute his certificate and file the same of record in the Office of the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows:

"I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds of 1968, Series _____, in the aggregate principal amount of _____, dated _____, authorized and sold pursuant to Section 38, Article X, Constitution of Oklahoma, and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional,

lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes.

Date _____

Attorney General of the
State of Oklahoma."

A facsimile of such Attorney General's certificate shall appear on each bond so issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and the Secretary of State and shall bear the certificate required by Section 29, Article x, of the Constitution of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma and a statement of such registration shall appear on the back of each bond. The commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds or coupons, with the exception of either the Governor's or the Secretary of State's signature on the bonds, may be facsimile seals and signatures. Laws 1969, c. 339, § 12, emerg. eff. May 8, 1969.

§62-57.133. Delivery of bonds upon payment - Deposit and investment of proceeds - Interest.

The bonds and interest coupons attached thereto shall be delivered to the purchaser thereof only upon payment of par and accrued interest to the date of delivery thereof, together with any premium bid, if any. The proceeds of the sale of said bonds shall be deposited in the State Treasury of the State of Oklahoma, in the State of Oklahoma Building Bonds of 1968 Fund, where they shall remain subject to disposition as provided for by the Legislature of Oklahoma, provided that the State Treasurer of the State of Oklahoma, when so directed by any agency to which a portion of such fund has been appropriated as to the amount appropriated to such agency, shall invest the amounts designated by such agency for the period or periods of time specified by such agency in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by the acceptable collateral and yield as much or more than direct obligations of the United States of America, and provided further that all such investments of said monies must be so made that the same shall mature in time to enable the State of Oklahoma to issue warrants for payment of the valid indebtedness incurred for the

purpose for which said bonds are issued, when the said indebtedness has been incurred pursuant to legislative authority. It shall be the duty of each agency receiving an appropriation to promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the fund to meet the construction payment schedule, and upon receipt of such certification the State Treasurer shall forthwith make the aforementioned investment. All interest received by the State Treasurer upon the above-mentioned securities after June 30, 1972, shall be deposited in the State of Oklahoma Building Bonds of 1968 Sinking Fund. Any appropriations of such deposited interest enacted prior to June 30, 1972, for the agency for which the investment was made may be expended as provided therein. Any unappropriated amounts of such deposited interest credited on June 30, 1972, to the agency for which the investment was made, as formerly authorized by this section, shall be transferred to the General Revenue Fund. Laws 1969, c. 339, § 13, emerg. eff. May 8, 1969; Laws 1972, c. 238, § 6, operative July 1, 1972.

§62-57.134. Investment of sinking fund monies.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer, when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to mature in time to meet the principal and interest payments on the bonds, which earnings shall be deposited in the sinking fund. Laws 1969, c. 339, § 14, emerg. eff. May 8, 1969.

§62-57.135. Approval of bonds by Supreme Court.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of the bonds issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the Court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to

time in the discretion of the Court. If the Court shall be satisfied that the bonds have been properly authorized in accordance with this act and Section 38, Article X, of the Constitution of Oklahoma, and that when issued they will constitute valid obligations in accordance with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Laws 1969, c. 339, § 15, emerg. eff. May 8, 1969.

§62-57.151. Sale and issuance of bonds authorized - Amount.

The State of Oklahoma Building Bonds Commission is hereby authorized and directed to sell and issue Series B of the State of Oklahoma Building Bonds of 1968 in the principal sum of Twenty-six Million Seventy-eight Thousand Dollars (\$26,078,000.00) on or about October 15, 1970, under the terms and conditions of Chapter 339, O.S.L.1969 (62 O.S.Supp.1969, Sections 57.121 - 57.136), except where such terms and conditions are superseded by the provisions of this act.

Added by Laws 1970, c. 317, § 1, emerg eff. April 27, 1970.

§62-57.152. Schedule for payments into sinking fund.

The State Treasurer shall deposit in the State of Oklahoma Building Bonds of 1968 Sinking Fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal year for the payment of the principal upon the Series B Bonds:

FISCAL YEAR	AMOUNT
BEGINNING JULY 1	
1970	-0-
1971	-0-
1972	\$ 708,000.00
1973	750,000.00
1974	795,000.00
1975	845,000.00
1976	895,000.00
1977	950,000.00
1978	1,005,000.00
1979	1,070,000.00
1980	1,130,000.00
1981	1,195,000.00
1982	1,270,000.00
1983	1,350,000.00

1984	1,425,000.00
1985	1,510,000.00
1986	1,605,000.00
1987	1,700,000.00
1988	1,800,000.00
1989	1,910,000.00
1990	2,025,000.00
1991	2,140,000.00

Laws 1970, c. 317, § 2, emerg. eff. April 27, 1970.

§62-57.153. Schedule of repayment - Interest.

The Series B Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. The Series B Bonds shall mature on January 15 in the years and amounts, respectively, as follows:

YEAR	AMOUNT
1973	\$ 708,000.00
1974	750,000.00
1975	795,000.00
1976	845,000.00
1977	895,000.00
1978	950,000.00
1979	1,005,000.00
1980	1,070,000.00
1981	1,130,000.00
1982	1,195,000.00
1983	1,270,000.00
1984	1,350,000.00
1985	1,425,000.00
1986	1,510,000.00
1987	1,605,000.00
1988	1,700,000.00
1989	1,800,000.00
1990	1,910,000.00
1991	2,025,000.00
1992	2,140,000.00

The Series B Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, shall be in such denomination or denominations, shall be in such form either coupon or registered, shall carry such registration or conversion privileges, shall be executed in such manner, shall be payable in such medium of payment at such place or places, as shall be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission; provided, that all such bonds maturing on and after ten (10) years from their dates may, at the discretion of the Commission, be made subject to call and redemption, in inverse order of bond

numbers, at par or with premium, and accrued interest, with the detailed provisions for such calling and redemption thereof and the amount of the premium, if any, to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the sinking fund shall be sufficient to retire all outstanding State of Oklahoma Building Bonds of 1968, including interest thereon, there shall be paid into the sinking fund during each fiscal year from the sources hereinabove pledged such amounts as shall be necessary to pay the interest and principal as they become due. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Laws 1970, c. 317, § 3, emerg. eff. April 27, 1970.

§62-57.154. Bids.

The State of Oklahoma Building Bonds Commission may reject all bids for such bonds if, in the judgment of the Commission, the interest rate bid is unfavorable and there is a substantial prospect that a more favorable interest rate can be obtained at a later time, in which event the Commission shall readvertise and reoffer such bonds all in accordance with the provisions of said Chapter 339, O.S.L. 1969.

Added by Laws 1970, c. 317, § 4, emerg. eff. April 27, 1970.

§62-57.155. Deposit of proceeds - Investment.

Notwithstanding the provisions of Section 57.133, Title 62 of the Oklahoma Statutes, to the contrary, the proceeds from the sale of such Series B Bonds shall be deposited in the State of Oklahoma Building Bonds of 1968 Sinking Fund, where the proceeds shall remain subject to disposition as provided for by the Legislature of Oklahoma, provided that it shall be the duty of each agency to which an appropriation therefrom is made by Senate Bill No. 656 of the Second Session of the Thirty-second Legislature to advise in writing the State Treasurer of the dates and amounts when each such appropriated sum or portion thereof will be required by such agency to satisfy its program for the expenditure thereof, such written advice to be delivered by each such agency to the State Treasurer within ten (10) days of the sale of such bonds, and it shall be the duty of the State Treasurer to invest the proceeds from the sale of such bonds in direct obligations of the United States of America or in certificates of deposit from banks in Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposit are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, maturing at such times and in such amounts as to enable the State of Oklahoma to issue

warrants in the amounts and at the times indicated by the said agencies in their said written advices to the State Treasurer, and the income from such investments after June 30, 1972, shall be deposited by the State Treasurer in the State of Oklahoma Building Bonds of 1968 Sinking Fund. Any appropriations of such deposited interest enacted prior to June 30, 1972, for the agency for which the investment was made may be expended as provided therein. Any unappropriated amounts of such deposited interest credited on June 30, 1972, to the agency for which the investment was made, as formerly authorized by this section, shall be transferred to the General Revenue Fund.

Laws 1970, c. 317, § 5, emerg. eff. April 27, 1970; Laws 1972, c. 238, § 7, operative July 1, 1972.

§62-57.161. Sale and issuance of bonds authorized - Amount.

The State of Oklahoma Building Bonds Commission is hereby authorized and directed to sell and issue Series C of the State of Oklahoma Building Bonds of 1968 in the principal sum of Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000.00) on or about October 15, 1972, under the terms and conditions of Sections 57.121 through 57.136, Title 62 of the Oklahoma Statutes, except where such terms and conditions are superseded by the provisions of this act. Added by Laws 1972, c. 238, § 1, operative July 1, 1972.

§62-57.162. Schedule for payments into Sinking Fund.

The State Treasurer shall deposit in the State of Oklahoma Building Bonds of 1968 Sinking Fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal year for the payment of the principal upon the Series C Bonds:

FISCAL YEAR BEGINNING JULY 1	AMOUNT
1972	\$ -0-
1973	-0-
1974	75,000.00
1975	80,000.00
1976	85,000.00
1977	90,000.00
1978	95,000.00
1979	100,000.00
1980	105,000.00
1981	115,000.00
1982	120,000.00
1983	125,000.00
1984	135,000.00
1985	140,000.00
1986	150,000.00
1987	160,000.00

1988	170,000.00
1989	180,000.00
1990	190,000.00
1991	200,000.00
1992	210,000.00
1993	225,000.00

Added by Laws 1972, c. 238, § 2, operative July 1, 1972.

§62-57.163. Schedule of repayment - Interest.

The Series C Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. The Series C Bonds shall mature on January 15, in the years and amounts, respectively, as follows:

YEAR	AMOUNT
1975	\$ 75,000.00
1976	80,000.00
1977	85,000.00
1978	90,000.00
1979	95,000.00
1980	100,000.00
1981	105,000.00
1982	115,000.00
1983	120,000.00
1984	125,000.00
1985	135,000.00
1986	140,000.00
1987	150,000.00
1988	160,000.00
1989	170,000.00
1990	180,000.00
1991	190,000.00
1992	200,000.00
1993	210,000.00
1994	225,000.00

The Series C Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, shall be in such denomination or denominations, shall be in such form either coupon or registered, shall carry such registration or conversion privileges, shall be executed in such manner, shall be payable in such medium of payment at such place or places, as shall be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission; provided, that all such bonds maturing on and after ten (10) years from their dates may, at the discretion of the Commission, be made subject to call and redemption, in inverse order of bond numbers, at par or with premium, and accrued interest, with the detailed provisions for such calling and redemption thereof and the

amount of the premium, if any, to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the sinking fund shall be sufficient to retire all outstanding State of Oklahoma Building Bonds of 1968, including interest thereon, there shall be paid into the sinking fund during each fiscal year from the sources hereinabove pledged such amounts as shall be necessary to pay the interest and principal as they become due. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Added by Laws 1972, c. 238, § 3, operative July 1, 1972.

§62-57.164. Bids.

The State of Oklahoma Building Bonds Commission may reject all bids for such bonds if, in the judgment of the Commission, the interest rate is unfavorable and there is a substantial prospect that a more favorable interest rate can be obtained at a later time, in which event the Commission shall readvertise and reoffer such bonds all in accordance with the provisions of said Sections 57.121 through 57.136, Title 62, Oklahoma Statutes.

Added by Laws 1972, c. 238, § 4, operative July 1, 1972.

§62-57.165. Deposit of proceeds - Investment.

Notwithstanding the provisions of Section 57.133, Title 62, Oklahoma Statutes, to the contrary, the proceeds from the sale of such Series C Bonds shall be deposited in the State of Oklahoma Building Bonds of 1968 Fund, where the proceeds shall remain subject to disposition as provided for by the Legislature of Oklahoma, provided that it shall be the duty of each agency to which an appropriation therefrom is made by House Bill No. 1797 of the Second Session of the Thirty-third Legislature to advise in writing the State Treasurer of the dates and amounts when each such appropriated sum or portion thereof will be required by such agency to satisfy its program for the expenditure thereof, such written advice to be delivered by each such agency to the State Treasurer within ten (10) days of the sale of such bonds, and it shall be the duty of the State Treasurer to invest the proceeds from the sale of such bonds in direct obligations of the United States of America or in certificates of deposit from banks in Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposit are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, maturing at such times and in such amounts as to enable the State of Oklahoma to issue warrants in the amounts and at the times indicated by the said agencies in their said written advices to the State Treasurer, and

the income from such investments shall be deposited by the State Treasurer in the State of Oklahoma Building Bonds of 1968 Sinking Fund.

Laws 1972, c. 238, § 5, operative July 1, 1972.

§62-57.171. Sale and issuance of bonds authorized - Amount.

The State of Oklahoma Building Bonds Commission is hereby authorized and directed to sell and issue Series D of the State of Oklahoma Building Bonds of 1968 in the principal sum of Fourteen Million Dollars (\$14,000,000.00) on or about July 15, 1973, under the terms and conditions of Sections 57.121 through 57.136, Title 62, Oklahoma Statutes, except where such terms and conditions are superseded by the provisions of this act.

Added by Laws 1973, c. 207, § 1, emerg. eff. May 18, 1973.

§62-57.172. Schedule for payments into sinking fund.

The State Treasurer shall deposit in the State of Oklahoma Building Bonds of 1968 Sinking Fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal years for the payment of the principal upon the Series D Bonds:

FISCAL YEAR BEGINNING JULY 1	AMOUNT
1973	\$ -0-
1974	-0-
1975	395,000
1976	420,000
1977	445,000
1978	470,000
1979	495,000
1980	520,000
1981	550,000
1982	580,000
1983	615,000
1984	650,000
1985	685,000
1986	725,000
1987	765,000
1988	810,000
1989	855,000
1990	900,000
1991	950,000
1992	1,000,000
1993	1,055,000
1994	1,115,000

Added by Laws 1973, c. 207, § 2, emerg. eff. May 18, 1973.

§62-57.173. Schedule of repayment - Interest.

The Series D Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission. The Series D Bonds shall mature on January 15 in the years and amounts, respectively, as follows:

YEAR	AMOUNT
1976	\$ 395,000
1977	420,000
1978	445,000
1979	470,000
1980	495,000
1981	520,000
1982	550,000
1983	580,000
1984	615,000
1985	650,000
1986	685,000
1987	725,000
1988	765,000
1989	810,000
1990	855,000
1991	900,000
1992	950,000
1993	1,000,000
1994	1,055,000
1995	1,115,000

The Series D Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, shall be in such denomination or denominations, shall be in such form either coupon or registered, shall carry such registration or conversion privileges, shall be executed in such manner, shall be payable in such medium of payment at such place or places, as shall be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission; provided, that all such bonds maturing on and after ten (10) years from their dates may, at the discretion of the Commission, be made subject to call and redemption, in inverse order of bond numbers, at par or with premium, and accrued interest, with the detailed provisions for such calling and redemption thereof and the amount of the premium, if any, to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the Sinking Fund shall be sufficient to retire all outstanding State of Oklahoma Building Bonds of 1968, including interest thereon, there shall be paid into the Sinking Fund during each fiscal year from the sources hereinabove pledged such amounts as shall be necessary to pay the interest and principal as they become due. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds

nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Added by Laws 1973, c. 207, § 3, emerg. eff. May 18, 1973.

§62-57.174. Bids.

The State of Oklahoma Building Bonds Commission may reject all bids for such bonds if, in the judgment of the Commission, the interest rate bid is unfavorable and there is a substantial prospect that a more favorable interest rate can be obtained at a later time, in which event the Commission shall readvertize and reoffer such bonds all in accordance with the provisions of Sections 57.121 through 57.136 of Title 62, Oklahoma Statutes.

Added by Laws 1973, c. 207, § 4, emerg. eff. May 18, 1973.

§62-57.175. Deposit of proceeds - Investment.

Notwithstanding the provisions of Section 57.133, Title 62, Oklahoma Statutes, to the contrary, the proceeds from the sale of such Series D Bonds shall be deposited in the State of Oklahoma Building Bonds of 1968 Fund, where the proceeds shall remain subject to disposition as provided for by the Legislature of Oklahoma, provided that it shall be the duty of the agency to which an appropriation therefrom is made by Senate Bill No. 374 of the 1st Session of the 34th Oklahoma Legislature to advise in writing the State Treasurer of the dates and amounts when each such appropriated sum or portion thereof will be required by such agency to satisfy its program for the expenditure thereof, such written advice to be delivered by each such agency to the State Treasurer within ten (10) days of the sale of such bonds, and it shall be the duty of the State Treasurer to invest the proceeds from the sale of such bonds in direct obligation of the United States of America or in certificates of deposit from banks in Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposit are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, maturing at such times and in such amounts as to enable the State of Oklahoma to issue warrants in the amounts and at the times indicated by the said agencies in their said written advices to the State Treasurer, and the income from such investments shall be deposited by the State Treasurer in the State of Oklahoma Building Bonds of 1968 Sinking Fund and shall be used to pay the interest on such Series D Bonds. Laws 1973, c. 207, § 5, emerg. eff. May 18, 1973.

§62-57.176. Attorney General to handle legal work.

All legal work herein is to be done by the Attorney General in connection with this act.

Added by Laws 1973, c. 207, § 6, emerg. eff. May 18, 1973.

§62-57.181. Sale and issuance of bonds authorized - Amount.

The State of Oklahoma Building Bonds Commission is hereby authorized and directed to sell and issue Series E of the State of Oklahoma Building Bonds of 1968 in the principal sum of Twenty-six Million Six Hundred Eighty Thousand Dollars (\$26,680,000.00) on or about July 15, 1974, under the terms and conditions of Sections 57.121 through 57.136, Title 62, Oklahoma Statutes, except where such terms and conditions are superseded by the provisions of this act. Added by Laws 1974, c. 167, § 1, emerg. eff. May 9, 1974.

§62-57.182. Schedule for payments into Sinking Fund.

The State Treasurer shall deposit in the State of Oklahoma Building Bonds of 1968 Sinking Fund, in addition to all other amounts required to be deposited therein, the following sums for the following fiscal years for the payment of the principal upon the Series E Bonds:

FISCAL YEAR BEGINNING JULY 1

1974	\$	-0-
1975		-0-
1976		855,000.00
1977		890,000.00
1978		925,000.00
1979		965,000.00
1980		1,005,000.00
1981		1,050,000.00
1982		1,100,000.00
1983		1,150,000.00
1984		1,200,000.00
1985		1,255,000.00
1986		1,310,000.00
1987		1,375,000.00
1988		1,440,000.00
1989		1,505,000.00
1990		1,580,000.00
1991		1,655,000.00
1992		1,735,000.00
1993		1,815,000.00
1994		1,895,000.00
1995		1,975,000.00

Added by Laws 1974, c. 167, § 2, emerg. eff. May 9, 1974.

§62-57.183. Schedule of repayment - Interest.

The Series E Bonds shall be serial coupon bonds. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the State of Oklahoma Building Bonds Commission.

The Series E Bonds shall mature on January 15 in the years and amounts, respectively, as follows:

FISCAL YEAR BEGINNING JULY 1

1978	890,000.00
1979	925,000.00
1980	965,000.00
1981	1,005,000.00
1982	1,050,000.00
1983	1,100,000.00
1984	1,150,000.00
1985	1,200,000.00
1986	1,255,000.00
1987	1,310,000.00
1988	1,375,000.00
1989	1,440,000.00
1990	1,505,000.00
1991	1,580,000.00
1992	1,655,000.00
1993	1,735,000.00
1994	1,815,000.00
1995	1,895,000.00
1996	1,975,000.00

The Series E Bonds shall bear interest, payable semiannually on January 15 and July 15 of each year, shall be in such denomination or denominations, shall be in such form either coupon or registered, shall carry such registration or conversion privileges, shall be executed in such manner, shall be payable in such medium of payment at such place or places, as shall be provided by resolution or resolutions to be adopted by the State of Oklahoma Building Bonds Commission; provided, that all such bonds maturing on and after ten (10) years from their dates may, at the discretion of the Commission, be made subject to call and redemption, in inverse order of bond numbers, at par or with premium, and accrued interest, with the detailed provisions for such calling and redemption thereof and the amount of the premium, if any, to be fixed by the Commission in the resolution or resolutions for the issuance of such bonds. Until such time as the sinking fund shall be sufficient to retire all outstanding State of Oklahoma Building Bonds of 1968, including interest thereon, there shall be paid into the sinking fund during each fiscal year from the sources hereinabove pledged such amounts as shall be necessary to pay the interest and principal as they become due. All bonds issued pursuant to this act shall have all the qualities and incidents of negotiable paper, and neither said bonds nor the interest earned thereon shall be subject to taxation by the State of Oklahoma or any county, municipality or political subdivision thereof.

Added by Laws 1974, c. 167, § 3, emerg. eff. May 9, 1974.

§62-57.184. Bids.

The State of Oklahoma Building Bonds Commission may reject all bids for such bonds if, in the judgment of the Commission, the interest rate bid is unfavorable and there is a substantial prospect that a more favorable interest rate can be obtained at a later time, in which event the Commission shall readvertize and reoffer such bonds all in accordance with the provisions of Sections 57.121 through 57.136 of Title 62, Oklahoma Statutes.

Added by Laws 1974, c. 167, § 4, emerg. eff. May 9, 1974.

§62-57.185. Deposit of proceeds - Investment.

Notwithstanding the provisions of Section 57.133, Title 62, Oklahoma Statutes, to the contrary, the proceeds from the sale of such Series E Bonds, Section 1, this act, shall be deposited in the State of Oklahoma Building Bonds of 1968 Fund, where the proceeds shall remain subject to disposition as provided for by the Legislature of Oklahoma, provided that it shall be the duty of the agency to which an appropriation therefrom is made to advise in writing the State Treasurer of the dates and amounts when each such appropriated sum or portion thereof will be required by such agency to satisfy its program for the expenditure thereof, such written advice to be delivered by each such agency to the State Treasurer within ten (10) days of the sale of such bonds, and it shall be the duty of the State Treasurer to invest the proceeds from the sale of such bonds in direct obligation of the United States of America or in certificates of deposit from banks in Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposit are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, maturing at such times and in such amounts as to enable the State of Oklahoma to issue warrants in the amounts and at the times indicated by the said agencies in their said written advices to the State Treasurer, and the income from such investments shall be deposited by the State Treasurer in the State of Oklahoma Building Bonds of 1968 Sinking Fund and shall be used to pay the interest on such Series E Bonds. Laws 1974, c. 167, § 5, emerg. eff. May 9, 1974.

§62-57.186. Appropriation.

There is hereby appropriated to the Department of Mental Health and Substance Abuse Services from the proceeds of the sale of Series E Bonds, Section 1, this act, deposited in the State of Oklahoma Building Bonds of 1968 Fund in the State Treasury the sum of Two Million Sixty Thousand Dollars (\$2,060,000.00) for capital expenditures as may be required to meet the national life safety requirements as prescribed by the National Fire Protection Association Life Safety Code Number 101 and to comply with hospital

safety accreditation standards at the several mental health institutions.

Laws 1974, c. 167, § 6, emerg. eff. May 9, 1974; Amended by Laws 1990, c. 51, § 125, emerg. eff. April 9, 1990.

§62-57.187. Appropriation.

There is hereby appropriated to the Oklahoma State Regents for Higher Education from the proceeds of the sale of Series E Bonds, Section 1, this act, deposited in the State of Oklahoma Building Bonds of 1968 Fund in the State Treasury the sum of Eighteen Million Seven Hundred Fifty Thousand Dollars (\$18,750,000.00) to be allocated by the Regents to the constituent institutions comprising the Oklahoma State System of Higher Education according to the needs of said institutions for planning and construction, furnishing and equipping new buildings and for remodeling, modernizing, repairing, furnishing and equipping existing buildings, and for other capital additions and improvements. The governing boards of the institutions of higher education are authorized to enter into necessary contracts and exercise supervision of the expenditure of funds appropriated by this section. It is the intention of the Legislature that the Regents shall allocate and the governing board shall utilize the funds so as to gain the maximum available federal participation consistent with the priorities of need established by the Regents. Added by Laws 1974, c. 167, § 7, emerg. eff. May 9, 1974.

§62-57.188. Appropriation.

There is hereby appropriated to the Oklahoma State Regents for Higher Education from the proceeds of the sale of Series E Bonds, as provided in Section 1 of this act, deposited in the State of Oklahoma Building Bonds of 1968 Fund, the sum of Three Million Five Hundred Thousand Dollars (\$3,500,000.00).

It is the legislative intent that not to exceed Two Million Nine Hundred Thousand Dollars (\$2,900,000.00) of the amount appropriated by this section be allocated to the Board of Regents of the University of Oklahoma to be expended by the said Board of Regents for the purchase of equipment for use in the University Hospital in conjunction with the teaching and training of students of the University of Oklahoma Medical Center; and that not to exceed Six Hundred Thousand Dollars (\$600,000.00) of the amount appropriated by this section be allocated to the Board of Regents of the University of Oklahoma for use in conjunction with the teaching and training of students of the University of Oklahoma Medical Center as follows: For expenditures in remodeling, modernizing and repairing space in that part of the University Hospital known as "Old Main" for clinical facilities for outpatient care and to provide not less than ninety-six additional hospital beds.

Laws 1974, c. 167, § 8, emerg. eff. May 9, 1974.

§62-57.189. Contracts - Supervision of expenditures.

The Director of the Office of Management and Enterprise Services and the governing boards of the institutions of higher education are authorized to enter into necessary contracts and exercise supervision of the expenditure of funds authorized by Sections 57.181 through 57.191 of this title.

Added by Laws 1974, c. 167, § 9, emerg. eff. May 9, 1974. Amended by Laws 1983, c. 304, § 59, eff. July 1, 1983; Laws 2012, c. 304, § 434.

§62-57.190. Federal aid and assistance.

Any funds appropriated by Sections 6 and 7 of this act may be used in conjunction or cooperation with any federal agency or instrumentality under such terms and conditions as may be necessary to obtain grants of federal aid and assistance, and it shall be the duty of such institutions to make a bona fide attempt to obtain such federal aid and assistance.

Added by Laws 1974, c. 167, § 10, emerg. eff. May 9, 1974.

§62-57.191. Attorney General to handle legal work.

All legal work is to be done by the Attorney General in connection with this act.

Added by Laws 1974, c. 167, § 11, emerg. eff. May 9, 1974.

§62-57.193. Refunding bonds.

The Oklahoma Building Bonds Commission may issue bonds pursuant to the provisions of this section for the purpose of refunding any outstanding obligations issued by the Commission or the State of Oklahoma Building Bonds Commission. The bonds may either be sold or delivered in exchange for outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations being refunded or deposited in escrow for the retirement of the obligations. No outstanding obligations may be refunded which are not maturing, callable for redemption under their terms or voluntarily surrendered by their holders for cancellation, unless the Commission covenants that sufficient funds to meet all remaining interest and principal payments of the outstanding obligations when due will be placed in escrow for such payments in the State Treasury at the time of delivery of and payment for the new bonds issued under this section. All bonds authorized to be issued under this section shall be secured in the same manner as provided for the bonds being refunded, except where more than one issue is being refunded. The Commission may provide that the refunding bonds have the same priority of payment and be paid from the same revenues as enjoyed by the obligations being refunded thereby. The Commission may enter into contracts and engage in such other acts as the Commission deems necessary to effect the offer and sale of its refunding bonds.

Laws 1976, c. 294, § 1, emerg. eff. June 15, 1976; Laws 1992, c. 350, § 16.

§62-57.200. University Bonds Escrow Fund - Purchase and redemption of bonds - Investment of excess public funds - Restructuring or liquidating certain accounts.

A. There is hereby created in the State Treasury the "University Bonds Escrow Fund".

B. The State Treasurer is hereby authorized and directed to purchase and redeem or establish escrow accounts and defease the following designated bonds of the stated universities:

1. Cameron State Agricultural College Student Housing System Revenue Bonds of 1963, Series A and B, dated April 1, 1963, in the original combined amount of One Million Four Hundred Seventy Thousand Dollars (\$1,470,000.00).

2. Cameron State Agricultural College Student Housing System Revenue Bonds of 1967, dated April 1, 1967, in the original amount of Six Million Two Hundred Forty-five Thousand Dollars (\$6,245,000.00).

3. Northwestern State College Student Union/Dormitory Revenue Bonds of 1960, dated December 1, 1960, in the original amount of Five Hundred Thousand Dollars (\$500,000.00).

4. Northwestern State College Student Union/Dormitory Revenue Bonds of 1965, dated January 1, 1965, in the original amount of Nine Hundred Thousand Dollars (\$900,000.00).

5. Northwestern State College Student Union/Dormitory Revenue Bonds of 1965, dated November 1, 1965, in the original amount of One Million Dollars (\$1,000,000.00).

6. Northwestern State College Student Union/Dormitory Revenue Bonds of 1966, dated December 1, 1966, in the original amount of One Million Six Hundred Fifty Thousand Dollars (\$1,650,000.00).

7. Northeastern State College at Tahlequah Refunding and Student Housing System Revenue Bonds of 1958, dated December 1, 1958, in the original amount of One Million Seven Hundred Sixty Thousand Dollars (\$1,760,000.00).

8. Northeastern State College Dormitory Building Revenue Bonds of 1960, dated December 1, 1960, in the original amount of One Million Four Hundred Twenty Thousand Dollars (\$1,420,000.00).

9. Northeastern State College at Tahlequah Dormitory Building Revenue Bonds of 1962, dated December 1, 1962, in the original amount of One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00).

10. Northeastern State College at Tahlequah Dormitory Revenue Bonds of 1964, dated December 1, 1964, in the original amount of Five Hundred Fifteen Thousand Dollars (\$515,000.00).

11. Northeastern State College Dormitory Building Revenue Bonds of 1966, dated December 1, 1966, in the original amount of Two Million Dollars (\$2,000,000.00).

12. Northeastern State College Dormitory Building Revenue Bonds of 1967, dated December 1, 1967, in the original amount of One Million Five Hundred Forty Thousand Dollars (\$1,540,000.00).

13. Northeastern State College Apartment Building Revenue Bonds, dated December 1, 1967, in the original amount of Nine Hundred Thousand Dollars (\$900,000.00).

The bonds shall be redeemed or purchased from monies in the University Bond Escrow Fund at any price which is less than the face amount of the bonds, and the State Treasurer may enter into such other agreements in connection therewith as may be necessary or appropriate, or to purchase governmental obligations in principal amounts, bearing rates of interest and maturing at such times so as to provide funds sufficient to pay the bonds under the applicable series bond resolutions at or before maturity. The bonds shall be redeemed, purchased, or defeased in the order set forth.

C. The State Treasurer, at his sole discretion, may utilize excess public funds available for investment for the purposes specified in subsections A and B of this section.

D. The State Treasurer may restructure or liquidate any existing escrow account established pursuant to this section for the purpose of redeeming or defeasing the Langston University Building Revenue Bonds of 1963, Series B, dated October 1, 1963, in the original amount of One Million Three Hundred Fifty-four Thousand Dollars (\$1,354,000.00). The State Treasurer may require that all or a part of any debt service reserve funds in existence, which are set up exclusively to support the Langston Series B bond issue, be used to assist the redemption or defeasance, as a condition of redeeming or defeasing the bond issue. However, this may not be a condition if the reserve funds are not necessary to complete the transaction. Any such restructuring or liquidation must not affect the ability of the escrow account to pay off the remaining debt of the other bond issues described in this section at the time of redemption or as the principal and interest payments on the bonds come due. The State Treasurer may enter into such agreements in connection with any restructuring or redemption as may be necessary or appropriate, including agreements for legal, accounting, financial, or banking services. Any payments made for services performed under such agreements with the State Treasurer may only come from available or residual funds in the escrow account. Any remaining funds left after the bonds are redeemed, or the escrow account is restructured, shall be transferred to the Special Cash Fund.

Added by Laws 1982, c. 323, § 1, emerg. eff. June 1, 1982. Amended by Laws 1982, c. 374, § 39, emerg. eff. July 20, 1982; Laws 1983, c. 183, § 2, emerg. eff. June 9, 1983; Laws 1984, c. 152, § 1, emerg. eff. April 20, 1984; Laws 1986, c. 223, § 29, operative July 1, 1986; Laws 1997, c. 385, § 1, emerg. eff. June 11, 1997.

§62-57.300. Short title.

Sections 1 through 15 of this act shall be known and may be cited as the "Oklahoma Building Bond and College Savings Bond Act".
Added by Laws 1992, c. 350, § 1.

§62-57.301. Intent and purpose.

It is the intent and purpose of this act to vitalize the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature, if, as and when the same shall be approved by the people of the State of Oklahoma.

Added by Laws 1992, c. 350, § 2.

§62-57.302. Oklahoma Building Bonds Commission - Creation - Membership - Officers - Meetings - Quorum - Staffing - Compensation - Expenses - Performance of preliminary duties.

A. There is hereby created the Oklahoma Building Bonds Commission. The Commission shall consist of the following members:

1. Two members appointed by the President Pro Tempore of the Senate of the State of Oklahoma;

2. Two members appointed by the Speaker of the House of Representatives of the State of Oklahoma; and

3. Three members appointed by the Governor of the State of Oklahoma.

B. The Commission shall elect a chair and a vice-chair to serve one-year terms.

C. A majority of the members of the Commission shall constitute a quorum. The Commission shall be subject to the Open Meeting Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes, and the Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes.

D. The Office of the Secretary of State shall provide staffing for the Commission.

E. The members of the Commission shall receive no additional compensation for their services as members of the Commission or for the performance of any duty in connection with the Commission.

F. Each member of the Commission shall be allowed necessary travel expenses as may be approved by the Commission pursuant to the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes.

G. The Commission, prior to the election on the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature, may perform those preliminary duties necessary to issue bonds pursuant to this act as specified in subsection C of Section 695.7 of this title.

Added by Laws 1992, c. 350, § 3, eff. July 1, 1992.

§62-57.303. Amount and purpose of indebtedness - Unused funds - Issuance of bonds - Revenue sources for payment of bonds.

A. The Commission acting for and on behalf of the State of Oklahoma shall be the agency by and through which the State of Oklahoma shall incur indebtedness in the sum of Three Hundred Fifty Million Dollars (\$350,000,000.00) as principal for the purpose of restoring and modernizing the state's infrastructure, for constructing new buildings and other capital improvements, and for equipping, remodeling, modernizing and repairing any and all existing buildings and capital improvements, and purchase of land, equipment and furnishings necessary for such new construction or remodeling, including any costs associated with the issuance of the indebtedness, as follows:

1. Oklahoma State Regents for Higher Education for expenditure as follows:
 - a. University of Oklahoma - Norman Campus
\$22,731,000.00
 - b. University of Oklahoma - Health Sciences Center
\$22,400,000.00
 - c. Oklahoma State University - Stillwater Campus
\$22,328,000.00
 - d. Oklahoma State University - Agriculture Experiment Station
\$4,000,000.00
 - e. Oklahoma State University - Veterinary Medicine
\$5,075,000.00
 - f. Oklahoma State University - Technical Branch - Okmulgee
\$4,118,000.00
 - g. Oklahoma State University - Technical Branch - Oklahoma City
\$3,868,000.00
 - h. Oklahoma State University - College of Osteopathic Medicine
\$3,750,400.00
 - i. University of Central Oklahoma
\$7,765,106.00
 - j. East Central University
\$5,869,000.00
 - k. Northeastern State University
\$8,813,400.00
 - l. Northwestern Oklahoma State University
\$2,860,000.00
 - m. Southeastern Oklahoma State University
\$5,586,900.00
 - n. Southwestern Oklahoma State University - Weatherford Campus
\$6,297,500.00
 - o. Southwestern Oklahoma State University - Sayre Campus
\$300,000.00
 - p. Cameron University
\$10,200,000.00
 - q. Langston University
\$2,842,500.00

- r. Oklahoma Panhandle State University
\$2,016,500.00
 - s. University of Science and Arts of
Oklahoma \$3,104,376.00
 - t. University Center at Tulsa
\$15,000,000.00
 - u. Carl Albert State College \$3,021,000.00
 - v. Connors State College \$2,055,100.00
 - w. Eastern Oklahoma State College
\$2,007,600.00
 - x. Murray State College \$2,045,000.00
 - y. Northeastern Oklahoma Agricultural and
Mechanical College \$2,410,400.00
 - z. Northern Oklahoma College \$1,206,500.00
 - aa. Oklahoma City Community College
\$6,152,100.00
 - bb. Redlands Community College
\$2,003,900.00
 - cc. Rogers State College \$5,035,100.00
 - dd. Rose State College \$6,158,600.00
 - ee. Seminole Junior College \$2,125,924.00
 - ff. Tulsa Junior College \$22,333,800.00
 - gg. Western Oklahoma State College
\$2,500,000.00
 - hh. Enid Higher Education Program
\$619,123.00
 - ii. Enid Higher Education Program - this
allocation is contingent upon a
\$2,200,000.00 match by the local
community \$1,980,877.00
 - jj. University Center of Southern Oklahoma
\$619,123.00
 - kk. Muskogee Higher Education Program
\$619,123.00
 - ll. Idabel Higher Education Program
\$619,123.00
 - mm. Tulsa Medical Center debt retirement
\$6,600,000.00
 - nn. Food Processing Research Center -
Stillwater \$14,000,000.00
 - oo. Natural History Museum - Norman
\$15,000,000.00
2. Oklahoma Department of Career and
Technology Education for expenditure as
follows:

- a. Instructional equipment for technology center schools, including inmate training facilities \$2,300,000.00
 - b. Mid-Del Technology Center \$200,000.00
 - c. Okmulgee County Technology Center \$3,200,000.00
 - d. Southwest Technology Center \$1,500,000.00
 - e. Wes Watkins Technology Center \$1,000,000.00
 - f. Western Oklahoma Technology Center \$2,000,000.00
3. Oklahoma Water Resources Board \$5,700,000.00
4. Oklahoma Tourism and Recreation Department for the following purposes: roads, park improvements, sewage treatment, facility rehab, equipment, trails, park visitor centers, welcome centers, Will Rogers Museum and other museums, Oklahoma Jazz Hall of Fame and Quartz Mountain Arts and Conference Center \$18,000,000.00
5. Oklahoma Historical Society \$1,700,000.00
6. Department of Human Services \$5,300,000.00
7. Department of Corrections for the following purposes: drug offender work camps and meat processing facility at Jackie Brannon \$6,500,000.00
8. State Department of Health \$7,500,000.00
9. State Department of Agriculture for purposes of dry fire hydrants and rural fire equipment \$1,000,000.00
10. Office of Management and Enterprise Services \$4,300,000.00
11. Oklahoma Military Department \$800,000.00
12. Oklahoma School of Science and Mathematics. Said amount shall not be used for purposes of subsection D of Section 168.3 of Title 73 of the Oklahoma Statutes \$4,500,000.00
13. Office of Management and Enterprise Services for expenditure for telecommunications as recommended by the State Data Processing and Telecommunications Advisory Committee \$14,000,000.00

14. Oklahoma Department of Libraries for expenditure for matching grant program for handicapped access \$500,000.00
15. Oklahoma Department of Veterans Affairs for the following purposes: New facility at Norman, computer programming-mapper system, and improvements at the facilities at Ardmore, Sulphur, Talihina, Clinton, Claremore and Okmulgee \$16,432,500.00
16. Department of Mental Health and Substance Abuse Services \$6,400,000.00

If the full amount of funding for any project specified in this subsection is not necessary for provision of such project, any remaining available funds shall be allocated by the Commission to the full funding of other projects listed in this subsection or to the Oklahoma Building Bonds of 1992 Fund for appropriation by the Legislature for other capital projects.

B. The Commission, acting for and on behalf of the State of Oklahoma, shall issue, sell and deliver as hereinafter provided "Oklahoma Building Bonds of 1992" in a total principal amount of Three Hundred Fifty Million Dollars (\$350,000,000.00). It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of said bonds that the tax on each package of cigarettes levied by Section 302 of Title 68 of the Oklahoma Statutes, constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, and the tax levy on cigarettes pursuant to Sections 302-2 and 302-4 of Title 68 of the Oklahoma Statutes, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenues shall be, and hereby are, irrevocably pledged for such purposes.

Added by Laws 1992, c. 350, § 4. Amended by Laws 1995, c. 84, § 1, eff. Nov. 1, 1995; Laws 2001, c. 33, § 55, eff. July 1, 2001; Laws 2012, c. 252, § 5, eff. July 1, 2012; Laws 2012, c. 304, § 435.

§62-57.304. Oklahoma Building Bonds of 1992 Sinking Fund - Pledge of funds - Transmission of taxes and schedule - Deposit of funds - Pledges and covenants of state.

A. There is hereby created in the State Treasury a special fund to be known and designated as the "Oklahoma Building Bonds of 1992 Sinking Fund" which is hereby irrevocably pledged to the payment of the interest on, and the principal of, the bonds issued pursuant to this act; the monies to the credit thereof shall be paid out only in the manner and at the time and places provided for in the resolution

or indenture of the Commission authorizing the issuance of such bonds.

B. The Oklahoma Tax Commission, when transmitting to the State Treasurer the collection of the tax on cigarettes shall also transmit to the State Treasurer a schedule showing the net proceeds of two cents (\$0.02) of the tax on each package of cigarettes levied by Section 302 of Title 68 of the Oklahoma Statutes and the tax levy on cigarettes pursuant to Sections 302-2 and 302-4 of Title 68 of the Oklahoma Statutes. It shall be the duty of the State Treasurer, upon receiving said taxes and schedules from the Oklahoma Tax Commission, to deposit in said sinking fund such portions of the tax or taxes hereinabove pledged to the payment of the bonds issued hereunder as may be necessary to assure prompt payment of the interest on, and the principal of, said bonds as the same falls due and to comply with the covenants hereof with respect to reserve requirements. Any revenue generated as a result of the tax changes contained in Enrolled Senate Bill No. 759 of the 2nd Session of the 43rd Oklahoma Legislature shall not be deposited in the Oklahoma Building Bonds of 1992 Sinking Fund.

C. The tax monies hereinabove pledged to the retirement of said bonds shall constitute the primary revenue dedicated to the payment of the interest on, and the principal of, the bonds issued hereunder, but it is further pledged, for the purchasers, owners and holders of said bonds, that the State of Oklahoma, if and when it shall appear to be necessary hereby devotes irrevocably to the payment of the interest on and the principal of said bond, any monies in the General Revenue Fund of the State of Oklahoma not otherwise obligated, committed or appropriated, and the State Treasurer is directed to apply such General Revenue Fund of the State of Oklahoma for such purpose. The State of Oklahoma further pledges to the purchasers, owners and holders of said bonds that it will, if and when it shall appear to be necessary, impose and collect a tax and devote the proceeds thereof, or so much thereof as may be necessary for the purpose of paying the principal and interest of the bonds issued hereunder as they come due. The bonds issued hereunder, and the interest thereon, shall be general obligations of the State of Oklahoma, and the full faith, credit and resources of the State of Oklahoma are pledged to their payment. The Commission is authorized to incorporate in the face of each of the bonds issued under this act, pledges the same or substantially the same as those made herein. The pledges and covenants so made by the Commission shall constitute the commitment of the State of Oklahoma, made in full good faith, in its sovereign capacity, and shall be binding upon said state and the Legislature, officers, instrumentalities and agents thereof, so long as any of the interest on, or principal of, said bonds shall remain outstanding and unpaid. The Commission is authorized to make such other equally binding covenants and agreements, not inconsistent with

this act or the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature, as it deems to be needful and appropriate to the general purpose of effectuating this act.
Added by Laws 1992, c. 350, § 5.

§62-57.305. Series and form of bonds - Place of payment - Maturity dates - Particulars of resolution or indenture of Commission - Payments into sinking fund - Negotiability - Tax exemption.

A. The bonds may be issued in one or more series and shall be in the form designated by the Commission. Said bonds and the interest thereon shall be payable at such place or places as may be designated by the Commission. The bonds shall mature on such dates as designated by the Commission. A schedule of maturity dates showing the years and amounts shall be designated by the Commission for each series issued.

B. The bonds may bear interest, may be sold in such manner and at such price or prices, may bear such date or dates, may mature at such time or times, not to exceed thirty (30) years from their date, may be in such denomination or denominations, may carry such registration or conversion privileges, may be executed in such manner, may be payable in such medium of payments, at such place or places, and may bear such rate or rates of interest, and shall be subject to such call for redemption, with or without premium, as may be provided by resolution or indenture of the Commission. Until such time as the Oklahoma Building Bonds of 1992 Sinking Fund shall be sufficient to retire all outstanding bonds and interest thereon, there shall be paid into said sinking fund during each fiscal year, from the sources hereinabove pledged such amounts as may be necessary to pay the interest and principal payable during the next succeeding fiscal year, and an amount sufficient to satisfy the reserve requirements as fixed and approved by the Oklahoma Building Bonds Commission in its resolution or indenture authorizing the issuance of said bonds.

C. All bonds issued pursuant to this act shall have all of the qualities and incidents of negotiable paper. The bonds, the transfer thereof and the interest earned on said bonds, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

Added by Laws 1992, c. 350, § 6.

§62-57.306. Oklahoma Building Bonds of 1992 Fund - Investment of funds.

A. There is hereby created in the State Treasury of the State of Oklahoma the "Oklahoma Building Bonds of 1992 Fund". The proceeds of the sale of bonds pursuant to this act shall be deposited in said

fund, where they shall remain subject to disposition to be provided for by the Legislature of this state, provided that the State Treasurer, when so directed by the Commission, shall invest the amounts designated by the Commission for the period of time specified by the Commission; provided that all such investments of said monies must be made so that the same shall mature in time to enable the State of Oklahoma to issue warrants for payment of the valid obligations incurred for the purpose for which the bonds were issued.

B. It shall be the duty of the Director of the Office of Management and Enterprise Services to promptly certify to the State Treasurer the amount of all sums not needed for payment of construction and other legal expenditures payable from the fund to meet the payment schedule, and upon receipt of such certification the State Treasurer shall forthwith invest such funds.

C. All interest received by the State Treasurer for such investments shall be utilized pursuant to appropriations by the Legislature.

Added by Laws 1992, c. 350, § 7. Amended by Laws 1993, c. 189, § 129, emerg. eff. May 20, 1993; Laws 1994, c. 277, § 5; Laws 2012, c. 304, § 436.

§62-57.307. Procedures and requirements for advertisement and sale of bonds.

A. The Commission shall advertise said bonds for sale in the manner hereinafter provided. Notice of such sale shall be published at least ten (10) days prior to the date fixed for such sale. Such notice shall be published in a newspaper having general circulation in the State of Oklahoma, and in a financial periodical or newspaper known to have general circulation among bond dealers and bond purchasers. Such notice shall state the time and place when and where the Commission will receive written bids for the purchase of the bonds so offered for sale and shall also state the bonds will be sold to the bidder offering the lowest net interest cost or lowest true interest cost to the State of Oklahoma, stating also, however, that the Commission may, in its discretion, reject all nonconforming bids or all bids submitted. Such notice may contain such other conditions, information and details as the Commission deems appropriate and desirable to provide a thorough understanding of the offer and to assure maximum competition among bidders. Upon acceptance of the lowest and best bid, the bonds shall be issued in accordance therewith and shall be delivered to said purchaser upon payment of the purchase price thereof, which shall be not less than par plus accrued interest to date of delivery except as otherwise provided herein. Provided, however, no tender of the bonds shall be valid until after the expiration of the period of contestability provided for herein. All bidders shall be required to submit with their bids such good faith deposit as may to the Commission seem

appropriate. Upon the acceptance of a bid, the Commission shall return to all of the unsuccessful bidders the deposits so made by them. All such deposits by the successful bidder shall become the property of the State of Oklahoma, and shall be credited against the purchase price of the bonds so sold or returned upon payment in full of such bonds. If the purchaser shall fail for five (5) days after the tender of the bonds to pay the balance of the purchase price, said sale shall be thereby annulled and the deposit shall in such event be retained by the State of Oklahoma and credited to the General Revenue Fund of the state.

B. Competitive bidding may be waived upon an affirmative vote of three-fourths (3/4) of the Commission. The Commission thereupon may negotiate for the private sale of the obligations to an underwriter or other purchaser or purchasers. Regardless of the method of sale, the Commission shall be subject to the provisions of the Oklahoma Bond Oversight and Reform Act as set forth in Section 695.1 et seq. of this title.

C. Professionals selected pursuant to subsection B of this section shall not be finally selected until after approval by a vote of the people of the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature.

D. Except as otherwise provided in this act, no bonds shall be sold for less than par value except upon approval of three-fourths (3/4) of the Commission; except as otherwise provided in this act, no bonds shall be sold for less than sixty-five percent (65%) of par value. In no event shall the original purchaser of any bonds issued by the Commission receive directly or indirectly any fees, compensation or other remuneration in excess of four percent (4%) of the price paid for such bonds by the purchaser of such bonds from the Commission.

Added by Laws 1992, c. 350, § 8.

§62-57.308. Maximizing college savings bond program.

It is the intent of the Oklahoma Legislature that an amount not to exceed One Hundred Million Dollars (\$100,000,000.00) of any issue of bonds pursuant to this act should be structured so as to maximize a college savings bond program to benefit Oklahoma families. For this purpose, the Commission may authorize by a majority vote the sale of college savings bonds at any discount. In no event shall the purchaser of any bonds issued by the Commission receive any fees, compensation or other remuneration in excess of four percent (4%) of the price paid for such bonds by the purchaser of such bonds from the Commission. The college savings bonds issued by the Commission may be issued in amounts and denominations as may be provided by resolution or indenture of the Commission to make such college savings bonds available to all citizens of the state. The Commission

is directed to provide adequate statewide publicity of the availability of such college savings bonds. The State Board of Education and the Oklahoma State Regents for Higher Education shall cooperate with the Commission to apprise parents of students in the public schools of this state of the sale of such bonds.
Added by Laws 1992, c. 350, § 9.

§62-57.309. Interim bonds.

The Commission is authorized to issue one or more interim bonds representative of the bonds so sold, which may be in any denomination, shall have all the qualities and be secured by all the covenants and pledges made to secure the bonds so sold; however, the interim bonds shall represent the bonded debt only until such time as the definite bonds are printed, executed and delivered to the purchaser thereof. Tender of any such interim bonds shall not be valid until the expiration of the period of contestability provided in this act. Simultaneous with delivery of the definitive bonds, any such interim bonds shall be surrendered for cancellation and canceled by the State Treasurer of Oklahoma.
Added by Laws 1992, c. 350, § 10.

§62-57.310. Investment in bonds issued under act - Use as collateral security.

Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserve funds and other funds under its control in bonds issued under the provisions of this act. The officers having charge of any fund of the State of Oklahoma, or any department, agency, or institution thereof or any sinking fund of any county, city, town, township, board of education or school district may invest such funds in bonds issued under the provisions of this act. Such bonds shall also be approved as collateral security for the deposit of any public funds and for the investment of trust funds.
Added by Laws 1992, c. 350, § 11.

§62-57.311. Attorney General to examine proceedings of Commission, resolutions passed and action taken in sale of bonds - Execution and filing of Attorney General's certificate - Facsimile of certificate to appear on bonds - Jurisdiction of litigation - Signatures and certificate required on bonds - Registration of bonds - Seals.

A. Within ten (10) days after the sale or sales of said bonds, the Attorney General of the State of Oklahoma shall examine all of the proceedings of the Commission and all resolutions passed and actions taken by it in connection with the authorization and issuance and sale of such bonds and shall, if the Attorney General finds such bond proceedings and sale to be constitutional and lawful, execute his or her certificate and file the same of record in the Office of

the Secretary of State of the State of Oklahoma, which said certificate shall read substantially as follows: "I have examined all proceedings had in connection with the issuance of the State of Oklahoma Building Bonds of 1992, Series ____, in the aggregate principal amount of _____ dated _____, authorized and sold pursuant to the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature and laws of the State of Oklahoma enacted pursuant thereto, and find said proceedings and sale to be constitutional, lawful and regular in all particulars and that said bonds will be valid legal general obligations of the State of Oklahoma. Unless suit thereon shall be brought in the Supreme Court of the State of Oklahoma within thirty (30) days from the date of this certificate, said bonds shall be incontestable for all purposes. Date _____, Attorney General of the State of Oklahoma." The procedure above enacted shall be followed after the sale of each series of bonds, and the above certificate shall be executed by the Attorney General in the same form and manner, and shall specify the series and the sum. Upon the filing of such certificate, bonds issued pursuant to proceedings so examined by the Attorney General shall be incontestable for all purposes upon the expiration of thirty (30) days from the date of such certificate, unless suit is brought in the Supreme Court of Oklahoma prior to the expiration of said period as provided herein.

B. A facsimile of the Attorney General's certificate shall appear on each bond issued. The Supreme Court of Oklahoma is hereby vested with exclusive jurisdiction over any litigation involving the validity of any bonds issued under this act. All bonds shall bear the signature of the Governor and the Secretary of State and shall bear the certificate required by Section 29 of Article X of the Constitution of the State of Oklahoma. Such bonds shall also be registered by the Treasurer of the State of Oklahoma or by a market registrar as determined by the Commission and a statement of such registration shall appear on the back of each bond. The Commission may, by resolution, prescribe that the seal of the State of Oklahoma, or the seals of any of the officers thereof, and any or all signatures required to appear on the bonds may be facsimile seals and signatures.

Added by Laws 1992, c. 350, § 12.

§62-57.312. Investment of sinking fund monies - Deposit of earnings.

The State Treasurer shall invest all sinking fund monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma acceptable as depositories by the State Treasurer when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America, to

mature in time to meet the principal and interest payments on the Oklahoma Building Bonds of 1992. Such earnings shall be deposited in the sinking fund, except that any funds received pursuant to a contract entered into by the Office of the State Treasurer for the investment of revenues dedicated for bond repayment may be deposited in the Special Cash Fund of the State Treasury.

Added by Laws 1992, c. 350, § 13. Amended by Laws 1994, c. 277, § 6; Laws 1995, c. 30, § 8, emerg. eff. March 31, 1995.

§62-57.313. Filing application with Supreme Court for determination on bonds.

The Commission is authorized in its discretion to file an application with the Supreme Court of Oklahoma for the approval of any series of bonds to be issued hereunder, and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. It shall be the duty of the Court to give such applications precedence over the other business of the Court and to consider and pass upon such applications and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application shall be given by notice published in a newspaper of general circulation in the state that on a day named the Commission will ask the Court to hear its application and approve the bonds. Such notice shall inform all persons interested that they may file protests against the issuance of the bonds and be present at the hearing and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the Court. If the Court shall be satisfied that the bonds have been properly authorized in accordance with this act and the constitutional amendment identified as House Joint Resolution No. 1076 of the 2nd Session of the 43rd Oklahoma Legislature, and that when issued they will constitute valid obligations in accordance with their terms, the Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the State of Oklahoma, its officers, agents and instrumentalities, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court in the State of Oklahoma.

Added by Laws 1992, c. 350, § 14.

§62-57.314. Repealed by Laws 1995, c. 337, § 20, eff. July 1, 1995.

§62-57.315. Repealed by Laws 1995, c. 30, § 12, emerg. eff. March 31, 1995.

§62-57.316. Refinancing and restructuring of outstanding obligations - Pledge of tax revenue.

A. The Oklahoma Building Bonds Commission is authorized until June 30, 2011, to issue bonds, notes, or other obligations for the purpose of refinancing or restructuring its outstanding obligations regarding bonds issued under the 1992 Oklahoma Building Bond and College Savings Bond Act.

B. To the extent funds are available from the proceeds of the borrowing authorized by this section, the Oklahoma Building Bonds Commission shall provide for the payment of professional fees and associated costs approved by the Oklahoma State Bond Advisor. The Commission is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

C. An issuance of bonds under this section may be undertaken to achieve an overall debt service savings, modify restrictive bond document covenants, or reduce payment requirements during periods of fiscal stress. To achieve these objectives, the Commission is authorized to extend the final maturity of its outstanding obligations if necessary, but in no event shall the final maturity of an individual bond issue be extended more than ten (10) years without the approval of the Legislature.

D. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Commission, and in such form and at such prices as may be authorized by the Commission. The Commission may issue obligations in one or more series and may set such other terms and conditions as may be necessary, in its judgment to achieve an efficient financing. The Commission may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations, including the purchase of surety policies or other financial instruments to be utilized in lieu of reserve funds. The obligations may mature and have such provisions for redemption as shall be determined by the Commission, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the delivery date.

E. Any interest on the funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Commission.

F. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

G. It is hereby expressly provided and pledged for the benefit of the purchasers, owners and holders of bonds issued pursuant to this section that the tax on each package of cigarettes levied by Section 302 of Title 68 of the Oklahoma Statutes, constituting the remainder of revenue available from the revenues lawfully levied and collected by the State of Oklahoma on the sale of cigarettes not already committed to other obligations of the State of Oklahoma, and the tax levy on cigarettes pursuant to Sections 302-2 and 302-4 of Title 68 of the Oklahoma Statutes, or so much as may be necessary, shall be devoted irrevocably to the payment and discharge of the interest on, and the principal of, the bonds issued hereunder as the same become due, and to create an adequate reserve to assure such payments when due; and said revenue shall be, and hereby is, irrevocably pledged for such purposes.
Added by Laws 2003, c. 126, § 1, emerg. eff. April 22, 2003. Amended by Laws 2010, c. 411, § 1, emerg. eff. June 9, 2010.

§62-58. Study on acquisition of property near electrical generating plants for use as industrial parks for firms with high electrical needs - Acquisition of property - Financing - Report of information regarding property.

A. The Oklahoma Development Finance Authority is authorized to fund a study to be conducted by the Oklahoma Department of Commerce to determine the feasibility of acquiring property in the vicinity of electrical generating plants where such property could be developed into industrial parks and where construction and leasing of manufacturing facilities in such parks could be used to promote firms with high electrical needs in this state. If such feasibility study indicates that the acquisition and development of the property under consideration is likely to be a financially viable project which will lead to the development of new manufacturing jobs in this state, any local public trust is authorized to acquire real property located adjacent or in close proximity to, electrical generating facilities, together with improvements located thereon, for purposes of developing industrial parks and leasing space therein to manufacturing concerns or other businesses that use large amounts of electricity. The public trust may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements to business entities for use as manufacturing facilities or other businesses that use large amounts of electricity. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements may be transferred from the public trust holding title to the manufacturing facilities or other businesses that use large amounts of electricity which are leasing the property.

B. For the purpose of paying the costs for acquisition of the real property and improvements authorized in subsection A of this section, the public trust is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations for such purpose.

C. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the public trust, and in such form and at such prices as may be authorized by the public trust. The public trust may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the public trust, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

D. Any public trust acquiring real property for the purposes specified in subsection A of this section shall provide information to the Oklahoma Department of Commerce about the location of the property, proximity to the electric generating facility, improvements, utilities or such other information as the Department may require to keep a database of such properties for possible business site location.

Added by Laws 2004, c. 532, § 1, eff. Nov. 1, 2004.

§62-71. State Treasurer - Selection of depositories - Out-of-state depositories - Relationship with financial institutions - Limitations on deposits - Reports.

A. The State Treasurer is authorized and directed to select a number of banks, savings banks or savings and loan associations and credit unions within the State of Oklahoma as depositories for all monies and funds coming into the hands of the State Treasurer as the official depository. Such banks, savings banks or savings and loan associations and credit unions shall be in good standing and conducting a regular banking business and shall collect such drafts, bills of exchange, and checks as may be deposited by the state in the regular course of business, and shall pay all checks and drafts legally authorized and duly drawn on the funds deposited in such banks, savings banks or savings and loan associations and credit unions.

B. At the request of state agencies or state institutions conducting operations or transacting state business outside the State of Oklahoma, the State Treasurer is hereby authorized to name and designate financial institutions located without the State of Oklahoma as official depositories of state monies and funds where it is shown to the satisfaction of the State Treasurer that the need for

such out-of-state depository is required for the orderly and expeditious deposit of monies and funds coming into the possession of the requesting state agency or state institution. For purposes of this section, the State Treasurer shall not designate any financial institution outside the United States for the deposit of public funds, monies, securities, or any other financial assets subject to the control of the State Treasurer. Any out-of-state financial institution designated as an official depository of the State Treasurer shall have a service agent in the State of Oklahoma so that service of summons or legal notice may be had on such designated agent as is now or may hereafter be provided by law. Before designating any financial institution outside the State of Oklahoma as an official depository, the State Treasurer shall, if the State Treasurer deems it necessary, require a bond to be given by such financial institution to the State of Oklahoma in double the amount of monies which the requesting state agency or institution anticipates will be the maximum amount of money or funds on deposit at any one time with the financial institution. Such bond will be approved by the State Treasurer and filed with the Secretary of State. Any out-of-state financial institution designated as an official depository shall in all respects conform to and comply with the provisions of this section, the Security for Public Deposits Act, and any and all laws pertaining to financial institutions receiving deposits of public monies or funds.

C. The State Treasurer shall establish procedures which provide minimum standards for establishing and maintaining relationships between state entities and financial institutions. As used in this subsection, "financial institutions" means those institutions described in subsection E of this section, companies that provide alternative direct deposit services known as payroll card or paycard, credit card processing companies and other companies which handle or process financial transactions. Any agreements between state agencies and financial institutions, as defined in this subsection, shall be subject to prior approval by the State Treasurer. If the State Treasurer has an agreement with a financial institution to provide services to the State Treasurer, a state agency may pay the institution directly for services performed for the agency under the same terms, if the services are services not previously provided to the agency through the State Treasurer. State agencies may enter into agreements with the State Treasurer to participate in any agreements entered into by the State Treasurer with financial institutions or companies which handle or process financial transactions as described in this subsection. Any state agency participating in such an agreement may pay the vendor directly for any fees owed on transactions associated with that agency. The State Treasurer is authorized to prescribe formats and issue all state vouchers, warrants and checks drawn on state treasury funds. The

State Treasurer may compensate financial institutions for services rendered to the state by direct fee charges or through compensating balances. Any financial institution receiving payment for services from the state through compensating balances shall file a report quarterly with the State Treasurer detailing the services rendered to the state and the charges for such services. Such charges shall not exceed those made for similar services to other customers of the financial institution. If the quarterly value of the compensating balance arrangement is above or below the quarterly charges for the services rendered to the state had service charges been separately billed, the difference in amount of the quarterly charges for the services rendered and the amount of the compensating balance shall be applied to the subsequent quarter. Any compensation arrangements made with financial institutions pursuant to this subsection shall not be subject to the provisions of The Oklahoma Central Purchasing Act.

D. Of the public funds in the hands of the State Treasurer, there shall not be deposited in any one of such banks, savings banks or savings and loan associations and credit unions an amount to exceed the combined amount of insured deposits plus approved legal securities pledged by such banks, savings banks or savings and loan associations and credit unions therefor. Such banks, savings banks or savings and loan associations and credit unions shall make quarterly reports of the amount deposited, checked out, or withdrawn and the balances on hand for the fiscal year.

E. All provisions of this title relating to depositories for public funds shall include, in addition to banks, all financial institutions of this state. As used in this subsection, the term "financial institutions" means banks, savings banks, savings and loan associations and credit unions in this state whose deposits are insured by the Federal Deposit Insurance Corporation, the National Credit Union Administration or any successor institutions.

F. The State Treasurer may permit treasurers of local governmental entities to place public funds under their control into investments used by the State Treasurer for state funds, if the local treasurer has appropriate investment authority.

R.L. 1910, § 6779. Amended by Laws 1923-24, c. 59, p. 76, § 5, emerg. eff. March 22, 1924; Laws 1933, c. 207, p. 493, § 1, emerg. eff. July 20, 1933; Laws 1935, p. 105, § 1, emerg. eff. April 6, 1935; Laws 1937, p. 120, § 1, emerg. eff. March 26, 1937; Laws 1983, c. 182, § 1, operative July 1, 1983; Laws 1986, c. 235, § 1; Laws 1987, c. 194, § 2, operative July 1, 1987; Laws 1989, c. 343, § 24, operative July 1, 1989; Laws 1990, c. 168, § 2, eff. Sept. 1, 1990; Laws 1991, c. 207, § 1, eff. July 1, 1991; Laws 1994, c. 37, § 1, eff. July 1, 1994; Laws 1998, c. 85, § 7, eff. July 1, 1998; Laws 1999, c. 292, § 3, eff. July 1, 1999; Laws 2004, c. 308, § 1; Laws 2009, c. 433, § 6, eff. Nov. 1, 2009.

§62-71.1. Cash Management and Investment Oversight Commission.

A. There is hereby created the Cash Management and Investment Oversight Commission. The Commission shall consist of five (5) members as follows:

1. The Director of the Office of Management and Enterprise Services, or designee;

2. The Bank Commissioner, or designee;

3. The Administrator of the Oklahoma Department of Securities, or designee;

4. One citizen member appointed by the Speaker of the House of Representatives who shall have a demonstrated expertise in public or private investment finance and who shall serve at the Speaker's pleasure; and

5. One citizen member appointed by the President Pro Tempore of the State Senate who shall be a certified public accountant or public accountant with a demonstrated expertise in public or private auditing procedures and who shall serve at the President Pro Tempore's pleasure.

B. The appointed members shall have no direct or indirect business relationship with the State Treasurer or the State Treasurer's Office.

C. The Commission shall elect from its membership a chairperson and vice-chairperson. Such officers shall serve one-year terms and may be reelected. There shall be an Executive Review Committee of the Cash Management and Investment Oversight Commission consisting of the Director of the Office of Management and Enterprise Services, the Bank Commissioner and the Administrator of the Oklahoma Department of Securities or their respective designees. The Director of the Office of Management and Enterprise Services shall call a meeting to organize the Executive Review Committee. The Executive Review Committee shall elect from its membership a chairperson who shall serve for a period of one (1) year and who may be reelected. The Executive Review Committee shall meet at such times as it deems necessary for the performance of its duties.

D. The Commission shall hold regular meetings at least once each quarter, and at such other times as it deems necessary for the performance of its duties. The date, time and place of the meetings shall be set by the Commission. The Office of Management and Enterprise Services shall provide the administrative support required by the Commission. The Commission shall be staffed by the Office of Management and Enterprise Services who shall prepare all materials and information needed by the Commission to perform its duties and responsibilities. Meetings of the Commission and of the Executive Review Committee of the Commission shall be subject to the Oklahoma Open Meeting Act, and their records shall be public records pursuant to the Oklahoma Open Records Act.

E. The Commission in conjunction with the State Auditor and Inspector shall develop a standardized and uniform reporting system which the State Treasurer shall use to make the reports required by Section 89.7 of this title. The Commission shall prescribe such forms in order to obtain an objective and accurate analysis of the investment of state funds by the State Treasurer and to obtain an accurate analysis of investment performance according to an objective standard established by the Commission. The Commission shall not be subject to the provisions of the Administrative Procedures Act for purposes of developing the reporting system required by this subsection. The Commission shall review the reports prepared by the State Treasurer pursuant to Section 89.7 of this title. The Commission shall review with the State Treasurer investment strategies and practices and the development of internal auditing procedures and practices. The Commission shall review the reports submitted by the State Treasurer and shall identify any event, transaction or trend which the Commission determines to represent a violation or potential violation of law or public policy regarding the investment of state funds. The Commission shall specifically identify its concerns or objections and shall communicate such concerns or objections in writing to the State Treasurer.

F. The Commission staff shall submit a written report to each member of the Commission for each month of the calendar year which specifically identifies entities with whom or with which the State Treasurer has transacted business related to investment of any state funds during the applicable reporting period. Any person or entity to whom or to which any form of compensation has been or will be paid for services rendered to the State Treasurer's Office related to the investment of state funds shall be identified in the report. The report shall also be submitted to the Director of the Office of Management and Enterprise Services, the State Auditor and Inspector, the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Governor.

G. Members of the Commission shall serve without compensation, except for travel, pursuant to the State Travel Reimbursement Act, to be paid by the appointing authority.

H. The Commission may make written recommendations for changes in legislation to the Legislature or in the policies or procedures and practices of the State Treasurer to the State Treasurer.

I. The Commission shall determine the positions, including but not limited to the investment officer, in the State Treasurer's Office which shall require criminal background investigations by the Oklahoma State Bureau of Investigation. The Bureau shall advise the State Treasurer and the Cash Management and Investment Oversight Commission in writing of the results of the investigation.

Added by Laws 1991, c. 207, § 2, eff. July 1, 1991. Amended by Laws 1994, c. 227, § 1, emerg. eff. May 24, 1994; Laws 1996, c. 68, § 1,

eff. July 1, 1996; Laws 2001, c. 133, § 11, emerg. eff. April 24, 2001; Laws 2012, c. 304, § 437; Laws 2014, c. 218, § 1.

§62-71.2. State Treasurer purchasing authorization - Exemption.

The State Treasurer is authorized to purchase software, hardware, and associated services to assist the State Treasurer in the Treasurer's duties related to the control, custody, deposit, transfer disbursement, management and investment of funds and securities held by the state. Software, hardware, and associated services shall be chosen by a solicitation of proposals on a competitive basis, but shall be exempt from the provisions of The Oklahoma Central Purchasing Act. Software, hardware and associated services purchases by the State Treasurer for these purposes shall not require the authorization of the Director of the Office of Management and Enterprise Services.

Added by Laws 2009, c. 433, § 7, eff. Nov. 1, 2009. Amended by Laws 2012, c. 304, § 438.

§62-72.1. Short title.

Sections 5 through 11 of this act shall be known and may be cited as the "Security for Public Deposits Act".

Added by Laws 1987, c. 194, § 5, operative July 1, 1987.

§62-72.2. Definitions.

As used in the Security for Public Deposits Act, "financial institution" means banks, savings banks, savings and loan associations and credit unions.

Added by Laws 1987, c. 194, § 6, operative July 1, 1987.

§62-72.3. Necessity of security - Exemptions.

All public deposits made by the State Treasurer in financial institutions shall be secured as provided for in the Security for Public Deposits Act. As used in this section, "public deposits" shall not include those types of investments specified in paragraphs 1, 3, 4, 5, 6, 7 and 8 of subsection A of Section 89.2 of this title.

Added by Laws 1987, c. 194, § 7, operative July 1, 1987. Amended by Laws 1999, c. 292, § 4, eff. July 1, 1999.

§62-72.4. Deposit of collateral securities or instruments.

A. The State Treasurer shall require that financial institutions deposit collateral securities or instruments to secure the deposits of the state in each such institution. The amount of collateral securities or instruments to be pledged for the security of public deposits shall be established by rules and regulations promulgated by the State Treasurer consistent with the provisions of the Security for Public Deposits Act; provided, such amount shall not be less than the amount of the deposit to be secured, less the amount insured.

B. Upon authorization by the State Treasurer, a financial institution shall place required collateral securities in a restricted account at a Federal Reserve Bank which serves Oklahoma, a Federal Home Loan Bank which serves Oklahoma or with another financial institution located in this state that is not owned or controlled by the same institution or holding company. The depositor shall deliver to the State Treasurer a power of attorney authorizing the State Treasurer to transfer or liquidate the securities in the event of a default, financial failure or insolvency of a public depository.

C. Securities eligible for collateral shall be valued at market value. The State Treasurer shall review and determine the market value of collateral pledged for security not less than quarterly. The State Treasurer shall adopt rules and regulations to provide for the valuation of collateral if the market value is not readily determinable. The State Treasurer shall prescribe forms for financial institutions to list collateral securities pursuant to this section.

D. The State Treasurer shall promulgate rules for the acceptance of collateral instruments described in Section 72.5 of this title, to secure deposits of the state. Such rules shall require that sufficient documentation exists to establish that the provider of the collateral instrument will protect the state in the event of a default, financial failure or insolvency of a public depository.

E. All securities purchased by the State Treasurer or held in custody for other state agencies by the State Treasurer shall be held in financial institutions as defined in Section 71 of this title not involved in such transactions and shall not be held by the State Treasurer or a broker.

Added by Laws 1987, c. 194, § 8, operative July 1, 1987. Amended by Laws 1991, c. 207, § 3, eff. July 1, 1991; Laws 1998, c. 85, § 8, eff. July 1, 1998.

§62-72.4a. Public trusts - Restrictions on deposits - Exceptions.

A. To the extent that public trusts that have the state or any city, town or county as a beneficiary deposit monies in financial institutions, the public trust shall place its monies only in collateralized or insured certificates of deposit and other evidences of deposit. To the extent that public trusts that have the state as a beneficiary deposit monies in financial institutions, such trusts may act directly on their own behalf and for their own account to document, implement and administer the collateralizing of such deposits, so long as the collateralizing or pledge of assets by financial institutions is made with the same type of collateral and in the same manner and form as pledges made to secure deposits by the State Treasurer under the Security for Public Deposits Act.

B. This section shall not be applicable to proceeds or other funds, including the revenue stream, relating to bond issues which shall be invested pursuant to the indenture established for such bonds.

Added by Laws 1989, c. 354, § 1, emerg. eff. June 3, 1989. Amended by Laws 1992, c. 235, § 1, eff. Sept. 1, 1992; Laws 2002, c. 140, § 1, emerg. eff. April 29, 2002.

§62-72.5. Securities eligible for securing public deposits.

A. For purposes of securing public deposits, the State Treasurer may accept as collateral only those securities and other instruments listed below. To insure the safety of public funds, the State Treasurer may establish standards which restrict, or limit further, any of the types or classes of securities or instruments listed below which may be accepted. The State Treasurer may select the following securities and instruments for the purpose of securing public deposits:

1. Obligations, including letters of credit of the United States Government, its agencies and instrumentalities;

2. Obligations of this state or of a county, municipality, or school district of this state or of an instrumentality of this state or a county, municipality or school district of this state;

3. General obligation bonds of any other state of the United States; and

4. A surety bond if:

- a. subject to the terms and conditions of the bond, it is irrevocable and absolute,
- b. the surety bond is issued by an insurance company authorized to do business in Oklahoma,
- c. the issuer of the surety bond does not provide surety bonds for any one financial institution in an amount that exceeds ten percent (10%) of the surety bond insurer's policyholders' surplus and contingency reserve, net of reinsurance, and
- d. the claims-paying ability of the authorized insurance company is rated, at all relevant times, in the highest category by at least two nationally recognized rating agencies acceptable to the State Treasurer.

B. A financial institution may substitute different forms of collateral from time to time, provided that each meets the requirements of this section and the rules and regulations of the State Treasurer.

Added by Laws 1987, c. 194, § 9, operative July 1, 1987. Amended by Laws 1997, c. 164, § 4, eff. July 1, 1997.

§62-72.6. Default or insolvency of public depository.

In the event of a default or insolvency of a public depository, the State Treasurer shall implement the following procedures:

1. In cooperation with the State Department of Banking and other regulatory officials, the State Treasurer shall ascertain the amount of public funds on deposit at the defaulting institution and the amount of deposit insurance applicable to such deposit.

2. The potential loss to the state shall be calculated by the State Treasurer. The loss to the state shall be satisfied, insofar as possible, first through any applicable deposit insurance and then through the sale of securities pledged, or through the proceeds of collateral instruments pledged, by the defaulting depository institution. Such sales shall be conducted by the State Treasurer.

3. The securities, bonds or other forms of collateral shall become forfeited to and become the property of the state. If the securities, bonds or other forms of collateral are valued at less than the amount of principal and interest due to the state plus the cost of the ensuing sale, the securities, bonds and other forms of collateral shall be sold by the State Treasurer, and the State Treasurer shall be entitled to recover from the financial institution such balances with costs and attorney's fees. If the market value of the securities, bonds or other forms of collateral exceeds the principal and interest due to the state plus the cost of the ensuing sale, the securities, bonds and other forms of collateral may be sold by the State Treasurer and the excess of the proceeds shall be returned to the pledging financial institution or its receiver, without further process of law.

Added by Laws 1987, c. 194, § 10, operative July 1, 1987. Amended by Laws 1998, c. 85, § 9, eff. July 1, 1998.

§62-72.7. Liability of State Treasurer on default or insolvency of public depository.

When public deposits are made in accordance with the Security for Public Deposits Act, the State Treasurer shall not be liable for any loss resulting from the default or insolvency of a public depository in the absence of negligence, malfeasance, misfeasance or nonfeasance on the part of the State Treasurer.

Added by Laws 1987, c. 194, § 11, operative July 1, 1987.

§62-74. State Treasurer as official depository for state officers, boards and commissions - Bonds of treasurer.

The State Treasurer is hereby designated and made the official depository for all monies, funds, rentals, penalties, costs, proceeds of sale of property, fees, fines, forfeitures and public charges of every kind that may be received by any state officer, state board, state commission or by any employee of either of such officers, boards, or commissions by virtue or under color of office. Before receiving any such money or funds, as such official depository, the

State Treasurer shall execute a bond to the state, with good and sufficient sureties, to be approved by the Governor in the penal sum of Fifty Thousand (\$50,000.00) Dollars, conditioned for the faithful performance of duty; provided, that before any funds under the charge and management of the Commissioners of the Land Office by virtue of section 32, of article 6 of the Constitution or other provision of law, shall be received or paid over to the State Treasurer as such official depository, he shall execute a bond in a surety company in the penal sum of Two Hundred Thousand Dollars (\$200,000.00), payable to the state and to be approved by the Governor, conditioned for the faithful performance of his duties and especially to account for all funds coming into his possession as such depository from the Commissioners of the Land Office, or anyone acting for them. Laws 1915, c. 238, § 1.

§62-79. Monies belonging to general revenue funds - Payment into state treasury - Report to State Auditor and Inspector.

All monies that shall be received during any calendar month by any state officer, state board, state commission or the members or employees of either thereof, accruing as a part of state's general revenue or any other appropriated funds, unless otherwise specifically provided by statute, shall be paid into the State Treasury,--that is, transferred from the official depository to the funds in the State Treasury to which the same belongs by the authority so receiving the same on or before the second Monday following the close of the calendar month in which such monies shall have been received.

Laws 1915, c. 238, § 7; Laws 1943, p. 138, § 1; Laws 1979, c. 30, § 23, emerg. eff. April 6, 1979.

§62-80. Actions to enforce provisions of act.

It shall be the duty of the State Treasurer and he is hereby empowered to institute in the name of the state the necessary suits, actions and proceedings to enforce the provisions of this act, and in the event of the neglect, failure or refusal of the State Treasurer to bring such suits, actions and proceedings, then the same may be instituted and maintained on the relation of any citizen of the state.

Added by Laws 1915, c. 238, § 8.

§62-81. Penalty for violation.

Any official or employee thereof or any member or employee of any state board or state commission who shall fail, neglect or refuse to comply with the requirements of Section two (2) hereof, or any other provision of this act, shall forfeit and pay to the use of the State of Oklahoma the sum of Twenty-five Dollars (\$25.00) per day for each and every day that he shall so fail, neglect or refuse to comply with

requirements of said act, and shall forfeit and be removed from office; and any such official who shall issue, sign, attest or utter any false or illegal voucher against any monies deposited, as in this act provided, shall be liable to the state on his official bond for a sum double in amount of any such illegal or fraudulent voucher, and shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine in a sum of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00) and by imprisonment in the State Penitentiary for a term of not less than one (1) year nor more than five (5) years.

Added by Laws 1915, c. 238, § 9. Amended by Laws 1997, c. 133, § 518, eff. July 1, 1999; Laws 1999, 1st Ex.Sess., c. 5, § 376, eff. July 1, 1999.

NOTE: Laws 1998, 1st Ex.Sess., c. 2, § 23 amended the effective date of Laws 1997, c. 133, § 518 from July 1, 1998, to July 1, 1999.

§62-82. Commissioner of Highways, interest on funds to credit of.

All interest which shall be received by the State Treasurer upon monies paid into the state depository, to the credit of the Commissioner of Highways, by any county, to be expended for the construction of bridges or highways, shall be credited to the fund which shall earn the same; and all interest heretofore earned by any such deposits or funds, and by the State Treasurer credited to the general revenue fund, shall be transferred from said fund and credited to the fund which earned said interest; Provided, there is any unexpended balance of such fund to which to credit said interest. Laws 1921, c. 49, p. 69, § 1.

§62-85. Obligations of bank not impaired.

The provisions of Section 1, of this act, shall not in any way impair the obligations of the bank securing such deposits as provided in Chapter 78, Article 3, of the Compiled Oklahoma Statutes, 1921. Laws 1923, c. 84, p. 150, § 2.

§62-88.1. Short title.

Sections 1 through 9 of this act shall be known and may be cited as the "Oklahoma Small Business Linked Deposit Act".

Added by Laws 1988, c. 183, § 1, eff. July 1, 1988.

§62-88.1A. Repealed by Laws 1997, c. 164, § 11, eff. July 1, 1997.

§62-88.1B. Investment of linked deposit program monies.

A. The amount that the State Treasurer may invest in all linked deposit programs authorized by law shall not exceed the lesser of Two Hundred Twenty-five Million Dollars (\$225,000,000.00) or fifteen percent (15%) of all monies available to the State Treasurer for

investment as calculated by taking the average of the quarter-end amount for the previous four (4) quarters.

B. The State Treasurer shall on a quarterly basis review the percentage of total investable state funds invested in all linked deposit programs created by law to determine compliance with subsection A of this section.

C. If the State Treasurer determines that more than the amount allowable pursuant to subsection A of this section is invested in all linked deposit programs created by law, the State Treasurer shall suspend any renewal or any initiation of new linked deposit program investments until the time that the State Treasurer determines the investment percentage limitation established by this section has been met and except as provided by Section 88.1A of this title.

Added by Laws 1994, c. 277, § 14. Amended by Laws 1994, c. 382, § 25, eff. Sept. 1, 1994; Laws 1995, c. 88, § 4, eff. July 1, 1995; Laws 2002, c. 287, § 10, eff. July 1, 2003.

NOTE: Editorially renumbered from Title 62, § 88.1 to avoid duplication in numbering.

§62-88.2. Definitions.

As used in the Oklahoma Small Business Linked Deposit Act:

1. "Eligible participant" means:

- a. any small business organized for profit, including any business related to tourism, doing business in and from the State of Oklahoma, which employs not more than two hundred (200) employees or has gross annual receipts of not more than Four Million Dollars (\$4,000,000.00),
- b. any industrial park that has been certified by the Oklahoma Department of Commerce as meeting minimum guidelines necessary for an industrial park, and
- c. any public trust authorized in accordance with Section 176 of Title 60 of the Oklahoma Statutes engaged in industrial development as determined by the Department of Commerce. Such public trusts are limited to fifteen percent (15%) of the total available funds and a nonrenewable term not to exceed six (6) months unless their purpose is to make package passthrough loans to other private nontrust recipients for industrial development purposes in which case the other conditions contained in this act shall apply. Subsequent loans made by an eligible trust cannot exceed the interest rate established by this act.

2. "Eligible lending institution" means a financial institution that:

- a. is eligible to make commercial loans,
- b. is a public depository of state funds, and
- c. agrees to participate in the linked deposit program, or

d. is an institution of the farm credit system organized under the federal "Farm Credit Act of 1971", 12 U.S.C. 2001, as amended.

3. "Enterprise zone" means those areas designated as enterprise zones or districts in accordance with the Oklahoma Enterprise Zone Act, Sections 690.1 through 690.19 of this title.

4. "Priority Enterprise Zones" means an enterprise zone selected by the Department of Commerce which has demonstrated unusual commitment as provided by this act.

5. "Small business linked deposit" means a certificate of deposit placed by the State Treasurer with an eligible lending institution.

6. "Board" means the Oklahoma Linked Deposit Review Board. Added by Laws 1988, c. 183, § 2, eff. July 1, 1988. Amended by Laws 1990, c. 321, § 7, emerg. eff. May 30, 1990.

§62-88.3. Repealed by Laws 2013, c. 87, § 1, eff. Nov. 1, 2013.

§62-88.4. Administration and implementation of program - Annual report.

A. The State Treasurer is hereby authorized to administer the Oklahoma Small Business Linked Deposit Program. The State Treasurer is further authorized to issue guidelines in a manner similar to the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes.

B. The State Treasurer shall take any and all steps necessary to implement the Oklahoma Small Business Linked Deposit Program and monitor compliance of eligible lending institutions and eligible participants, including the development of guidelines as necessary.

C. The State Treasurer shall submit an annual report outlining the status of the Oklahoma Small Business Linked Deposit Program to the Governor, the Lieutenant Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

Added by Laws 1988, c. 183, § 4, eff. July 1, 1988.

§62-88.5. Dissemination of information and loan packages -
Completing loan package - Acceptance and review of loan applications
- Conditions of loans - Forwarding loan packages to State Treasurer and Board.

A. The State Treasurer and the Department of Commerce are hereby authorized to disseminate information and to provide small business linked deposit loan packages to the lending institutions eligible for participation under this act.

B. The small business linked deposit loan package shall be completed by the borrower before being forwarded to the lending institution for consideration. Any technical assistance in

completing such loan package shall be provided by the State Treasurer.

C. An eligible lending institution that desires to receive a small business linked deposit shall accept and review applications for loans from eligible participants. The lending institution shall apply all usual lending standards to determine the creditworthiness of each eligible participant. Loans under this act shall conform to the following conditions:

1. Maximum loan amounts under the Oklahoma Small Business Linked Deposit Act shall:

- a. not exceed One Million Two Hundred Thousand Dollars (\$1,200,000.00) for an eligible small business,
- b. not exceed Six Million Dollars (\$6,000,000.00) for an eligible industrial park or any public trust authorized in accordance with Section 176 of Title 60 of the Oklahoma Statutes engaged in industrial development as determined by the Oklahoma Linked Deposit Review Board. Such public trusts are limited to fifteen percent (15%) of the total available funds and a nonrenewable term not to exceed six (6) months unless their purpose is to make package passthrough loans to other private recipients for industrial development purposes. Loans made by an eligible trust cannot exceed the interest rate established by this act. Any recipient of a loan through an eligible trust must meet the criteria of this act to receive a small business linked deposit loan;

2. An eligible participant shall certify on the loan application that the reduced rate loan will be used exclusively to create new jobs or preserve existing jobs and employment opportunities in accordance with the purpose of this section;

3. Only one linked deposit loan shall be made and be outstanding at any time to any eligible participant; provided that the linked deposit loan may be refinanced;

4. No linked deposit loan shall be approved for any otherwise eligible participant when fifty percent (50%) or more of the interest in or control of such otherwise eligible participant is owned directly or indirectly by a person who owns directly or indirectly fifty percent (50%) or more of or controls another participating eligible participant;

5. No loan shall be made to any officer or director of the lending institution making the loan or to any entity in which any such officer or director maintains a controlling interest;

6. No loan shall be made to any employee of the State Treasurer's office or members of the Board or to any entity in which any such officer or director maintains a controlling interest;

7. The criteria for the amount of loans used for refinance shall be established by the Oklahoma Linked Deposit Review Board to reflect legislative intent to tighten previous criteria on refinancing;

8. The criteria for the amount of loans per job ratio shall be established by the Oklahoma Linked Deposit Review Board to reflect legislative intent to maximize the program in terms of the jobs created or saved;

9. Whoever knowingly makes a false statement concerning a linked deposit loan application shall be prohibited from entering into the linked deposit loan program; and

10. Linked deposits may be made for any maturity considered appropriate by the State Treasurer not to exceed two (2) years and may be renewed for up to an additional three renewals not to exceed two (2) years each at the discretion of the State Treasurer with the approval of the lending institution. No renewals will be allowed unless the amount of principal has been reduced by a minimum of five percent (5%) and all interest paid to date from the time of the prior loan or renewal. However, at renewal the Oklahoma Linked Deposit Review Board may approve an increase in the amount of principal, if the business is expanding and additional jobs will be created. An approval of such an increase in principal will not extend the maximum years of participation in the program. In addition, loans made to eligible participants where the loan is to be used within an enterprise zone may be made for the maturity date of three (3) years with two additional renewals. The first renewal may be for up to three (3) years and the last renewal may be for up to two (2) years. Loans made to be used within Priority Enterprise Zones may be made with a maturity date of five (5) years and have another three (3) years of renewal. Interest shall be paid at the times determined by the State Treasurer. The State Treasurer may place a small business linked deposit with an eligible lending institution or decline to do so based on the cash flow needs of the state, the security of state funds, investment needs of the state and the ratio of state funds deposited to jobs which would be sustained or created.

D. In considering which eligible participants to include in the small business linked deposit loan package for reduced rate loans, the eligible lending institution shall give priority to the economic needs of the area in which the business is located and other factors it considers appropriate to determine the relative financial need of the business including those criteria set forth in the Community Reinvestment Act of the United States. Location in an enterprise zone shall be evidence of the economic needs of the area.

E. The eligible lending institution shall forward to the State Treasurer a small business linked deposit loan package in the form and manner prescribed and approved by the State Treasurer. The package shall include information regarding the amount of the loan requested by each eligible participant, the number of jobs to be

created or sustained, an estimate of the number of zone residents to be employed in such jobs where the loan is to be used in an enterprise zone and such other information regarding each business the State Treasurer and the Board requires. The institution shall certify that each applicant is an eligible participant, and shall, for each business, certify the present borrowing rate applicable to each specific eligible small business.

F. Upon receipt of a completed small business linked deposit loan package, the State Treasurer shall forward the loan package to the Board, Oklahoma Tax Commission and Oklahoma Employment Security Commission. The Board shall review the small business linked deposit loan package to determine if said package is qualified under this act. Within ten (10) days of receipt of the loan package, the Oklahoma Tax Commission and the Oklahoma Employment Security Commission shall determine and certify with the Board whether or not the applicant is in good standing. The Board shall make a recommendation concerning the package at the next regularly scheduled Board meeting or at a special Board meeting, after receipt of the responses from the Oklahoma Tax Commission and the Oklahoma Employment Security Commission. No applicant will be approved without certification of good standing with the Oklahoma Tax Commission and Oklahoma Employment Security Commission. The Board shall return the package to the State Treasurer with a written recommendation of approval or rejection. If the Board recommends rejection, the written recommendation shall include reasons for said rejection. The Board shall forward a copy of its rejection notice to the lending institution and the borrower. The State Treasurer shall keep a chronological list of applications forwarded by the Board for approval or rejection.

Added by Laws 1988, c. 183, § 5, eff. July 1, 1988. Amended by Laws 1990, c. 321, § 8, emerg. eff. May 30, 1990; Laws 1991, c. 334, § 4, eff. Sept. 1, 1991; Laws 1995, c. 88, § 3, eff. July 1, 1995; Laws 1996, c. 81, § 1, eff. July 1, 1996; Laws 1998, c. 85, § 10, eff. July 1, 1998; Laws 2010, c. 270, § 1, emerg. eff. May 14, 2010.

§62-88.6. Funding of approved loans.

A. Applications approved by the Board shall be subject to available funds, and if a loan or loan package is not funded for such reason, it will be funded in the chronological order of its approval.

B. The State Treasurer shall reject any small business linked deposit loan package if the participant requesting such loan is not in good standing with the Oklahoma Tax Commission and the Oklahoma Employment Security Commission. Notwithstanding any provision of law to the contrary, said agencies shall provide the State Treasurer with such information as to the standing of each participant loan applicant within ten (10) days of the request for the information.

C. Upon acceptance of the small business linked deposit loan package or any portion thereof, the State Treasurer shall notify the Board, the lending institution and the borrower. Upon acceptance the State Treasurer may place certificates of deposit with the eligible lending institution at up to three percent (3%) below the comparable Treasury Bill rate, as determined and calculated by the State Treasurer. When necessary, the State Treasurer may place certificates of deposit prior to acceptance of a small business linked deposit loan package.

D. Upon the placement of a small business linked deposit with an eligible lending institution, the institution shall fund the loan to each approved eligible participant listed in the small business linked deposit loan package in accordance with the small business linked deposit agreement between the institution and the State Treasurer. The percentage rate of the loan shall be reduced by at least the same number of percentage points that the certificate of deposit was reduced upon placement. A certification of compliance with this subsection in the form and manner as prescribed by the State Treasurer shall be required of the eligible lending institution. Deposits placed by the State Treasurer shall be secured by collateralization as determined by and in accordance with the State Treasurer's policy for securing state deposits. The objective of said policy shall be to adequately secure the collateralization of deposits without requiring unnecessary over-collateralization by the institution.

Added by Laws 1988, c. 183, § 6, eff. July 1, 1988. Amended by Laws 1990, c. 321, § 9, emerg. eff. May 30, 1990; Laws 1991, c. 334, § 5, eff. Sept. 1, 1991.

§62-88.7. Liability of state and State Treasurer on loans - Default in payment of loan.

The State of Oklahoma and the State Treasurer shall not be liable to any eligible lending institution in any manner for payment of the principal or interest on the loan to an eligible participant. Any delay in payments in default on the part of an eligible participant does not in any manner affect the small business linked deposit agreement between the eligible lending institution and the State Treasurer.

Added by Laws 1988, c. 183, § 7, eff. July 1, 1988.

§62-88.8. Repealed by Laws 1994, c. 277, § 18.

§62-88.9. Collateralizing funds.

Any funds placed with an eligible lending institution shall be collateralized in the same manner as deposits of other state funds. Added by Laws 1988, c. 183, § 9, eff. July 1, 1988.

§62-89.1a. Investment with state financial institutions at less than competitive market rate.

In order to help provide for the capital needs of this state, the State Treasurer may invest monies at less than competitive market rates with financial institutions of this state. Not more than ten percent (10%) of all monies available to the State Treasurer for investment purposes or One Hundred Million Dollars (\$100,000,000.00), whichever is less, shall be invested as provided for in this section. Such investments shall earn not less than the rate for comparable maturities on United States Treasury obligations.

Provided, no more than Ten Million Dollars (\$10,000,000.00) of monies specified in this section shall be invested in any one financial institution and no monies specified in this section shall be invested in a financial institution that has a loan-to-deposit ratio of less than fifty percent (50%).

Added by Laws 1987, c. 194, § 4, operative July 1, 1987.

§62-89.2. Investment of funds by State Treasurer.

A. The State Treasurer is directed to invest the maximum amount of funds under control of the State Treasurer consistent with good business practices. Except as otherwise provided for by law, the investments shall earn not less than the rate for comparable maturities on United States Treasury obligations. Except as otherwise provided for by law, the State Treasurer may purchase and invest only in:

1. Obligations of the United States Government, its agencies and instrumentalities, or other obligations fully insured or unconditionally guaranteed as to the payment of principal and interest by the United States government or any of its agencies and instrumentalities;

2. Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state;

3. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph;

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section. Not

more than three-fourths (3/4) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph;

5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the cash available for investment which may be invested pursuant to this section;

6. Investment grade obligations of state and local governments, including obligations of Oklahoma state public trusts which possess the highest rating from at least one nationally recognized rating agency acceptable to the State Treasurer. Purchases of investment grade obligations of state and local governments shall not exceed ten percent (10%) of the cash available for investment which may be invested pursuant to this section;

7. Repurchase agreements, provided that such agreements are included within the written investment policy required by subsection D of this section that have underlying collateral consisting of those items and those restrictions specified in paragraphs 1 through 6 of this subsection;

8. Money market funds and short term bond funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 7 of this subsection; and

9. Bonds, notes, debentures or other similar obligations of a foreign government which the International Monetary Fund lists as an industrialized country and for which the full faith and credit of such nation has been pledged for the payment of principal and interest; provided, that any such security shall be rated at least A- or better by Standard & Poor's Corporation or A3 or better by Moody's Investors Service, or an equivalent investment grade by a securities ratings organization accepted by the National Association of Insurance Commissioners; and provided further, that the total investment in such foreign securities at any one time shall not exceed five percent (5%) of the cash available for investment which may be invested pursuant to this section. In no circumstance shall investments be made in bonds, notes, debentures or any similar obligations of a foreign government that:

- a. is identified as a state sponsor of terrorism by the United States Department of State, or
- b. any authoritarian or totalitarian government the sovereign powers of which are exercised through a single person or group of persons who are not elected by any form of legitimate popular voting.

B. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not

for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

C. The State Treasurer shall appoint an investment officer who shall perform duties related to the investment of state funds in the Office of the State Treasurer. The investment officer shall not perform or supervise any accounting functions, data processing functions or duties related to the documentation or settlement of investment transactions.

D. Investments of public funds by the State Treasurer shall be made in accordance with written policies developed by the State Treasurer. The written investment policies shall address:

1. Liquidity;
2. Diversification;
3. Safety of principal;
4. Yield;
5. Maturity and quality; and
6. Capability of investment management.

The State Treasurer shall place primary emphasis on safety and liquidity in the investment of public funds. To the extent practicable taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of state funds. The written investment policies shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested.

E. The State Treasurer shall select one custodial bank to settle transactions involving the investment of state funds under the control of the State Treasurer. The State Treasurer shall review the performance of the custodial bank at least once every year. The State Treasurer shall require a written competitive bid every five (5) years. The custodial bank shall have a minimum of Five Hundred Million Dollars (\$500,000,000.00) in assets to be eligible for selection. Any out-of-state custodial bank shall have a service agent in the State of Oklahoma so that service of summons or legal notice may be had on such designated agent as is now or may hereafter be provided by law. In order to be eligible for selection, the custodial bank shall allow electronic access to all transaction and portfolio reports maintained by the custodial bank involving the investment of state funds under control of the State Treasurer. The access shall be given to both the State Treasurer and to the Cash Management and Investment Oversight Commission. The requirement for electronic access shall be incorporated into any contract between the State Treasurer and the custodial bank. Neither the State Treasurer nor the custodial bank shall permit any of the funds under the control of the State Treasurer or any of the documents, instruments, securities or other evidence of a right to be paid money to be located in any place other than within a jurisdiction or territory

under the control or regulatory power of the United States Government.

F. The investment policy shall specify the general philosophy, policies and procedures to be followed in the investment of state monies by the State Treasurer. The investment policy shall include, but not be limited to, the following:

1. Policy objectives;
2. Performance measure objectives;
3. Authority for investment program;
4. Possible use of an investment advisory committee;
5. Reporting and documentation of investments;
6. Authorized investment instruments;
7. Diversification of investment risk;
8. Maturity limitations;
9. Selections of financial institutions;
10. Interest controls;
11. Safekeeping of investments;
12. Investment ethics; and
13. Formal adoption of policy.

G. The State Treasurer shall provide weekly reports of all investments made by the State Treasurer if requested by the Cash Management and Investment Oversight Commission, and list any commissions, fees or payments made for services regarding such investments. The reports required by this subsection shall be delivered to the Commission within three (3) business days of the end of the applicable week.

H. Not later than July 1 of each year, the State Treasurer shall forward a copy of the written investment policy to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Attorney General, the Bank Commissioner, and the Director of the Office of Management and Enterprise Services. In addition, the State Treasurer shall maintain one copy of the investment policy in the office of the State Treasurer for public inspection during regular business hours. Copies of any modifications to the investment policy shall be forwarded to the Governor, Speaker of the House of Representatives, President Pro Tempore of the Senate, and each member of the Cash Management and Investment Oversight Commission.

Added by Laws 1974, c. 22, § 2. Amended by Laws 1986, c. 235, § 2; Laws 1987, c. 194, § 3, operative July 1, 1987; Laws 1991, c. 207, § 4, eff. July 1, 1991; Laws 1994, c. 37, § 2, eff. July 1, 1994; Laws 1994, c. 227, § 2, emerg. eff. May 24, 1994; Laws 1995, c. 65, § 1, eff. July 1, 1995; Laws 1999, c. 292, § 5, eff. July 1, 1999; Laws 2001, c. 133, § 12, emerg. eff. April 24, 2001; Laws 2003, c. 224, § 13, eff. July 1, 2003; Laws 2004, c. 134, § 1, eff. July 1, 2004; Laws 2006, c. 233, § 6, eff. Nov. 1, 2006; Laws 2009, c. 433, § 8, emerg. eff. June 2, 2009; Laws 2010, c. 241, § 7, emerg. eff. May 10,

2010; Laws 2012, c. 131, § 4, eff. Nov. 1, 2012; Laws 2013, c. 15, § 66, emerg. eff. April 8, 2013.

NOTE: Laws 2012, c. 304, § 439 repealed by Laws 2013, c. 15, § 67, emerg. eff. April 8, 2013.

§62-89.4. Public inspection of records.

Records in the State Treasurer's office shall be subject to public inspection in accordance with Section 24, Title 51, Oklahoma Statutes 1971.

Added by Laws 1974, c. 22, § 4.

§62-89.5. State Treasurer's Revolving Fund - Employees; duties and compensation.

A. There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer to be designated the "State Treasurer's Revolving Fund". The fund shall be a continuing fund not subject to fiscal year limitations, and shall consist of all monies received by the Office of the State Treasurer from fees and receipts collected pursuant to the Oklahoma Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes; monies received, including, but not limited to, reasonable and customary service-related charges, any monies received from the sale of surplus property, and any grants-in-aid received from the federal government for the operations of the Office of the State Treasurer unless otherwise provided by federal law or regulation. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Treasurer for the operating expenses of the said office. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. The State Treasurer shall appoint and fix the duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Office of the State Treasurer by law.

Laws 1976, c. 233, § 3, emerg. eff. June 15, 1976; Laws 1979, c. 47, § 51, emerg. eff. April 9, 1979; Laws 1983, c. 215, § 1, operative July 1, 1983; Laws 1987, c. 194, § 12, operative July 1, 1987; Laws 1993, c. 260, § 28, operative July 1, 1993; Laws 2008, c. 108, § 7, emerg. eff. May 2, 2008; Laws 2012, c. 304, § 440.

§62-89.6. Fees

A. The State Treasurer may charge and collect the following fees:

1. For any returned check or electronic debit that is returned, a fee of Twenty-five Dollars (\$25.00);

2. For handling and processing rejected warrant items processed by the State Treasurer, a fee of Five Dollars (\$5.00) per item;

3. For handling a stop-payment item processed by the State Treasurer on behalf of a state agency, a fee of Fifteen Dollars (\$15.00) for each item up to a maximum fee of Three Hundred Twenty-five Dollars (\$325.00) per day; and

4. Beginning July 1, 2010, for expenses incurred in managing the state blended portfolio, an annual fee of not more than two and one-half (2 1/2) basis points which may be charged monthly against the average daily balance of the portfolio; provided, the fees shall be collected at the time earnings are deposited to participants.

B. Beginning July 1, 2012, a state agency may direct the State Treasurer to purchase, sell, hold or otherwise manage investment transactions on its behalf outside of the blended portfolio, provided that the agency shall not pay more for investment services than the rate established by the State Treasurer which shall not exceed the amount necessary for recovering the cost to the State Treasurer's office for providing such services.

Added by Laws 1993, c. 260, § 29, operative July 1, 1993. Amended by Laws 1996, c. 219, § 3, eff. July 1, 1996; Laws 2009, c. 433, § 9, eff. Nov. 1, 2009; Laws 2010, c. 241, § 8, emerg. eff. May 10, 2010; Laws 2011, c. 261, § 4, eff. Nov. 1, 2011; Laws 2012, c. 222, § 2; Laws 2016, c. 296, § 1.

§62-89.7. Investment performance reports.

A. The State Treasurer shall prepare monthly and annual investment performance reports of the State Treasurer's Office in the form and manner required by the Cash Management and Investment Oversight Commission after consultation with the State Treasurer which summarize recent market conditions, economic developments and anticipated investment conditions and the investment plan performance, including portfolio diversification and rates of return measured against the investment plan of the State Treasury. The annual investment performance report shall be submitted to the Commission and shall be made within ninety (90) calendar days after the end of the fiscal year. The monthly investment performance reports shall be submitted to the Executive Review Committee and shall be made within thirty (30) days after the end of the applicable month. The investment performance reports shall specify the investment strategies employed in the most recent reporting period and describe the investment portfolio of the state in terms of:

1. Securities;
2. Maturities;
3. Fund type;
4. Financial institutions from which securities were purchased, including the amounts and the city and state of location;
5. Investment return compared to budgetary expectations;

6. Average yield; and
7. Average life of the portfolio.

The investment performance reports shall also indicate any areas of concern which the State Treasurer has concerning the basic investment strategies being employed. The investment performance reports shall contain:

- a. combined and individual rates of return and a list of all losses by category of investment, over periods of time;
- b. the rate of return on deposits and all fees and expenses charged as to all depository financial institutions of the State Treasury and a specific review of the adequacy of the collateralization;
- c. any other information that the State Treasurer may include; and
- d. such other information that the Cash Management and Investment Oversight Commission created by Section 71.1 of this title may request and that the State Treasurer agrees to include in the investment performance reports.

B. To the extent that the State Treasurer should have reason to know, the State Treasurer shall also include in the investment performance reports a listing of all payments, fees, commissions, or other compensation received by any person, including but not limited to individuals, financial institutions, or investment companies or corporations, which have an investment agreement, contract, or other arrangement with the State Treasurer, or who receive any compensation as a result of a transaction involving the investment of state monies or funds or the purchase, sale, or trade of securities or bonds involving the Office of the State Treasurer. Said listings shall also include the social security or federal identification number of any person, including but not limited to individuals, financial institutions, or investment companies or corporations, receiving payments, fees, commissions, or other compensation.

C. The annual investment performance report shall be written in simple and easily understood language containing:

- a. an analysis of the written investment plans developed by the Treasurer as required by law;
- b. a quantitative analysis of the performance of all depository financial institutions approved by the State Treasurer, with regard to monies deposited;
- c. the result of the analyses prepared pursuant to subparagraphs a and b of this paragraph compared with similar data for other states;
- d. recommendations on administrative and legislative changes which are necessary to improve the performance of the State Treasury in accordance with current

standards for large public fund portfolio management;
and

- e. a listing by object code of the expenses of the State Treasury as audited by the independent auditor provided by Section 89.10 of this title.

D. The State Treasurer shall distribute the investment performance reports to the Governor, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the State Auditor and Inspector, the Attorney General, and members of the Cash Management and Investment Oversight Commission. Upon request, the State Treasurer shall make the annual investment performance report available to the members of the Legislature and the general public. The annual investment performance report shall also include an investment plan for the ensuing fiscal year.

E. The State Treasurer shall require all employees in the State Treasury to sign an anti-collusion affidavit. Execution of a false affidavit shall make such employees subject to disciplinary action, including but not limited to termination, criminal prosecution or both.

F. The State Treasurer shall require an anti-collusion affidavit from brokers or other persons offering investment services to the State Treasury. The State Treasurer shall be prohibited from employing or doing business with any brokers or persons offering investment services to the State Treasury who have not executed such an affidavit.

G. The Cash Management and Investment Oversight Commission shall certify that the State Treasurer has delivered to the Commission the monthly and annual investment performance reports and the annual financial report required by this section. If the Commission determines that these reports have not been delivered by the State Treasurer as required by law, the Commission shall notify in writing the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Attorney General, and the State Auditor and Inspector.

Added by Laws 1987, c. 194, § 13, operative July 1, 1987. Amended by Laws 1991, c. 207, § 5, eff. July 1, 1991; Laws 1994, c. 227, § 3, emerg. eff. May 24, 1994; Laws 1995, c. 88, § 5, eff. July 1, 1995; Laws 2010, c. 241, § 9, emerg. eff. May 10, 2010; Laws 2011, c. 261, § 3, eff. Nov. 1, 2011.

§62-89.9. Statements and affidavits regarding collusion activities and employee nepotism - Forms to be prescribed by Attorney General.

A. The Attorney General shall prescribe and provide forms to the Office of the State Treasurer for sworn statements and affidavits regarding collusion activities. Such sworn statement form shall be similar to the sworn statement forms provided for in Sections 85.22 and 85.23 of Title 74 of the Oklahoma Statutes. All concerns,

including but not limited to financial institutions and investment companies, entering into an agreement or contract awarded by the Office of the State Treasurer shall have on file with the Office of the State Treasurer a current sworn statement.

B. The Attorney General shall prescribe and provide forms to the Office of the State Treasurer for sworn statements and affidavits regarding employee nepotism. Such sworn statement and affidavit shall state that the Office of the State Treasurer employee is not related by affinity or consanguinity within the third degree to any person offering investment services to the Office of the State Treasurer. The statement and affidavit shall be signed by each employee of the Office of the State Treasurer employed prior to the effective date of this act and by any new employee of the Office of the State Treasurer hired after the effective date of this act. Added by Laws 1991, c. 207, § 6, eff. July 1, 1991.

§62-89.10. Repealed by Laws 2010, c. 413, § 30, eff. July 1, 2010.

§62-89.11. Recording and auditing of transactions.

A. The State Treasurer shall develop and implement a system of procedures to record and audit all transactions, including electronic investment bidding transactions with outside financial concerns. Said system of procedures shall be promulgated pursuant to the Administrative Procedures Act and must be approved by the Cash Management and Investment Oversight Commission not later than October 1, 1994.

B. The Executive Review Committee must approve any proposed destruction or changes of any transaction records, including electronic investment bidding transactions. Any approved destructions or changes of such transactions shall be detailed in writing by the Executive Review Committee. The provisions of this subsection shall not apply to corrections of scrivener error in transaction records; however, for purposes of this section, "scrivener error" shall not be defined to include any deliberate change in a transaction record made:

1. For the purpose of causing a record to reflect a transaction having occurred which did not in fact occur;

2. For the purpose of causing a record to reflect that a transaction did not occur when in fact it did occur; or

3. Resulting in inaccuracy in a record which is material to determining whether an act or omission occurred if such act or omission constitutes a violation of any law, rule or requirement.

C. The State Auditor and Inspector, the Attorney General and other authorized law enforcement officers are authorized to inspect any transaction records or documents, including electronic investment bidding transactions created pursuant to this section.

D. The willful interference with the inspections authorized by subsection C of this section or the deliberate falsification or destruction of transaction records, other than as permitted by subsection B of this section, by the State Treasurer, any employee of the State Treasurer, or any other person or firm shall, upon conviction, be a felony and shall be punishable by imprisonment in the State Penitentiary for a term not to exceed three (3) years, by a fine of Ten Thousand Dollars (\$10,000.00), or by both such imprisonment and fine, and shall also constitute grounds for termination of such employee. A violation of the requirements of subsection C of this section, shall be grounds for disciplinary action, including termination from employment.

Added by Laws 1991, c. 207, § 8, eff. July 1, 1991. Amended by Laws 1994, c. 227, § 4, emerg. eff. May 24, 1994; Laws 1997, c. 133, § 519, eff. July 1, 1999; Laws 1999, 1st Ex.Sess., c. 5, § 377, eff. July 1, 1999.

NOTE: Laws 1998, 1st Ex.Sess., c. 2, § 23 amended the effective date of Laws 1997, c. 133, § 519 from July 1, 1998, to July 1, 1999.

§62-90. Securities lending program - Securities Lending and Custodial Fee Revolving Fund.

A. The State Treasurer may implement and engage in a securities lending program. As used in this section, "securities lending program" means any program, arrangement or agreement whereby the state deposits securities with a federally or state-chartered savings and loan association, a trust company, a state or national bank, or a broker-dealer registered with the National Association of Securities Dealers, Inc. and insured by the Securities Investors Protection Corporation, for the purpose of permitting the financial institution or broker-dealer to lend securities to a borrower approved by the State Treasurer in return for a fee or charge paid by the borrower for the use of such securities. All income from securities lending, less fees, shall be deposited into the Securities Lending and Custodial Fee Revolving Fund created in this section; provided, securities lending income in excess of amounts necessary to pay custodial or other banking fees, shall be deposited into the General Revenue Fund. Securities loaned under this program shall be subject to the collateral requirements specified by the State Treasurer. The State Treasurer must receive collateral equal to at least one hundred percent (100%) of the market value of the securities loaned, consisting of securities or instruments which the State Treasurer can purchase pursuant to Section 89.2 of this title. Nothing herein shall be deemed to prohibit the implementation of securities lending programs by the state retirement systems which are designed and managed by the boards of trustees of such systems.

B. There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer, to be designated the

"Securities Lending and Custodial Fee Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of any monies transferred thereto by act of the Legislature and any monies which may be deposited thereto by the State Treasurer's Office as provided by this section. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Office of the State Treasurer for the purposes of paying custodial or other banking fees. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1988, c. 280, § 7, operative July 1, 1988. Amended by Laws 1996, c. 219, § 4, eff. July 1, 1996; Laws 1998, c. 85, § 11, eff. July 1, 1998; Laws 2002, c. 95, § 2, eff. July 1, 2002; Laws 2012, c. 304, § 441.

§62-90.1. Short title.

This act shall be known and may be cited as the "Rural Economic Development Loan Act".

Added by Laws 2002, c. 486, § 1, eff. Jan. 1, 2003.

§62-90.2. Definitions.

As used in the Rural Economic Development Loan Act:

1. "Department" means the Oklahoma Department of Agriculture, Food, and Forestry;
2. "Financial institution" means any office or branch of a bank, savings bank, savings association, building and loan association, savings and loan association, credit union or nonprofit lender exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code of the United States located in the State of Oklahoma;
3. "Participating financial institution" means a financial institution which pledges at least Three Million Dollars (\$3,000,000.00) but not to exceed Ten Million Dollars (\$10,000,000.00) to the Rural Economic Development Loan Revolving Fund;
4. "Qualified economic development project" means:
 - a. the development, construction, restoration, or replacement of a physical facility located or to be located in a rural area of this state, which has been initiated by a participating financial institution which has been certified by the Department, and
 - b. the commencement or expansion of economic activities that result in or that will, within three (3) years of the commencement of such activities, result in the employment of five (5) or more full-time-equivalent

employees at a location in a rural area of this state in positions that did not exist prior to the commencement of such activities and which has been certified by the Department; and

5. "Rural area" means an area designated as such by the Office of Rural Development of the United States Department of Agriculture. Added by Laws 2002, c. 486, § 2, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 1, emerg. eff. April 15, 2003; Laws 2013, c. 118, § 19, eff. Nov. 1, 2013.

§62-90.3. Rural Economic Development Loan Program.

There is hereby created the Rural Economic Development Loan Program. The Oklahoma Department of Agriculture, Food, and Forestry shall administer the Program, under which reduced rate loans may be made by participating financial institutions to finance qualified economic development projects from the Rural Economic Development Loan Revolving Fund created in Section 90.8 of this title. The Department shall promulgate rules and take such other actions as may be necessary to implement the Program and monitor compliance of participating financial institutions and loan applicants and recipients.

Added by Laws 2002, c. 486, § 3, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 2, emerg. eff. April 15, 2003; Laws 2013, c. 118, § 20, eff. Nov. 1, 2013.

§62-90.4. Repealed by Laws 2013, c. 118, § 27, eff. Nov. 1, 2013.

§62-90.5. Conditions for making loans - Review of applications - Certification of good standing.

A. A participating financial institution that desires to make a rural economic development loan shall accept and review applications for loans in connection with qualified economic development projects. A package of more than one rural economic development loan may be developed by a development company certified by the U.S. Small Business Administration or a political subdivision of this state or an agency thereof, and such entity may submit an application for one or more loans. The financial institution shall apply all usual lending standards and shall exercise due diligence to determine the creditworthiness of each applicant and to determine if the loan should be granted. Loans made under the Rural Economic Development Loan Act shall conform to the following conditions:

1. The maximum amount of loans under the Rural Economic Development Loan Act in connection with a particular qualified economic development project shall be determined by need in the rural area in which the project is located and the number of jobs created. The Oklahoma Department of Agriculture, Food, and Forestry shall have

final decision-making authority as to the maximum amount of each loan;

2. The applicant shall certify on the loan application that the loan will be used exclusively in connection with the qualified economic development project in accordance with the purpose of the Rural Economic Development Loan Act;

3. No loan shall be approved for any otherwise eligible recipient when fifty percent (50%) or more of the interest in or control of such otherwise eligible recipient is owned directly or indirectly by a person who owns directly or indirectly fifty percent (50%) or more of or controls another participating recipient;

4. No loan shall be made to any officer or director of the financial institution making the loan or to any entity in which any such officer or director maintains a controlling interest;

5. No loan shall be made to any employee of the Oklahoma Department of Agriculture, Food, and Forestry or to any entity in which any employee maintains a controlling interest;

6. Whoever knowingly makes a false statement concerning a rural economic development loan application shall be prohibited from participating in the Rural Economic Development Loan Program; and

7. Rural economic development loans may be renewed if the amount of principal has been reduced by a minimum of five percent (5%) per year and all interest has been paid from the time of the original loan.

B. The participating financial institution shall forward to the State Treasurer a rural economic development loan application in the form and manner prescribed and approved by the Department. The application shall include information regarding the amount of the loan requested by each applicant, the number of jobs to be created, and such other information the Department requires.

C. Upon receipt of a completed rural economic development loan application, the Department shall forward the loan application to the Oklahoma Tax Commission and the Oklahoma Employment Security Commission. The Department shall review the loan package to determine if the loan requested meets the requirements set forth under the Rural Economic Development Loan Act. Within ten (10) days of receipt of the loan package, the Tax Commission and the Oklahoma Employment Security Commission shall determine and certify whether or not the applicant is in good standing. The Department shall make a recommendation concerning the application to the State Board of Agriculture, after receipt of the responses from the Tax Commission and the Oklahoma Employment Security Commission. No applicant shall be approved without certification of good standing with the Tax Commission and Oklahoma Employment Security Commission. Rejected applications may be resubmitted after reasons for rejection have been addressed.

Added by Laws 2002, c. 486, § 5, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 4, emerg. eff. April 15, 2003; Laws 2013, c. 118, § 21, eff. Nov. 1, 2013.

§62-90.6. Funding of loans - Percentage rate - Administrative costs - Certification of compliance - Forwarding of payments - State liability.

A. Loans made pursuant to applications approved by the Oklahoma Department of Agriculture, Food, and Forestry shall be subject to the availability of funds pledged to the Rural Economic Development Loan Revolving Fund, and if a loan is not funded for such reason, it shall be funded in the order of the priority given each loan application by the Department.

B. Upon acceptance of the loan or any portion thereof, the Department shall notify the participating financial institution and the applicant. The participating financial institution shall fund the loan to the approved applicant to the extent of its unencumbered pledge to the Rural Economic Development Loan Revolving Fund, not to exceed the amount of the loan accepted. If the amount of the participating financial institution's unencumbered pledge is less than the amount of the loan as accepted, the Department shall notify all other participating financial institutions with an unencumbered pledge to the fund and shall require each such institution to transfer an amount to the Rural Economic Development Loan Revolving Fund. Such amount shall be equal to the amount of the remainder of the loan multiplied by the percentage of the institution's unencumbered pledge of all unencumbered pledges. The Department shall transfer such amounts to the participating financial institution making the loan.

C. The percentage rate of the loan shall be reduced compared to the rate imposed with respect to other loans made by the financial institution to similar recipients for similar purposes in an amount determined by the financial institution making the loan.

D. The Department may retain in the Rural Economic Development Loan Fund an amount not to exceed two percent (2%) of the total amount of a loan. Amounts retained pursuant to the provisions of this subsection may be expended by the Department for costs associated with administration of this act and may be paid by the State Treasurer to a development company certified by the U.S. Small Business Administration or a political subdivision of this state or agency thereof for costs associated with developing a loan package if all loans in the package are approved pursuant to the provisions of this act.

E. A certification of compliance with this section in the form and manner as prescribed by the Department shall be required of the participating financial institution.

F. The participating financial institution making the loan shall, within three (3) business days of receipt, forward all payments received for repayment of the loan to the Department for immediate deposit to the Rural Economic Development Loan Revolving Fund, until the amount deposited is equal to the amount transferred by other participating financial institutions in connection with the loan together with interest at the rate applied to the loan. The Department shall forward such payments to such other participating financial institutions in proportion to the amounts transferred in connection with the loan. Remaining payments received for repayment of the loan shall be retained by the participating financial institution making the loan.

G. Neither the State of Oklahoma nor the Department shall be liable to any participating financial institution in any manner for payment of the principal or interest on a rural economic development loan.

Added by Laws 2002, c. 486, § 6, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 5, emerg. eff. April 15, 2003; Laws 2013, c. 118, § 22, eff. Nov. 1, 2013.

§62-90.7. Rules and forms.

The Department, in consultation with the State Banking Commissioner, shall promulgate rules and prescribe forms to implement the provisions of the Rural Economic Development Loan Act, which shall include, but not be limited to, those necessary to effect contractual arrangements between participating financial institutions pursuant to the making and collection of loans pursuant to the provisions of subsection B of Section 90.6 of this title.

Added by Laws 2002, c. 486, § 7, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 6, emerg. eff. April 15, 2003; Laws 2013, c. 118, § 23, eff. Nov. 1, 2013.

§62-90.8. Rural Economic Development Loan Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma Department of Agriculture, Food, and Forestry to be designated the "Rural Economic Development Loan Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Department as provided in the Rural Economic Development Loan Act. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by the Department for the purpose of implementing the Rural Economic Development Loan Act. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 2002, c. 486, § 8, eff. Jan. 1, 2003. Amended by Laws 2003, c. 87, § 7, emerg. eff. April 15, 2003; Laws 2012, c. 304, § 442; Laws 2013, c. 118, § 24, eff. Nov. 1, 2013.

§62-90.9. Employment created not to be counted in determination of gross payroll.

No employment created pursuant to the provisions of this act shall be counted in a determination of "gross payroll" pursuant to the Oklahoma Quality Jobs Program Act, the Saving Quality Jobs Act, the Former Military Facilities Development Act or the Small Employer Quality Jobs Incentive Act.

Added by Laws 2002, c. 486, § 9, eff. Jan. 1, 2003.

§62-91.1. Short title.

Sections 1 through 9 of this act shall be known and may be cited as the "Oklahoma Rural and Affordable Housing Linked Deposit Act".

Added by Laws 2002, c. 287, § 1, eff. July 1, 2002.

§62-91.2. Purpose.

A. Oklahoma's rural areas suffer from a lack of interim financing for builder-developers of housing in rural areas, inadequate profit incentives for builder-developers, economy of scale problems which work against economics of developing projects consistent with local market needs, and lack of available interim financing from local lenders to fund land acquisition, site development, or construction of housing in rural areas.

B. It is the purpose of the Oklahoma Rural and Affordable Housing Linked Deposit Act to provide funding for eligible rural housing developers to build affordable housing in rural Oklahoma. It is the specific intent of the Legislature that any funding provided to eligible rural housing developers for the purpose of building affordable rural housing shall assist in the development of Oklahoma's rural areas in order to broaden Oklahoma's economic base.

C. The Oklahoma Rural and Affordable Housing Linked Deposit Act will meet rural housing needs by creating a revolving capacity of no more than Twenty-five Million Dollars (\$25,000,000.00) to enable eligible rural housing developers to finance land acquisition, site development, rehabilitation, and construction of single-family or multifamily housing units in rural areas. For purposes of determining whether this twenty-five-million-dollar maximum is met, the State Treasurer shall consider amounts approved for link deposit participation, whether or not a borrower has actually used the entire amount approved.

Added by Laws 2002, c. 287, § 2, eff. July 1, 2002. Amended by Laws 2003, c. 224, § 14, eff. July 1, 2003.

§62-91.3. Definitions.

As used in the Oklahoma Rural and Affordable Housing Linked Deposit Act:

1. "Eligible rural housing developer" means any individual, partnership, domestic limited liability company, or domestic corporation within the State of Oklahoma which is engaged in the construction, building or development of rural housing, as certified by a state agency or instrumentality selected by the State Treasurer to perform a certification process. The certification shall be designed to select developers who will meet new construction needs in designated, underserved rural target markets;

2. "Eligible lending institution" means a financial institution that agrees to participate in the Oklahoma Rural and Affordable Housing Linked Deposit Program, and:

- a. is eligible to make commercial loans, and
- b. is a public depository of state funds, or
- c. is an institution of the farm credit system organized under the federal Farm Credit Act of 1971, 12 U.S.C., Section 2001, as amended;

3. "Rural housing" means any single-family or multifamily dwelling to be constructed or rehabilitated in rural areas of Oklahoma;

4. "Rural areas" means areas of the state outside of high population centers and already well-developed metropolitan areas, which are not adequately served by existing home builders and developers in meeting supply needs for adequate rural housing. The certifying agency shall be responsible to adopt guidelines to identify the specific rural areas which are not adequately served in meeting supply needs for adequate housing; provided, for purposes of this act, a "rural area" shall include a specific geographic area which meets the definition of an "opportunity zone" as the term is defined in paragraph 2 of subsection G of Section 3604 of Title 68 of the Oklahoma Statutes;

5. "Rural housing linked deposit" means a certificate of deposit placed by the State Treasurer with an eligible lending institution or an investment in bonds, notes, debentures, or other obligations or securities issued by the federal farm credit bank with regard to an eligible lending institution for the purpose of carrying out the intent of this act;

6. "Rural housing linked deposit loan package" means the forms provided by the State Treasurer for the purpose of applying for a rural housing linked deposit; and

7. "Certifying agency" means the state agency or instrumentality selected by the State Treasurer to perform the certification process for rural housing developers, to develop guidelines required by this act, and to review individual rural housing linked deposit loan packages.

Added by Laws 2002, c. 287, § 3, eff. July 1, 2002. Amended by Laws 2003, c. 224, § 15, eff. July 1, 2003.

§62-91.4. Dissemination of information about program.

The State Treasurer is hereby authorized to disseminate information about the Oklahoma Rural and Affordable Housing Linked Deposit Program to builders, developers and financial institutions in this state.

Added by Laws 2002, c. 287, § 4, eff. July 1, 2002.

§62-91.5. Administrator and certifying agency - Powers and duties.

A. The State Treasurer is hereby authorized to administer the Oklahoma Rural and Affordable Housing Linked Deposit Program. The State Treasurer and the certifying agency shall be exempt from Articles I and II of the Administrative Procedures Act when taking actions pursuant to this act. The State Treasurer and the certifying agency are authorized to issue guidelines in a manner similar to the Administrative Procedures Act, Section 250.1 et seq. of Title 75 of the Oklahoma Statutes.

B. The certifying agency will develop guidelines which, after review and approval by the State Treasurer, will address maximum possible participation amounts per each unit of single-family or multifamily housing for land acquisition, site development, and construction, as well as eligibility requirements as to sale or rental price limitations and type of housing.

C. The State Treasurer shall submit an annual report outlining the status of the Oklahoma Rural and Affordable Housing Linked Deposit Program to the Governor, the Lieutenant Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives.

Added by Laws 2002, c. 287, § 5, eff. July 1, 2002.

§62-91.6. Loan packages - Review of applications by lending institutions - Loan restrictions - Review of loan packages.

A. The State Treasurer shall provide rural housing linked deposit loan packages upon request to the lending institutions eligible for participation in the Oklahoma Rural and Affordable Housing Linked Deposit Program.

B. The rural housing linked deposit loan package shall be completed by the developer before being forwarded to the lending institution for consideration.

C. 1. An eligible lending institution that desires to receive a rural housing linked deposit shall accept and review applications for loans from eligible rural housing developers. The lending institution shall apply all usual lending standards to determine the creditworthiness of each eligible developer. No single linked

deposit for an Oklahoma rural housing linked deposit loan shall exceed Two Million Dollars (\$2,000,000.00).

2. Only one linked deposit loan shall be made and be outstanding at any one time to any developer. However, the linked deposit loan may be renewed subject to the time limitations for participation set forth in subsection C of Section 91.7 of this title.

3. No loan shall be made to any officer or director of the lending institution making the loan.

4. No loan shall be made to any employee of the State Treasurer's office or to any officer, director or employee of the certifying agency, or to any entity in which such officer, director or employee maintains a controlling interest, or to an immediate family member of the employees, officers, or directors of the State Treasurer or the certifying agency.

5. No loan shall be made prior to July 1, 2004, and no deposit of funds shall be made in connection with a rural housing linked deposit loan prior to July 1, 2004.

D. An eligible rural housing developer shall certify on its loan application that the reduced rate loan will be used exclusively for the purposes outlined in Section 91.2 of this title.

E. In considering which eligible rural housing developers to include in the rural housing linked deposit loan package for reduced rate loans, the eligible lending institution shall give priority to the economic needs of the area in which the development to be financed is located and other factors the eligible lending institution considers appropriate to determine the relative financial need of the developer.

F. 1. The eligible lending institution shall forward to the certifying agency a rural housing linked deposit loan package, in the form and manner prescribed and approved by the State Treasurer. The package shall include information regarding the amount of the loan requested by each eligible developer and any other information regarding each development the State Treasurer requires. The institution shall, for each development, certify the present borrowing rate applicable to similar borrowers for similar projects, as well as the rate that would be charged to the applicant but for participation in the linked deposit program.

2. The institution and applicant shall certify that each applicant is an eligible rural housing developer.

3. Whoever knowingly makes a false statement concerning a linked deposit loan application shall be prohibited from participating in the linked deposit loan program.

G. The certifying agency shall examine the completed rural housing linked deposit loan package for possible certification. The certifying agency may charge an applicant a reasonable filing fee. A uniform fee may be established to cover its administrative costs of review. Any filing fee must be approved by the State Treasurer. The

certifying agency shall review the linked deposit loan package to determine if the package satisfies the requirements of this act and guidelines adopted pursuant to this act. The certifying agency shall make a recommendation concerning the package within thirty (30) business days. The certifying agency shall forward the package to the State Treasurer with a written recommendation of approval or rejection. If the certifying agency recommends rejection, the written recommendation shall include reasons for the rejection. The certifying agency shall forward a copy of its rejection notice to the lending institution and the borrower. The State Treasurer shall keep a chronological list of applications forwarded by the certifying agency for approval or rejection. Upon receipt of a completed rural housing linked deposit loan package, the State Treasurer may review or audit the information contained in the completed rural housing linked deposit loan package.

Added by Laws 2002, c. 287, § 6, eff. July 1, 2002. Amended by Laws 2003, c. 224, § 16, eff. July 1, 2003; Laws 2005, c. 124, § 6, eff. Nov. 1, 2005.

§62-91.7. Acceptance or rejection of loan package - Rural housing linked deposit agreements.

A. The State Treasurer may accept or reject a rural housing linked deposit loan package or any portion thereof, which has been recommended for approval by the certifying agency based on the State Treasurer's evaluation of the eligible rural housing developer included in the package, and the amount of the package. If the State Treasurer rejects the application, the written notice of rejection shall include reasons for said rejection in a report to the certifying agency. The Treasurer shall also forward a copy of the rejection notice to the lending institution and the borrower. The borrower may be allowed to bring the application into compliance with the State Treasurer's requirements and resubmit the application. If the State Treasurer rejects the application because sufficient funds are not available for a linked deposit, then the completed application may be considered in the order received when funds are once again available subject to a review by the certifying agency and the lending institution. In evaluating the eligible rural housing developers, the State Treasurer shall consider the recommendation of the certifying agency and the economic needs of the area where the business is located.

B. Upon acceptance of the rural housing linked deposit loan package or any portion thereof, the State Treasurer shall notify the certifying agency, the lending institution, and the borrower. Upon acceptance, the State Treasurer may place certificates of deposit with the eligible lending institution at a rate no more than three percent (3%) below current market rates, or may invest in bonds, notes, debentures, or other obligations or securities issued by the

federal farm credit bank with respect to the eligible lending institution at a rate no more than three percent (3%) below current market rates. When necessary, the State Treasurer may place certificates of deposit or may invest in such obligations or securities prior to acceptance of a rural housing linked deposit loan package.

C. The eligible lending institution shall enter into a rural housing linked deposit agreement with the State Treasurer, which shall include requirements necessary to implement the purposes of the Oklahoma Rural and Affordable Housing Linked Deposit Program. Such requirements shall include an agreement by the eligible lending institution to lend an amount equal to the rural housing linked deposit to eligible rural housing developers at an interest rate that reflects a percentage-rate reduction below the present borrowing rate applicable to each specific rural housing developer in the accepted loan package that is equal to the percentage-rate reduction below market rates at which the certificates of deposit that constitute the rural housing linked deposit were placed or at which the investments in bonds, notes, debentures or other obligations or securities that constitute the rural housing linked deposit were made. Such requirements shall also reflect the market conditions prevailing in the eligible lending institution's lending area. The agreement shall also include a specification of the period of time in which the lending institution is to lend funds upon the placement of a linked deposit, and shall include provisions for the certificates of deposit to be placed or the investment in bonds, notes, debentures, obligations, or securities to be made for any maturity considered appropriate by the State Treasurer not to exceed two (2) years and may be renewed once for up to an additional year, at the option of the State Treasurer. Interest shall be paid at the times determined by the State Treasurer.

Added by Laws 2002, c. 287, § 7, eff. July 1, 2002.

§62-91.8. Funding of loans - Reduced interest rate.

A. Upon the placement of a rural housing linked deposit with an eligible lending institution, the institution shall fund the loan to each approved eligible rural housing developer listed in the rural housing linked deposit loan package in accordance with the rural housing linked deposit agreement between the institution and the State Treasurer. The loan shall be at a rate that reflects a percentage-rate reduction below the present borrowing rate applicable to each developer that is equal to the percentage-rate reduction below market rates at which the certificate of deposits that constitute the rural housing linked deposit were placed or at which the investments in bonds, notes, debentures, or other obligations or securities that constitute the rural housing linked deposit were made. A certification of compliance with this section in the form

and manner as prescribed by the State Treasurer shall be required of the eligible lending institution.

B. The State Treasurer shall take any and all steps necessary to implement the Oklahoma Rural and Affordable Housing Linked Deposit Program and monitor compliance of eligible lending institutions and eligible rural housing developers, including the development of guidelines as necessary.

Added by Laws 2002, c. 287, § 8, eff. July 1, 2002.

§62-91.9. Liability of state and certifying agency for loan payments.

The state, the State Treasurer, and the certifying agency shall not be liable to any eligible lending institution in any manner for payment of the principal or interest on the loan to an eligible rural housing developer. Any delay in payments or default on the part of an eligible rural housing developer does not in any manner affect the rural housing linked deposit agreement between the eligible lending institution and the State Treasurer.

Added by Laws 2002, c. 287, § 9, eff. July 1, 2002.

§62-111. Registered bonds issued on surrender of coupon bonds.

Upon application of the holders of any coupon bonds heretofore issued or hereafter to be issued by the State of Oklahoma, the right to exchange which is not expressed on the face of such bonds, and upon the surrender of such bonds at the office of the State Treasurer, he, the State Treasurer or an appointed agent as provided in the Registered Public Obligations Act of Oklahoma, is hereby authorized to issue to and in the name of such holders, registered bonds of the State of Oklahoma of like tenor, maturity and amount in one or more certificates of the denomination of One Thousand Dollars (\$1,000.00), or any multiple thereof, equal to the face value of the coupon bonds surrendered, and the coupon bonds so surrendered, and the coupons attached thereto, shall be canceled by the State Treasurer immediately upon being surrendered to him. Sections 111 through 117 of this title shall be construed in light of the provisions of the Registered Public Obligations Act of Oklahoma and nothing in Sections 111 through 117 of this title shall be construed to prohibit options available under the Registered Public Obligations Act of Oklahoma.

Amended by Laws 1983, c. 170, § 40, eff. July 1, 1983.

§62-112. Forms, terms and conditions of bonds issued.

The State Treasurer shall have prepared registered bonds in blank form similar in tenor to the respective issues of coupon bonds of the State of Oklahoma, and upon the surrender of any coupon bonds of said state shall insert in such blanks the names of the registered owner, the amount of the bond, the date of maturity, the numbers and

such other matter as may be necessary to complete the same to correspond in other respects to the coupon bonds surrendered; provided, that no registered bond or bonds shall exceed in face value the par or face value of the coupon bonds surrendered in exchange therefor, and provided also that said registered bonds shall have printed on the face thereof a clause substantially in the following form:

"This registered bond is issued in substitution for and in lieu of coupon bonds of the State of Oklahoma, dated _____, 19____, Series _____ Nos. _____, to _____ inclusive, which have been surrendered and canceled simultaneously with the execution and issuance of this registered bond. This registered bond may be transferred by executing the transfer or assignment on the reverse side hereof and by presentation to the State Treasurer or appointed agent as provided in the Registered Public Obligations Act of Oklahoma, who shall register said bond in the name of the transferee."
Amended by Laws 1983, c. 170, § 41, eff. July 1, 1983.

§62-113. Transfer - How made.

Upon the application of the holders of registered bonds of the State of Oklahoma issued pursuant to the provisions of this act, and upon presentation of such bonds at the office of the State Treasurer, he, the State Treasurer, is hereby authorized to transfer the same on the books of the state to such persons or corporations as may be designated in the application. The transfer of said bonds shall be written or printed on the back of the bonds and shall be acknowledged before a notary public or other officer authorized under the laws of this state to take acknowledgments to deeds or transfers of real estate, or the signatures of the registered holders of the bonds shall be attested by the fiscal agent of the State of Oklahoma, in the City of New York. Application for transfers must be filed in the office of the State Treasurer at least fifteen (15) days before the date of payment of the semiannual interest next due on the bonds. Nothing in this act shall prohibit the use of registrars, agents, central depositories or financial intermediaries as provided in the Registered Public Obligations Act of Oklahoma.
Amended by Laws 1983, c. 170, § 42, eff. July 1, 1983.

§62-114. Register of bonds - Interest.

The State Treasurer or appointed agent shall provide and keep a register of all registered bonds issued under this act and shall enter therein the names of the registered holders thereof, and he shall at each interest date, issue a warrant remitted to the address and payable to the order of the registered owner of such bond the amount due, and upon maturity of the bond the amount of principal upon the surrender of the bond at the office of the State Treasurer or appointed agent of the State of Oklahoma.

Amended by Laws 1983, c. 170, § 43, eff. July 1, 1983.

§62-115. Issuance of bonds - Attorney General's duties.

All registered bonds issued under this act shall be signed by the Governor under the great seal of this state, and attested by the Secretary of State and the State Treasurer. Facsimile signatures and seals may be used as provided in the Registered Public Obligations Act of Oklahoma. The bonds shall have endorsed thereon a certificate signed by the State Auditor and Inspector and Attorney General of the state, showing that such bond is issued pursuant to law and is within the debt limit. It shall also be the duty of the Attorney General as ex officio bond commissioner of the State of Oklahoma to examine into and pass upon any registered bonds so issued, and such registered bonds, when declared by the certificate of said bond commissioner to be issued in accordance with the forms of procedure provided by him, shall be incontestable in any court in the State of Oklahoma.

Amended by Laws 1983, c. 170, § 44, eff. July 1, 1983.

§62-116. Rights of holders.

The holders of all registered bonds issued pursuant to this act upon the surrender of and exchange for coupon bonds of this state shall be entitled to the benefit of any adjudication or determination of any court of this state authorizing the issuance of the coupon bonds surrendered in exchange therefor, or determining the validity of the indebtedness evidenced thereby, and the payment of the principal and interest of all registered bonds issued pursuant hereto shall be made and provided for out of the taxes provided or levied for the purpose of paying the coupon bonds which are surrendered in exchange for such registered bonds. The holders of any registered bond issued pursuant hereto shall be subrogated to and entitled to all the rights and remedies of the holders of the coupon bonds surrendered in exchange for such registered bonds.

Laws 1915, c. 209, § 6.

§62-117. Fee for transfer.

The State Treasurer shall be entitled to receive from the owner of the bonds transferred under this act a fee of fifty cents (\$0.50) for each One Thousand Dollars (\$1,000.00) face value of bonds so transferred.

Laws 1915, c. 209, § 7; Laws 1979, c. 30, § 28, emerg. eff. April 6, 1979.

§62-120.1. Exchange, trade-in or separate sale authorized - Transfers to educational entities without compensation.

A. Each state department, institution, or agency which is empowered by law to purchase supplies and equipment, and which also is authorized by law to maintain a revolving fund and make

expenditures therefrom for purchase of supplies and equipment is hereby authorized to dispose of outworn, outmoded, obsolescent, or obsolete equipment solely for the purpose of acquiring suitable equipment of comparable kind and purpose, by any of the following methods or combinations of methods:

1. By exchange;
2. By trade-in to cover part of the cost of equipment to be acquired by purchase; and
3. By separate cash sale in cases where it appears that a greater amount can be recovered than could be realized by exchange or trade-in; provided that nothing in this act shall apply to the Grand River Dam Authority.

B. The entities authorized to dispose of obsolete equipment pursuant to subsection A of this section are also authorized to dispose of obsolete or surplus equipment by transfer to a public school district or to entities within The Oklahoma State System of Higher Education without compensation.

Added by Laws 1949, p. 419, § 1. Amended by Laws 1997, c. 215, § 1, eff. Nov. 1, 1997; Laws 1999, c. 61, § 1, eff. Nov. 1, 1999.

§62-120.2. Deposit of cash proceeds in revolving fund.

All cash amounts received by such state department, institution or agency from the sale of outworn, outmoded, obsolescent, or obsolete equipment shall be immediately deposited in the revolving fund of the department, institution or agency, to be used for the purchase of equipment comparable in kind and purpose to that sold. Laws 1949, p. 419, § 2.

§62-120.3. Advertisement and bids.

In connection with every cash sale of state equipment, for the purpose stated in this act, the purchasing officer of department, institution or agency shall either publicly advertise the sale of equipment or secure at least three bids in writing, unless the estimated sale value is less than Fifty Dollars (\$50.00). The record sale, including all the bids received, shall be considered a matter of public record and shall be so maintained for a period of not less than ten (10) years.

Laws 1949, p. 419, § 3.

§62-120.4. Property accounts.

The property accounts set up, maintained and kept as provided by law, for tangible property and equipment, other than expendable supplies, shall be maintained on cost basis, representative of capital values of invested state monies, and never charged with appreciation nor credited with depreciation; but on sale or exchange and reacquisition of properties of comparable function as hereinbefore provided, the capital account thereof shall be credited

with the first or capital cost of the item disposed of and charged with the gross cost of the substitute item acquired; unless and until the Legislature shall require that the depleted or depreciated value shall be charged to expense.

Laws 1949, p. 419, § 4.

§62-139.42. The State Emergency Fund.

There is hereby created in the State Treasury a special cash fund to be known as "The State Emergency Fund", which fund shall be composed of such money as may be transferred or appropriated thereto by the Legislature. Said fund shall be a continuing fund not subject to fiscal year limitations and shall be disbursed and expended as hereinafter provided.

Added by Laws 1963, c. 57, § 1, emerg. eff. May 13, 1963.

§62-139.45. Expenditures for unforeseen emergencies.

The Governor may, subject to the provisions of this act, allocate and authorize the expenditure of any or all of the money accruing to the State Emergency Fund only for the purpose of defraying expenses arising by reason of emergencies as hereinafter defined, and which were not foreseen or reasonably foreseeable by the legislature or either house thereof, but for which the legislature could have lawfully made appropriations. In no event may any monies in said fund be allocated or expended for any purpose, use, or object considered or acted upon adversely by the legislature or either house thereof. The Director of the Office of Management and Enterprise Services is hereby authorized and directed to disallow and reject any claim against an allocation made from the State Emergency Fund contrary to the provisions of this act.

Added by Laws 1963, c. 57, § 4, emerg. eff. May 13, 1963. Amended by Laws 2012, c. 304, § 443.

§62-139.46. Written findings.

Before any monies accrued or accruing in the State Emergency Fund may be allocated or expended, the requesting agency shall prepare and submit to the Governor written findings of fact as to the existence of an emergency not foreseen or reasonably foreseeable by the Legislature and of the necessity for the allocation and expenditure of funds; and, as to any emergency such as is provided for by Section 139.48 of this title, a copy of such written findings of fact shall be submitted to the Contingency Review Board.

Amended by Laws 1986, c. 15, § 1, eff. July 1, 1986.

§62-139.47. Specified emergencies - Expenditures without Board action.

A. Where the written findings of fact required by Section 139.46 of this title include one of the following emergencies, and the

Governor finds that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature, the Governor may allocate and authorize the expenditure of monies from the State Emergency Fund to provide for such emergency without any action by the Contingency Review Board:

1. Destruction of or damage to public property caused by fire, hail, tornado, explosion, windstorm, flood, or other catastrophe;

2. Maintenance and operation of the National Guard when called to active state service in cases of emergency;

3. Allocation or expenditures necessary to provide matching funds for participation in any federal disaster relief program, emergency equipment purchase, or otherwise expedite receipt of disaster funds;

4. Allocations or expenditures deemed necessary to remove asbestos from public buildings or facilities;

5. Emergency response action necessary to protect the public health, safety or welfare or livestock, wild animals, birds, fish or other aquatic life from the discharge of any hazardous waste, deleterious substance or any such other waste or substance as will or is likely to be detrimental or cause injury to the public or such livestock, wild animals, birds, fish or other aquatic life;

6. Funding for funeral expenses not to exceed Seven Thousand Dollars (\$7,000.00) for state employees who are killed in the line of their duty and funding for premiums for six (6) months of insurance coverage already in force for spouse and dependents who are eligible for survivor coverage of those employees pursuant to rules of the Oklahoma State and Education Employees Group Insurance Board, provided, that if funds in the State Emergency Fund are insufficient to cover these expenses, the employing agency of the employees shall pay the expenses;

7. Allocation or expenditures necessary to provide funds for disaster relief programs to political subdivisions for damage caused by fire, hail, tornado, explosion, windstorm, flood or other catastrophe for which federal disaster relief funds have been requested by the Governor and rejected by the Federal Emergency Management Agency (FEMA). Provided, that no political subdivision shall be deemed eligible for an allocation or expenditure of funds from the State Emergency Fund under this paragraph unless such area has first been deemed a disaster area by an executive declaration by the Governor of the State of Oklahoma; and

8. Allocation or expenditures necessary to provide funds for cooperative actions with the United States Army Corps of Engineers to respond to emergencies or to protect the public health, safety, or welfare.

B. Expenditures made to political subdivisions under this section shall be audited and processed by the Oklahoma Department of Emergency Management. No application for an allocation or

expenditure of funds shall be made until it is certified by the political subdivision that no other monies are available to reimburse the requesting entity for expenditures made as a result of the catastrophe. No geographical area which has been declared a disaster area by the Governor may receive an allocation of funds under this section in excess of One Hundred Thousand Dollars (\$100,000.00) in a calendar year.

Provided further, that the Governor shall allocate, without any action by the Contingency Review Board, monies from the State Emergency Fund to pay expenses for the Court on the Judiciary approved pursuant to Section 16.6 of Title 20 of the Oklahoma Statutes and not otherwise funded by other legislative appropriations.

Added by Laws 1963, c. 57, § 6, emerg. eff. May 13, 1963. Amended by Laws 1976, c. 226, § 2, emerg. eff. June 15, 1976; Laws 1980, c. 155, § 3, emerg. eff. April 1, 1980; Laws 1984, c. 296, § 136, emerg. eff. June 11, 1984; Laws 1985, c. 115, § 1, emerg. eff. May 31, 1985; Laws 1992, c. 403, § 3, eff. Sept. 1, 1992; Laws 1994, c. 277, § 17; Laws 2001, c. 326, § 1, emerg. eff. June 1, 2001; Laws 2003, c. 329, § 55, emerg. eff. May 29, 2003; Laws 2004, c. 309, § 1, eff. July 1, 2004. NOTE: Laws 1985, c. 51, § 41 repealed by Laws 1989, c. 353, § 14, emerg. eff. June 3, 1989.

§62-139.48. Other emergencies - Expenditures.

Where the written findings of fact required by Section 139.46 of this title do not include one of the specific emergencies listed in Section 139.47 of this title but do show the existence of some other emergency not foreseen or reasonably foreseeable by the Legislature, the Governor may allocate and authorize the expenditure of monies from the State Emergency Fund to provide for such emergency if, and only if:

(1) the Contingency Review Board, by a majority vote thereof, has first found that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature, and has certified such findings in writing to the Governor and the Director of the Office of Management and Enterprise Services. A copy of such findings shall be filed in the office of each of the members of said Board.

(2) the Governor, after having received the findings of the Contingency Review Board, has also found that such emergency exists, and was not foreseen or reasonably foreseeable by the Legislature.

(3) the funds so allocated and authorized are expended solely for direct assistance or relief to qualified individuals or entities, pursuant to eligibility guidelines developed by the Contingency Review Board for each emergency, or for costs associated with providing direct assistance.

Added by Laws 1963, c. 57, § 7, emerg. eff. May 13, 1963. Amended by Laws 1980, c. 155, § 4, emerg. eff. April 1, 1980; Laws 1981, c. 203,

§ 4, emerg. eff. May 22, 1981; Laws 1982, c. 359, § 1, emerg. eff. June 2, 1982; Laws 2012, c. 304, § 444.

§62-139.49. Approval of Governor.

No allocation shall be made from the State Emergency Fund except upon approval of the Governor in writing, and under such limitations as may be specified by the Governor, and subject to the conditions provided for by this act. The Governor's findings and certificate of approval shall be certified to the Director of the Office of Management and Enterprise Services, the Secretary of State, the State Treasurer, and the State Auditor and Inspector.

Added by Laws 1963, c. 57, § 8, emerg. eff. May 13, 1963. Amended by Laws 1979, c. 30, § 96, emerg. eff. April 6, 1979; Laws 2012, c. 304, § 445.

§62-155. State boards, commissions and departments - Revolving funds created.

A. There is hereby created in the State Treasury a revolving fund for each of the following state boards, commissions and departments:

1. The Board of Governors of the Licensed Architects, Landscape Architects and Registered Interior Designers of Oklahoma;
2. Oklahoma Funeral Board;
3. Board of Podiatric Medical Examiners;
4. Board of Chiropractic Examiners;
5. State Board of Registration for Foresters;
6. State Board of Medical Licensure and Supervision;
7. Oklahoma Board of Nursing;
8. State Board of Osteopathic Examiners;
9. State Board of Pharmacy;
10. State Board of Licensed Social Workers;
11. Oklahoma Motor Vehicle Commission;
12. Oklahoma Peanut Commission;
13. Oklahoma Real Estate Commission; and
14. Santa Claus Commission.

B. Each revolving fund shall consist of all monies received by the boards, commissions and departments, pursuant to statutory authority, but not including appropriated funds. These revolving funds shall be continuing funds, not subject to fiscal year limitations and shall be under the control and management of the administrative authorities of the respective boards, commissions or departments.

C. Expenditures from the revolving funds shall be made pursuant to the laws of the state and the statutes relating to said boards, commissions and departments, and without legislative appropriation. Warrants for expenditures from said revolving funds shall be drawn by the State Treasurer, based on claims signed by an authorized employee

or employees of the respective boards, commissions or departments and approved for payment by the Director of the Office of Management and Enterprise Services.

Added by Laws 1973, c. 46, § 1, operative July 1, 1973. Amended by Laws 1979, c. 47, § 53, emerg. eff. April 9, 1979; Laws 1987, c. 118, § 50, operative July 1, 1987; Laws 1992, c. 147, § 10, eff. July 1, 1992; Laws 2012, c. 304, § 446; Laws 2013, c. 229, § 42, eff. Nov. 1, 2013; Laws 2016, c. 269, § 8, eff. Nov. 1, 2016.

§62-156. Education Television Authority Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma Educational Television Authority to be designated "The Educational Television Authority Revolving Fund". The fund shall consist of monies received by the Oklahoma Educational Television Authority pursuant to statutory provisions, but not including appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Oklahoma Educational Television Authority. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Authority, and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the said Authority and approved for payment by the Director of the Office of Management and Enterprise Services.

Added by Laws 1973, c. 46, § 2, operative July 1, 1973. Amended by Laws 1979, c. 47, § 54, emerg. eff. April 9, 1979; Laws 2012, c. 304, § 447.

§62-157. Will Rogers Memorial Revolving Fund

There is hereby created in the State Treasury a revolving fund for the Oklahoma Historical Society, on behalf of the Will Rogers Memorial, to be designated "The Will Rogers Memorial Revolving Fund". The fund shall consist of monies received by the Oklahoma Historical Society pursuant to statutory provisions, but not including appropriated funds. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Oklahoma Historical Society, on behalf of the Will Rogers Memorial. Expenditures from the fund shall be made pursuant to the laws of this state and the statutes relating to the Memorial, and without legislative appropriation. Warrants for expenditures shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the Oklahoma Historical Society and approved for payment by the Director of the Office of Management and Enterprise Services.

Added by Laws 1973, c. 46, § 3, operative July 1, 1973. Amended by Laws 1979, c. 47, § 55, emerg. eff. April 9, 1979; Laws 2012, c. 304, § 448; Laws 2016, c. 1, § 11, emerg. eff. March 7, 2016.

§62-157.1. Deposit of monies accruing from rule of Will Rogers Papers

All monies which may accrue from the sale of Will Rogers Papers shall be deposited in the Will Rogers Memorial Revolving Fund.

Added by Laws 1974, c. 310, § 5, emerg. eff. May 31, 1974. Amended by Laws 2016, c. 1, § 12, emerg. eff. March 7, 2016.

§62-158. Teachers' Retirement System Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Teachers' Retirement System of Oklahoma, to be designated "The Teachers' Retirement System Revolving Fund". The fund shall consist of monies deposited to said fund by the Board of Trustees of the Teachers' Retirement System of Oklahoma, or pursuant to said Board's authorization. The revolving fund shall be a continuing fund not subject to fiscal year limitations and shall be under the administrative direction of the Board of Trustees of the Teachers' Retirement System of Oklahoma. Expenditures from said fund shall be made pursuant to general laws for expenses of administration of the Teachers' Retirement System. Warrants for expenditures shall be drawn by the State Treasurer based on claims signed by an authorized employee or employees of the Teachers' Retirement System and approved for payment by the Director of the Office of Management and Enterprise Services.

Added by Laws 1973, c. 46, § 4, operative July 1, 1973. Amended by Laws 1979, c. 47, § 56, emerg. eff. April 9, 1979; Laws 2012, c. 304, § 449.

§62-159. State Election Board Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Secretary of the State Election Board. Said revolving fund shall consist of all monies received by the Secretary of the State Election Board under 26 O.S. 1971, Sections 161, 165a, 391 and 392. The revolving fund shall be a continuing fund, not subject to fiscal year limitations. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the Secretary of the State Election Board, and without legislative appropriation. Warrants for expenditures from said fund shall be drawn by the State Treasurer, based on claims signed by an authorized employee or employees of the State Election Board and approved for payment by the Director of the Office of Management and Enterprise Services.

Added by Laws 1974, c. 217, § 4, emerg. eff. May 15, 1974. Amended by Laws 1979, c. 47, § 57, emerg. eff. April 9, 1979; Laws 2012, c. 304, § 450.

§62-159.1. State Senate Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma State Senate to be designated the "State Senate 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 State Senate from fees, payment of services, refunds, appropriations and other receipts as authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma State Senate for the duties and operations of the Senate. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. Added by Laws 1999, c. 377, § 6, eff. July 1, 1999. Amended by Laws 2012, c. 304, § 451.

§62-159.2. House of Representatives Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma House of Representatives to be designated the "House of Representatives 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 House of Representatives from fees, payment of services, refunds, appropriations and other receipts as authorized by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma House of Representatives for the duties and operations of the House of Representatives. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. Added by Laws 1999, c. 377, § 7, eff. July 1, 1999. Amended by Laws 2012, c. 304, § 452.

§62-160. Repealed by Laws 1991, c. 287, § 13, eff. July 1, 1991.

§62-160.1. Comprehensive Cancer Center Debt Service Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the University of Oklahoma Health Sciences Center to be designated the "Comprehensive Cancer Center Debt Service Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to Sections 302-5 and 402-3 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 University for the purpose of construction, operations and servicing debt obligations incurred by the University to construct a nationally

designated comprehensive cancer center. The cancer center constructed shall include a department known as the Janna L. Robbins Memorial Colorectal Screening and Research Department that has a primary function of conducting research and screening procedures for the treatment and detection of colorectal cancer. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 2004, c. 322, § 5, eff. Dec. 1, 2004 (State Question No. 713, Legislative Referendum No. 336, adopted at election held Nov. 2, 2004). Amended by Laws 2007, c. 294, § 1, eff. July 1, 2007; Laws 2012, c. 304, § 453.

§62-160.2. Oklahoma State University College of Osteopathic Medicine Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma State University College of Osteopathic Medicine to be designated the "Oklahoma State University College of Osteopathic Medicine Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies apportioned to the fund pursuant to Sections 302-5 and 402-3 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 College of Osteopathic Medicine for the purpose of servicing debt obligations for construction of a building dedicated to telemedicine to expand telemedicine to rural areas, for the purchase of telemedicine equipment and to provide uninsured/indigent care in Tulsa County. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 2004, c. 322, § 6, eff. Dec. 1, 2004 (State Question No. 713, Legislative Referendum No. 336, adopted at election held Nov. 2, 2004). Amended by Laws 2012, c. 304, § 454.

§62-161. Revolving funds created.

There is hereby created a hospital revolving fund for the Medical Department of the State University and also a revolving fund for the University of Oklahoma; also a revolving fund for the Southern Oklahoma Resource Center of Pauls Valley, the Oklahoma School for the Deaf at Sulphur, the Oklahoma School for the Blind at Muskogee, the Oklahoma College of Liberal Arts at Chickasha, Griffin Memorial Hospital at Norman, Western State Psychiatric Center at Fort Supply, Eastern State Hospital at Vinita, the Northern Oklahoma Resource Center of Enid, located at Enid, Oklahoma, the Whitaker State Children's Home at Pryor, the Taft State Children's Home at Taft,

Oklahoma State University at Stillwater, Langston University at Langston, for the Smith Lever Fund for the cooperation of agricultural extension work by the federal government with the state, and for the Morrill Fund to be expended and applied solely for instruction in agriculture and mechanical arts, the English language and the various branches of mathematical, physical and economical science, with special reference to these applications in the industries of life, and for any purpose for which said funds are permitted to be expended by the United States government and for the Hatch and Adams Fund for certain experiments and classes of scientific work as prescribed by the federal government and state and on sales station funds and other funds as hereinafter provided for the purpose of conducting and maintaining the dairy, livestock and farm departments for said institution, the said funds coming from the federal government to be available only for the purpose and in the manner contemplated by the Congress of the United States; a revolving fund for the Oklahoma Panhandle State University at Goodwell and for the Commissioners of the Land Office; also a revolving fund for each of the following institutions, to wit: the Northeastern State Normal at Tahlequah, the Southeastern State Normal at Durant, the East Central State Normal at Ada, the Northeastern State Normal at Alva, the Southwestern State Normal at Weatherford, and the Central State Normal at Edmond, and the School of Mines and Metallurgy at Wilburton, the University Preparatory School at Tonkawa, the Eastern University Preparatory School at Claremore, the Home for the Aged and Infirm, the Murray Agricultural School at Tishomingo, the Connor Agricultural School at Warner, the Cameron Agricultural School at Lawton, the West Oklahoma Orphan Home at Helena, each of said revolving funds shall be available for the purposes indicated and as now and hereafter authorized by law.

Laws 1917, c. 227, p. 419, § 1; Laws 1992, c. 307, § 10, eff. July 1, 1992; Laws 1993, c. 323, § 8, emerg. eff. June 7, 1993.

§62-165. Educational and eleemosynary institutions.

The revolving funds for the Southern Oklahoma Resource Center of Pauls Valley, Oklahoma, the Oklahoma Geological Survey, the Oklahoma School for the Deaf, located at Sulphur, Oklahoma, the Oklahoma School for the Blind, located at Muskogee, Oklahoma, the University of Science and Arts of Oklahoma, located at Chickasha, Oklahoma, Griffin Memorial Hospital, located at Norman, Oklahoma, Western State Psychiatric Center, located at Fort Supply, Oklahoma, Eastern State Hospital, located at Vinita, Oklahoma, the Northern Oklahoma Resource Center of Enid, located at Enid, Oklahoma, the Whitaker State Children's Home, located at Pryor, Oklahoma, and the Taft State Children's Home, located at Taft, Oklahoma, and its auxiliaries, shall consist of all appropriations made for such purpose and as a part thereof and include all earnings or profits in the conduct and

management of said institutions and carrying on the things or business by such institutions as may be authorized by law. The revolving funds for the Oklahoma School for the Deaf, located at Sulphur, Oklahoma; the Oklahoma School for the Blind, located at Muskogee, Oklahoma; and the State Department of Rehabilitation Services shall be invested in whatever instruments the State Treasurer is authorized by law to invest in. Interest earned shall be retained by the revolving funds for the Oklahoma School for the Deaf, the Oklahoma School for the Blind, and the State Department of Rehabilitation Services.

Added by Laws 1917, c. 227, p. 422, § 5. Amended by Laws 1992, c. 307, § 11, eff. July 1, 1992; Laws 1993, c. 323, § 9, emerg. eff. June 7, 1993; Laws 2006, c. 249, § 1, eff. July 1, 2006.

§62-166d. Southern Oklahoma Resource Center of Pauls Valley -
Disposition of certain bonuses and royalties.

All royalty monies received upon behalf of this state, any and all bonus monies received upon behalf of this state, and any and all delay rentals received upon behalf of this state, in connection with or pursuant to the provisions of any oil and gas lease covering any of the lands occupied by, or assigned to the use of, the Southern Oklahoma Resource Center of Pauls Valley, entered into by the Office of Management and Enterprise Services, shall be deposited in the revolving fund of the Southern Oklahoma Resource Center of Pauls Valley and shall be expended by said institution in the same manner that other treasury funds of said institution are expended as long as the Southern Oklahoma Resource Center of Pauls Valley remains in operation and for three (3) months thereafter. Upon expiration of the three (3) months after closure, the revenue shall be placed in a special agency clearing account to be used for establishing and maintaining community households for people with intellectual disabilities served by Developmental Disabilities Services at the Department of Human Services. The Department of Human Services shall promulgate rules for the administration of the fund and specific items allowed. The Department of Human Services shall submit an itemized report of all income and expenditures to the account to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives annually.

Added by Laws 1959, H.J.R. No. 526, p. 496, § 1. Amended by Laws 1983, c. 304, § 60, eff. July 1, 1983; Laws 1992, c. 307, § 12, eff. July 1, 1992; Laws 2012, c. 304, § 455; Laws 2015, c. 192, § 2, eff. July 1, 2015.

§62-173. Appropriations not part of revolving fund unless so provided.

No appropriation by the Legislature for the use of any state institution shall go into or become a part of any revolving fund unless specifically so provided in the act making such appropriation. Laws 1917, c. 227, p. 426, § 12.

§62-177. Repealed by Laws 1998, c. 246, § 40, eff. Nov. 1, 1998.

§62-178. Composition of fund - Appropriations and incomes.

The said fund shall consist of all appropriations made for such purpose and shall include all net earnings or profits derived from all business enterprises, occupations, factories, shops, manufacturing, farming, dairying, livestock, and poultry raising, or any other business enterprise or undertaking that may be conducted and carried on by said institution by and through its administrative officers subject to the supervision and authority of the Office of Management and Enterprise Services as an ex officio board of control or their successors or such supervising or managing officers as may be provided for by law. The fund shall be kept in such a way as to show from what particular source, business, or enterprise such fund was derived, and each particular source, business, or enterprise being credited with its proper part of said fund.

Added by Laws 1929, c. 74, p. 90, § 2, emerg. eff. April 5, 1929.

Amended by Laws 1983, c. 304, § 61, eff. July 1, 1983; Laws 2012, c. 304, § 456.

§62-179. Use of fund - Consent of Governor.

The said fund shall be available for the purchase of materials, equipment, buildings and appurtenances, and may be expended for all other purposes which may be proper and necessary in the conduct of all or any of the business enterprises, occupations and undertakings set out in the preceding section of this Act, or that may be now or hereafter authorized by law; Provided, that with the consent of the Governor given in writing, the said fund may be used for any legal and proper purpose, in case of actual emergency.

Added by Laws 1929, c. 74, p. 90, § 3, emerg. eff. April 5, 1929.

§62-180. Repealed by Laws 1999, c. 146, § 2, eff. Nov. 1, 1999.

§62-181. Composition of fund.

The said revolving fund shall consist of all appropriations made for such purpose, and shall include all proceeds from the sale of livestock and all products produced therefrom, the proceeds from the sale of all farm and institutional commodities, and earnings derived from the services of the girls of the institution rendered in connection with the serving of meals to civic clubs, women's clubs,

churches, or other like organizations, and proceeds from the sale of articles and products made by the girls of said institution.
Laws 1941, p. 266, § 2.

§62-182. Appropriation to be placed in fund.

The sum of One Thousand Five Hundred Dollars (\$1,500.00) is hereby appropriated out of any funds in the State Treasury, not otherwise appropriated, to be placed in the revolving fund of said institution for the purpose of carrying out the provisions of this act.

Laws 1941, p. 266, § 3.

§62-183. Purposes for which fund expended.

The monies in said revolving fund may be expended for the following purposes:

(a) For the purchase of livestock to replace livestock sold or used in connection with said institution and the keeping up and maintaining its dairy herd;

(b) For the purchase of material, appliances and equipment used in such business enterprises, occupations, factories, or shops, and other business carried on at such institutions;

(c) For the purchase of food, cooking utensils and miscellaneous articles used in connection with the serving of meals; (d) For the purchase of materials and parts necessary in repairing and maintaining the machinery and equipment for the industries of said institution, and for the payment of labor incidental thereto;

(e) For the purchase of supplies, books, or any other articles necessary in carrying on the training program of said school.

Laws 1941, p. 266, § 4; Laws 1943, p. 138, § 1.

§62-186. School for blind - Revolving fund created.

There is hereby created a revolving fund for the Oklahoma School for the Blind at Muskogee, to be available for the purposes herein set forth and enumerated.

Laws 1941, p. 267, § 1.

§62-187. Composition of fund.

The said revolving fund shall consist of all appropriations made for such purpose, and shall include all proceeds from the sale of livestock and all products produced therefrom, the proceeds from the sale of all farm and institutional commodities, and proceeds from the sale of articles and products made by the girls and boys of said institution.

Laws 1941, p. 267, § 2.

§62-189. Purposes for which fund expended.

The monies in said revolving fund may be expended for the following purposes:

(a) For the purchase of livestock to replace livestock sold or used in connection with said institution and the keeping up and maintaining its dairy herd;

(b) for the purchase of material, appliances and equipment used in such business enterprises, occupations, factories, or shops, and other business carried on at such institution;

(c) for the purchase of feed for the livestock owned by said institution;

(d) for the purchase of materials and parts necessary in repairing and maintaining the machinery and equipment for the industries of said institution, and for the payment of labor incidental thereto.

Laws 1941, p. 267, § 4.

§62-192.1. Repealed by Laws 1998, c. 405, § 13, eff. Sept. 1, 1998.

§62-192.2. Repealed by Laws 1998, c. 405, § 13, eff. Sept. 1, 1998.

§62-192.3. Repealed by Laws 1998, c. 405, § 13, eff. Sept. 1, 1998.

§62-193. Ad Valorem Reimbursement Fund - Claims - Distribution of funds.

A. There is hereby created in the State Treasury a revolving fund for the Oklahoma Tax Commission to be designated the "Ad Valorem Reimbursement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. Monies apportioned to this fund shall be expended:

1. To reimburse counties of this state for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities;

2. To reimburse counties of this state for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes; and

3. To reimburse counties of this state for loss of revenue due to decreased valuation and assessment for buffer strips pursuant to Section 2817.2 of Title 68 of the Oklahoma Statutes.

Provided that it shall be the duty of the Tax Commission to assess the valuation of all property for new or expanded manufacturing or research and development facilities which are exempt from ad valorem taxes.

Monies apportioned to this fund also may be transferred to other state funds or otherwise expended as directed by the Legislature by law.

B. The county commissioners of each county seeking reimbursement for lost revenue from the Ad Valorem Reimbursement Fund shall make claims for reimbursement on forms prescribed by the Tax Commission prior to April 30 of each year. Claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be made separately from claims for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes and separately from claims for reimbursement for loss of revenue for decreased valuation and assessment of buffer strips. Provided, the assessed valuation of a school district as stated in the claim for reimbursement shall be the same as reported to the State Department of Education on the Estimate of Need and shall include the total valuation of property exempt from taxation pursuant to Section 2902 of Title 68 of the Oklahoma Statutes. The claims shall be either approved or disapproved in whole or in part by the Tax Commission by June 15 of each year. A claim for reimbursement for loss of revenue due to an exemption of ad valorem taxes for a new or expanded manufacturing or research and development facility shall be disapproved if a county or school district has received any payment in lieu of ad valorem taxes from such facility, to the extent of the amount of such reimbursement. If the Tax Commission determines that an exemption has been erroneously or unlawfully granted, it shall notify the appropriate county assessor who shall immediately value and assess the property and place it on the rolls for ad valorem taxation. Disbursements from the fund shall be made on warrants issued by the State Treasurer against claims filed by the Tax Commission with the Office of Management and Enterprise Services for payment. Such disbursements shall be exempt from all agency expenditure ceilings. The county treasurer shall apportion or disburse such funds for expenditures in the same manner as other ad valorem tax collections.

C. In the event monies apportioned to the Ad Valorem Reimbursement Fund are insufficient to pay all claims for reimbursement made pursuant to subsection B of this section, claims for reimbursement for loss of revenue due to exemptions of ad valorem taxes for new or expanded manufacturing or research and development facilities shall be paid first, and any remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes, according to the amount of the claim made by each county. If any funds remain after paying all claims for reimbursement for loss of revenue due to exemptions of ad valorem taxation for new or expanded manufacturing or research and development facilities and for reimbursement for loss

of revenue for school district and county purposes due to exemptions granted pursuant to the provisions of Section 2890 of Title 68 of the Oklahoma Statutes, the remaining funds shall be distributed proportionally among the counties making claims for reimbursement for loss of revenue for decreased valuation and assessment for buffer strips pursuant to Section 2817.2 of Title 68 of the Oklahoma Statutes.

Added by Laws 1985, c. 15, § 4, emerg. eff. April 11, 1985. Amended by Laws 1985, c. 341, § 2, emerg. eff. July 30, 1985; Laws 1986, c. 223, § 30, emerg. eff. June 9, 1986; Laws 1988, c. 281, § 11, operative July 1, 1988; Laws 1992, c. 396, § 1, emerg. eff. June 11, 1992; Laws 1993, c. 273, § 1, emerg. eff. May 27, 1993; Laws 1998, c. 405, § 1, eff. Sept. 1, 1998; Laws 1999, c. 390, § 3, emerg. eff. June 8, 1999; Laws 2000, c. 255, § 3, eff. Jan. 1, 2001; Laws 2012, c. 304, § 457.

§62-194. State Land Reimbursement Fund - Payment - Apportionment by county treasurer.

A. There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer to be designated the "State Land Reimbursement Fund". The fund shall be a continuing fund, not subject to fiscal year limitations. Monies apportioned to the fund shall be expended as payments to any county of this state which has state-owned land within the county, that if the land were in private ownership would be classified as agricultural land and on which no state agency is making an in lieu of ad valorem payment. Provided, no land shall be eligible for reimbursement under the provisions of this section which receives reimbursement for in lieu of tax payments under the provisions of Section 4-132 of Title 29 of the Oklahoma Statutes.

B. Each county shall receive a portion of the fund equal to the percentage of the eligible state-owned land in each county as determined from reports compiled by the county assessor of each county listing the location and number of acres of such property in each county. The reports shall be filed with the Office of the State Treasurer on or before December 31 of each year. Payments from the fund shall be made by the State Treasurer to the county treasurers not later than February 1 of each year. The county treasurer shall apportion the monies in the manner ad valorem taxes are apportioned in the county.

Added by Laws 1988, c. 82, § 1, operative July 1, 1988. Amended by Laws 1993, c. 260, § 27, operative July 1, 1993; Laws 2007, c. 323, § 2, eff. July 1, 2007; Laws 2009, c. 433, § 10, eff. Nov. 1, 2009.

§62-195. Funds created - Maximum amounts - Forms, systems and procedures.

A. 1. There is hereby created a petty cash fund at each of the following institutions: Oklahoma School for the Blind, Muskogee, Oklahoma; Oklahoma School for the Deaf, Sulphur, Oklahoma; Griffin Memorial Hospital, Norman, Oklahoma; Eastern State Hospital, Vinita, Oklahoma; Northern Oklahoma Resource Center of Enid, Enid, Oklahoma; Southern Oklahoma Resource Center of Pauls Valley, Pauls Valley, Oklahoma; Western State Psychiatric Center, Fort Supply, Oklahoma; Central Oklahoma Juvenile Treatment Center, Tecumseh, Oklahoma; L.E. Rader Children's Diagnostic and Evaluation Center, Sand Springs, Oklahoma; L.E. Rader Intensive Treatment Center, Sand Springs, Oklahoma; the Southwest Oklahoma Juvenile Center, Manitou, Oklahoma; the Office of Juvenile Affairs' Boys' Group Home, Enid, Oklahoma; the Office of Juvenile Affairs' Boys' Group Home, Lawton, Oklahoma; the Office of Juvenile Affairs' Girls' Group Home, Tulsa, Oklahoma; the Oklahoma Medical Center; and the J.D. McCarty Center for Children with Developmental Disabilities.

2. The Director of the Office of Management and Enterprise Services and the head of the institution involved are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash funds. The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash funds of the institution.

B. 1. There is hereby created a petty cash fund in the legal division of the Department of Human Services which fund shall be used solely to pay court costs, filing fees, witness fees, and expenses related to any case or proceeding within the responsibility of the legal division.

2. There is hereby created a petty cash fund in the Child Support Enforcement Division of the Department of Human Services. The fund shall be used solely to pay litigation expenses, including court costs, filing fees, witness fees, and expenses related to any case or proceeding within the responsibility of the Child Support Enforcement Division.

3. The Director of the Office of Management and Enterprise Services and the Director of the Department of Human Services are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash funds. The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash funds.

C. 1. There is hereby created a petty cash fund in the finance department of the Corporation Commission which shall be used solely to pay litigation expenses of the legal division, including court costs, filing fees, witness fees, and other expenses related to any case, proceeding, or matter within the responsibility of the legal division.

2. The Director of the Office of Management and Enterprise Services and the Corporation Commission are hereby authorized and it

shall be their duty to fix the maximum amount of the petty cash fund, not to exceed Five Hundred Dollars (\$500.00). The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund.

D. 1. There is hereby created a petty cash fund for the Property Distribution Division of the Office of Management and Enterprise Services.

2. The amount of the Property Distribution petty cash fund shall not exceed Five Hundred Dollars (\$500.00). The initial amount shall be drawn by warrant from the State Surplus Property Revolving Fund. The Director of the Office of Management and Enterprise Services is authorized to prescribe forms, systems and procedures for the administration of the Property Distribution petty cash fund.

E. 1. There is hereby created a petty cash fund in the legal division of the Oklahoma Health Care Authority which fund shall be used solely to pay for court costs, filing fees, witness fees, and expenses related to any case or proceeding within the responsibility of the legal division.

2. The Director of the Office of Management and Enterprise Services and the Chief Executive Officer of the Oklahoma Health Care Authority are hereby authorized and it shall be their duty to fix the maximum amount of the petty cash fund, not to exceed Five Hundred Dollars (\$500.00). The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the petty cash fund.

F. 1. The Director of the Office of Management and Enterprise Services is hereby authorized, upon request by the State Commissioner of Health, to establish a petty cash fund for the State Department of Health in an amount not to exceed One Thousand Dollars (\$1,000.00), to be used for the purpose of making change for persons obtaining licenses, paying fees and fines, and transacting other such business with the Department.

2. The fund shall be established and replenished from any monies available to the Department for operating expenses.

3. The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the fund.

G. 1. There is hereby created a petty cash fund for the Financial Management section of the Department of Environmental Quality in an amount not to exceed Two Hundred Dollars (\$200.00) to be used for the purpose of making change for persons obtaining licenses, paying fees and fines and transacting other such business with the Department.

2. The fund shall be established and replenished from any monies available to the Department for operating expenses.

3. The Director of the Office of Management and Enterprise Services shall prescribe all forms, systems and procedures for administering the fund.

Added by Laws 1951, p. 169, § 1, emerg. eff. May 26, 1951. Amended by Laws 1957, p. 466, § 1, emerg. eff. May 31, 1957; Laws 1983, c. 283, § 17, operative July 1, 1983; Laws 1984, c. 263, § 14, operative July 1, 1984; Laws 1988, c. 326, § 32, emerg. eff. July 13, 1988; Laws 1990, c. 265, § 61, operative July 1, 1990; Laws 1991, c. 103, § 1, eff. July 1, 1991; Laws 1992, c. 307, § 13, eff. July 1, 1992; Laws 1993, c. 323, § 10, emerg. eff. June 7, 1993; Laws 1995, c. 203, § 1, eff. July 1, 1995; Laws 1996, c. 326, § 3, eff. July 1, 1996; Laws 1997, c. 85, § 1, emerg. eff. April 11, 1997; Laws 1997, c. 293, § 41, eff. July 1, 1997; Laws 2000, c. 125, § 1, emerg. eff. April 24, 2000; Laws 2012, c. 304, § 458; Laws 2019, c. 70, § 1, eff. Nov. 1, 2019.

§62-203. Apportionment of monies to General Revenue Fund - Exceptions.

A. Except as otherwise provided by subsection B of this section, all monies that may come into the State Treasury, pursuant to the provisions of Section 201 et seq. of this title, together with all amounts that may be received by the State Treasurer as investment income or as interest on average daily bank balances, including investment income or interest on deposits from funds deposited to the credit of the Constitutional Reserve Fund created pursuant to Section 23 of Article X of the Oklahoma Constitution, shall be apportioned and credited to the General Revenue Fund for the current year.

B. The provisions of subsection A of this section shall not apply to:

1. Interest received on deposits from funds under the control of the Commissioners of the Land Office;
2. Funds in the Department of Human Services Federal Disallowance Fund;
3. Interest received on deposits from funds under the control of the Santa Claus Commission;
4. The Risk Management Revolving Fund;
5. Investment income and interest received from funds in the Quartz Mountain Revolving Fund from insurance claims;
6. The Drinking Water Treatment Revolving Loan Account and the Drinking Water Treatment Loan Administrative Fund;
7. The Clean Water State Revolving Fund Loan Account and the Clean Water State Revolving Fund Loan Administrative Fund;
8. The State Infrastructure Bank Revolving Fund;
9. The Nursing Facility Quality of Care Fund;
10. The Oklahoma Tourism and Recreation Department Revolving Fund effective July 1, 2003;

11. The Golf Course Operations Revolving Fund effective July 1, 2003; and

12. Interest received on investments from funds in the County Bridge and Road Improvement Fund, the Emergency and Transportation Revolving Fund, the County Road Machinery and Equipment Revolving Fund, the High Priority State Bridge Revolving Fund as created in Section 506 of Title 69 of the Oklahoma Statutes, and the County Improvements for Roads and Bridges Fund as created in Section 507 of Title 69 of the Oklahoma Statutes.

Added by Laws 1919, c. 287, p. 409, § 3, emerg. eff. March 29, 1919. Amended by Laws 1987, c. 222, § 39, operative July 1, 1987; Laws 1988, c. 246, § 9, operative July 1, 1988; Laws 1988, c. 280, § 6, operative July 1, 1988; Laws 1989, c. 373, § 20, operative July 1, 1989; Laws 1992, c. 327, § 32, eff. July 1, 1992; Laws 1994, c. 329, § 9, eff. July 1, 1995; Laws 1996, c. 348, § 5, eff. July 1, 1996; Laws 1997, c. 186, § 7, emerg. eff. May 15, 1997; Laws 1998, c. 292, § 12, eff. Nov. 1, 1998; Laws 1999, c. 31, § 2, eff. Nov. 1, 1999; Laws 2000, c. 340, § 18, eff. July 1, 2000; Laws 2002, c. 343, § 1, emerg. eff. May 30, 2002; Laws 2003, c. 3, § 56, emerg. eff. March 19, 2003; Laws 2006, 2nd Ex. Sess., c. 45, § 2, eff. July 1, 2007; Laws 2010, c. 318, § 1, emerg. eff. June 6, 2010.

NOTE: Laws 2002, c. 322, § 15 repealed by Laws 2003, c. 3, § 57, emerg. eff. March 19, 2003.

§62-204. Disposition of monies received from United States under Flood Control Act.

The State Treasurer of Oklahoma is hereby authorized and required to distribute monies now in his hands, or hereafter received by him under the provisions of Section 7 of the Flood Control Act of Congress, approved August 18, 1941, as amended by 33 U.S.C.A. Section 701c-3, in the following manner:

Such monies shall be distributed by the State Treasurer at the end of each fiscal year to the county treasurers of counties wherein is located a federal flood control project, and shall be by the said county treasurer of each such county distributed as follows: one-fourth (1/4) to the county sinking fund, except that if there be no county bonded indebtedness said one-fourth (1/4) shall be apportioned to the general fund of the county to be used for any lawful general fund purpose as and in the manner provided by law; one-fourth (1/4) to the various school districts of such county on an enumeration basis, said amount to be placed in the general fund of said district to be used for any lawful general fund purpose as and in the manner provided by law; and one-half (1/2) to the general fund of such county, to be used for any lawful general fund purpose, as and in the manner provided by law.

Laws 1945, p. 476, § 1; Laws 1951, p. 352, § 1; Laws 1957, p. 467, § 1; Laws 1971, c. 247, § 1, emerg. eff. June 16, 1971; Laws 1972, c. 30, § 1, emerg. eff. Feb. 25, 1972.

§62-205. Repealed by Laws 1995, c. 337, § 20, eff. July 1, 1995.

§62-206. Payment of allegedly invalid fees or taxes under protest - Notice - Protest fund - Suits to recover - Exceptions - Bad faith claims.

A. In all cases where it is alleged or claimed that fees or taxes of the state are in whole or in part unconstitutional or otherwise invalid, the aggrieved person shall pay the full amount thereof to the proper collecting officer and at the same time give notice in writing to said officer stating the grounds of his complaint and that suit will be brought against him for the recovery of all or a specified part of said fees or taxes. Full payment of all fees or taxes owing shall be a precondition to the bringing of any suit for the recovery of such fees or taxes. The collecting officer or agency shall deposit the funds collected under protest in a specially designated account in the State Treasury known as the "Protest Fund" of such agency and shall retain the same therein for a period of sixty (60) days, and if within such time summons is not served upon him in a suit for the recovery of said fees or taxes or a specified part thereof he shall thereon transfer said fees or taxes into the appropriate fund or funds in the State Treasury. However, if a written protest is made and a suit is filed in a timely manner, the fees or taxes paid under protest shall be retained in the appropriate "Protest Fund" pending a final determination of the suit. Provided, that nothing in this section shall be construed to prohibit the Legislature from authorizing or directing any otherwise lawful transfer of monies from any such "Protest Fund".

B. Such suits shall be brought in state courts having jurisdiction thereof and shall be given precedence therein. If upon final determination of any such suit the court shall find that the fees or taxes sued for, or any part thereof, were illegally collected it shall render judgment in favor of the plaintiff therefor, and shall order said collecting officer, or his successor, to pay the judgment. Any such money judgment shall be paid first from any remaining monies in the affected agency's "Protest Fund" for the fiscal year in which the judgment is awarded. Provided, however, if there are insufficient monies in such "Protest Fund" to pay the entire judgment in the fiscal year in which the judgment is awarded, the collecting officer immediately shall certify to the Governor, the State Treasurer, the Speaker of the House of Representatives and the President Pro Tempore of the Senate, the amount of any deficiency remaining after the payment of available monies from the "Protest Fund" of the affected agency. Any such judgment which involves

premium tax may be paid by the collecting officer or agency directly from current premium tax collections. The agency may request the appropriation of sufficient funds to such "Protest Fund" to satisfy the judgment. Provided, however, that any such total judgment over the amount of Five Hundred Thousand Dollars (\$500,000.00) may be paid over a period of not to exceed three (3) consecutive fiscal years from funds allocated or appropriated for that purpose. Nothing in this section shall be interpreted as allowing liens on public property. Provided that the provisions of this section shall not apply to ad valorem taxes, taxes on intangible personal property, taxes collected by the Oklahoma Tax Commission, or to taxes collected by the Oklahoma Employment Security Commission. In any such suit, subsequent to dismissal or adjudication on the merits and upon the motion of the state, the court shall determine whether or not a claim asserted in the suit was filed in bad faith, was not well grounded in fact, or was unwarranted by existing law or a good faith argument for the extension, modification, or reversal of existing law. Upon so finding, the court shall enter a judgment ordering the plaintiff to reimburse the state for all costs of any nature, including but not limited to attorneys fees, incurred with respect to defense of the action.

Added by Laws 1945, p. 281, § 1, emerg. eff. Feb. 27, 1945. Amended by Laws 1986, c. 233, § 4, emerg. eff. June 11, 1986; Laws 1988, c. 83, § 11, emerg. eff. March 25, 1988; Laws 1994, c. 277, § 8.

§62-211. Fees - Payment into General Revenue Fund of state.

Unless otherwise provided by law, all self-sustaining boards created by statute to regulate and prescribe standards, practices, and procedures in any profession, occupation or vocation shall pay into the General Revenue Fund of the state ten percent (10%) of the gross fees charged, collected and received by such board.

Added by Laws 1933, c. 88, p. 160, § 1, emerg. eff. March 4, 1933. Amended by Laws 1947, p. 384, § 1, emerg. eff. April 24, 1947; Laws 1979, c. 30, § 30, emerg. eff. April 6, 1979; Laws 2004, c. 265, § 2; Laws 2010, c. 413, § 22, eff. July 1, 2010.

§62-212. Repealed by Laws 2010, c. 413, § 30, eff. July 1, 2010.

§62-213. Failure or refusal to file reports - Misdemeanor.

Any official of either of the boards hereinbefore named who shall fail, neglect or refuse to make and file any report or pay the fees provided for herein shall be deemed guilty of a misdemeanor and in addition thereto shall be removed from his office.

Laws 1933, c. 88, p. 160, § 3; Laws 1947, p. 384, § 3.

§62-214. State Capitol Building - Boards not to maintain offices in.

Provided that none of the above-named boards shall maintain any office within the State Capitol Building.
Laws 1933, c. 88, p. 160, § 4.

§62-221. Oklahoma Tax Commission Fund - Nature of fund - Expenditures.

A. There is hereby created a fund to be known as the "Oklahoma Tax Commission Fund". There shall be paid to the State Treasurer and placed to the credit of said "Oklahoma Tax Commission Fund", out of collections made by said Commission, the sums of money required to be apportioned thereto by law.

B. From and after July 1, 1986, the Oklahoma Tax Commission Fund shall be a revolving fund. Such fund shall be a continuing fund not subject to fiscal year limitations and shall consist of any revenues required to be deposited in the Oklahoma Tax Commission Fund by Article XXVIII, Section 7 of the Oklahoma Constitution, any other revenues apportioned to such fund by law, and any other miscellaneous fees and monies received by the Oklahoma Tax Commission. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Tax Commission to carry out the duties of the Commission according to law. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1933, c. 161, p. 375, § 1, emerg. eff. April 24, 1933.
Amended by Laws 1968, c. 252, § 1, emerg. eff. April 26, 1968; Laws 1986, c. 223, § 31, operative July 1, 1986; Laws 2012, c. 304, § 459.

§62-253. Special Cash Fund.

There is hereby created in the State Treasury a special fund to be designated the "Special Cash Fund". Said fund shall be subject to legislative appropriation or transfer as provided by law and shall consist of such monies as the Legislature may direct to be transferred to said fund.

Added by Laws 1986, c. 223, § 56, emerg. eff. June 9, 1986. Amended by Laws 1987, c. 203, § 108, operative July 1, 1987.

§62-254. Oklahoma Pension Improvement Revolving Fund

There is hereby created in the State Treasury a revolving fund for the retirement systems of the State of Oklahoma to be designated the "Oklahoma Pension Improvement Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received and placed in the fund for the benefit of retired members and beneficiaries of the retirement systems of the State of Oklahoma from such sources as may be designated by law. Expenditures from the fund shall be made only pursuant to legislative

appropriation from the Oklahoma Pension Improvement Revolving Fund to pay for the cost of any legislatively authorized cost-of-living adjustment for the retirees or beneficiaries of the retirement systems of the State of Oklahoma or to reduce the unfunded liabilities of any of the state retirement systems.
Added by Laws 2016, c. 215, § 2.

§62-261. Payments to State Treasurer.

When any cashier's check or other exchange has been issued by any state or national bank in the State of Oklahoma, made payable to the State of Oklahoma or any agency thereof, and such cashier's check or other exchange has not been presented for payment and paid by the bank of issue within three (3) years from the date of issuance, claim of the state thereto is hereby asserted and the bank of issuance is hereby made the agent of the state, and pursuant to such agency, the state or national bank issuing the same or the successor thereof shall pay the amount of any such cashier's check or other exchange to the State Treasurer under the provisions of the Uniform Unclaimed Property Act using the same reports as required to report other forms of property.

In addition to examination by the Office of the State Treasurer pursuant to the provisions of Section 678 of Title 60 of the Oklahoma Statutes, all such banks shall permit the State Auditor and Inspector or a duly authorized deputy access to their records to ascertain whether any such cashier's check or exchange has been issued and remains outstanding and unpaid.

To the extent discernable, the State Treasurer shall notify the state agency named in the remittance forms returned by the bank of the amount and of any other identifying data contained as to each item named; and upon presentation by such agency to the State Treasurer of claim duly authenticated and proof of right thereto the State Treasurer shall draw a voucher or order for the amount thereof found proper, to be paid to such agency.

Added by Laws 1947, p. 387, § 1, emerg. eff. May 16, 1947. Amended by Laws 1949, p. 416, § 1, emerg. eff. June 11, 1949; Laws 1979, c. 47, § 59, emerg. eff. April 9, 1979; Laws 2002, c. 95, § 3, eff. July 1, 2002.

§62-262. Partial invalidity.

The provisions of this act are declared to be severable, and if any section, sentence, clause or part thereof be held invalid or unconstitutional for any reason, or the application thereof to any bank, person or circumstance is held invalid such invalidity or unconstitutionality or application shall not affect the remainder of the act, and the application thereof to other banks, persons or circumstances shall not be affected thereby. The Legislature declares that it would have passed this act and each section,

sentence, clause or part thereof, irrespective of the fact that any one or more sections, sentences, clauses or phrases be declared invalid.

Laws 1947, p. 387, § 2.

§62-263. State checks or vouchers unpaid after 90 days - Cancellation.

All depository checks or vouchers issued after June 30, 1980, by any state officer, department, board, commission, institution or agency in payment of any obligation of the state which shall for any cause remain unpaid and outstanding for a period of ninety (90) days shall be canceled. Where the account originally charged can be identified the cancellation shall have the effect of restoring to the account the amount theretofore charged. Where the identity of the account originally charged cannot now be ascertained, the amount of such cancellation shall revert to and be credited to the General Revenue Fund of the state.

Laws 1957, p. 467, § 1; Laws 1980, c. 105, § 2, eff. July 1, 1980.

§62-275.1. Human Services warrants and checks - Duplication and destruction - Permanent copies maintained.

All warrants or checks issued by the Commission for Human Services and the State Treasurer, in payment of assistance to the needy, aged persons, blind or dependent children, shall be microfilmed or duplicated in a manner acceptable to the Archives and Records Commission, provided further that the Department of Human Services is hereby authorized and directed to destroy said warrants, by burning, shredding, chemical process or any other method which will insure the complete destruction thereof, after microfilm or other copies are made thereof. Any redeemed warrant or check that has been microfilmed, imaged or duplicated in a manner acceptable to the Archives and Records Commission shall be destroyed after a period of time consistent with banking industry standards for checks. The Archives and Records Commission, with the assistance of the State Treasurer, shall survey financial institutions to determine the industry standard for retention of paper checks after they have been duplicated in a manner consistent with federal law and industry practice. Such survey shall include the industry standard or federal law for retention of duplicated checks.

Added by Laws 1949, p. 440, § 1, emerg. eff. Feb. 24, 1949. Amended by Laws 1949, p. 441, § 1, emerg. eff. April 14, 1949; Laws 1979, c. 47, § 60, emerg. eff. April 9, 1979; Laws 1997, c. 164, § 5, eff. July 1, 1997; Laws 2003, c. 224, § 17, eff. July 1, 2003; Laws 2006, c. 233, § 4, eff. Nov. 1, 2006; Laws 2007, c. 1, § 47, emerg. eff. Feb. 22, 2007.

NOTE: Laws 2006, c. 20, § 1 repealed by Laws 2007, c. 1, § 48, emerg. eff. Feb. 22, 2007.

§62-275.2. Destruction of warrant registers after warrants microfilmed or duplicated.

Warrant registers maintained by the State Treasurer, listing warrants issued in payment to the needy persons referred to in Section 275.1 of this title, shall be destroyed in the manner hereinabove provided by the State Treasurer upon receipt of notice from the Department of Human Services that warrants listed thereon have been microfilmed or duplicated in a manner acceptable to the Archives and Records Commission or if the warrants have been destroyed with permission of the Archives and Records Commission. Added by Laws 1949, p. 440, § 2, emerg. eff. Feb. 24, 1949. Amended by Laws 1949, p. 442, § 2, emerg. eff. April 14, 1949; Laws 1979, c. 47, § 61, emerg. eff. April 9, 1979; Laws 1997, c. 164, § 6, eff. July 1, 1997; Laws 2003, c. 224, § 18, eff. July 1, 2003.

§62-275.6. Storage facilities and personnel - Duties of Department of Public Welfare.

The Department of Public Welfare shall provide adequate storage facilities for warrants redeemed by the State Treasurer in payment of assistance to the needy, aged persons, blind or dependent children, out of funds apportioned to the administrative fund under the direction of the Oklahoma Public Welfare Commission, and immediately after the effective date of this act shall provide the necessary personnel and equipment to remove all paid and canceled warrants redeemed prior to the effective date of this act, and thereafter, from the vaults in the State Capitol, to the place provided by the Department of Public Welfare.

Laws 1949, p. 440, § 6.

§62-275.7. Storage facilities - Duties of Director - Construction, rent or lease - Contracts.

The Director of the Department of Human Services is hereby authorized to provide any storage facilities which in the judgment of the Commission for Human Services is needed to store paid warrants from the administration account of the Human Services Medical and Assistance Fund under the control of the Commission for Human Services. The Department of Human Services is authorized to construct, rent or lease any necessary storage facilities, and to alter, or to enter into contracts for the alteration of such storage facilities to place them in a condition for proper protection of such records. The Director of the Department of Human Services is further authorized to employ necessary personnel and to contract for the purchase or lease of necessary equipment to carry out the purposes of this act.

Amended by Laws 1988, c. 326, § 33, emerg. eff. July 13, 1988.

§62-275.8. State Treasurer - Redeemed bonds, etc. - Microfilm or duplicates - Disposition.

All state bonds, bond interest coupons and duplicates of receipts redeemed by the State Treasurer and delivered to the Director of the Office of Management and Enterprise Services as provided by Section 34.80 of this title shall be delivered by the Director of the Office of Management and Enterprise Services to the Archives and Records Commission to be retained in accordance with the provisions of Sections 305 through 317 of Title 67 of the Oklahoma Statutes. All warrants or checks redeemed by the State Treasurer, shall be microfilmed, imaged or duplicated by the State Treasurer. The microfilm, image or other duplication shall be in accordance with requirements established for such records by the Archives and Records Commission. Any redeemed warrant or check that has been microfilmed, imaged or duplicated in a manner acceptable to the Archives and Records Commission shall be destroyed after a period of time consistent with banking industry standards for checks. The Archives and Records Commission, with the assistance of the State Treasurer, shall survey financial institutions to determine the industry standard for retention of paper checks after they have been duplicated in a manner consistent with federal law and industry practice. Such survey shall include the industry standard or federal law for retention of duplicated checks.

No state agency may require the State Treasurer to furnish an original warrant, state check, or state voucher to the state agency if the State Treasurer makes a duplicate available. If the State Treasurer is in possession of the original warrant, the original may be furnished in response to the following:

1. A subpoena;
2. A proper discovery request in a legal proceeding;
3. For investigative purposes of a law enforcement agency; or
4. For other good cause as determined by the State Treasurer.

Added by Laws 1949, p. 441, § 8, emerg. eff. Feb. 24, 1949. Amended by Laws 1973, c. 46, § 16, eff. July 1, 1973; Laws 1989, c. 367, § 2, eff. Oct. 1, 1989; Laws 1990, c. 337, § 13; Laws 1997, c. 164, § 7, eff. July 1, 1997; Laws 2003, c. 224, § 19, eff. July 1, 2003; Laws 2006, c. 233, § 5, eff. Nov. 1, 2006; Laws 2012, c. 304, § 460.

NOTE: Laws 1989, c. 171, § 2 repealed by Laws 1990, c. 337, § 26.

§62-275.9. Claims or payrolls filed with Director of Office of Management and Enterprise Services.

Claims and/or payrolls filed with the Director of the Office of Management and Enterprise Services shall be maintained by said officer in accordance with the provisions of Sections 305 through 317 of Title 67 of the Oklahoma Statutes.

Added by Laws 1949, p. 441, § 9, emerg. eff. Feb. 24, 1949. Amended by Laws 1979, c. 47, § 62, emerg. eff. April 9, 1979; Laws 1980, c.

105, § 3, eff. July 1, 1980; Laws 1989, c. 367, § 3, operative July 1, 1989; Laws 2012, c. 304, § 461.

§62-275.11. Time limitation for state compliance with Title 40, § 165.2.

The State of Oklahoma shall be allowed ten (10) working days after the regular payday designated by an employer in order to comply with the requirements of Section 165.2 of Title 40 of the Oklahoma Statutes.

Added by Laws 2000, c. 336, § 13, eff. July 1, 2000.

§62-276.1. Creation of fund - Use.

There is hereby created in the State Treasury a revolving fund for the Office of the Secretary of State to be designated the "Revolving Fund for the Office of the Secretary of State". The revolving fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees and monies received by the Office of the Secretary of State for reproducing records or other papers or documents, and such other fees as are directed by law to be deposited in this fund, and any other miscellaneous receipts not otherwise directed by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the Secretary of State for costs incurred in performing the duties and functions of the Office. Expenditures from said fund shall be made on warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1961, p. 677, § 1, emerg. eff. July 12, 1961. Amended by Laws 1986, c. 157, § 4, emerg. eff. May 9, 1986; Laws 1990, c. 264, § 96, operative June 1, 1990; Laws 1999, c. 377, § 1, eff. July 1, 1999; Laws 2012, c. 304, § 462.

§62-276.3. Central Filing System Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Office of the Secretary of State to be designated the "Central Filing System Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all fees generated by paragraphs 4 through 9 of subsection A of Section 111 of Title 28 of the Oklahoma Statutes and all penalties collected pursuant to subsection (9) of Section 1-9-320.6 of Title 12A of the Oklahoma Statutes. All monies accruing to the credit of this fund are hereby appropriated and may be budgeted and expended by the Office of the Secretary of State for expenses related to the central filing system created pursuant to Section 1-9-320.6 of Title 12A of the Oklahoma Statutes. Expenditures from this fund shall be made upon warrants issued by the State Treasurer against

claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. Added by Laws 1988, c. 206, § 10, operative July 1, 1988. Amended by Laws 1988, c. 309, § 11, operative July 1, 1988; Laws 1991, c. 314, § 3, eff. Sept. 1, 1991; Laws 2000, c. 371, § 178, eff. July 1, 2001; Laws 2012, c. 304, § 463.

§62-276.4. Petty cash fund.

There is hereby created a petty cash fund not to exceed Three Hundred Dollars (\$300.00) for the Office of the Secretary of State to be used as a cash drawer change fund and for the purchase of or reimbursement for expenditures of less than One Hundred Dollars (\$100.00) pursuant to the rules and procedures established by the Director of the Office of Management and Enterprise Services. Added by Laws 1996, c. 82, § 1, emerg. eff. April 15, 1996. Amended by Laws 2012, c. 304, § 464.

§62-277.1. Fund created - Expenditures.

There is hereby created in the State Treasury a fund to be known as the "Federal Revenue Sharing Fund" in which shall be deposited all federal revenue sharing receipts, including interest earned thereon as hereinafter provided. No money on deposit with the State Treasurer to the credit of the Federal Revenue Sharing Fund shall be expended except pursuant to legislative appropriation. Laws 1973, c. 1, § 1, emerg. eff. Jan. 29, 1973.

§62-277.2. Investments - Interest.

The State Treasurer is hereby authorized and directed to invest federal revenue sharing monies in direct obligations of the United States of America or in certificates of deposits from banks in the State of Oklahoma, acceptable as depositories, when such certificates of deposits are secured by acceptable collateral and yield as much or more than direct obligations of the United States of America. Earnings or interest on federal revenue sharing monies shall be deposited in the Federal Revenue Sharing Fund. Laws 1973, c. 1, § 2, emerg. eff. Jan. 29, 1973.

§62-278.1. Creation - Composition - Expenditure of moneys.

There is hereby created in the State Treasury a fund to be known as the "Anti-Recession Fiscal Assistance Fund." Said fund shall consist of all monies received by the state from entitlements under Title II of the Public Works Employment Act of 1976 (Public Law 94-369), including interest earned thereon as hereinafter provided. No money on deposit with the State Treasurer to the credit of the Anti-Recession Fiscal Assistance Fund shall be expended except pursuant to legislative direction or appropriation. Laws 1977, c. 2, § 1, emerg. eff. Jan. 26, 1977.

§62-278.2. Investments by State Treasurer - Deposit interest.

The State Treasurer is hereby authorized and directed to invest monies deposited to the Anti-Recession Fiscal Assistance Fund in direct obligations of the United States of America or in certificates of deposit from banks in the State of Oklahoma, acceptable as depositories, when such certificates of deposit are secured by acceptable collateral and yield as much as or more than direct obligations of the United States of America. Earnings or interest on anti-recession fiscal assistance monies shall be deposited in the Anti-Recession Fiscal Assistance Fund.

Laws 1977, c. 2, § 2, emerg. eff. Jan. 26, 1977.

§62-279. Fund created - Composition - Transfer of funds.

There is hereby created in the State Treasury a depository account for the Oklahoma Tax Commission, to be designated as the "Unclassified Taxes Account". The depository account shall consist of all monies received by the Oklahoma Tax Commission for which the appropriate tax account is unidentified. The Oklahoma Tax Commission is authorized to transfer monies from the Unclassified Taxes Account to the appropriate tax account when such tax account is identified. On July 1, 1988, any monies in the Unclassified Taxes Account in excess of One Hundred Thousand Dollars (\$100,000.00) shall be transferred to the General Revenue Fund. At the close of the fiscal year ending June 30, 1989, and at the close of each fiscal year thereafter, any monies in the Unclassified Taxes Account, held for a period of at least two (2) years, in excess of One Hundred Thousand Dollars (\$100,000.00) shall be transferred to the General Revenue Fund of the state.

Added by Laws 1988, c. 204, § 5, operative July 1, 1988.

§62-281. Municipal corporations holding public utility bonds - Readjustment of indebtedness under bankruptcy laws.

It shall be lawful for the board of county commissioners of any county in the State of Oklahoma, or the board of education or other governing board of any school district in the State of Oklahoma, or the governing board of any other municipal corporation in the State of Oklahoma, which holds or owns any public utility bonds of any incorporated city or town of this state, the assessed valuation of which is less than the face value of the entire issue of said bonds and accrued interest thereon, to accept in writing any plan of readjustment of said indebtedness of such city or town which may be submitted by the governing board thereof under Section 80, of Chapter IX, of the Bankruptcy Laws of the United States of America, as amended in an act entitled "An Act to Establish a Uniform System of Bankruptcy Throughout the United States" approved July 1, 1898, and acts amendatory thereof and supplementary thereto, approved May 24,

1934, and to accept in full settlement of such indebtedness either in cash or other securities of such incorporated city or town, an amount less than the full amount due on the face of said bonds and/or interest coupons.

Laws 1935, p. 124, § 1.

§62-282. Definitions - Debtor municipal corporation - Creditor municipal corporation.

For the purpose of this Act, a debtor municipal corporation hereunder is hereby defined as a municipal corporation or other political subdivision of this state which is insolvent or unable to meet its debts as they mature. A creditor municipal corporation hereunder is defined as being a municipal corporation or other political subdivision of this state which holds or owns bonds, warrants or securities of a debtor municipal corporation of this state.

Laws 1935, p. 123, § 1.

§62-283. Initiation of proceeding under bankruptcy laws.

A debtor municipal corporation or political subdivision of this state is hereby permitted and authorized, as a debtor, to initiate and conduct proceedings provided by the Bankruptcy Acts of the United States for the readjustment of municipal debts according to the provisions of said Bankruptcy Acts.

Laws 1935, p. 123, § 2.

§62-284. Participation by creditor corporation in proceedings.

Any creditor corporation of this state is hereby permitted and authorized to enter into contracts and plans with a debtor municipal corporation to initiate and participate in proceedings provided by the Bankruptcy Acts of the United States for the readjustment of municipal debts, and to become bound thereby.

Laws 1935, p. 123, § 3.

§62-285. Carrying out plan of municipal debt readjustment.

Any municipal corporation or political subdivision of this state shall carry out the plan or plans of municipal debt readjustment when and if authorized and approved by said Bankruptcy Court by refunding the same in the amounts and under the terms of said plan or plans so approved.

Provided, however, that said plan or plans does not authorize any greater interest than now provided for municipal securities under the laws of this state, and

Provided further, that any and all issues of bonds, securities or warrants authorized under any such plan or plans shall be conducted in conformity with and under the provisions of the laws of Oklahoma relating to refunding of municipal indebtedness, and

Provided further, that all creditor municipal corporations, as well as debtor municipal corporations of this state, shall be bound by the final decree of said Bankruptcy Court confirming the plan of readjustment of the debtor corporation.

Laws 1935, p. 123, § 4.

§62-286. Composition of indebtedness under bankruptcy law.

Any county, municipality, local improvement district organized or created for the purpose of grading, paving or otherwise improving public streets, alleys, or roads; or other similar district; also any paving district of any municipality of this state; any drainage or reclamation district; or any agency or instrumentality formed or existing pursuant to the laws of this state, which is an agency or instrumentality of a kind named or described in Section 81 of an Act of Congress, entitled "An Act to Establish a Uniform System of Bankruptcy Throughout the United States", as approved July 1, 1898, and as now or hereafter amended and supplemented, (Title 11, United States Code Section 401); which has power to incur indebtedness, either through action of its governing body or through the action of the governing body of any county, municipality, district, agency or instrumentality in which such county, municipality, district, agency or instrumentality is included; is hereby authorized to proceed under all applicable laws enacted by the Congress of the United States, under its federal bankruptcy powers, to effect a plan for the composition of its indebtedness; and the officials and governing body of such county, municipality, district, agency or instrumentality are authorized to adopt all proceedings and to do any and all acts necessary fully to avail such municipality, county, district, agency or instrumentality of the provisions of any of such Acts of the Congress of the United States.

Laws 1947, p. 389, § 1.

§62-291. When cancellation authorized.

That any municipality, political corporation or subdivision of this state, which has issued its bonds for any purpose and after the issuance or approval of said bonds it is determined that the purpose for which said bonds were issued has ceased to exist, is hereby authorized to cancel and destroy said bonds, thereby absolving itself from any liability for the payment of said bonds, or the coupons thereto attached, in the manner and under the procedure provided in Section Two hereof.

Laws 1919, c. 222, p. 318, § 1.

§62-292. Procedure - Notice.

Whenever, after the issuance or approval of said bonds it shall be determined that the purpose for which said bonds have been issued by such municipality, political corporation or subdivision of this

state, has ceased to exist, the commissioners, board, council, or other officers of such municipality, political corporation or subdivision of this state, shall at its next session, either regular or special, by resolution declare that the purpose for which said bonds were issued has so ceased to exist, and pursuant thereto shall authorize and direct its clerk or secretary to issue and publish notice of such fact and of its intention to cancel and destroy said bonds, in some newspaper of general circulation within such municipality, political corporation or subdivision of this state, or within the county in which same is located, for at least fourteen (14) days, two insertions being necessary, and such clerk or secretary shall immediately upon the passage of such resolution post copies of such notice in five public places within such municipality, political corporation or subdivision of this state. Such notice shall specifically designate the bonds to be canceled, stating the purpose for which issued, the amount and date thereof, and shall further state in substance that on a day certain not less than two (2) weeks from the first publication and posting of said notice, unless formal objection and protest in writing is made by at least one-third (1/3) of the voters, qualified to vote, at the election by which said bonds were authorized to be issued, the said commissioners, board, council, or other officers of said municipality, political corporation or subdivision of this state, will proceed to cancel and destroy said bonds. Such bonds shall be destroyed by burning; and the clerk, or secretary, shall make an entry on the records showing the cancellation and destruction of said bonds, and the date and reason therefor.

Laws 1919, c. 222, p. 318, Sec. 2.

§62-304.1. Payroll purchase order - Payroll statement - Verification by affidavit - Payments.

A. The regular personnel of any agency of any county, city, town, school district or board of education may be certified to the governing board thereof for payment by a payroll purchase order in the manner herein provided. For the purpose of this section, regular personnel is hereby defined as those persons whose appointment or employment or election, whether on full or part-time basis, together with the rate of pay unless the same be fixed by law, has been confirmed or otherwise fixed by the governing board, in each instance, and entered in its journal of proceedings or by separate contract of employment properly authenticated and filed of record; provided, for school districts only, regular personnel may be defined as including persons who are employed on a temporary or occasional basis.

B. For each pay period, the duly elected or appointed head of any department, office, suboffice, district, station or school may execute, on behalf of himself and his subordinates, a payroll

statement, itemizing in detail the names of such persons, nature of employment or service, rate of pay each, hours worked, and dates of service within the payroll period if less than a full payroll period. This statement shall be verified by affidavit as to:

1. Subordinate relationship of all persons named, other than himself, to the affiant;
2. Record of employment or contract relationship of all persons named; and
3. Services performed under direct supervision.

The form of affidavit shall be prepared by the State Auditor and Inspector, and shall provide for entry therein by words, and figures, as to the number of persons certified to in such payroll statement and affidavit.

The statement and affidavit shall be deemed to include the approval of departmental head and receipt acknowledging services of subordinate, where such is required by law; and no further statements for that purpose shall be required. The subordinate employees named therein shall not be required to sign the payroll statement and affidavit unless the governing board, by official order, so requires, in which event, each may sign opposite his own name. Affidavit to any payroll statement may be verified by any officer authorized to take acknowledgments, or by the clerk of the county, city, town, school district or board of education, as the case may be.

C. The payroll statement and affidavit shall be forwarded to the clerk of the county, city, town, school district or board of education, and shall become a permanent part of the financial records of the agency. The total payroll amounts from the payroll statement and affidavit, and the amounts charged to each appropriation and fund of the agency, shall be listed or estimated on the payroll purchase order for consideration and payment by the governing board. The amount to be paid pursuant to a payroll purchase order may be encumbered as of the date the purchase order is considered by the governing board for payment or as of the date payroll payments are made.

D. The encumbering officer or clerk of a municipality, county or school may authorize payment of the following taxes and invoices as they become due without a purchase order or further approval of the governing board:

1. Taxes, including, but not limited to, withholding, social security or unemployment compensation taxes;
2. Retirement or pension fund payments or contributions which are payable pursuant to a resolution, ordinance, contract or other appropriate agreement which has been approved by the governing board; and
3. Payments for insurance or related coverages, including, but not limited to, accident, health or life, workers' compensation, or any other property, vehicle, marine, surety, liability or casualty

coverages, which are payable under a valid contract, policy or other appropriate agreement which has been approved by the governing board. Amended by Laws 1990, c. 221, § 1, operative July 1, 1990.

§62-304.2. Assignment of salary or wage earnings.

Except as otherwise provided by Section 165.3a of Title 40 of the Oklahoma Statutes, assignment of salary or wage earnings in such instance shall be by separate instrument, and by affidavit. Except as otherwise provided by Section 165.3a of Title 40 of the Oklahoma Statutes, it shall be unlawful to issue or authorize the issuance of a municipal warrant for salary or wages to any person other than the person earning the same, or to his or her assignee or the executor or administrator of his or her estate or to any person entitled to child support payments pursuant to an income assignment proceeding or a garnishment proceeding. Except as provided by income assignment procedures for the collection of child support, no assignment of a part of salary or wages shall be made, and any assignment of salary or wages before the same has been earned shall be a nullity and shall avail the assignee nothing.

Laws 1943, p. 143, § 2, emerg. eff. April 13, 1943; Laws 1986, c. 38, § 1, emerg. eff. March 26, 1986; Laws 1994, c. 25, § 1, emerg. eff. April 7, 1994.

§62-305.1. Municipal or public utility billing - Payment without verification - Late charges - Discounts.

The governing board of a municipality shall be authorized to allow and pay the regular periodic billings of any municipal utility or of any public utility whose rates are fixed by, and are subject to the approval of, the Oklahoma Corporation Commission or any other public regulatory body or board of any utility cooperative for services furnished by the utility to the municipality without the issuance of a purchase order and filing of an invoice by such municipal or public utility, provided, further, that no municipal or public utility shall attach a late charge or deny a discount on any bill until a thirty-day period has lapsed from the receipt of the bill.

Laws 1969, c. 310, § 1; emerg. eff. April 28, 1969; Laws 1970, c. 216, § 1, emerg. eff. April 15, 1970; Laws 1980, c. 126, § 2, emerg. eff. April 10, 1980.

§62-305.2. Definitions.

The term "municipality" as used herein shall include any county, school district, city or town, and the term "governing board" shall include the board of county commissioners of a county, the board of education or district board of any school district, the city council of a city, and the board of trustees of a town.

Added by Laws 1969, c. 310, § 2, emerg. eff. April 28, 1969.

§62-306. Compromise and settlement of amount due under certain bonds and warrants and charged against property.

The holder of any matured and unpaid street improvement bonds or warrants, or district sanitary sewer, or storm sewer, or sidewalk warrants, issued by any municipal corporation of this state, whether such bond or warrant be unpaid in part or in whole, together with the owner of any property which is or shall be charged with a lien for the payment of any such matured and unpaid bond or warrant, in whole or in part, by virtue of the act or acts under which such bond or warrant may have been issued, and together with the mayor and city council of the issuing municipality are hereby authorized to enter into a compromise and settlement of the amount due thereon and charged against any such property.

Laws 1937, p. 157, § 1.

§62-306a. Form and contents of compromise settlement.

Such compromise settlement shall be in writing and shall prescribe the bond or bonds, or warrant or warrants involved, the date of issuance and maturity thereof; and the ordinance under which the same were issued; it shall also describe the property sought to be discharged and shall specify the total consideration for such settlement and the proportions of the same which the bondholder or warrant holder and the municipality shall each receive. It shall be executed by such bondholder or warrant holder, the property owner and the mayor of such municipality and shall be approved by resolution of the city council of such municipality.

Laws 1937, p. 157, § 2.

§62-306b. Judicial approval of compromise settlement - Release and discharge of property.

When any such compromise settlement shall have been duly executed by the parties and approved by the city council of such municipality, the same shall be presented to the district court of the county wherein the property sought to be discharged is situated upon the petition of the parties, which petition shall recite the facts and circumstances of the proposed compromise settlement and pray the confirmation of the same by said court and an order discharging the property from the lien securing the payment of such matured and unpaid street improvement bond, or warrant, or district sanitary sewer, or storm sewer, or sidewalk warrant. At any time after the filing of such petition the parties may present the same to said court and the court upon presentation shall examine the same and if the court shall find that said proposed compromise settlement is a fair adjustment of the rights and interests of the parties and the consideration for the same adequate and properly proportioned, an order shall be entered confirming said compromise settlement and

discharging and releasing the property involved of and from any charge or lien of any special tax assessed for the purpose of paying such matured and unpaid bond or warrant; and, said court shall, at the time of entering of said order, cause to be endorsed upon such bond or bonds, or warrant or warrants, a statement showing the discharge and release of such property.

Laws 1937, p. 157, § 3.

§62-306c. Notation of discharge and release of property.

The county treasurer shall, upon presentation of a certified copy of any order entered in accordance with Section 3 hereof, thereupon enter upon the tax rolls of said county wherein any such special assessment shall appear a notation showing that the same has been discharged and released by virtue of such compromise settlement and order of the district court thereon.

Laws 1937, p. 158, § 4.

§62-306d. Cancellation of special assessment and lien of assessment or warrant.

In any case where the owner of any property which is or shall be charged with a lien for the payment of any such matured and unpaid special assessment, district sanitary sewer, storm sewer, or sidewalk warrant, is the owner and holder of any such warrant, he may upon surrendering the same to the county treasurer of the county wherein any such special assessment shall appear, have such special assessment and the lien thereof canceled, and such treasurer shall make a notation upon the tax rolls showing that such special assessment has been discharged and released and shall cancel such warrant and file the same in his office.

Laws 1937, p. 158, § 5.

§62-306e. Cancellation of special assessment and lien of bond, warrant or tax bill.

In any case where the owner of any property which is or shall be charged with a lien for the payment of any such matured and unpaid special assessment street improvement bond or special assessment warrant or tax bill, is the owner and holder of any such bond or portion of bond or special assessment warrant or tax bill, he may upon surrendering the same to the city clerk of the municipality wherein such special assessment shall appear, have such special assessment and lien thereof canceled and such city clerk shall make an endorsement upon the bond or special assessment warrant or tax bill and such city clerk shall make a notation upon the special assessment tax rolls showing that such special assessment has been discharged and released and shall cancel such bond and file the same in his office.

Laws 1937, p. 158, § 6.

§62-310.1. Cities and towns - Purchasing procedures.

A. Unless otherwise provided by ordinance, officers, boards, commissions and designated employees of cities and towns, hereinafter referred to as the purchasing officer, having authority to purchase or contract against all budget appropriation accounts as authorized by law shall submit all purchase orders and contracts prior to the time the commitment is made, to the officer charged with keeping the appropriation and expenditure records or clerk, who shall, if there be an unencumbered balance in the appropriation made for that purpose, so certify in the following form:

I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this _____ day of _____, 20____.

Encumbering Officer or Clerk of _____.

Provided, in instances where it is impossible to ascertain the exact amount of expenditures to be made at the time of recording the encumbrance, an estimated amount may be used and the encumbrance made in like manner as set forth above. Provided, no purchase order or contract shall be valid unless signed and approved by the purchasing officer and certified as above set forth by the officer or clerk charged with keeping the appropriation and expenditure records. The clerk or encumbering officer shall retain and file one copy of the purchase order.

B. After satisfactory delivery of the merchandise or completion of the contract, the supplier shall deliver an invoice. Such invoice shall state the supplier's name and address and must be sufficiently itemized to clearly describe each item purchased, its unit price, where applicable, the number or volume of each item purchased, its total price, the total of the purchase and the date of the purchase. The appropriate officer shall attach the itemized invoice together with delivery tickets, freight tickets or other supporting information to the original of the purchase order and, after approving and signing said original copy of the purchase order, shall submit the invoices, the purchase order and other supporting data for consideration for payment by the governing board. All invoices submitted shall be examined by the governing board to determine their legality. The governing board shall approve such invoices for payment in the amount the board determines just and correct.

C. As an alternative to the provisions of subsection B of this section, the governing body may elect to pay claims and invoices pursuant to the provisions of subsection A of Section 17-102 of Title 11 of the Oklahoma Statutes, which provides for the adoption of an ordinance to ensure adequate internal controls against unauthorized

or illegal payment of invoices. The governing body may also authorize the chief executive officer or designee to approve payment of such invoices. In absence of such authority, the governing board shall approve payment.

Added by Laws 1947, p. 390, § 1, emerg. eff. May 21, 1947. Amended by Laws 1967, c. 348, § 1, emerg. eff. May 18, 1967; Laws 1968, c. 373, § 1, emerg. eff. May 10, 1968; Laws 1977, c. 75, § 1, operative July 1, 1977; Laws 1980, c. 126, § 3, emerg. eff. April 10, 1980; Laws 1982, c. 249, § 12; Laws 1988, c. 90, § 2, operative July 1, 1988; Laws 1990, c. 201, § 1, eff. Sept. 1, 1990; Laws 1991, c. 124, § 19, eff. July 1, 1991; Laws 2004, c. 361, § 2, eff. July 1, 2004.

§62-310.1a. Acknowledgment of delivery of merchandise - Approval of payment.

The officer, deputy or employee receiving satisfactory delivery of merchandise shall acknowledge such fact by signing the invoice or delivery ticket and no purchase order shall be approved for payment by the governing board unless the required signed invoices or delivery tickets are attached thereto.

Laws 1977, c. 75, § 2, operative July 1, 1977.

§62-310.1b. Repealed by Laws 1991, c. 124, § 35, eff. July 1, 1991.

§62-310.1c. Repealed by Laws 2004, c. 447, § 21, emerg. eff. June 4, 2004.

§62-310.2. Record of appropriations - Charges - Approval of claims - indebtedness in excess of appropriation - Authority to incur indebtedness.

The clerk of each county or encumbering officer of the municipality shall keep a record in such form as prescribed by the State Auditor and Inspector in which shall be kept an exact account of each appropriation as made by the county excise board as departmentalized for each department of government or as made by the municipal governing body as authorized by law. The amount and purpose of each purchase order or contract shall be charged against the appropriation as made by the excise board or governing body at the time purchase is made or contract let and the balance in the appropriation account after such charges are deducted shall constitute the unencumbered balance available. No purchase order shall be paid until approved by the officer, board or commission having charge of the office or department for which the appropriation is available and from which such payment is proposed to be made, provided that no indebtedness for any purpose shall be incurred in excess of the appropriation for that purpose and provided that the county and municipal officers referred to herein are made responsible on their official bond for any and all indebtedness incurred by them.

Each county or municipal officer in charge of a department or appropriation account shall be allowed to incur indebtedness against all appropriations within his department under the regulations as provided for herein, except when otherwise provided by law; and provided further, that only those municipal officers and employees designated by the governing board shall have authority to obligate the municipality.

Laws 1947, p. 391, § 2; Laws 1977, c. 75, § 5, operative July 1, 1977; Laws 1979, c. 30, § 97, emerg. eff. April 6, 1979; Laws 1980, c. 126, § 4, emerg. eff. April 10, 1980.

§62-310.3. Removal from office for exceeding appropriation.

Any county or municipal officer who in his capacity as an officer or as or through a purchasing officer shall incur or cause to be incurred any indebtedness, purchase order or obligation for any purpose or for any account in excess of the appropriation available therefor shall forfeit and be removed from office in the manner provided by law for willful maladministration.

Laws 1947, p. 391, § 3; Laws 1977, c. 75, § 6, operative July 1, 1977.

§62-310.4. Unexpended balances of fiscal year available until September 30th - Notice to present claims.

All unencumbered balances, if any, as shown by the officer charged with keeping the appropriation and expenditure records of the county, city, or town on hand at the close of day June 30, may remain as a credit for said fiscal year up to the close of day September 30, next. Said officer charged with keeping the appropriation and expenditure records of the county, city, or town shall at any time during the month of July advertise in a newspaper of general circulation in the county and shall cause to be published for two (2) consecutive times if in a daily newspaper and once if in a weekly newspaper, notice in the following form:

PUBLIC NOTICE

All persons having an indebtedness or claim against _____

County, City, or Town

are hereby notified that all invoices and documentation pertaining to said purchase order or contract must be recorded in the office of _____ Clerk on or before September 30, 20____, covering all debts now unpaid and incurred during the period beginning on July 1, 20____, and ending on June 30, 20____, or said account shall be void and forever barred.

Clerk or Encumbering Officer

Provided this act shall not be so construed to allow the incurring of a new indebtedness after June 30 chargeable to the appropriation account of the immediately preceding fiscal year.

Added by Laws 1947, p. 391, § 4, emerg. eff. May 21, 1947. Amended by Laws 1977, c. 75, § 7, operative July 1, 1977; Laws 1993 c. 318, § 1, emerg. eff. June 7, 1993; Laws 2004, c. 361, § 3, eff. July 1, 2004.

§62-310.5. Surplus for unencumbered balances - Supplemental appropriations - Cancellation of appropriations.

Provided all fund balance reserved for unencumbered balances of appropriations for the prior fiscal year on hand at the close of day September 30, may be appropriated by supplemental appropriation to current expense purposes in the current fiscal year in the manner now provided by law. In the event of the recording of an estimated encumbrance or in the event of an increase in the cost price of supplies, equipment, materials, etc., these underestimations may be provided for during the three-months period by the cancellation of appropriations made by the county excise board prior to June 30, subject to the approval both of the governing board and the officer in charge of the department or appropriation account only in instances as hereinabove set forth and only in amounts sufficient to pay such increased encumbrances, and by reappropriation to the appropriation accounts in which an underestimate encumbrance was made, all in the manner as now provided by law for the making of supplemental appropriations.

Amended by Laws 1988, c. 90, § 3, operative July 1, 1988.

§62-310.6. Rules and regulations.

For the purpose of carrying into effect the provisions of this act and for its proper administration, the State Auditor and Inspector is hereby empowered to promulgate and enforce such rules and regulations as may be necessary but not inconsistent herewith, and he shall prescribe all forms of records, required under the provisions hereof.

Laws 1947, p. 392, § 6; Laws 1979, c. 30, § 98, emerg. eff. April 6, 1979.

§62-310.7. Partial invalidity.

If any part of this act is for any reason held unconstitutional such decision shall not affect the validity of the remaining portions of this act. The Legislature hereby declares that it would have passed this act and each and every part thereof, irrespective of the fact that any part be declared unconstitutional.

Laws 1947, p. 392, § 8.

§62-310.8. Blanket purchase orders.

A. A municipality, county or school district may issue a blanket purchase order for:

1. Recurring purchases of goods or services if a maximum authorized amount for all purchases pursuant to a blanket purchase order is specified in the order and approved by the governing board; or

2. The repair of county equipment, machinery or vehicles when the estimated cost of repairs is greater than Five Thousand Dollars (\$5,000.00). The maximum authorized amount of a blanket purchase order may be increased to cover unforeseen expenses. A written explanation of said increase shall be attached to the blanket purchase order prior to payment.

B. Blanket purchase orders shall be prepared, filed, and encumbered in the manner provided for purchase orders and as authorized by law or regulation, except no written requisition shall be required for a blanket purchase order. Prior to payment, the requesting county officer shall verify the blanket purchase order by signature. Before transacting any purchase pursuant to a blanket purchase order, the order shall be submitted to the governing board for its approval. After satisfactory delivery of goods or services pursuant to a blanket purchase order, a vendor's invoice shall be submitted to and approved by the purchasing officer of a municipality or a school district or a county purchasing agent and forwarded for payment. An itemized list of goods or services purchased pursuant to the blanket purchase order shall be attached to the vendor's invoice if said invoice does not contain an itemized list of goods or services purchased pursuant to the blanket purchase order. Payment of invoices from vendors pursuant to a requisition and approved blanket purchase order issued pursuant to the provisions of this section shall be authorized by the encumbering officer.

Added by Laws 1980, c. 126, § 8, emerg. eff. April 10, 1980. Amended by Laws 1982, c. 249, § 14; Laws 1983, c. 205, § 3, emerg. eff. June 16, 1983; Laws 1988, c. 90, § 4, operative July 1, 1988; Laws 1989, c. 286, § 6, operative July 1, 1989; Laws 2012, c. 124, § 1, eff. Nov. 1, 2012.

§62-310.9. Contracts with architects, contractors, engineers or suppliers of construction materials - Signed statement - Multiple or continuing contracts - Affidavit.

A. Except as provided in subsection B of this section, on every contract entered into by any county, school district, technology center school district or political subdivision of the state for an architect, contractor, engineer or supplier of construction materials of Twenty-five Thousand Dollars (\$25,000.00) or more, shall be the following signed statement:

STATE OF OKLAHOMA)

) ss.

COUNTY OF)

The undersigned (architect, contractor, supplier or engineer), of lawful age, being first duly sworn, on oath says that this contract is true and correct. Affiant further states that the (work, services or materials) will be (completed or supplied) in accordance with the plans, specifications, orders or requests furnished the affiant. Affiant further states that (s)he has made no payment directly or indirectly to any elected official, officer or employee of the State of Oklahoma, any county or local subdivision of the state, of money or any other thing of value to obtain or procure the contract or purchase order.

(Contractor, architect, supplier or engineer)

Attested to before me this ____ day of _____, 20__.

B. Any county, municipality or school district executing a contract with any architect, contractor, supplier or engineer for construction work, services or materials which are needed on a continual basis from such architect, contractor, supplier or engineer under the terms of such contract, or executing more than one contract during the fiscal year with such architect, contractor, supplier or engineer, may require that the architect, contractor, supplier or engineer complete a signed affidavit as provided for in subsection A of this section which shall apply to all work, services or materials completed or supplied under the terms of the contract or contracts. Added by Laws 1980, c. 126, § 9, emerg. eff. April 10, 1980. Amended by Laws 1990, c. 305, § 1, eff. Nov. 1, 1990; Laws 1991, c. 293, § 3, emerg. eff. May 30, 1991; Laws 1993, c. 318, § 2, emerg. eff. June 7, 1993; Laws 1995, c. 205, § 1, eff. July 1, 1995; Laws 1997, c. 115, § 1, eff. Nov. 1, 1997; Laws 1998, c. 365, § 6, eff. July 1, 1998; Laws 2002, c. 414, § 2, eff. July 1, 2002; Laws 2005, c. 472, § 2, eff. July 1, 2005.

NOTE: Laws 1990, c. 221, § 2 repealed by Laws 1991, c. 293, § 8, emerg. eff. May 30, 1991.

§62-318. Performance-based efficiency contracts.

A. For purposes of this section:

1. "Public entity" means any political subdivision of this state, or a public trust which has as a beneficiary a political subdivision of this state, or any institution of higher education which is part of The Oklahoma State System of Higher Education;

2. "Performance-based efficiency contract" means a contract for the design, development, financing, installation and service of any improvement, repair, alteration or betterment of any building or facility owned, operated or planned by a public entity; or any equipment, fixture or furnishing to be added to or used in any such building or facility; or any maintenance or operational strategy that

is designed and implemented that will reduce utility consumption or lower operating costs, result in annual operating cost savings, generate additional revenues or avoid capital cost incurrence and may include, but is not limited to, one or more of the following:

- a. utility services,
- b. heating, ventilating or air conditioning system modifications or replacements and automated control systems,
- c. replacement or modifications of lighting fixtures,
- d. indoor air quality improvements to increase air quality that conform to the applicable state or local building code requirements when done in conjunction with other cost-saving measures,
- e. any additional building infrastructure improvement, cost saving, life safety or any other improvement that provides long-term operating cost reductions and is in compliance with state and local codes,
- f. water-metering devices that increase efficiency or accuracy of water measurement and energy reduction, or
- g. any facility operation and support programs that reduce operating cost;

3. "Qualified provider" means a person or business experienced or trained in the design, analysis and installation of energy conservation and facility management measures. A qualified provider must employ a professional engineer registered in the State of Oklahoma; and

4. "State governmental entity" means the State of Oklahoma or any agency, board, commission, authority, department, public trust of which the state is the beneficiary or other instrumentality of state government, other than a public trust with the state as beneficiary whose jurisdiction is limited to one county, including, but not limited to, the following:

- a. Oklahoma Municipal Power Authority,
- b. Oklahoma Development Finance Authority,
- c. Oklahoma Industrial Finance Authority,
- d. Grand River Dam Authority,
- e. Oklahoma Water Resources Board,
- f. Northeast Oklahoma Public Facilities Authority,
- g. Oklahoma Turnpike Authority,
- h. Oklahoma Housing Finance Authority, and
- i. Oklahoma Public, Industrial and Cultural Facilities Authority.

B. In addition to any other legally permissible alternatives of entering into contracts, any public entity may enter into performance-based efficiency contracts with a qualified provider pursuant to the provisions of this section. Further, any public entity may enter into an installment contract, lease purchase

agreement or other contractual obligation for the purpose of financing performance-based efficiency projects for a term not to exceed the greater of twenty (20) years or the useful life of the project. A qualified provider to whom the contract is awarded shall be required to give a sufficient bond to the public entity for its faithful performance of the contract. In addition, the public entity may require performance bonds covering the annual amount of guaranteed savings over the contract term.

The contract's cost savings to the public entity must be guaranteed each year during the term of the agreement. The savings must be sufficient to offset the annual costs of the contract. In calculating cost savings, the public entity may consider capital cost avoidance and include additional revenue that is directly attributed to the performance-based efficiency contract. The contract shall provide for reimbursement to the public entity annually for any shortfall of guaranteed savings. Savings must be measured, verified and documented during each year of the term and may be utilized to meet the annual debt service. This section shall constitute the sole authority necessary to enter into performance-based efficiency contracts, without regard to compliance with other laws which may specify additional procedural requirements for execution of contracts.

Added by Laws 2001, c. 436, § 1, emerg. eff. June 8, 2001. Amended by Laws 2004, c. 299, § 2, eff. Nov. 1, 2004; Laws 2015, c. 267, § 1, eff. Nov. 1, 2015; Laws 2018, c. 296, § 3, eff. Nov. 1, 2018.

§62-325. County fair fund - Use of surplus to pay warrants.

Any cash surplus over and above the estimated needs for the current fiscal year in the county fair fund of any county of this state may be used to pay any outstanding warrants of any previous fiscal year.

Laws 1935, p. 182, § 1.

§62-326. Rental from forest reserves - Disposition and apportionment.

From and after the passage of this act, each county treasurer of this state shall, out of any funds now on hand and any funds hereinafter received by him from the United States Government as said County's share of the rentals from forest reserves located therein, immediately apportion same as follows:

1st. Twenty-five percent (25%) of all money now on hand and hereinafter received to be prorated and apportioned among the various school districts of said counties situated and located contiguous to such forest reserves, according to the scholastic population thereof;

2nd. Seventy-five percent (75%) of all such money now on hand and hereinafter received, shall be deposited in a special road fund to be expended on county highways leading into and away from such

forest reserves, under the direction and supervision of the Board of county commissioners of such county.

Laws 1935, p. 173, § 1; Laws 1941, p. 280, § 1; Laws 1941, p. 281, § 1.

§62-331. Consolidation of general and special funds - Budget accounts and funds - Appropriations - Apportionment.

For the purposes of simplifying budgetary accounting of the several counties and other municipal subdivisions of the State of Oklahoma, all public officers charged under the law with making financial statements, budgets, levies, and accounting for public funds of such municipal subdivisions of the state are hereby directed and required to account for all such public funds in the manner provided for in this act.

First. All funds for current requirements arising out of an ad valorem tax levy assessed and collected under the provisions of Section 9, Article 10, Constitution, as amended, except Separate School Funds, are hereby declared to constitute the "General Fund" of such county, city, town, independent or dependent school district, or other municipal subdivisions of the state. All special "funds" arising out of an ad valorem tax levy, within the limitations of said Section 9, Article 10, Constitution, except Separate School Funds, authorized or required by existing laws to be devoted to a specific or special purpose, or that may hereafter be so authorized or required, unless specifically excepted, shall, from and after the effective date of this act, be accounted for as integral "budget accounts" within and as a part of the said "General Fund." Each such integral budget account shall bear the title ascribed by law to such special purpose, and it shall be subject to be so itemized for purpose of appropriation as the law may direct for the accomplishment of such special purpose, and none of the items of appropriation within such special budget account shall ever be expended for any purpose other than provided by the law creating such special fund (now budget account) nor shall any part of it ever be available for transfer to any other budget account within the General Fund. It is provided, however, that cancellation and/or transfer between the several items of appropriation for a special purpose within the limitations and in the manner provided by law is hereby authorized.

The total of the items of appropriation for a special purpose for which it is not mandatory to make a levy, if now or hereafter limited to a fixed or maximum rate of ad valorem mill levy, shall be limited in amount to the equivalent of the net proceeds of such ad valorem tax rate, plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year. If a levy for a special purpose be mandatory, under legislative exercise of the sovereign powers of the state to direct a constitutional function, the total of the several items of

appropriation for such mandatory special purpose must be fixed by the county excise board at the equivalent of the net proceeds of such ad valorem rate as the law may direct, plus the amount of any unexpended balance of appropriations for the same special purpose of the preceding year; provided, however, that if the said governing board of the municipality attach to the estimate of needs for the ensuing year a certificate executed under oath that all of the requirements of the legislative mandate involving such special fund or account have been fully met, the total of appropriations then to be approved shall be limited to the equivalent of the net proceeds of such mandatory levy, plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year.

The total of the several items of appropriation currently necessary for salaries generally and other governmental requirements other than those authorized or required to be provided by special funds, or budget accounts as herein provided, shall constitute an integral account within the General Fund, to be known henceforth as the "Governmental Budget Account" to be itemized as now provided by law.

Out of such portion of the fifteen (15) mills that may be apportioned to county purposes by the county excise board, or the Legislature, under the provisions of Section 9, Article 10, Constitution, as amended, there is hereby specifically apportioned, and the equivalent of the net proceeds thereof required to be used for:

crippled children, mandatory to provide aid to curable defectives, one-tenth (1/10) mill;

County audit, mandatory to police county public funds, one-tenth (1/10) mill; and the residue of that portion of the fifteen-mill limit apportioned to county purposes shall be used, so far as may be necessary, together with other income and surpluses legally accruing to the county general fund, other than those indicated in the "Fifth" provision of this section, to provide for the estimate of needs submitted by the board of county commissioners, until otherwise provided by law, as follows:

Governmental Budget Account, optional with board of county commissioners; Highway Levy Budget Account, optional with board of county commissioners; Free Fair Budget Account, optional within limit of applicable statute; Free Fair Improvement Budget, optional within net proceeds of one (1) mill; Free Fair Additional Improvement Budget, optional within net proceeds of one (1) mill; Library Budget Account, optional within net proceeds of one-half (1/2) mill; Public Health Budget Account, optional within net proceeds of one (1) mill; Tick Eradication Account, optional with board of county commissioners; Bovine T. B. Budget Account, optional within limit of Five Thousand Dollars (\$5,000.00); Farm and Home Demonstration Budget Account, optional within limitations fixed by House Bill No. 649,

Session Laws, 1933; and such other special budget accounts as may hereafter be provided by law.

Such portion of the fifteen (15) mills that may be apportioned to city and/or town purposes by the county excise board, or the Legislature, under the provisions of Section 9, Article 10, Constitution, as amended, shall be used, so far as may be necessary, together with other income and surpluses legally accruing to the general fund of such city or town, other than those indicated in the "Fifth" provision of this section, as defined herein, to provide for the estimate of needs as submitted by the governing board of such city or town, until otherwise provided by law, as follows:

Library Budget Account, mandatory, where applicable under provisions of House Bill No. 555, Session Laws, 1935, at not to exceed net proceeds of two (2) mills; plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year; Governmental Budget Accounts, optional with governing board; Cemetery Budget Account, optional within net proceeds of one-half (1/2) mill, plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year; Street Paving Repair Budget, optional within net proceeds of one (1) mill, plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year; Park Budget Account in cities having a population of more than thirty thousand (30,000) under Section 12672, Oklahoma Statutes, 1931, optional within net proceeds of one (1) mill, plus ninety percent (90%) of the miscellaneous revenue collected from such source during the preceding fiscal year; and such other special budget accounts as may hereafter be provided by law; provided, that the provisions of this act with regard to Cemetery Budget Account and restrictions as to the amount thereof shall not apply to cities, towns or municipalities which derive their revenue wholly from sources other than ad valorem taxes.

Such portion of the fifteen (15) mills that may be apportioned to school purposes by the county excise board, or the Legislature, together with the number of mills excess levy legally voted, under the provisions of Section 9, Article 10, Constitution, as amended, shall be used, so far as may be necessary, together with other income and surpluses accruing to the General Fund of such school district, other than those indicated in the "Fifth" provision of this Section, to provide for the estimate of needs as submitted by the governing boards of the several school districts as follows:

Governmental Budget Account, limited in ratio of the nontransferred pupils to the enumerated pupils as to total appropriation; Transfer Budget Account, limited in ratio of the transferred pupils to the enumerated pupils as to total appropriation; unless the Legislature should, at some future time, provide for other special budget accounts within the General Fund.

When the totals of all "General Fund" appropriations as integrated and defined under this subsection shall have been determined for each municipality and the levy and/or levies computed, according to law, the levy and/or levies so computed shall thenceforth cease to be separate but shall be certified, extended, collected, and distributed as a "General Fund Levy" for such municipality, accounted for, together with any other current general fund revenue, as its "General Fund," and expended by issuance of one series of General Fund Warrants for such year.

Second. Repealed. Laws 1953, p. 445, Section 55.

Third. All funds created by tax levy under the provisions of Section 10, Article 10, Constitution, are hereby declared to constitute the "Building Fund" of such municipality as may authorize such fund by legal election under the terms of said Section; and such levy shall be separately computed, certified, distributed when collected, and so expended.

Fourth. All funds required to be provided by ad valorem tax levy to pay outstanding indebtedness created under authority of Section 26 and/or Section 27, Article 10, Constitution, are hereby declared to constitute the "Sinking Fund" of such county or other municipal subdivision, to be used for the payment of coupons, bonds, and judgments as provided by law.

Fifth. All excise taxes collected by the State of Oklahoma and distributed to the counties or other municipal subdivisions under legislative enactment for specific purposes, and all contributions by the State of Oklahoma out of its General Revenues to any of the municipal subdivisions of the State to be expended under direction of statute, and all local collections required by law to be accounted for as cash funds, shall, when received by the treasurer thereof, to set up in a distinct and separate "Cash Fund", identified in the title thereof by the purpose for which such distribution or contribution is made; and all warrants drawn thereon shall be payable on demand. None of these excise taxes or state contributions shall be appropriated by the county excise board before the cash is actually on hand; then the governing board involved shall prepare an estimate of needs to be met therefrom and submit it to the county excise board, and if said excise board finds said estimate to be for legal purposes and the treasurer thereof certifies that the cash is actually on hand, then the excise board shall approve such estimate.

Laws 1939, p. 532, Sec. 1; Laws 1941, p. 282, Sec. 1; Laws 1953, p. 445, Sec. 55.

§62-332. Forms to be prescribed by State Auditor and Inspector.

All forms required for effective operation of this act shall be prescribed by the State Auditor and Inspector.

Laws 1939, p. 536, § 2; Laws 1979, c. 30, § 99, emerg. eff. April 6, 1979.

§62-333. Building funds - Surplus used to reduce tax for sinking fund.

When the governing board of any county, city, town or school district shall determine by proper resolution in writing that a surplus exists in any building fund created under the provisions of Section Ten (10), Article Ten (10), Oklahoma Constitution, not required for the completion of the purpose for which said taxes were levied and collected, or where said proposed construction has been abandoned, said surplus shall be refunded to the taxpayers by the use thereof by the county excise board to reduce the tax levy for the sinking fund of the municipality for which the building fund was created. Provided, that any portion of said building fund surplus not required to eliminate a sinking fund tax levy for said municipality shall be refunded to the taxpayers by the use thereof to reduce the tax levy for the benefit of the general fund for the same municipality.

Laws 1945, p. 222, § 1.

§62-334. Purpose of law - Successive levies for school building.

It is the purpose of this act to dispose of surplus tax collections hereinabove referred to in keeping with "no tax levied and collected for one purpose shall ever be devoted to another purpose" as provided in Section Nineteen (19), Article Ten (10), Oklahoma Constitution. Nothing in this act shall prevent a school district from levying successive levies for the purpose of erecting a building.

Laws 1945, p. 222, § 2.

§62-335. Money due for property, royalty or services - Payment and crediting.

When any money is due any county, city, town or school district in this state from sale, lease or rental or any public property, or royalty, or for compensation for service of public employees or other purpose, it shall be paid over to the lawful treasurer thereof.

The governing board shall have authority to direct by written resolution duly entered in the minutes of its meeting at the time such money is received or prior thereto that such money shall be credited to the fund account from which such property was derived or from which payment has been or will be made for such services rendered or other purposes.

If there be no resolution by the governing board directing the disposition of the money received as contemplated herein it shall be the duty of the treasurer to credit such money so received to the general fund.

The governing board shall have authority to direct that a fund derived for such sources as herein contemplated, where applicable to

a public utility, be created and used to repair, relocate or replace any utility or part thereof new or hereafter existing.
Laws 1945, p. 224, § 1; Laws 1947, p. 393, § 1; Laws 1947, p. 394, § 1; Laws 1949, p. 418, § 1.

§62-341. Paving, drainage or improvement taxes - Payment by warrants or bonds.

The owner of any paving, drainage or improvement warrants or bonds, heretofore or hereafter issued, by any city, town, or drainage district, or the board of county commissioners for such drainage district, in the State of Oklahoma, for the payment of paving, drainage or street improvement in any such city, town or drainage district, shall have the right to pay and discharge the lien and taxes assessed or apportioned for such paving, drainage or street improvement upon any property which he owns in the paving, drainage or street improvement district in and for which such warrants or bonds were issued to pay for such paving, drainage or street improvement; provided, that the taxpayer must be both the owner of such warrants or bonds, and the property on which the same is a lien for such assessment for such paving, drain or improvement, at the time said warrants or bonds are tendered as payment as in this act provided.

Laws 1933, c. 58, p. 105, § 1.

§62-342. Tender - Acceptance at face value - Receipt - Cancellation of bond or warrant.

When the owner of such warrants or bonds tenders the same to the clerk of said city, town or the county treasurer in the case of a drainage district, in payment of the paving, drainage or street improvement assessment liens or any installment thereof upon his property in the paving, drainage or street improvement district, in which such warrants or bonds were issued, the same shall be accepted at their face value by such city or town clerk, or the county treasurer, in payment of such improvement assessment liens or any installment thereof upon said owner's property in such improvement or drainage district, whether due or to become due, and shall operate to discharge all paving, drainage or street improvement assessments upon such property, to the extent of the face value of such warrants or bonds, so tendered, and the clerk of said city or town, or the county treasurer of such county, shall issue a receipt to the owner of such property and the owner of such warrants or bonds to the extent of all such improvement taxes and liens on said property, whether due or to become due, to the amount of the face of such warrants or bonds tendered in payment, including the interest due thereon, and thereupon said clerk of such city or town or the county treasurer of such county shall cancel said warrants or bonds, so delivered in discharge of such assessments or liens, or endorse said payment on

said warrant or bond in case the amount due on said assessment at said time is less than the face value of said warrants or bonds so tendered.

Laws 1933, c. 58, p. 105, § 2.

§62-343. Assessment or installments delinquent - Discharge of lien.

In the event any such paving or improvement assessments or installments thereof mentioned in Sections 1 and 2 of this act are delinquent and in the hands of the county treasurer of the county in which such city or town is located, for collection, then said receipt issued by the clerk of such city or town, as provided by Section 2 of this act, may be presented by the holder thereof to the county treasurer of such county who shall thereupon endorse upon his records the satisfaction and discharge of the paving or improvement taxes upon the property for the installments described in such receipt, and thereafter such property shall be free and discharged of and from all further lien for such assessments or installments thereof.

Laws 1933, c. 58, p. 106, § 3.

§62-344. Penalties - Delinquent assessments - Credited to funds.

All penalties hereafter collected and all penalties heretofore collected, which may be identified, by any county treasurer of the State of Oklahoma, on any delinquent assessments for any drainage shall be paid and credited to the funds of such drainage district, and shall be used only in the payment of the warrants or bonds and the interest thereon, issued for the construction of the improvement for which such assessments were made.

Laws 1933, c. 58, p. 106, § 4.

§62-345. Intent of Act - Face value or warrants or bonds.

It is the intent and purpose of this act to allow the owner of any paving, drainage or street improvement warrants or bonds heretofore or hereafter issued, as described in Sections 1 and 2 of this act, to use the same to the extent of their face value in the payment and satisfaction of all paving, drainage and street improvement assessments which have been levied upon his property located in the paving, drainage, or street improvement district in and for which such paving, drainage or improvement warrants or bonds were issued in payment, whether such assessments or installments are due or to become due, and to the extent of the face value of such warrants or bonds tendered in payment thereof, and to cause all penalties hereafter collected, and all such penalties heretofore collected, which may be identified, by the county treasurer on such drainage assessments to be credited to and placed in the funds of such district from which only the warrants and bonds of such district and the interest thereon, issued for the construction of said improvements, may be paid and discharged.

Laws 1933, c. 58, p. 106, § 5.

§62-346. Partial invalidity, effect.

If any part of this act is for any reason declared void, such invalidity shall not affect the validity of the remaining portions of this act.

Laws 1933, c. 58, p. 106, § 6.

§62-348.1. Authorized investments - Disposition of income.

A. Except as otherwise provided for by law, a county treasurer, when authorized by the board of county commissioners by a written investment policy, ordinance or resolution or the treasurer of any city or town, when authorized by the appropriate governing body by a written investment policy, ordinance or resolution, shall invest monies in the custody of the treasurer in:

1. Direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the Government of the United States is pledged, or obligations to the payment of which the full faith and credit of this state is pledged;

2. Collateralized or insured certificates of deposits of savings and loan associations, banks, savings banks and credit unions located in this state, when the certificates of deposit are secured by acceptable collateral as provided by law, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state;

3. Savings accounts or savings certificates of savings and loan associations, banks, and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation;

4. Investments as authorized by Section 348.3 of this title which are fully collateralized in investments specified in paragraphs 1 through 3 of this section, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes; or

5. County, municipal or school district direct debt obligation for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value. The income received from that investment may be placed in the general fund of the governmental subdivision to be used for general governmental operations, the sinking fund, the building fund, or the fund from which the investment was made.

B. The provisions of this section shall not apply to investments made by organizations of municipalities created for the purpose of securing benefits and services relating to insurance for Oklahoma municipalities or other political subdivisions.

Added by Laws 1943, p. 144, § 1, emerg. eff. Feb. 26, 1943. Amended by Laws 1955, p. 347, § 1, emerg. eff. May 23, 1955; Laws 1963, c. 49, § 1, emerg. eff. May 2, 1963; Laws 1967, c. 356, § 1, emerg. eff. May 18, 1967; Laws 1970, c. 310, § 1, emerg. eff. April 23, 1970; Laws 1971, c. 69, § 1, emerg. eff. April 12, 1971; Laws 1974, c. 120, § 1, emerg. eff. May 1, 1974; Laws 1983, c. 141, § 1, emerg. eff. May 23, 1983; Laws 1984, c. 12, § 1, eff. Nov. 1, 1984; Laws 1988, c. 319, § 13, eff. Sept. 30, 1988; Laws 1991, c. 124, § 20, eff. July 1, 1991; Laws 1992, c. 211, § 10, eff. July 1, 1992; Laws 1999, c. 327, § 3, eff. July 1, 1999; Laws 2013, c. 51, § 1, eff. Nov. 1, 2013; Laws 2014, c. 43, § 1, eff. Nov. 1, 2014.

NOTE: Laws 1955, p. 347, § 1, emerg. eff. Feb. 8, 1955 (HB 574, § 1) repealed by Laws 1955, p. 348, § 3, emerg. eff. May 23, 1955.

§62-348.2. Repealed by Laws 1991, c. 124, § 35, eff. July 1, 1991.

§62-348.3. Cities and counties - Written investment policies - Authorized investments.

A. In addition to the investments authorized by Section 348.1 of this title, the governing body of a city or of a county may adopt a written investment policy directing the investment of the funds of the city or county and any of its public trusts or authorities. If such a policy is adopted by the governing body, such funds shall be invested pursuant to the provisions of the policy. The written policy shall address liquidity, diversification, safety of principal, yield, maturity and quality and capability of investment management, with primary emphasis on safety and liquidity. To the extent practicable, taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of municipal funds. The system shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested.

B. The written investment policy may authorize the city treasurer or county treasurer to purchase and invest in any or all of the following:

1. Obligations of the United States government, its agencies and instrumentalities;

2. Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state;

3. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph;

4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's acceptances shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph;

5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the surplus funds of the city or county which may be invested pursuant to this section;

6. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 through 5 of this subsection; and

7. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 6 of this subsection.

C. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Added by Laws 1987, c. 194, § 14, operative July 1, 1987. Amended by Laws 1991, c. 124, § 21, eff. July 1, 1991; Laws 1996, c. 49, § 1, eff. July 1, 1996; Laws 1996, c. 160, § 1, eff. July 1, 1996; Laws 1997, c. 132, § 1; Laws 2001, c. 43, § 1, eff. Nov. 1, 2001.

§62-348.4. Securities lending program - Cities or counties which qualify - Collateral requirements.

A. As used in this section:

1. "Securities lending program" means any program, arrangement or agreement whereby the city or the county deposits securities with a trust company or a state or national bank for the purpose of such institution lending such securities to a borrower approved by a city treasurer or county treasurer in return for a fee or charge paid by such borrower for the use of such securities; and

2. "Market value" shall mean on any date the average of the bid and asked prices for such security for the business day preceding the date on which such determination is made, in the principal market on which such securities were traded or quoted in the Wall Street Journal, plus any coupon interest accrued but not yet due and owing at the date of determination.

B. The governing body of a city with a population of not less than three hundred thousand (300,000) persons according to the latest Federal Decennial Census or of a county with a population of not less than four hundred thousand (400,000) persons according to the latest Federal Decennial Census may authorize and direct the city treasurer or county treasurer to enter into a securities lending program with a trust company or a state or national bank and to loan any securities held by such city or county pursuant to any investment of the funds of the city or county in the investments authorized by Section 348.1 or 348.3 of Title 62 of the Oklahoma Statutes.

C. Any securities lending program entered into by the city treasurer or county treasurer shall provide that the borrower shall deposit with the securities lending institution, for the benefit of the city or county, collateral consisting of cash or securities insured by the United States government acceptable to the city treasurer or county treasurer. The collateral shall have a market value equal to one hundred percent (100%) of the principal amount of any securities being loaned to such borrower and shall be revalued and adjusted accordingly on each banking day.

Added by Laws 1989, c. 342, § 1, eff. Nov. 1, 1989.

§62-350. Task Force on Municipal Finance - Members - Exemption.

A. There is hereby created the Task Force on Municipal Finance.

B. The Task Force shall be composed of nine (9) persons to be selected as follows:

1. The Governor shall appoint two persons representing municipalities as follows:

- a. one person representing a municipality with a population of less than fifty thousand (50,000) persons, and
- b. one person representing a municipality with a population in excess of fifty thousand (50,000) persons but not in excess of one hundred thousand (100,000) persons;

2. The Speaker of the Oklahoma House of Representatives shall appoint:

- a. one person representing a municipality with a population in excess of one hundred thousand (100,000) but not in excess of four hundred thousand (400,000) persons according to the latest Federal Decennial Census, and

b. a member of the Oklahoma House of Representatives;

3. The President Pro Tempore of the Oklahoma State Senate shall appoint:

a. one person representing a municipality with a population in excess of four hundred thousand (400,000) persons according to the latest Federal Decennial Census, and

b. a member of the Oklahoma State Senate;

4. One member to be appointed by a statewide nonprofit organization the membership of which consists primarily of municipalities organized under the laws of the State of Oklahoma and which organization supports the functions of such municipalities;

5. One member who shall be the Director of the Office of State Finance or a designee; and

6. One member to be appointed by the Oklahoma Tax Commission.

C. Members of the Task Force shall serve at the pleasure of the appointing authority. Vacancies shall be filled in the same manner as the original appointment.

D. The Task Force shall hold an organizational meeting not later than September 30, 2010.

E. The Task Force shall select from among its membership a chair and cochair.

F. A quorum of the members present at a meeting of the Task Force shall be sufficient to conduct any business or to take any action authorized or required.

G. The Task Force shall be exempt from the Oklahoma Open Meeting Act, but shall provide a reasonable notice of its meetings at least seven (7) days prior to a meeting. The notice shall be posted electronically on the website of the Oklahoma House of Representatives or the Oklahoma State Senate or both. Notices may be posted at such location or locations within the Oklahoma State Capitol as the Task Force may direct.

H. Travel reimbursement for members of the Task Force who are legislators shall be made pursuant to Section 456 of Title 74 of the Oklahoma Statutes. Travel reimbursement for other members of the Task Force shall be made by the respective appointing authorities pursuant to the State Travel Reimbursement Act.

I. Staff assistance for the Task Force shall be provided by the staff of the Oklahoma House of Representatives and the Oklahoma State Senate.

J. The Task Force shall be exempt from the Oklahoma Open Records Act.

K. The Task Force shall examine the laws governing municipal finance for all forms of municipal government and shall give specific attention to:

1. The existing sources of revenues available to municipal government;

2. The requirements for establishing and maintaining sinking funds;
 3. The laws governing the creation and maintenance of separate accounts within municipal general funds;
 4. The laws governing the investment or other use of municipal revenues;
 5. The laws governing the establishment of municipal reserve funds similar to the Constitutional Reserve Fund created pursuant to Section 23 of Article X of the Oklahoma Constitution for the State of Oklahoma; and
 6. Such other matters related to municipal finance as the Task Force may deem to be relevant.
- L. The Task Force shall make a final report containing any recommendations for changes in the law governing municipal finance to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the Oklahoma State Senate not later than January 31, 2011.
- M. The Task Force shall terminate by operation of law on February 1, 2011.
- Added by Laws 2010, c. 108, § 1, emerg. eff. April 16, 2010.

§62-351. Sales of bonds - Minimum net value plus interest.

It shall be unlawful for any board of county commissioners, governing body of any municipality or school district or any other officer of any such political subdivision of this state, to sell, agree to sell or contract to sell any bonds issued by a vote of the people for any sum less than ninety-nine percent (99%) of the face amount thereof with accrued interest added, and any and all commission allowed any firm, person or corporation for the sale of such bonds must, after being deducted from the sum total for which said bonds are sold, leave in the treasury the sum equal to at least ninety-nine percent (99%) of the face value of the bonds and accrued interest thereof.

Laws 1913, c. 165, p. 379, § 1. Amended by Laws 2001, c. 108, § 1, eff. July 1, 2001.

§62-352. Sale at less than ninety-nine percent of par - Penalties.

Any member of any board of county commissioners, any member of any governing body of a municipality or school district, and any other officer of any of the aforesaid political subdivisions of this state, or any other officer of any political subdivision of this state, who shall sell, or agree to sell, or contract to sell at less than ninety nine percent (99%) of par, any bonds of the political subdivision, shall be guilty of a misdemeanor, forfeit and be removed from office, and in addition, be liable on the person's official bond for the difference between the sum received and ninety-nine percent (99%) of the par value of the bonds with accrued interest thereon.

Laws 1913, c. 165, p. 380, § 2. Amended by Laws 2001, c. 108, § 2, eff. July 1, 2001.

§62-353. Maturing general obligation bonds - Installment amount - Debt service payments - Denominations.

A. Except as provided for in subsection B of this section, whenever any municipal corporation or political subdivision of this state shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354 of this title shall be made to mature in equal annual installments, beginning not less than two (2) nor more than five (5) years after their date, except that the first maturing installment may be for such sum, not more than one installment and the last maturing installment may be for such sum not more than two installments, as will complete the full issue of such bonds notwithstanding the necessity of varying the amount thereof to complete the same.

B. 1. Whenever any municipal corporation or political subdivision of this state shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354 of this title, may be made to mature pursuant to a schedule of annual installments which allows the bonds to be structured with level debt service payments. Such bonds shall mature beginning not less than two (2) years nor more than five (5) years after their date.

2. For purposes of this subsection:

- a. "level debt service" means that net total annual or fiscal debt service, except for short or stub periods, must be approximately equal for every annual or fiscal period, provided that all net annual or fiscal payments must be within a dollar amount range not to exceed the greater of two-tenths of one percent (0.2%) of the bond issue or twice the stated denomination of the bonds, and
- b. "short or stub periods" means the period preceding the beginning of full amortization of principal and payment of interest.

C. For purposes of subsections A and B of this section, a mandatory sinking fund redemption amount shall be deemed to be a maturity or maturing installment.

D. The denomination of bonds issued pursuant to the provisions of this section shall be One Thousand Dollars (\$1,000.00) or multiples thereof, except the first numbered bond may be for such odd amount as will complete the full issue of the bonds. Provided, when a book entry system is utilized, the issuer may issue and deliver one bond only, for the entire principal amount of each maturity or of the entire issue, to the book entry agent.

Added by Laws 1927, c. 22, p. 22, § 1. Amended by Laws 1947, p. 395, § 3; Laws 1957, p. 468, § 1; Laws 1963, c. 190, § 1, emerg. eff. June 10, 1963; Laws 1991, c. 73, § 1, eff. July 1, 1991; Laws 1991, c. 335, § 21, emerg. eff. June 15, 1991; Laws 2001, c. 108, § 3, eff. July 1, 2001; Laws 2003, c. 333, § 1, eff. July 1, 2003.

§62-354. Combined issue of bonds - Bids - Notice - Interest rate on funding bonds - Sales to United States government.

A. Whenever any municipal corporation or political subdivision of the State of Oklahoma shall by separate propositions vote bonds for two or more purposes, the governing body thereof may combine and offer for sale in one issue of bonds all of the purposes so voted, and shall set out in the ordinance or resolution providing for the issuance of the bonds and in the printed bond for the combined purposes the amount authorized to be expended for each purpose as set out in each proposition submitted and approved by the electors, and the bonds may be designated general obligation bonds or as may be determined by the governing board of the municipal corporation or political subdivision.

B. When one or more issues of bonds, including a combined bond issue referred to herein, except funding or refunding bonds, shall be made or ordered by any county, city, town, board of education, school district, or other political subdivision of the state, the proper officers shall, before selling such bonds cause at least ten (10) days' notice to be given of the time and place when and where bids therefor will be received and the methods by which bids may be submitted, which, in the discretion of the governing body, may be by sealed bid, facsimile bid, electronic mail bid or other bidding method. Such notice shall be signed by the county clerk if issued by a county, and by the clerk of any city, town, board of education, school district, or other subdivision of the state, as the case may be, and shall be published once a week for two (2) consecutive weeks in a legally qualified newspaper published in such political subdivision and if there be no such newspaper then in a legally qualified newspaper of general circulation in such political subdivision. The date mentioned in such notice for the sale of such bonds shall not be less than ten (10) days after the first publication thereof. In the event a municipal corporation or political subdivision has by separate propositions voted bonds for two or more purposes, the proper officers shall set out in such notice of sale whether bids will be received for a combined bond issue for all of such purposes as one unit, or bids will be received for separate bond issues for each purpose.

C. All bonds shall be sold to the bidder who shall stipulate in the bid the lowest interest cost which such bonds shall bear which, at the option of the governing body, may be determined based on true interest cost. Upon the acceptance of such bid, the bonds shall be

issued in accordance therewith and shall be delivered to the purchaser upon payment of the purchase price thereof. Each bidder shall submit with the bid a sum in cash, cashier's check, surety bond or similar security undertaking as stipulated by the governing body, equal to two percent (2%) of the principal amount of the bond issue, and upon the acceptance of any bid, such deposit shall become the property of the county, or municipality selling the bonds, and shall be accredited on the purchase price thereof, upon the understanding that if the purchaser shall fail for five (5) days after tender of the bonds to pay the balance of the purchase price, the sale shall be thereby annulled and the deposit shall in such event be retained by the governing body of such county or municipality and credited to the account for which such bonds are being issued and shall be used accordingly. No tender of the bonds shall be valid until after the expiration of the period of contestability, as provided by law. All other deposits shall be returned. The governing body, selling such bonds, shall have the right to reject all bids and readvertise the bonds for sale. No funding or refunding bonds issued hereunder shall bear a higher rate of interest than the indebtedness which is funded or refunded.

D. The provisions of Section 351 et seq. of this title shall not apply to sale of bonds issued by a vote of the people to the United States Government, or any agency thereof, and the governing board of a municipal corporation or political subdivision of the state is hereby authorized to sell such bonds to the United States Government or any agency thereof at a private sale for a sum of not less than par with accrued interest added, and the governing board shall fix the rate of interest which such bonds shall bear which shall not be a larger rate of interest than that authorized by the electors voting at the bond election.

Laws 1927, c. 22, p. 22, § 2; Laws 1935, p. 124, § 1; Laws 1953, p. 286, § 1; Laws 1963, c. 190, § 2, emerg. eff. June 10, 1963; Laws 2001, c. 108, § 4, eff. July 1, 2001.

§62-355. Bidders - Persons forbidden to bid on bonds.

No person, firm or corporation, who shall represent the county, city, town, board of education, school district, or other subdivision of the State of Oklahoma, in the preparation or handling of such bond issue, or the proceedings incident thereto, in any manner, shall be permitted to bid for or become the purchaser of such bonds upon sale thereof, or be interested in any bid submitted at the sale of said bonds, and no bidder shall be interested in any proceedings contract. Added by Laws 1927, c. 22, p. 23, § 3, emerg. eff. March 29, 1947.

§62-356. Sale of bonds in amounts governing board deems proper.

The governing board of any county, city, town, school district, township, and other municipal subdivisions of this state is hereby

permitted to sell bonds heretofore and hereafter voted upon and authorized by a vote of the qualified electors of the respective municipalities in such amounts as the governing board of said municipalities may deem necessary and proper. The sale of said bonds shall be in the manner now provided by law.

Laws 1933, c. 63, p. 118, § 1.

§62-357. Rate of interest on funding or refunding bonds - Period elapsing before refund.

Funding or refunding bonds of a county, city, town, township, board of education or school district issued under existing laws may not bear a greater rate of interest than the indebtedness which is funded or refunded, or may bear such rate or rates of interest which shall not constitute a greater overall interest cost existing on indebtedness which is funded or refunded. Provided that no bonded and/or interest coupon indebtedness shall be refunded except such as have been issued and outstanding at least one (1) year at the time of such refunding.

Added by Laws 1947, p. 394, § 1, emerg. eff. May 16, 1947.

§62-358. Signing and attestation of bonds - Certificates.

All general obligation bonds including funding and refunding bonds issued by a county, city, town, township, board of education or school district shall be signed by the chief officer of such municipality or political subdivision and attested by the clerk. Facsimile signatures may be used as provided in the Registered Public Obligations Act of Oklahoma. There shall be endorsed thereon a certificate signed by the district attorney and county clerk of the county in which such issuing municipality or political subdivision is located that said bonds or evidence of debts are issued pursuant to law and that said issue is within the debt limit. There shall be contained on each of said bonds a certificate of the treasurer of the issuing municipality or political subdivision that he registered the said bonds.

Amended by Laws 1983, c. 170, § 45, eff. July 1, 1983.

§62-359. Expenses.

The governing board of any county, city, town, school district or any other political subdivision of the state is hereby authorized to pay all expenses incident to the issuance of any general obligation bonds, including fees for legal or other assistance in the preparation of proceedings therefor, same to be paid from the proceeds of such bonds, or from any other monies legally available.

Laws 1957, p. 468, § 1.

§62-361. Definitions.

A. The term "board" as used herein shall be construed to mean the board of directors, or the board of education of any school district, independent or otherwise, the board of trustees of any town or township, the mayor and council of any city, the board of commissioners or city council of any city having a charter form of government and the board of county commissioners of any county.

B. The term "judgment" shall be construed to mean :

1. The final determination by any court of competent jurisdiction in any action or proceeding to determine the rights of parties; or

2. The final judgment, decision and determination of an administrative law judge or an administrative agency designated by the State Legislature to issue workers' compensation judgments, decisions and determinations.

C. The term "municipality" as used herein shall be construed to mean any school district, independent or otherwise, any township, any city or town, irrespective of the form of government prevailing in said city or town, and any county.

Added by Laws 1925, c. 106, p. 154, § 1. Amended by Laws 1993, c. 318, § 3, emerg. eff. June 7, 1993; Laws 2013, c. 195, § 1, eff. Nov. 1, 2013.

§62-362. Proof as to indebtedness before judgment - Appeals.

Before final judgment in any suit based on contract, including but not limited to proceedings by the Commissioners of the Land Office to collect deficient payments plus interest and reasonable attorney fees related to bonds or other types of indebtedness guaranteed by the corpus of the permanent school fund for the support of common schools pursuant to Section 10 of this act, shall be rendered against any municipality by any court of any county in the State of Oklahoma, except in proceedings to refund any indebtedness of said municipality, proof shall be made to the court, of the existence, character and amount of the outstanding legal indebtedness of said municipality, which proof shall include a statement compiled by the various officers having custody of the records from which the information required in the statement is taken, under oath, showing the following:

1. An itemized statement of the bonded indebtedness of said municipality.

2. An itemized statement of the legal indebtedness of said municipality, exclusive of the bonded indebtedness and the alleged indebtedness proposed to be converted into a judgment.

3. An itemized statement of the indebtedness proposed to be converted into a judgment, so classified as to show, in separate exhibits, all items of questionable legality, if any, and the reasons of said officer or officers therefor:

(a.) The appropriations against which each warrant was drawn or claim accrued if in judgment, and if within the limits and purposes thereof as provided by law;

(b.) The income and revenue provided for the respective years, consisting of taxes levied and the actual collections of "estimated income"; the total warrants issued against the same or the accumulated accruals as the case may be, and the amount, if any, in excess of the total income and revenue of the year;

(c.) The condition of each fund from which such indebtedness is payable as of the close of the month next preceding the filing of application.

Appeals from the judgment of the court shall be allowed as provided by law upon the giving of a bond for cost and damages in such sum as the court shall require; provided, that the county attorney of any county may, without the consent of the board of county commissioners of said county, take an appeal from said judgment on behalf of said county and without bond for costs and damages.

Added by Laws 1925, c. 106, p. 154, § 2. Amended by Laws 1994, c. 346, § 12, eff. Nov. 8, 1994.

§62-363. Judgment prohibited until provisions complied with.

No judgment shall be rendered against any municipality by any court until the provisions of Section 2 hereof, have been fully complied with. Any judgment rendered in violation of the provisions of this act shall be void and of no effect.

Laws 1925, c. 106, p. 155, § 3.

§62-364. Not applicable to small claims.

The provisions of this act, except Section 3, shall not apply to any claim which is less than Two Hundred Dollars (\$200.00).

Laws 1925, c. 106, p. 155, § 4.

§62-365.1. Jurisdiction of actions.

It is hereby provided that courts of record shall have exclusive jurisdiction in all actions for money judgment or for establishing any indebtedness against any county, city, town, board of education, school district or other municipal subdivisions of the State of Oklahoma. The administrative law judges and the administrative agency designated by the State Legislature to administer workers' compensation laws of this state shall have exclusive jurisdiction, absent an appeal, in all workers' compensation actions against any county, city, town, board of education, school district or other municipal subdivisions of this state.

Added by Laws 1943, p. 144, § 1. Amended by Laws 2013, c. 195, § 2, eff. Nov. 1, 2013.

§62-365.2. Certified copy of journal entry - Transmission to municipal officers.

Whenever a judgment against a county in this state or any other municipal subdivision thereof becomes final, the clerk of the court wherein such judgment was rendered, or the administrative law judge or the administrative agency designated by the State Legislature to administer the workers' compensation laws of this state, shall provide without cost a certified copy of the journal entry of such judgment or the administrative judgment, decision and determination to the judgment creditor or attorney for the judgment creditor who shall transmit same to each of the following municipal officers:

1. The clerk or secretary of the municipality defendant;
2. The treasurer of such municipality; and
3. The secretary of the county excise board.

Added by Laws 1943, p. 144, § 2. Amended by Laws 1994, c. 277, § 9; Laws 2013, c. 195, § 3, eff. Nov. 1, 2013.

§62-365.3. Record of judgments, levies and payments.

Each of the three municipal officers specified in Section 365.2 of this title shall maintain, on forms prescribed by the State Auditor and Inspector, a record of such judgments and of levies made therefor and of payments made thereon. The record of the secretary of the county excise board shall be made to show, as to each such judgment, also the case number and date of final decree of either the Oklahoma Court of Tax Review or of the Oklahoma Supreme Court invalidating any levy or part of levy attempted to be made therefor, and it shall be his duty to notify the court clerk, forthwith, of such decree, who shall make note of the same on the docket sheet for the case in which the judgment was entered.

Added by Laws 1943, p. 145, § 3. Amended by Laws 1979, c. 30, § 100, emerg. eff. April 6, 1979; Laws 1994, c. 277, § 10.

§62-365.4. Levy invalidated - Revival by decree - Defense of levy by owner of judgment.

If an attempted levy for any judgment has once been invalidated by final decree either by the Oklahoma Court of Tax Review, not appealed from, or of the Supreme Court, by reason of jurisdictional defeat, then such judgment shall not again be included in levy computation until revived by decree from the court of original jurisdiction; and provided further that, the owner and holder of such judgment is hereby authorized to defend such judgment levy before any court.

Laws 1943, p. 145, § 4.

§62-365.5. Manner of paying money judgments.

Money judgments against any county or other municipal subdivisions of the State of Oklahoma shall be paid in the following

manner, and may be paid in no other manner. No payment shall be made until such judgment is first spread on the budget for levy as to the first third thereof, and the levy or provision made therefor has become final. Within thirty (30) days after the final determination of any ad valorem tax protests as involve levy for judgments against the county or any of its municipal subdivisions, or, if no protests be filed, then after termination of the forty-day protest period, the judgment creditor or attorney for the judgment creditor shall file with the treasurer of such municipality a claim, in form as prescribed by the State Auditor and Inspector, itemizing the judgments to be paid, stating the principal sum thereof, any sums paid thereon, and the balance due with interest computed on the unpaid portion of the principal amount of each judgment. The information required by the claim form shall be supplied by the treasurer of the municipality or of the county, as the case may be. Such treasurer shall thereupon canvass his sinking fund for the purpose of ascertaining if there be in his sinking fund for such municipality an amount of actual cash over and above the amount of cash needed to pay all coupons and bonds matured and maturing therein within the time such sinking fund will be replenished from levies made or to be made for such judgment, or judgments, he shall approve such claim in such amount as is neither in excess of such claim nor in excess of the actual cash reserve necessary for coupons and bonds as hereinbefore defined and shall transmit it to the clerk of such municipality. For all purposes of this act, the county clerk shall act for the county and all townships and dependent school districts therein. Upon receipt of such claim, the clerk shall audit the same against his own records and, if found correct he shall approve the same and return it to such treasurer, who shall pay the amount thereof out of such sinking fund, to the clerk of the court out of which such judgments issued. Upon receipt thereof such court clerk shall issue his official receipt and deposit said funds in his official depository account, and at the same time enter a credit in each case involved in accordance with the claim previously made or in ratio thereto; and thereafter, upon demand by the judgment creditor or his assignee of record, he shall make payment by his own official voucher in the same manner as in other cases and credit the judgment roll of such judgment with the amount of payment so made. No poundage or other fee shall be charged or collected by the court clerk for monies received or paid under the provisions of this act. If such claim can be only partly paid, under this section, other claims shall be filed from time to time thereafter, audited and paid in the same manner. No payment by the court clerk shall be authorized to be made to the assignee of any judgment unless such assignment, duly acknowledged, be first entered of record in such case and on such judgment roll.

Added by Laws 1943, p. 145, § 5. Amended by Laws 1979, c. 30, § 101, emerg. eff. April 6, 1979; Laws 1994, c. 277, § 11.

§62-365.6. Levies to reimburse sinking fund.

If all, or more than one-third (1/3) of a judgment be paid after the levy for the first third thereof becomes final, out of surplus cash as hereinbefore provided, levies to reimburse the sinking fund shall thereafter be made only if there be other outstanding indebtedness, in the same manner as if such prepayment had not been made, but levy for interest shall not be included on such prepaid portion other than for interest paid in excess of that already provided for by tax levy.

Laws 1943, p. 146, § 6.

§62-371. Contracts with officers void - Exceptions.

A. Except as otherwise provided in this section, no board of county commissioners, nor city council, nor board of trustees of any town, nor any district board of any school district in this state, nor any board of any local subdivision of this state shall make any contract with any of its members, or in which any of its members shall be directly or indirectly interested. All contracts made in violation of this section shall be wholly void.

However, for the purposes of this section, the following shall not be considered the making of a contract:

1. The depositing of any funds in a bank or other depository;
2. Any contract with a qualified nonprofit Internal Revenue Code Section 501(c)(3) organization, except for contracts paying salaries or expenses or except a contract entered into by a school district involving the counseling or instruction of students or staff;
3. Monthly billings submitted to any county or local subdivision of the state for public utility companies, electric cooperatives or telephone companies, whose services are regulated by the Oklahoma Corporation Commission, or billings of the utility companies, electric cooperatives or telephone companies pertaining to installations or changes in service, where tariffs for the charges or billings by the companies are on file with the Oklahoma Corporation Commission.

In addition, the governing board of a technology center school district may enter into a contract for the technology center school district to provide training for a company, individual, or business concern by which a member of the board is employed. A board member shall abstain from voting on any such contract between the technology center school district board and the company, individual, or business concern by which the member is employed.

B. The provisions of this section shall not apply to:

1. Those municipal officers who are subject to Section 8-113 of Title 11 of the Oklahoma Statutes; or

2. A member of any board of education of a school district or a director or member of any rural water, sewer, gas and solid waste management district organized pursuant to Section 1324.1 et seq. of Title 82 of the Oklahoma Statutes in this state which does not include any part of a municipality with a population greater than two thousand five hundred (2,500) according to the latest Federal Decennial Census when the board member is the only person who owns or operates a business which is the only business of that type within ten (10) miles of the corporate limits of the municipality.

However, any activities permitted by this subsection shall not exceed Five Hundred Dollars (\$500.00) for any single activity and shall not exceed Ten Thousand Dollars (\$10,000.00) for all activities in any calendar year.

C. The provisions of this section shall not apply to conservation district board members participating in programs authorized by Section 3-2-106 of Title 27A of the Oklahoma Statutes.

D. Notwithstanding the provisions of this section, any officer, director or employee of a financial institution may serve on a board of a public body. Provided, the member shall abstain from voting on any matter relating to a transaction between or involving the financial institution in which the member is associated and the public body in which the member serves.

E. The provisions of this section shall not apply to any board of county commissioners purchasing motor fuel for exclusive use by the county from a cooperative agricultural association in which a member of the board of county commissioners has a financial or proprietary interest. The county commissioner having a financial or proprietary interest in the cooperative agricultural association shall abstain from voting on any such purchase or contract between the county and the cooperative agricultural association. Except as provided in this subsection, the purchasing procedures required by law for counties and county officers shall not otherwise be modified.

F. A member of a board of county commissioners, city council, board of trustees of any town, district board of any school district in this state, or of any board of any local subdivision of this state shall not be considered to be directly or indirectly interested in any contract with a person or entity that employs such member or the spouse of the member, if the member or the spouse of the member has an interest in the employing entity of five percent (5%) or less.

R.L. 1910, § 6776. Amended by Laws 1971, c. 268, § 1, emerg. eff. June 17, 1971; Laws 1987, c. 102, § 1, emerg. eff. May 22, 1987; Laws 1989, c. 131, § 4, eff. Nov. 1, 1989; Laws 1992, c. 394, § 1, emerg. eff. June 10, 1992; Laws 1995, c. 118, § 2, eff. Nov. 1, 1995; Laws 1996, c. 341, § 3, eff. Nov. 1, 1996; Laws 1997, c. 39, § 1, eff. Nov. 1, 1997; Laws 1997, c. 317, § 3, emerg. eff. May 29, 1997; Laws 1998, c. 365, § 7, eff. July 1, 1998; Laws 1999, c. 43, § 2, eff.

Nov. 1, 1999; Laws 2001, c. 33, § 56, eff. July 1, 2001; Laws 2004, c. 68, § 2, emerg. eff. April 7, 2004.

§62-372. Fraudulent claims - Liability of public officers.

Every officer of the state and of any county, city, town or school district, who shall hereafter order or direct the payment of any money or transfer of any property belonging to the state or to such county, city, town or school district, in settlement of any claim or in pursuance of any unauthorized, unlawful or fraudulent contract or agreement made, for the state or any such county, city, town or school district, by any officer thereof, known to such officer to be fraudulent or void, and every person, having notice of the facts, with whom such unauthorized, unlawful or fraudulent contract shall have been made, or to whom, or for whose benefit such money shall be paid or such transfer of property shall be made, shall be jointly and severally liable to the state, county, city, town or school district affected, for triple the amount of all such sums of money so paid, or triple the value of property so transferred, as a penalty, to be recovered at the suit of the proper officers of the state or such county, city, town or school district, or of any resident taxpayer thereof, pursuant to Section 373 of this title; provided, however, no action for personal liability shall lie against any such officer for a transaction approved in good-faith reliance on advice of legal counsel for the public entity authorizing the transaction or which has been submitted to a court of competent jurisdiction for determination of legality.

R.L.1910, § 6777. Amended by Laws 1955, p. 346, § 1, emerg. eff. May 23, 1955; Laws 1982, c. 86, § 1, emerg. eff. April 1, 1982; Laws 1991, c. 124, § 23, eff. July 1, 1991; Laws 2008, c. 367, § 8, eff. Nov. 1, 2008; Laws 2011, c. 73, § 1, eff. Nov. 1, 2011.

§62-373. Taxpayer may institute suit on failure of officers.

Upon the refusal, failure, or neglect of the proper officers of the state or of any county, city, town, or school district, after written demand signed, verified and served upon them by a number of registered voters of the state or such county, city, town, or school district equal to one hundred (100), or two and one-half percent (2 1/2%) of the registered voters living within the state or such county, city, town or school district, whichever is less, to institute or diligently prosecute proper proceedings at law or in equity for the recovery of any money or property belonging to the state, or such county, city, town, or school district, paid out or transferred by any officer thereof in pursuance of any unauthorized, unlawful, fraudulent, or void contract made, or attempted to be made, by any of its officers for the state or any such county, city, town, or school district, any resident taxpayer of the state or such county, city, town, or school district affected by such payment or

transfer after serving the notice aforesaid and after giving security for cost, may in the name of the State of Oklahoma as plaintiff, institute and maintain any proper action which the proper officers of the state, county, city, town, or school district might institute and maintain for the recovery of such property; and the state or such county, city, town or school district shall in such event be made defendant. If a court of competent jurisdiction determines the claims to be meritorious, the contract shall be deemed void and the money or property, if previously transferred, shall be returned to the state, county, city, town or school district. The state, county, city, town or school district shall be liable to the resident taxpayer or taxpayers for reasonable attorney fees and court costs incurred in the prosecution of the action. If all claims stated by the resident taxpayers in the written demand are determined in a court of competent jurisdiction to be frivolous, the resident taxpayers who signed such demand and who are parties to the lawsuit in which such claims are determined to be frivolous shall be jointly and severally liable for all reasonable attorney fees and court costs incurred by any public officer or officers or any other person alleged in such demand to have paid out, transferred, or received any money or property belonging to the state, or such county, city, town or school district in pursuance of any alleged unauthorized, unlawful, fraudulent, or void claim paid or contract or conveyance made, or attempted to be made, by such officer or officers. R.L.1910, § 6778. Amended by Laws 1955, p. 346, § 2, emerg. eff. May 23, 1955; Laws 2000, c. 351, § 9, emerg. eff. June 6, 2000; Laws 2011, c. 73, § 2, eff. Nov. 1, 2011.

§62-374. Civil actions - Limitations.

Civil actions filed by taxpayers for the recovery of real or personal property can only be brought if the written demand upon the proper officers is made by the required resident taxpayers within two (2) years of the transfer of the property, and the civil suit is filed within six (6) months following the refusal, failure, or neglect of the proper officers to act upon the written demand. Added by Laws 1994, c. 277, § 12.

§62-381. Bonds legalized.

All bonds issued or voted in good faith by any municipal corporation, county, township or school district, in this state, since the admission of this state into the Union, where the amount thereof does not exceed the limit prescribed by the constitution, and where the election at which the same were voted was conducted in substantial compliance with the law, and where the proceedings of the municipal authorities of any such municipal corporation, county, township or school district calling any such election were conducted in substantial compliance with the law, and the bonds were authorized

by the requisite vote as required by the constitution and laws of Oklahoma, and when the full contract purchase price has been paid to the municipal corporation, county, township or school district issuing the same, are hereby made legal and valid, notwithstanding any irregularities in the proceedings of the authorities of such municipal corporation, county, township or school district in calling any such election or in holding the same.
R.L.1910, § 379.

§62-382. 1935 validating act - Citation.

This act may be cited as "The 1935 Validating Act."
Laws 1935, p. 128, § 1.

§62-383. Public body defined - Bond defined.

The following terms, wherever used or referred to in this act, shall have the following meaning:

(a) The term "public body" means a county, city, town, school district, independent school district, consolidated school district, joint school district, union graded school district, board of education, or drainage district, or any educational institution heretofore authorized by statute to issue bonds.

(b) The term "bond" includes bonds, notes, warrants, debentures, certificates of indebtedness, temporary bonds, temporary notes, interim receipts, interim certificates and all instruments or obligations evidencing or representing indebtedness or evidencing or representing the borrowing of money, or evidencing or representing a charge, lien or encumbrance on specific revenues, income or property of a public body, including all instruments or obligations payable from a special fund.

Laws 1935, p. 128, § 2.

§62-384. Emergency public works - Validation of bonds and proceedings for authorization and issuance.

All bonds heretofore issued for the purpose of financing or aiding in the financing of any work, undertaking or project by any public body to which any loan or grant has heretofore been made by the United States of America through the Federal Emergency Administrator of Public Works for the purpose of financing or aiding in the financing of such work, undertaking or project, including all proceedings for the authorization and issuance of such bonds, and the sale, execution and delivery thereof, are hereby validated, ratified, approved and confirmed, notwithstanding any lack of power (other than constitutional) of such public body, or the governing board or commission or officers thereof, to authorize and issue such bonds, or to sell, execute or deliver the same, and notwithstanding any defects or irregularities (other than constitutional) in such proceedings, or in such sale, execution or delivery; and such bonds are and shall be

binding, legal, valid and enforceable obligations of such public body.

Added by Laws 1935, p. 128, § 3, emerg. eff. April 27, 1935.

§62-385. Counties of 200,000 to 300,000 - Payment of bonds notwithstanding running of Statute of Limitations.

In counties having a population of more than two hundred thousand (200,000) and less than three hundred thousand (300,000) according to the last Federal Decennial Census of 1950, or any succeeding Federal Decennial Census, and a net valuation of Two Hundred Million Dollars (\$200,000,000.00) or more, any municipal corporation, county, township or school district in this state which has issued or may hereafter issue general obligation bonds which have or may hereafter become due and payable and against the payment of which the statute of limitations has or shall have run, may at its option, authorize the payment of said bonds notwithstanding the fact that the statute of limitations has run and pay said bonds out of any money on hand in the sinking fund of said municipal corporation, county, township or school district available for the payment of such bonds; provided that the governing body of said municipal corporation, county, township or school district shall, by resolution duly adopted, authorize said payment.

Laws 1953, p. 288, § 1.

§62-391. Refund of indebtedness authorized - Issue of new bonds.

Every county, every city or town, the board of education of every city, every township, and every school district, is hereby authorized and empowered to refund its indebtedness, including bonds, judgments and warrants, as hereinafter provided, upon such terms as can be agreed upon, and to issue new bonds with interest in payment for any sum so refunded; which bonds shall be sold at no less than par, and shall not be for a longer period than twenty-five (25) years, shall not exceed in amount the actual amount of outstanding indebtedness, inclusive of accrued interest and shall not draw a greater interest than the maximum rate provided by Section 498.1 of this title.

Amended by Laws 1983, c. 170, § 46, eff. July 1, 1983.

§62-392. Notice of issue - Determination of indebtedness.

Notice of the issuance of bonds provided for in this act, shall be given by publication in a newspaper published at the county seat, or, if no newspaper is published at the county seat, then such publication shall be made in the official newspaper of such county, and by posting a copy of the same in five public places in the municipality, stating that on the day named therein the municipality will proceed before the county court of the county, if the amount be less than One Thousand Dollars (\$1000.00), or before the district court, if the amount exceed One Thousand Dollars (\$1000.00), to make

a showing and ask the court to hear and determine the amount of the outstanding legal indebtedness of said municipality, and to sign the bonds to be issued in payment of the same; and any person interested may remonstrate against the issuance of the same. Such notice shall be given for at least ten (10) days before the day named for said hearing.

R.L.1910, § 363; Laws 1913, c. 39, p. 76, § 1.

§62-393. Proof of outstanding indebtedness - Statement and finding - Signing and delivery of bonds - Treasurer chargeable - Appeals.

On the day named in the notice referred to in the preceding section, the officers authorized to issue bonds under this article shall go before the court named in said notice and make proof, to the satisfaction of the court, of the existence, character and amount of the outstanding legal indebtedness of said municipality. On such proof being made the court shall cause to be made, upon the records of the court, a statement and finding to that effect and shall then, in open court, proceed to sign each bond to be issued, up to the amount of said indebtedness so proven and approved, and shall, after expiration of the time for taking appeals, if no appeal be taken, deliver the same to the treasurer of said municipality issuing the same, who shall be chargeable therefor, and shall be liable on his official bond for said bonds. Appeals from the judgment of the court shall be allowed as provided by law, upon the giving of a bond for costs and damages in such sum as the court shall require; and if an appeal is taken as herein provided, then said bonds shall not be delivered to the treasurer of said municipality until the final determination of said appeal. R.L.1910, Sec. 364.

R.L.1910, § 364.

§62-394. Attestation - Denominations - Term of bonds - Recitals.

Bonds issued under this article by any county shall be signed by the chairman of the board of county commissioners, and attested by the county clerk under the seal of the county. Bonds issued by any city or town shall be signed by the mayor or president of the board and attested by the city or town clerk, under the seal of the city or town, as the case may be. Bonds issued by any township shall be signed by the trustee, attested by the township clerk, and countersigned by the township treasurer. Bonds issued by the board of education of any city shall be signed by the president, and attested by the clerk of the board under the seal of such board. Bonds issued by any school district shall be signed by the director, attested by the clerk and countersigned by the treasurer of such school district board; and coupons shall be signed by the mayor, president, director, trustee or chairman of the board of county commissioners, and the clerks, respectively. Such bonds may be in any denomination from One Hundred (\$100.00) to One Thousand Dollars

(\$1,000.00), and made payable at such place as may be designated upon the face thereof, and they shall contain a recital that they are issued under this article.

R.L.1910, § 365.

§62-395. Duty to issue bonds as agreed - Bonded indebtedness which may be refunded - Limitations on issuance of bonds.

When a refunding has been agreed upon, it shall be the duty of the proper officers to issue such bonds at the rate agreed upon, to the holder of such indebtedness, in the manner prescribed in this article; but no bonds shall be issued under this article until the proper evidence of the indebtedness for which the same are to be issued shall be delivered up for cancellation: Provided, that no bonded indebtedness shall be refunded by the board of county commissioners or any mayor and city council or any board of trustees of any town, township or any school district board, or board of education, under this article, except such as have been issued and outstanding at least two (2) years at the time of such refunding; and Provided, further, that except for the refunding of outstanding debt, including outstanding bonds and matured coupons thereof, or judgments thereon, or warrants, no bonds of any class or description shall hereafter be issued where the total bonded indebtedness of said county, city, town, township, school district or board of education would thereby exceed five percent (5%) of the assessment for taxation as shown by the last finding and determination by the proper board of equalization for state and county purposes.

R.L.1910, § 366.

§62-396. Registration of bonds.

The clerk of every county, city, town, township, school district and board of education, issuing bonds under Sections 391 et seq. of this title shall register the same in his office. Such bonds shall also, in every case, be registered by the county clerk, showing the date, number and amount thereof, rate of interest, to whom payable, where payable, date of maturity, and, if optional, under what conditions; and all indebtedness refunded under this article shall have the words "paid in full" marked in a plain manner across the face of each bond, or warrant refunded; and such canceled obligations shall be carefully preserved in the office of the county clerk or destroyed by the county commissioners, a register of the number, amount and date of issue having been first made by the county clerk. The proper officer shall, at the time of issuing refunding bonds, make out and transfer to the State Auditor and Inspector a certified statement of all proceedings had by the proper board or city council as shown of record and that said bonds have been issued for value in all respects in conformity to this article for certain indebtedness to be surrendered, definitely describing the bonds issued and the

indebtedness to be surrendered, in exchange therefor and that they have been duly registered by the attesting clerk and the county clerk as required herein; which statement shall be in such form and include such other information as the State Auditor and Inspector may require, and be signed by all the officers whose signatures are attached to such bonds, and attested by the proper clerk, with the corporate seal of the county, city, town, township, school district or board of education, if any, and duly acknowledged before the county clerk. And the State Auditor and Inspector shall, upon being satisfied that such bonds have been issued according to the provisions of this article, and that the signatures thereto of the officers signing the same are genuine, register the same in his office in a book kept for that purpose and shall, under his seal of office, certify upon such bonds the fact that they have been registered in his office according to law. Nothing in Sections 391 et seq. of this title shall be construed to prohibit options available under the Registered Public Obligations Act of Oklahoma. Amended by Laws 1983, c. 170, § 47, eff. July 1, 1983.

§62-397. Levy of taxes - Sinking fund - Penalty for neglect or refusal.

In every instance in which any county, city, town, township, the board of education of any city, or any school district shall issue bonds under Sections 391 et seq. of this title, it shall be the imperative duty of the proper officers to provide annually, at the time of providing for the levy of other taxes, for a tax sufficient in amount to pay the interest upon said bonds or the coupons as they become due, and to create a sinking fund, as provided for in this article, for the payment of the principal of such bonds; and if such officers fail or neglect to provide for such levy, it shall be the duty of the county clerk forthwith to do so; and in case any such officer shall neglect or refuse to levy any such tax at the time aforesaid, and in case any county clerk shall neglect or refuse to extend such tax upon the tax roll of the county at the proper time, then and in that case any such officer so neglecting or refusing to levy or extend such tax shall be severally and individually liable and shall also be liable upon his official bond to the holder of any such bond or coupon falling due during the year for which such tax should have been levied or extended for the full amount thereof as soon as the same is due, which liability may be enforced in a civil action in the name of such holder; and any such officer so neglecting or refusing to levy or extend such tax shall also be deemed guilty of a misdemeanor, and on conviction thereof shall be fined in an amount equal to the amount which it may be shown should have been so levied or extended during such year, or imprisoned in the county jail for a term not less than three (3) nor more than twelve (12) months.

Amended by Laws 1983, c. 170, § 48, eff. July 1, 1983. Amended by Laws 1983, c. 170, § 48, eff. July 1, 1983.

§62-398. Failure to levy tax - Duty of State Auditor and Inspector and county treasurer - Liability - Penalty.

Should the proper officer whose duty it is to levy the taxes to pay such bonds and coupons, fail or neglect to make such levy as provided for in this article, it shall be the duty of the State Auditor and Inspector, at any time thereafter, to ascertain the amount of interest and sinking fund, or principal of such bonds, accrued and to accrue during that year, and to certify the amount thereof to the treasurer of the county in which such bonds were issued, setting forth the amount thus due, and whether from the county or from a particular city, town, township, the board of education of any city or school district within such county; and it shall be the duty of such county treasurer, immediately upon receiving such certified statement from the State Auditor and Inspector to proceed to ascertain from the assessment roll of the county the amount of taxable property in such county, city, town, township, or such school district, and what percentage is required to be levied thereon to pay the said interest and sinking fund or principal, and when so ascertained to levy such percentage upon the taxable property of such county, city, township, or such school district, as may be liable thereto, and immediately to place the same upon the tax roll of the county in a separate column or columns, designating the purpose for which such taxes are levied; and the said taxes shall be collected by the county treasurer of such county in the same manner that other taxes are collected. And should such county treasurer neglect or refuse to levy tax and place the same upon the tax roll for collection as herein provided, he shall be personally liable, and also liable upon his official bond to the holder of any such bonds or coupons then due, for the full amount thereof, and shall also be deemed guilty of a misdemeanor and upon conviction thereof shall be imprisoned in the county jail for not less than three (3) months nor more than twelve (12) months.

R.L.1910, § 369; Laws 1979, c. 30, § 31, emerg. eff. April 6, 1979.

§62-399. Sinking fund - How computed - Installment bonds.

It shall be the duty of every county, city, town, township, the board of education of any city, and of every school district, issuing bonds under this article, and of the proper officers thereof, to create a sinking fund; and there shall be levied by the proper officers, annually, a sufficient tax therefor for the redemption of such bonds, which shall be collected as other taxes, and paid into the treasury as provided by law for other taxes, and shall remain as a specific fund for the redemption of said bonds; the amount of which sinking fund shall be as follows: In every instance in which bonds

shall be issued under this article, for twenty (20) years or less, the quotient found by dividing the amount of the principal of such bonds by such number of years shall be the amount of sinking fund to be levied each year for the redemption of such bonds; but in every instance in which such bonds shall be issued for more than twenty (20) years, it shall not be necessary to create a sinking fund, or to levy a tax therefor, until the twentieth year prior to maturity of such bonds, at which time, and each year thereafter one-twentieth (1/20) of the principal amount of such bonds shall be levied as a sinking fund for the redemption of such bonds: Provided, that any county, city, town township, the board of education of any city, or any school district, issuing bonds under this article, may buy in and cancel any such bonds whenever the same can be done at or below par: Provided, further, that such sinking fund, when not required for the payment or purchase of bonds, may be invested in bonds of the United States or of the State of Oklahoma, and in no other manner: And provided, further, that under the provisions of this article, the proper officers are authorized, if desirable, to issue installment bonds, running twenty-five (25) years, having coupons attached, representing the semiannual interest to become due thereon; and each coupon attached to any installment bond shall, after five (5) years from its date, represent one-fortieth (1/40) of its principal, which amount shall be shown by separate words and figures aside from the interest represented in the coupon; and each installment bond shall show upon its face that its principal is included in its coupons.
R.L.1910, § 370.

§62-400. Payment of bonds.

Whenever the bonds or interest coupons issued under Sections 391 et seq. of this title, shall become due, they shall be, on presentation of coupon bonds, promptly paid by the proper disbursing officer, out of the money in his hands collected for that purpose; and he shall endorse upon the face of any bond or coupon paid by him, in red ink, the word "paid", and the date of payment, and sign his name thereto, and at each settlement he shall turn over the bonds and coupons so paid and canceled, which shall be carefully preserved or destroyed. Provided however, the presentation of a registered bond shall not be required for payment of interest thereon when payment of interest is otherwise provided by the terms of the bond.
Amended by Laws 1983, c. 170, § 49, eff. July 1, 1983.

§62-401. Penalty for misappropriation.

Any person who shall appropriate or use, or aid or abet in appropriating or using, any of the funds or monies mentioned in this article, for any other purpose than as in this article, provided, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be fined in a sum equal to the amount of money so appropriated

or used, and imprisoned in the county jail for not less than three (3) nor more than twelve (12) months, and shall also be liable in a civil action for the amount so misappropriated or used, to be prosecuted by any such bond holder or other party entitled thereto. R.L.1910, § 372.

§62-402. Coupons receivable for taxes.

The interest coupons provided for in this article, shall, as fast as they become due, be receivable in payment of taxes due to the particular county, city, town, the board of education of any city, the township or school district, which may have issued such coupons, and shall be received by all collecting officers the same as cash, in payment of such taxes.

R.L.1910, § 373.

§62-403. Cancellation.

All county, township and other municipal bonds on which final judgment shall hereafter be rendered by any court of record in this state shall be canceled in open court, and returned by the clerk of such court to the clerk of the proper municipality.

R.L.1910, § 374.

§62-411. General obligation bonds to fund special assessment obligations, interest and penalties - Sale - Interest - Maturity - Proceeds - Lien.

Any county, city, town, township, board of education, school district, or any other municipal corporation in this state, whether operating under the provisions of a special charter or otherwise, is hereby authorized and empowered to issue its general obligation bonds for the purpose of funding any or all of its matured and outstanding special assessment obligations and the interest and/or penalties thereon, lawfully assessed against any such municipal corporation for the payment of special improvements and for which such special assessments levies have been made by such municipality, but for which there are not sufficient funds on hand with which to pay such special assessment obligations. Said bonds may be sold for not less than par and accrued interest in the manner now or hereafter provided by law for the sale of other bonds of such municipalities, or any of them, and the proceeds of said sale shall be applied to the payment of the special assessments, interest and/or penalties, to be funded. If said bonds are offered for sale, and no legally accepted bids are received at said sale, the county, city, town, township, board of education, school district, or other municipal corporations issuing such bonds, may, in its discretion again offer such bonds for sale. Said bonds shall bear interest at any rate not exceeding six percent (6%) per annum and shall mature serially in equal installments beginning not less than three (3) nor more than five (5) years after the date of

said Bonds and shall be in denominations of Fifty Dollars (\$50.00) or any multiple thereof; provided, however, the last maturing installment and/or the last bond of the last maturing installment, may be for such sum less than two installments as will complete the full issue of such bonds, notwithstanding the necessity of varying the amount thereof to complete the same. Such bonds shall in no event be delivered to the purchaser thereof except upon simultaneous payment therefor at par and accrued interest to the date of said payment and the treasurer of any such municipality shall immediately upon delivering said bonds and being paid therefor, proceed to pay to the proper officer, the special assessment, interest and/or penalties which said bonds were issued to fund and he shall procure a receipt therefor showing all of such matured special assessments and the interest accumulated thereon to the date of payment, as being paid in full. If any of the purchase money derived from the sale of the bonds is left in the hands of the treasurer after the payment of such special assessments, interest and/or penalties, the same shall be credited to the sinking fund created for the payment of said bonds, however, nothing herein shall be construed to authorize the issuance of bonds in an aggregate face amount greater than the total amount of matured outstanding special assessments, interest and/or penalties, to be funded. Nor shall any such bonds issued hereunder extend any lien upon or create any liability against any property not liable therefor under existing or prior bonds.

Laws 1937, p. 149, § 1.

§62-412. Issuance of bonds - Resolution or ordinance - Notice - Publication of notice - Execution of bonds and interest coupons.

Bonds issued under this act shall be authorized and the details thereof fixed by resolution, or ordinance, as the case may be, of the governing body of any county, city, town, township, board of education, school district, or other municipal corporation issuing such bonds. Said ordinance or resolution authorizing the issuance of said bonds and fixing the details thereof shall not, however, be passed or enacted until notice of the intention to fund said special assessments, interest or penalties, shall have been given by one publication in a newspaper having a general circulation in said municipality, which said notice shall briefly state the kind of special assessments, interest or penalties to be funded, the aggregate amount of such special assessments, interest or penalties, and the time and place of the meeting at which said funding will be authorized. Such notice shall be published not less than ten (10) nor more than thirty (30) days prior to the date set therein for the authorization. The resolution or ordinance authorizing the issuance of such bonds may be adopted at the time designated in such notice, or on the date set in such notice, the governing body may adjourn to a later date and such resolution or ordinance may be adopted at said

adjourned meeting without further notice. Bonds issued under this act, by any county, shall be signed by the chairman of the board of county commissioners, and attested by the county clerk, under the seal of the county. Bonds issued by any city shall be signed by the mayor, and attested by the city clerk, under the seal of the city. Bonds issued by any towns shall be signed by the president of the board of trustees, and attested by the town clerk, under the seal of the town. Bonds issued by any township shall be signed by the trustee, attested by the township clerk, and countersigned by the township treasurer; provided, however, where any township has any such outstanding special assessments, interest or penalties as may be sought to be funded under this act, and where township form of government has been abolished, such bonds may be authorized to be issued by the board of county commissioners and in such cases such bonds shall be signed by the chairman of the board of county commissioners of the county in which such township is located, who shall sign and act in the places of the trustee or the president of the board of directors of such township, and in such cases, such bonds shall be attested by the county clerk, and countersigned by the county treasurer, acting and signing in the places of the clerk or treasurer, respectively, of the board of directors of such township. Bonds issued by the board of education of any city or town shall be signed by the president, and attested by the clerk of the board, under the seal of such board. Bonds issued by any school district shall be signed by the director, attested by the clerk, and countersigned by the treasurer of such school district board. Such bonds and interest may be made payable at such place as may be designated, and they shall contain a recital that they are issued under this act. All such bonds shall be designated "SPECIAL ASSESSMENT RETIREMENT BONDS OF 19____". Nothing in this section shall be construed to prohibit the use of facsimile signatures or seals as provided in the Registered Public Obligations Act of Oklahoma.

Amended by Law 1983, c. 170, § 50, eff. July 1, 1983.

§62-413. Registration of bonds - Endorsement of legality.

The clerk or appointed agent of every county, city, town, township, board of education, school district, or other municipal corporation in this state, issuing bonds under Sections 411 et seq. of this title, shall register the same in his office. Such bonds shall also, in every case, be registered by the county clerk or appointed agent, showing the date, number and amount thereof, rate of interest, to whom payable, where payable, and date of maturity; and all bonds issued under this act shall have endorsed thereon a certificate signed by the county clerk and the district attorney of the county in which such issuing municipality is located, to the effect that said bonds are issued pursuant to law, and that said

issue is within the debt limit. Said bonds shall thereafter be registered by the treasurer or appointed agent of the municipality issuing the same, said treasurer's or appointed agent's registration being made in like manner to that of the county clerk as hereinbefore set forth and each of said bonds shall have a certificate executed by said treasurer or appointed agent endorsed thereon to show that said treasurer or appointed agent has so registered said bonds.

Thereafter said bonds shall be delivered to the State Auditor and Inspector, who shall register the same in his office in a book kept for that purpose and then shall, under his seal of office certify upon such bonds the fact that they have been registered in his office according to law. Nothing in Sections 411 et seq. of this title shall be construed to prohibit options available under the Registered Public Obligations Act of Oklahoma.

Amended by Laws 1983, c. 170, § 51, eff. July 1, 1983.

§62-414. Annual tax levy to pay interest and principal - Sinking fund.

The governing body, or authority of any county, city, town, township, board of education, school district or other municipal corporation, issuing bonds under authority of this act, shall provide, prior to the delivery thereof to the purchaser, for a levy of annual taxes on all taxable property in the county, city, town, township, board of education, school district or other municipal corporation, as the case may be, sufficient in amount to pay, and for the express purpose of paying, the interest on said bonds as it falls due, and also to pay and discharge the principal thereof at maturity; and, in every instance in which any county, city, town, township, board of education, school district or other municipal corporation shall issue bonds under this act, it shall be the imperative duty of the proper officers, whose duty it may be to levy taxes, to levy annually, at the time of making the levy of other taxes, a tax sufficient in amount to pay the interest upon said bonds and the coupons as they become due, and to create a sinking fund for the payment of the principal of such bonds at their maturity.

Laws 1937, p. 151, § 4.

§62-415. Authority for bond issue - Approval by Attorney General.

This act shall be full authority for the issuance of the bonds under this act authorized, without reference to any other act of the Legislature of Oklahoma, and said bonds may be issued as herein provided without an election; provided, however, that the provisions of law, with respect to examination and approval as to form and procedure of municipal bonds by the Attorney General of Oklahoma, shall apply also to bonds issued under this act.

Laws 1937, p. 152, § 5.

§62-421. Bond issue for refunding indebtedness - Authorization - Exchange or sale - Interest - Maturity.

Any county, city, town, township, board of education, school district, or any other municipal corporation in this state, whether operating under the provision of a special charter or otherwise, is hereby authorized and empowered to issue its bonds for the purpose of refunding bonded and/or coupons indebtedness, outstanding for more than two (2) years, and to issue new bonds with interest representing the rate of interest agreed upon, in payment for any amount of outstanding bonded and coupon indebtedness; which bonds may be exchanged pursuant to agreement with the holders of such indebtedness, or sold for not less than their par value, in the manner now or hereafter provided by law for the sale of other bonds of such municipalities, or any of them, and the proceeds of said sale applied to the redemption of the bonds to be refunded. If said bonds are offered for sale, and no legally accepted bids are received at said sale, the county, city, town, township, board of education, school district, or other municipal corporation issuing such refunding bonds, in its discretion, may either again offer such bonds for sale, or may exchange such refunding bonds, on a par for par basis, for the bonds, and interest, to be refunded; provided, however, if an agreement has been made for the exchange of such bonds the same shall be exchanged, as herein provided, without first having been offered for sale. Whether such refunding bonds are sold or exchanged, they shall be delivered only upon simultaneous surrender, payment and cancellation of a like amount of the bonds to be refunded, inclusive of the interest accrued thereon. Such refunding bonds may be issued in such amount, or amounts, that the par value thereof, plus accrued interest to date of delivery, shall equal, but not exceed, the par value of the bonds and/or coupons to be refunded to the date of the delivery and cancellation thereof. Said refunding bonds shall bear interest at any rate not exceeding the maximum rate provided by Section 498.1 of this title, and shall mature serially and in substantially equal installments, beginning not less than three (3) nor more than five (5) years after the date of said bonds; provided, however, that the last maturing installment may be for such sum less than two installments as will complete the full issue of such bonds, notwithstanding the necessity of varying the amount thereof to complete the same.

Amended by Laws 1983, c. 170, § 52, eff. July 1, 1983.

§62-422. Authorization by governing body - Notice - Execution and attestation - Denominations - Place of payment - Recital as to issuance under act.

Bonds issued under this act shall be authorized by resolution, or ordinance, as the case may be, of the governing body of any county, city, town, township, board of education, school district, or other

municipal corporation issuing such bonds. Notice of the intention to authorize the issuance of such bonds shall be given by one publication in a newspaper having a general circulation in said municipality, and such notice shall briefly state the class of bonds and interest to be refunded, the approximate amount, and the time and place of the meeting at which said refunding will be authorized; such notice shall be published not less than (10) ten nor more than thirty (30) days prior to the date set therein for the authorization. The resolution or ordinance authorizing the issuance of such bonds may be adopted at the time designated in such notice, or on the date set the governing body may adjourn to a later date and such resolution or ordinance adopted at such adjourned meeting without further notice. Bonds issued under this act, by any county, shall be signed by the chairman of the board of county commissioners, and attested by the county clerk, under the seal of the county. Bonds issued by any city shall be signed by the mayor, and attested by the city clerk, under the seal of the city. Bonds issued by any towns shall be signed by the president of the board of trustees, and attested by the town clerk, under the seal of the town. Bonds issued by any township shall be signed by the trustee, attested by the township clerk, and countersigned by the township treasurer; provided, however, where any township has outstanding indebtedness, which is sought to be refunded under this act, and where such township form of government has been abolished, such bonds shall be signed by the chairman of the board of county commissioners of the county in which such township is located, who shall sign and act in the place of the trustee or president of the board of directors of such township, and shall be attested by the county clerk, and countersigned by the county treasurer, acting and signing in the place of the clerk or treasurer, respectively, of the board of directors of such township. Bonds issued by the board of education of any city or town shall be signed by the president, and attested by the clerk of the board, under the seal of such board. Bonds issued by any school district shall be signed by the director, attested by the clerk, and countersigned by the treasurer of such school district board. The interest coupons attached to said bonds shall be executed by the lithographed facsimile signatures of the officers designated to sign such bonds. Such bonds may be in any denomination from One Hundred Dollars (\$100.00) to One Thousand Dollars (\$1,000.00), and may be payable at such place as may be designated upon the face thereof, and they shall contain a recital that they are issued under this act.

Laws 1935, p. 126, § 2.

§62-423. Registration of bonds - Cancellation of refunded obligations - Preservation - Certificate of refunded obligations - Preservation - Certificate of issuance pursuant to law - Certification by State Auditor and Inspector.

The clerk or appointed agent of every county, city, town, township, board of education, school district, or other municipal corporation in this state, issuing bonds under Sections 421 et seq. of this title, shall register the same in his office. Such bonds shall also, in every case, be registered by the county clerk or appointed agent, showing the date, number and amount thereof, rate of interest, to whom payable, where payable, and date of maturity; and all bonded indebtedness refunded under this act shall have the words "paid in full" marked in plain manner across the face of each bond refunded; and such canceled obligations shall be carefully preserved by the clerk or appointed agent of such municipality, or destroyed, upon resolution or ordinance therefor, as the case may be, after a registration of the number, amount and date of issuance having first been made by the clerk or appointed agent; and all bonds issued under Sections 421 et seq. of this title shall have endorsed thereon a certificate, signed by the county clerk and the district attorney of the county in which such issuing municipality is located, said bonds, or evidence of debt, are issued pursuant to law, and that said issue is within the debt limit. Thereafter said refunding bonds shall be delivered to the State Auditor and Inspector and he shall register the same in his office in a book kept for that purpose and shall, under his seal of office certify upon such bonds the fact that they have been registered in his office according to law. The provisions of the Registered Public Obligations Act of Oklahoma shall apply. Amended by Laws 1983, c. 170, § 53, eff. July 1, 1983.

§62-424. Tax for payment of bonds and creation of sinking fund.

The governing body, or authority of any county, city, town, township, board of education, school district or other municipal corporation, issuing refunding bonds under authority of this act, shall provide, prior to the delivery of said refunding bonds, for a levy of annual taxes on all taxable property in the county, city, town, township, board of education, school district, or other municipal corporations, as the case may be, sufficient in amount to pay, and for the express purpose of paying, the interest on said bonds as it falls due, and also to pay and discharge the principal thereof at maturity; and, in every instance in which any county, city, town, township, board of education, school district or other municipal corporation shall issue bonds under this act, it shall be the imperative duty of the proper officers, whose duty it may be to levy taxes, to annually levy, at the time of making the levy of other taxes, a tax sufficient in amount to pay the interest upon said bonds and the coupons as they become due, and to create a sinking fund for the payment of the principal of such bonds at their maturity. Laws 1935, p. 127, § 4.

§62-425. Act as authority for bonds - No election necessary - Examination and approval by Attorney-General - Repeal - Effect on existing laws.

This act shall be full authority for the issuance of the bonds under this act authorized, without reference to any other act of the Legislature of Oklahoma, and said bonds may be issued as herein provided without an election; provided, however, that the provisions of law, with respect to examination and approval of municipal bonds by the Attorney General of Oklahoma, shall apply also to refunding bonds issued under this act; and all acts, or parts of acts, in conflict herewith are herewith repealed, but this act shall not be construed to repeal other existing laws relating to municipal funding or refunding bonds, except in so far as may be necessary to make this act operative, and shall be construed, in all other respects as in addition to existing refunding legislation.

Laws 1935, p. 127, § 5.

§62-426. Acceptance of funding or refunding bonds in lieu of warrants, judgments or bonds in sinking fund.

The governing board of any county, city, town, township, board of education, school district or any other municipal corporation of this state, holding in its sinking fund either warrants, judgments or bonds, is authorized to enter into an agreement with the governing board of the municipality against which said warrants, judgments or bonds are an obligation thereof, to accept funding or refunding bonds in lieu of said obligations. Said agreement shall provide for the rate of interest said funding or refunding bonds shall bear, which may be less than the rate of interest the indebtedness to be funded bears.

Laws 1937, p. 152, § 1.

§62-426a. Refund by municipalities of bonded and judgment indebtedness and interest by funding or refunding term bonds - Redemption - Interest - Tenders at less than par - Call and purchase of bonds when no tenders made.

Any municipality may refund any part or all of its bonded and judgment indebtedness and the interest thereon, by agreement with holders of such indebtedness to be funded or refunded, by issuance of funding or refunding bonds maturing within twenty-five (25) years from date. When any such funding or refunding bonds mature other than serially they shall be optional and subject to redemption on any interest-paying date. Said bonds shall be designated optional funding or refunding bonds, and shall recite that they are subject to redemption at any interest-paying date. Said bonds shall be authorized, executed, registered and approved in the same manner as funding and refunding bonds issued under other statutes in force. Provided, however, that no funding or refunding bonds issued

hereunder shall bear a higher rate of interest than the indebtedness which is funded or refunded.

It shall be the duty of the treasurer and governing board of any municipality issuing funding or refunding bonds under the provisions of this act to request tenders from all known holders of such bonds at least thirty (30) days prior to each interest paying date. The form of such call for tenders setting out the time and place and other particulars shall be prescribed by the Attorney General. The said treasurer and governing board are hereby directed to purchase any bonds which may have been offered at less than par, provided preference must be given to the purchase of bonds which are offered for the least money. Provided further that if no bonds are offered at less than par, then it shall be the duty of the treasurer and governing board to call by lot at par and accrued interest as many of the bonds as he may have funds on hand for that purpose and that interest on said bonds so called shall cease within sixty (60) days after said call is made. All tenders of bonds and all drawing of bonds by lot shall be performed in a public meeting of the governing board. Provided sufficient money is retained in the sinking fund to pay the next two succeeding semiannual interest payments coming due on each bond.

Amended by Laws 1983, c. 170, § 54, eff. July 1, 1983.

§62-426b. Term "governing board" defined.

The term governing board as used in this act shall mean the council or commission of a city; the town council or board of trustees of a town; the board of education of an independent school district; and the board of county commissioners for and on behalf of townships, counties, and dependent school districts.

Added by Laws 1937, p. 153, § 3, emerg. eff. May 7, 1937. Amended by Laws 1939, p. 150, § 2, emerg. eff. March 10, 1939.

§62-426c. Partial invalidity.

The sections of this act, and each part of such sections are hereby declared to be independent sections. If any section, or part of a Section, be held unconstitutional, such holding shall not affect the remaining portions thereof.

Laws 1937, p. 153, § 4.

§62-430.1. Counties, cities, towns and school districts authorized to rent real or personal property - Definition of personal property.

A. The governing board of any county, city or town, or school district is authorized to rent on a monthly basis real or personal property as authorized by the governing board and to pay the rental charges thereon for usage during any fiscal period, or portion thereof, out of appropriations made and approved for such purposes for, or during, such fiscal year. Any such rental contract extending

beyond June 30 of the fiscal year shall contain provisions for mutual ratification of renewal under the conditions provided in this section.

B. As used in this section, the term "personal property" shall include, but not be limited to:

1. Portable, or otherwise moveable, buildings and structures;
2. Prefabricated metal buildings and structures, along with necessary utility services for such buildings or structures;
3. Roofs placed over existing roof structures; provided, lease-purchase of retrofit metal roofs shall be awarded by competitive bids and the governing board of any county, city or town, or school district shall comply with the Public Competitive Bidding Act of 1974 where total payments of principle and interest provided by the lease-purchase contract are anticipated to exceed Twenty-five Thousand Dollars (\$25,000.00); and
4. Other structures or property that can be disassembled after installation and removed without permanent physical damage to existing property.

Notwithstanding the provisions of Section 7 of Title 60 of the Oklahoma Statutes, such personal property shall retain its status as personal property and shall not be deemed to become attached to the real estate for the duration of the lease-purchase agreement.

C. It is the purpose of this section to authorize such governing boards to enter into lease and lease-purchase contracts but not to incur any obligation upon the part of their respective municipal or governmental subdivisions in excess of the income and revenue thereof provided for such purposes for the fiscal year in which the lease contract is effectively operative.

D. Any agreement to lease and purchase real or personal property, where title is to be acquired by the municipal or governmental subdivision, shall state the purchase price of the real or personal property so leased and in no event shall the lease be extended so as to cause payment of more than the stated purchase price of the real or personal property plus interest not to exceed ten percent (10%) simple interest on the unpaid balance due as of each payment date. When the purchase price plus interest has been paid, the property shall belong to the lessee and the lessor shall deliver a bill of sale to the property to the lessee. Any lease-purchase agreement may include an option to purchase, transfer and acquire title during the term of the lease upon payment of the balance of the agreed purchase price, and each agreement shall include a provision to transfer title to the lessee at the end of the completed lease term for nominal or no additional consideration.

E. The payment for the lease or rental of real or personal property shall be made only from annual and supplemental appropriations specifically designated for such purpose, and no appropriation for the purpose of paying rentals on real or personal

property shall be transferred or diverted to any other purpose, except as may be authorized by the terms of the agreement or by law.

F. When any real or personal property has been leased or rented during any fiscal year under any contract which permits continuance of such rental for the remainder of the fiscal year, the renting or leasing thereof shall be continued for the remainder of the fiscal year unless the governing body renting or leasing the same, by proper resolution entered in the minutes of the governing body, shall certify that the continuance of such rental is unnecessary and contrary to the public interest. However, to affect a contract termination of lease or lease-purchase equipment, written notice shall be sent by certified mail to the vendor thirty (30) days prior to the termination of the contract. Such notice shall be accompanied by payment of all sums then owed up to the date of the termination of the contract and shall certify that the canceled equipment is not being replaced by equipment performing similar functions. All equipment covered by such contract termination shall be returned to the vendor at the expense of the governmental agency terminating such contract. Such equipment shall be returned in good condition to a location designated by the vendor and the equipment, when returned, shall be free of all liens and encumbrances. Satisfaction of all of the requirements of this section shall release the governmental agency terminating such contract from any further obligation to make any further payments to the vendor.

Added by Laws 1945, p. 154, § 1, emerg. eff. April 28, 1945. Amended by Laws 1949, p. 417, § 1, emerg. eff. May 31, 1949; Laws 1951, p. 169, § 1, emerg. eff. May 26, 1951; Laws 1953, p. 32, § 5, emerg. eff. June 8, 1953; Laws 1968, c. 146, § 1, emerg. eff. April 9, 1968; Laws 1980, c. 126, § 5, emerg. eff. April 10, 1980; Laws 1980, c. 339, § 4, emerg. eff. June 25, 1980; Laws 1990, c. 305, § 2, eff. Nov. 1, 1990; Laws 1991, c. 124, § 24, eff. July 1, 1991; Laws 1999, c. 149, § 3, eff. July 1, 1999; Laws 2001, c. 328, § 1, eff. July 1, 2001; Laws 2002, c. 483, § 1, eff. July 1, 2002; Laws 2003, c. 433, § 8, eff. July 1, 2003; Laws 2004, c. 97, § 2, emerg. eff. April 14, 2004; Laws 2005, c. 472, § 3, eff. July 1, 2005.

§62-430.5. Participation in federal program.

The board of county commissioners of any county, the governing board of any city or town, the school board, or board of education of any school district is hereby authorized to participate in any federal government program dealing with fire prevention or with the purchasing or leasing of fire-fighting equipment, and said governing boards hereinabove enumerated are hereby authorized to receive and expend any Federal grant or equipment made available by the federal government and to coordinate their program with the rules and regulations prescribed by the appropriate federal agency.
Laws 1953, p. 33, § 6.

§62-431. Sinking fund - Levy for - Readjustment of annual bond accrual.

A. It shall be the duty of the officers of each municipal corporation in the State of Oklahoma by law authorized to levy taxes to make a levy each year for a sinking fund, which shall, with cash actually on hand and lawful investments in such fund, excluding taxes in process of collection, be sufficient to pay:

1. All the bonded indebtedness of such municipality coming due prior to April 1 of the second ensuing fiscal year for which no prior levy has been made;

2. The interest accrued but unpaid and to accrue on all outstanding bonds of such municipality to April 1 of the second ensuing fiscal year for which no prior levy has been made;

3. A sinking fund to pay any interest payable on the last and final bond maturity coming due after June 30 of the ensuing fiscal year but before the tax levy of the succeeding fiscal year may be made and collected;

4. A sum, after reserving from said cash and investments on hand for bond and bond-interest accruals as aforesaid and judgment accruals theretofore levied for bonds unpaid, equal to one-third (1/3) of the original amount of all outstanding judgments against the municipality when one-third (1/3) or more of such judgment remains due and unpaid, and in case less than one-third (1/3) of such judgment remains due then for the entire amount of such judgment yet remaining unpaid; and

5. The interest accrued but unpaid and to accrue on all unsatisfied judgments within the ensuing fiscal year but not beyond June 30 of such year.

B. The foregoing formula shall be applied by said taxing officials each year in determining the amount necessary to raise by tax levy for sinking fund purposes, independently of actions taken in previous years; and, if by omission to make a levy which could have been validly made for any judgment, bonds or interest coupons, or where from any cause the cash and valid investments in the sinking fund does not equal the accrual liabilities, it shall be the duty of said taxing officials to readjust the annual bond accrual in accordance with the foregoing formula in order that said bonds shall be paid when due, save and except only that where the cash and valid investments in the sinking fund at the close of any fiscal year, after reserving for interest accrued and accruing under the priority therefor as contained in Section 28 of Article X of the Oklahoma Constitution, is insufficient to pay and retire any bonds matured or to mature before another tax levy may be made and collected and no action has been instituted to refund such matured bonds or to convert them to judgment, it shall be the duty of said taxing officials to include, in addition to interest thereon or aforesaid, an accrual

therefor in an amount equal to the bonds so matured or to mature or the annual accrual first lawfully applicable to the issue thereof, whichever is the lesser.

C. It is the sole intention of this section to require that the pledge contained in Sections 26, 27 and 35 of Article X of the Oklahoma Constitution, be fulfilled, and that sinking funds be applied as provided by Section 28 of Article X of the Oklahoma Constitution.

R.L.1910, § 6771; Amended by Laws 1933, c. 27, p. 57, § 1; Laws 1951, p. 170, § 1; Laws 1991, c. 73, § 2, eff. July 1, 1991; Laws 2006, c. 279, § 1, eff. Nov. 1, 2006.

§62-435. Use of fund - Judgments against municipality - Payment from sinking funds - Reimbursement.

(Application.) Such sinking funds shall be used:

First. For the payment of interest coupons as they fall due.

Second. For the payment of bonds falling due, if any such there be, and,

Third. For the payment of judgments against the municipality, if any there be; provided, that when any sinking fund has been used or may hereafter be used to pay judgments as herein provided, that notwithstanding the fact that such judgment or judgments have been paid with such sinking fund, it shall be the duty of the proper officers to make levies to pay such judgments the same as if the same had not been paid out of such sinking fund, and when so levied and collected the same shall be turned into the sinking fund out of which such judgment or judgments was paid.

R.L.1910, § 6773. Amended by Laws 1915, c. 80, § 1.

§62-436a. Delinquent tax penalties, interest and forfeitures - Credit on apportionment.

All penalties, interest and forfeitures which may accrue on delinquent ad valorem taxes, whether real or personal, tangible or intangible, on any properties, persons, firms or corporations within any school district, township, town or city within a county, shall, when collected, be credited on apportionment by the county treasurer as follows: In all counties having an assessed net valuation of less than Seven Million Dollars (\$7,000,000.00) one-half (1/2) of such penalties shall be credited to the general fund of the county and one-half (1/2) to the resale property fund of such county; and in all counties having an assessed net valuation of Seven Million Dollars (\$7,000,000.00) or more, all such penalties interest and forfeitures on property located in any township having a bonded indebtedness of any kind, one-half (1/2) of such penalties interests and forfeitures, when normally collected, shall be paid into the sinking fund of such township and the remaining one-half (1/2) thereof in such township and all penalties, interests and forfeitures where there exists no

township bonded indebtedness of any kind shall be credited to the resale property fund of such county.

Laws 1953, p. 285, § 1.

§62-436b. County resale property fund - Rebates - Disclaimers.

In addition to the purposes for which the resale property fund of any county may be expended under the restrictions, terms and conditions set forth in 68 Oklahoma Statutes 1951 Section 432(L), said resale property fund shall be available between July first and June fifteenth of any year for all rebates allowed under authority of statute by the board of county commissioners or the tax roll corrections board of the county upon taxes found to have been illegally or erroneously collected, or on the sale of certificate or issue of deed on lands or lots on which no tax was due or as to which the sale thereof is, or was, illegal for any reason. Provided, however, before the owner and holder of such invalid deed may be reimbursed as aforesaid, he shall first be required to attach to his claim on which he shall set forth all allegations of fact in support of the invalidity of the deed, a disclaimer, quit claim, or other instrument necessary to disavow or divest himself of all right, title, and interest in the property described in such invalid deed or certificate and no fees shall be required for the recording and indexing thereof. Where such deed was executed by the chairman of the board of county commissioners and based upon an invalid resale tax deed issued by the county treasurer, upon execution of such disclaimer or quit claim by such purchaser, or if no deed has been issued and the county retain title under invalid resale tax deed issued by the county treasurer, then the board of county commissioners, so finding, is hereby authorized to execute its resolution or order of disclaimer as to fee title, with the reasons therefor, and a certificate or copy of such resolution or order of disclaimer shall be executed by the chairman of such board, attested by the signature and seal of the county clerk, and the same shall be recorded and indexed, as other instruments relating to realty, without fee therefor. The determination of whether such property has been erroneously sold for taxes to such purchaser or to the county or subsequently by the board of county commissioners, shall be made by the board of county commissioners upon proper application of the aggrieved owner if sustained by the record.

Laws 1953, p. 285, § 1.

§62-436c. Apportionment and credit of resale property fund.

After June fifteenth of each year the county treasurer shall, after reserving sufficient of the Resale Property Fund for all encumbrances and sufficient for estimated cost of preparing, publishing, and completing through the ensuing fiscal year all tax-enforcement procedures imposed by law upon the county treasurer, all

excess remaining in said resale property fund on such June fifteenth shall be, by the county treasurer, apportioned and credited to the county, and the several cities, towns and school districts therein, and to the several funds thereof, in ratio to the final gross ad valorem taxes for such fiscal year levied in each thereof in accordance with the certificate of the county excise board on the current budget of each thereof, unless the same has been altered by order of the Court of Tax Review or the Supreme Court and then in ratio to the amounts so adjusted. Provided, that, if the board of county commissioners so order by current resolution, in any county, that portion so accruing to all or any of the county's funds shall be credited to the courthouse and jail fund of the county.

Laws 1953, p. 286, § 1.

§62-438. Bonds for city hall - Rentals paid into sinking fund.

That all cities in the State of Oklahoma operating under a charter form of government, wherein such cities may hereafter issue bonds for the purpose of raising funds to construct a city hall building, be and are hereby required to pay into the sinking fund for the payment of interest and the retirement of such bonds so issued, all rentals so derived from the use of such parts of the city hall building as are not required for the use of the city, and such rentals so acquired over and above maintenance shall be irrevocably pledged for the payment of the interest and the retirement of such bonds and shall not be used for any other purpose.

Laws 1925, c. 39, p. 60, § 1.

§62-439. Repealed by Laws 1991, c. 124, § 35, eff. July 1, 1991.

§62-441. Repealed by Laws 1991, c. 124, § 35, eff. July 1, 1991.

§62-442. Courthouse - Use of sinking fund for construction - Tax levy - Special courthouse fund - Warrants against fund.

The board of county commissioners is hereby authorized to use for the purpose of erecting or rebuilding a county courthouse or a superior court building at such points in the county as the board may deem necessary and to furnish and equip such building, and for such purpose, said board is authorized to use any or all of the unassigned portions of the sinking fund of the county derived from penalties, interest or forfeitures accrued or to accrue and in addition thereto, is authorized to make and enter a levy of not to exceed one (1) mill of tax in any one (1) year and under the existing laws such tax shall be annually added to the funds herein provided for and which said levy may be equal to but not to exceed the constitutional limitation of eight (8) mills; provided further, that there is hereby authorized to be created by resolution a courthouse fund of any such county which shall be known and designated as a special courthouse fund and

all monies as aforesaid shall be converted into and become a part of said special fund and shall be irrevocably pledged to the payment of the costs of the construction or rebuilding or repair of any such courthouse. Such board of county commissioners is further authorized to issue time warrants against said special fund which shall run serially and shall bear interest not to exceed six percent (6%), per annum, which interest shall be payable annually; when such warrants have been issued, then the levies so made and the accumulations of penalties, interests and forfeitures which constitute the fund from which such time warrants are payable; provided, that this act shall not affect or impair the provisions of Chapter 209, Session Laws of Oklahoma, 1919, being otherwise known as Chapter 80, Session Laws of Oklahoma, 1921.

Laws 1923, c. 86, p. 151, § 1; Laws 1925, c. 13, p. 15, § 1.

§62-443. Procedure - Restrictions on use of funds - Investment of sinking fund in warrants.

The procedure for the making of an appropriation for the aforesaid purpose from such sinking fund and for the levy of a tax of not to exceed one (1) mill annually, shall be by resolution in which a majority of the board of county commissioners shall concur; and provided further, that the funds herein provided for shall not be used for the purpose of purchasing a site for the construction of the buildings herein provided for; and providing further, that in the event time warrants are issued for the aforesaid purposes, the county treasurer of any such county is hereby authorized to invest any available sinking fund money of such county in any such time warrants; and any such investment so made is hereby ratified and approved.

Laws 1923, c. 86, p. 151, § 2; Laws 1925, c. 13, p. 16, § 2.

§62-444. Partial invalidity.

In the event any part of this act shall be held to be invalid, inoperative or unconstitutional then such invalid, inoperative or unconstitutional part shall not affect the other parts of this act. Added by Laws 1925, c. 13, p. 16, § 3.

§62-445. Surplus of sinking fund - Transfer to general fund.

Where any county, city, town, or school district, dependent or independent, has accumulated a surplus in the sinking fund thereof, represented by actual cash on hand in excess of all outstanding bond or judgment indebtedness, both matured and unmatured, including coupon and/or other interest earnings thereon whether matured or unmatured, earned or unearned, or if there be no known bond, coupon, or judgment indebtedness outstanding against it, the county excise board on application of the proper officers thereof is hereby authorized to approve the transfer of said surplus in the sinking

fund of said county, city, town, or school district to be used for general fund purposes of the same county, city, town, or school district; provided, that before the excise board shall have authority to consider or approve the application of the governing board for authority to make such transfer, there shall be attached to such application an affidavit and proof of publication of published notice by such governing board of its intention to apply for authority to make such transfer, which published notice shall set forth in detail the condition of the sinking fund thereof or as to the fact of there being no known bond, coupon or judgment indebtedness outstanding. Such notice shall be published in some newspaper of general circulation in such municipality, or in such county if there be no newspaper published in the city, town, or school district. Laws 1929, c. 5, p. 4, § 1; Laws 1935, p. 121, § 1; Laws 1943, p. 146, § 1; Laws 1991, c. 124, § 25, eff. July 1, 1991.

§62-446. Transfer of surplus to general fund - Reduction of ad valorem tax levy - Construction of permanent improvements.

Whenever any city or town of the State of Oklahoma shall have accumulated an amount of money in its sinking fund sufficient to pay at maturity the principal and interest of all its outstanding bonds, coupons and judgments, any surplus money in said fund, after all outstanding bonds, judgments or other charges against said sinking funds have been fully paid, whether maturing in the current or in future years, may be transferred by the governing body of such city or town to its general fund to be used in reducing the ad valorem tax levies for the ensuing fiscal year or years, or in constructing public buildings or other permanent improvements as the governing body may determine.

Laws 1933, c. 42, p. 80, § 1; Laws 1991, c. 124, § 26, eff. July 1, 1991.

§62-447. District court - Application for order authorizing transfer - Hearing.

Provided, however, that before any governing body of such city or town shall make such transfer, application shall be made by such governing body to the district court of the county for an order authorizing it so to do. Such application shall be filed in the office of the clerk of the district court as in other cases, setting forth briefly, the amount of money in the sinking fund of said city or town, and the amount of all its outstanding bonds, interest and judgments, and the amount of the sinking fund that the governing body wishes to transfer to the general fund of the said city or town.

Notice of the hearing of said application shall be given by publication of a notice thereof in a newspaper of general circulation throughout the county, for two (2) consecutive weekly issues of such newspaper. Upon the date fixed for the hearing of said application,

any taxpayer, bond, coupon or judgment holder may appear and contest the same. After hearing, the court shall make an order as to distribution of said surplus funds, if there be any, any such order shall be final.

Amended by Laws 1983, c. 170, § 55, eff. July 1, 1983.

§62-448. Tax for sinking fund - Cancellation when no deficit in fund.

If now or hereafter in any county, city, town, township, school district or other municipal subdivision of the State of Oklahoma, there exists no deficit in the sinking fund thereof, the governing body of such municipality may by proper resolution recite such facts and cancel all taxes thereof which are unpaid and which were levied for the sinking fund of such municipality, for all fiscal years previous to the one in which such resolution is passed. Such resolution need be only in general terms reciting the rate of levy and the year or years for which the same was levied and shall thereupon be applicable to all taxes levied for that purpose for that year or years which are unpaid.

Laws 1935, p. 337, § 1.

§62-449. Cancellation and reduction of taxes by county treasurer.

It shall be the duty of the county treasurer upon his being presented with a properly certified copy of such resolution to cancel and vacate all unpaid levies and taxes to the extent provided for in such resolution and to reduce the rate of levy and the amount of taxes due and unpaid upon all real and personal property and property of utilities within such municipal subdivision for all previous fiscal years to the extent provided for in such resolution and to enter such reduction upon the tax rolls of said county and to give due credit to such reduction in the collection of all such taxes.

Laws 1935, p. 337, § 2.

§62-450. Application of act.

The provisions of this act are applicable only in cases where all the bond, interest and judgment indebtedness of such municipal subdivision for which such sinking fund levies for such previous years were made and which is or was an obligation of such sinking fund has either been paid, or is subject to immediate payment out of unencumbered and unappropriated cash then in said sinking fund, or refunded or reduced to judgment and legal provision made for payment thereof out of sinking fund levies, or other wise, within the current and/or future fiscal years.

Laws 1935, p. 337, Sec. 3.

§62-451. Outstanding tax sale certificates not affected.

Such resolution and reduction shall not be effective as to outstanding tax sale certificates in existence and owned by some person other than the county.

Added by Laws 1935, p. 338, § 4, emerg. eff. April 3, 1935.

§62-461. Transfers authorized - Request for transfer - Approval - Notice.

If additional or supplemental needs exist in any department or appropriation account of a county, school board of education or municipal government as to any item or items of appropriation therefor, that are immediately urgent, and there exists in any other appropriation account or department of the government unexpended and unencumbered balances of appropriations of less immediately urgent need, the duly-constituted head of such department or officer in charge of an account needing additional or supplemental appropriations, shall make a written request for transfer of appropriation balance or any portion thereof to the governing body. The written request for transfer shall set forth such additional or supplemental needs and the occasion for such needs, together with detail of account items and the amount of each item proposed to be canceled, and the written consent of the department head or officer in charge of the account from which the appropriation or any portion thereof is to be canceled. The approval of the request for transfer by the governing body, without other formality, shall effect cancellation of appropriations in the items and amounts less urgently needed and increase in like total sum to the appropriation accounts or department by items and amounts for such immediately urgent needs. The clerk of the governing body shall notify in writing the clerk of the county excise board of the changes and shall also notify the treasurer and the head of each department affected of the action, and they shall adjust their accounts accordingly. In a municipality, or school board of education, the actions and consent of the respective department heads or officers provided in this section may be performed by the governing body or by persons designated by the governing body.

Added by Laws 1951, p. 190, § 1, emerg. eff. May 15, 1951. Amended by Laws 1980, c. 226, § 5, emerg. eff. May 27, 1980.

§62-462. Repealed by Laws 2006, c. 96, § 2, emerg. eff. April 25, 2006.

§62-463. Supplemental and additional appropriations - Law not affected.

It is hereby declared to be the intent of the Legislature that this act shall not in any manner repeal or abate any of the provisions or requirements of Title 68, Section 292, O.S. 1951, but shall be cumulative thereto.

Laws 1951, p. 191, § 3.

§62-471. Public funds - Manner of disbursement - Direct deposit system - Instruments issued by boards of county commissioners.

A. Except as provided in Section 17-102 of Title 11 of the Oklahoma Statutes and subsection B of this section, all public funds of any county or of any subdivision thereof shall be disbursed only in the payment of legal warrants, bonds and interest coupons. Counties may implement a direct deposit system to have warrants transferred electronically to a financial institution. The State Auditor and Inspector shall promulgate rules as necessary for the implementation and administration of a direct deposit system.

B. Any board of county commissioners of a county of this state may issue a negotiable instrument which will serve as both a warrant on the treasury and a check ordering payment of the warranted amount of money from the account of the treasury. This instrument shall be prepared and issued in accordance with procedures and requirements provided by law for a warrant and a check and shall be signed by the chair of the board of county commissioners, the county clerk and the county treasurer. Printing on the instrument shall indicate that the instrument is a "warrant" of the county and a "check" drawn on the account of the county. The provisions of Sections 601 through 606 of this title shall apply to instruments authorized by this subsection. Added by Laws 1910-11, c. 80, p. 180, § 1. Amended by Laws 1985, c. 82, § 2, eff. Nov. 1, 1985; Laws 1988, c. 90, § 5, operative July 1, 1988; Laws 1988, c. 330, § 13; Laws 1990, c. 221, § 3, operative July 1, 1990; Laws 1993, c. 318, § 8, emerg. eff. June 7, 1993; Laws 1997, c. 144, § 1, eff. July 1, 1997; Laws 2004, c. 361, § 4, eff. July 1, 2004.

§62-472. Issuance of warrants, bonds and interest coupons in numerical order.

It is hereby made the duty of every officer authorized to allow, issue, draw or attest any warrant or certificate of indebtedness against the public funds of any county, city, town, township, or any other subdivision of the county, to issue, draw and record all warrants, bonds and interest coupons, in an orderly numerical system established by the county, city, town, or township. The items shall be designated by writing the fiscal year on the warrant or certificate of indebtedness for which the levy to pay the same has been made.

Added by Laws 1910-11, c. 80, p. 180, § 2. Amended by Laws 2004, c. 361, § 5, eff. July 1, 2004.

§62-473. "Estimate made and approved" defined.

The term "estimate made and approved" as used herein, is defined to mean the itemized statement of the estimated needs of a

municipality for its current expenses for the ensuing fiscal year, as approved and fixed by the excise board or by vote of the municipality, adding thereto the amount necessary to create a sinking fund to meet maturing bonds, judgments and interest coupons, but the amount or limit to which warrants and certificates of indebtedness may be issued, shall not include the ten percent (10%) to be added to the estimate for delinquent taxes.
Laws 1910-11, c. 80, p. 181, § 3.

§62-474. Warrants - How drawn.

Each and every warrant or certificate of indebtedness must be drawn against a specific appropriation or specific amount authorized by a bond issue for such purpose. As soon as said warrant, certificate of indebtedness or a bond is issued, the same shall be at once signed and delivered by the clerk to the treasurer of the county, city, or town, excluding a school district treasurer, issuing the same for registration.

Added by Laws 1910-11, c. 80, p. 181, § 4. Amended by Laws 1917, c. 226, p. 419, § 10; Laws 1967, c. 214, § 1, emerg. eff. May 1, 1967; Laws 2004, c. 361, § 6, eff. July 1, 2004.

§62-475. Registration - Treasurer's duty - Effect - Notice of "funds on hand" - Interest.

It is hereby made the duty of the treasurer of the county, city, or town to whom a warrant, certificate of indebtedness or bond is directed for payment, to register the same by entering the number, the date, the name of the payee, the fund upon which it is drawn and the amount, and by writing on the warrant or evidence of indebtedness, the date of registration, his name and official title. All warrants, certificates of indebtedness or bonds, shall be registered in the order in which they have been issued, and when so registered shall be returned to the clerk of the county, city or town. No warrant, certificate of indebtedness or bond shall be a valid charge until registered by the treasurer of the municipality issuing the same as herein provided. Nothing herein shall prevent the appointment and compensation from time to time by the governing body of any county, city, or town of a registrar or transfer agent to effect the transfer of ownership or change of payee of any certificate of indebtedness or bonds issued by such county, city, or town and to maintain books and records relating thereto. Nothing in this section shall prohibit any governing board from using automated recordkeeping procedures or methods and recording different information in lieu of the information specified in this section, provided the information required in this section can be accessed. Warrants and all evidences of indebtedness shall draw a rate of interest to be fixed by the governing board not to exceed the maximum rate provided by Section 498.1 of this title from and after its

registration by the treasurer, unless there is cash on hand to pay the same when presented for registration and then the treasurer shall make the same "payable" after registering the same, and no interest shall be computed or allowed thereon when paid. When the treasurer has money on hand to pay warrants duly registered, the treasurer shall publish notice thereof in one issue of a newspaper, or by posting five notices in public places, and interest shall cease on the warrants after thirty (30) days from the date of the publication or posting of said notice.

Added by Laws 1910-11, c. 80, p. 181, § 5. Amended by Laws 1945, p. 222, § 1, emerg. eff. April 28, 1945; Laws 1959, p. 256, § 1, emerg. eff. March 25, 1959; Laws 1967, c. 214, § 2, emerg. eff. May 1, 1967; Laws 1983, c. 170, § 56, eff. July 1, 1983; Laws 1985, c. 82, § 3, eff. Nov. 1, 1985; Laws 1988, c. 90, § 6, operative July 1, 1988; Laws 2004, c. 361, § 7, eff. July 1, 2004.

§62-476. Amount to be issued.

Warrants and certificates of indebtedness may be issued to the amount of the estimate made and approved by the excise board for the current fiscal year or to the amount authorized for such purpose by a bond issue.

Laws 1910-11, c. 80, p. 182, § 6.

§62-477. Limit of authority to issue - Liability of officer.

It shall be unlawful for any officer to issue, approve, sign or attest any warrant or certificate of indebtedness in any form in excess of the estimate of expenses made and approved for the current fiscal year or authorized for such a purpose by a bond issue, and any such warrant or certificate of indebtedness issued, approved or attested in excess of the estimate made and approved or authorized by a bond issue, shall not be a charge against the city or town upon which it is issued, but may be collected by civil action from any officer issuing, drawing, approving, signing or attesting the same, or from either or all of them, or from their bondsmen.

Added by Laws 1910-11, c. 80, p. 182, § 7. Amended by Laws 1991, c. 236, § 1, eff. Sept. 1, 1991; Laws 1993, c. 318, § 5, emerg. eff. June 7, 1993; Laws 2004, c. 361, § 8, eff. July 1, 2004.

§62-478. Registration or payment of excess warrants - Misdemeanor.

Any treasurer, excluding a school district treasurer, who shall register or pay a warrant, or certificate of indebtedness, issued in excess of the estimate made and approved by the excise board for the current fiscal year, or in excess of a bond issue for such purpose, shall be guilty of a misdemeanor and upon conviction, shall be punished by a fine of not less than One Thousand Dollars (\$1,000.00) or by imprisonment in the county jail not exceeding one (1) year, or by both such fine and imprisonment.

Added by Laws 1910-11, c. 80, p. 183, § 8. Amended by Laws 1991, c. 236, § 2, eff. Sept. 1, 1991; Laws 2004, c. 361, § 9, eff. July 1, 2004.

§62-479. Incurring indebtedness or allowing bills in excess -
Liability of officers.

A. It shall be unlawful for the board of county commissioners, the county purchasing agent, the city council or the commissioners of any city, the trustees of any town, township board, or any member or members of the aforesaid commissioners, or of any of the above-named boards, to willfully or knowingly make any contract for, incur, acknowledge, approve, allow or authorize any indebtedness against their respective city, town or county or authorize it to be done by others, in excess of the estimate made and approved by the excise board for such purpose for the current fiscal year, or in excess of the specific amount authorized for such purpose by a bond issue.

B. Any such indebtedness, contracted, incurred, acknowledged, approved, allowed or authorized in excess of the estimate made and approved for such purposes for the current fiscal year or in excess of the specific amount authorized for such purpose by a bond issue, shall not be a charge against the city, town or county whose officer or officers contracted, incurred, acknowledged, approved, allowed or authorized or attested the evidence of said indebtedness, but may be collected by civil action from any official willfully or knowingly contracting, incurring, acknowledging, approving or authorizing or attesting to the indebtedness, or from the bondsmen of the official. Added by Laws 1910-11, c. 80, p. 183, § 9. Amended by Laws 1982, c. 249, § 15; Laws 1991, c. 236, § 3, eff. Sept. 1, 1991; Laws 1997, c. 88, § 1, eff. Nov. 1, 1997; Laws 2004, c. 361, § 10, eff. July 1, 2004.

§62-480. Violations - Punishment.

Any officer willfully or knowingly contracting, incurring, acknowledging, authorizing, allowing or approving any indebtedness, or any officer issuing, drawing, or attesting any warrant or certificate of indebtedness in excess of the estimate made and approved by the excise board for such purpose for the current fiscal year or in excess of the specific amount authorized for such purpose by a bond issue, or who violates any other provision of Section 471 et seq. of this title, shall be deemed guilty of a misdemeanor, and upon conviction shall be punished by a fine of not less than One Thousand Dollars (\$1,000.00) or imprisoned in the county jail for not to exceed one (1) year, or by both the fine and imprisonment, and shall forfeit and be removed from office pursuant to Section 1181 et seq. of Title 22 of the Oklahoma Statutes or Section 91 et seq. of Title 51 of the Oklahoma Statutes.

Added by Laws 1910-11, c. 80, p. 183, § 10. Amended by Laws 1991, c. 236, § 4, eff. Sept. 1, 1991; Laws 1997, c. 88, § 2, eff. Nov. 1, 1997.

§62-481. Purchase of county warrants by officer prohibited.

No officer of any county shall directly or indirectly contract for or purchase any warrant issued by the county of which he is an officer at any discount whatever, upon the sum due thereon; and if any such officer shall so purchase or contract to purchase any such warrant he shall not be allowed in settlement the amount of said warrant or any part thereof, but shall forfeit the full amount due thereon, to be recovered by civil action in the suit of the state for the use of the county.

R.L.1910, § 7434.

§62-482. Maturity of warrants - Right of action - Limitations.

From and after the passage of this act, without regard to the time when funds may be collected and are available to pay the same, any and all warrants issued in payment of obligations of counties, townships, cities, towns and other municipal subdivisions or corporations of this state, shall as to time of payment, become due one (1) year after the close of the fiscal year for which the same was issued, and action thereon may be commenced in any court of competent jurisdiction to enforce the liability evidenced thereby. Unless action be commenced by the filing of suit thereon and service of summons by the aforesaid due date, the same shall be forever thereafter barred, and it shall not be necessary that such lapse of time be asserted as a defense in any such action in order that the defendant be relieved of liability thereon.

Added by Laws 1935, p. 127, § 1, emerg. eff. May 8, 1935. Amended by Laws 1988, c. 90, § 7, operative July 1, 1988; Laws 2004, c. 361, § 11, eff. July 1, 2004.

§62-485. Warrants of certificates in excess of unencumbered sum appropriated forbidden - Issuance and requisites.

It shall be unlawful for the governing board of any city or town to issue any warrant or certificate of indebtedness, in any form, in payment of, or representing or acknowledging any account, claim or indebtedness against such city or town, or to make any contracts for, or incur any indebtedness against such city or town, in excess of the amount then unexpended and unencumbered of the sum appropriated for the specific item of estimated needs for such purpose theretofore made, submitted, and approved, or authorized for such purpose by a bond issue. All warrants upon the lawful treasurer, for a city or town purpose, shall be issued upon the order of the governing board thereof, drawn by its clerk, signed by the chairman or lawfully designated presiding officer thereof, and the clerk. Each warrant

shall be coded in such manner as may be necessary to designate the fund and appropriation upon which it is drawn. The signatures of the presiding officer and clerk shall be deemed as notification to the public that the warrant is for the purpose and within the amount of the appropriation charged.

Added by Laws 1945, p. 223, § 1, emerg. eff. April 28, 1945. Amended by Laws 1967, c. 214, § 3, emerg. eff. May 1, 1967; Laws 2004, c. 361, § 12, eff. July 1, 2004.

§62-488. Check or cash voucher - Limitation of time for honoring - Disposition of funds held therefor.

No check issued or voucher registered by the treasurer of any county in this state shall be honored by the bank on which it is drawn or by his registration made payable if not presented within a reasonable time under the circumstances, or in any event unless presented within one (1) year of the date of issue.

When one (1) year shall have elapsed after the date of issue of any county treasurer's check drawn against any public funds in the county treasurer's custody or of any voucher drawn by any public officer against the public officer's official depository account with the county treasurer, other than checks and vouchers which may be issued to another public officer for the benefit of the state or a subdivision thereof, it shall be the duty of the county treasurer to make entry of cancellation opposite the record of the check or registration of the voucher, and shall forthwith credit the amount thereof to the fund on which it was drawn and report the action on forms and in the manner prescribed by the State Auditor and Inspector.

Provided, that nothing in this act shall supersede or repeal any of Section 693 of Title 58 of the Oklahoma Statutes.

Added by Laws 1947, p. 189, § 1. Amended by Laws 1949, p. 134, § 1; Laws 1965, c. 146, § 1, emerg. eff. May 24, 1965; Laws 1979, c. 30, § 102, emerg. eff. April 6, 1979; Laws 1995, c. 108, § 1, eff. Nov. 1, 1995.

§62-491. Allocation of funds.

All funds received by a county under the provisions of Section 33, Title III, of the Act of Congress known as The Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U.S.C.A. Section 1012), as revenue from the use of submarginal lands and certain other lands, shall be apportioned as follows: One-third (1/3rd) thereof shall be deposited in the County Highway Fund and the remaining two-thirds (2/3rds) thereof shall be apportioned to the affected school districts of the county in direct ratio of the number of acres of said lands within each school district to the total number of acres of such lands which were purchased by the federal government under the provisions of the Bankhead-Jones Farm Tenant Act.

Laws 1961, p. 471, § 1.

§62-492. Definitions.

As used in this act:

1. "Farm Credit System" means the Farm Credit System as defined in the Farm Credit Act of 1971, P.L. 92-181, as amended;
2. "Federal Land Bank" means a federal land bank within the Farm Credit System pursuant to the provisions of the Farm Credit Act of 1971, P.L. 92-181, as amended;
3. "Federal Land Bank Association" means a federal land bank association which is within the Farm Credit System pursuant to the provisions of the Farm Credit Act of 1971, P.L. 92-181, as amended; and
4. "Capital Corporation" means the Federal Credit System Capital Corporation as defined in the Farm Credit Amendments Act of 1985, P.L. 99-205.

Added by Laws 1986, c. 188, § 1, emerg. eff. May 21, 1986.

§62-493. One year deferment on certain foreclosure actions.

There is hereby declared a period of deferment of not longer than one (1) year from the date of the enactment of this act, during which time the Federal Land Bank of Wichita and any Federal Land Bank Association are prohibited from initiating a foreclosure action in the courts of this state. However, nothing in this act shall prohibit the Capital Corporation from initiating a foreclosure action from and after this date so long as the Capital Corporation has determined that the loan or loans held by the borrower or borrowers are ineligible for restructuring assistance.

Added by Laws 1986, c. 188, § 2, emerg. eff. May 21, 1986.

§62-495. Legislative intent as to bonds issued to develop industry.

The Legislature expressly states that its intention when submitting to a popular vote the proposed amendment to Article 10, Section 35, Oklahoma Constitution, in Senate Joint Resolution No. 12 of the Twenty-eighth Legislature, and its interpretation thereof as to making a tax levy not to exceed five (5) mills on the dollar on the bonds issued thereunder to secure and develop industry in the event the net taxable valuation of the counties or municipalities declines subsequent to the issuance of such bonds. This interpretation will assure the investing public that principal and interest of such bonds will be paid as they come due, and will aid the marketability of such bonds.

Added by Laws 1967, c. 64, § 1, emerg. eff. April 17, 1967.

§62-496. Special tax for payment of interest and principal.

Counties, cities and towns which shall or have issued bonds under authority of Article 10, Section 35 of the Constitution shall levy a

special tax payable annually in a total amount not to exceed five (5) mills on the dollar in addition to the legal rate permitted on the real and personal taxable property therein to provide for the payment of the principal and interest as they mature of all bonds heretofore or hereafter issued under authority of Section 35, Article 10 of the Constitution; provided, however, the county or municipality may, initially and from time to time thereafter, suspend the collection of such annual levy when not required for the payment of the principal of and interest on its bonds; and provided further that in event total net taxable valuation of the issuing county or municipality has declined from that in existence at time bonds were issued, and if necessary to assure payment of principal and interest on the bonds, a special tax up to five (5) mills shall be levied on the real and personal taxable property therein based on the issuer's total net taxable valuation in existence at time bonds were issued.
Added by Laws 1967, c. 64, § 2, emerg. eff. April 17, 1967.

§62-498.1. Maximum interest rate on bonds or other obligations issued by counties, municipalities, school districts, etc.

Bonds or other obligations of any type or character authorized and issued by counties, municipalities, and school districts, including, but not limited to, bonds or obligations issued pursuant to Section 15-101 of Title 70 and Section 738 of Title 19, public housing authorities created pursuant to the Oklahoma Housing Authorities Act, Sections 1051 et seq. of Title 63, or port authorities created pursuant to Section 1102 of Title 82, may bear interest at a rate not to exceed ten percent (10%) per annum, payable not more often than semiannually, without regard to the limitations in any other law, general or special, except the Constitution of Oklahoma, except that said interest rate limitations shall not apply to any bonds or other obligations purchased by the federal government or any agency thereof.

Laws 1970, c. 236, § 1, emerg. eff. April 22, 1970; Laws 1978, c. 205, § 1, emerg. eff. April 14, 1978; Laws 1980, c. 126, § 6, emerg. eff. April 10, 1980.

§62-498.2. Applicability to bonds having higher or no interest rate limitation.

Nothing contained herein shall affect or apply to any bond or other obligation having a higher interest rate limitation than that provided in Section 498.1 of Title 62 or no interest rate limitation.
Laws 1970, c. 236, § 2, emerg. eff. April 22, 1970; Laws 1980, c. 126, § 7, emerg. eff. April 10, 1980.

§62-504. Claims of officers against counties - Penalty for violation.

Any county officer of any county of this state who files any claim against any contingent or special fund, of the county, must file a complete statement, setting out specifically each item covered by such claim, and if for money expended, receipts for money so expended must be filed with the claim, and any officer filing a claim against any special or contingent fund, and any board of county commissioners allowing claims on any contingent or special funds of the county, that does not comply with all the provisions as set forth in this act, shall be liable on their official bond to the county in double the amount of said claim or claims, so allowed, and it shall be the duty of the district attorneys within their respective counties to enter suit in the name of the county against the official bonds of said officer, or commissioners, to recover said amount so illegally allowed and the penalty as provided in this act.
Laws 1913, c. 119, p. 222, § 4.

§62-505. Statements - Other municipal funds.

Any officer of any city, town, township, school district, board of education, or other municipality, in any county in this state, who shall file a statement against any contingent or special fund of said city, town, township, school district, board of education or municipality, must file a complete statement setting out specifically each item covered by said claim, and if for money expended by him, receipt for the money so expended must be filed with said claim, and any of the officers enumerated herein, who files, or allows any claim against a contingent fund, unless same complies with the provisions of this act, shall be liable on his official bond in double the amount of said claim or claims so filed, or allowed, and it shall be the duty of the district attorneys within their respective counties to enter suit in the name of the county against the official bonds of such officer or commissioner to recover said amounts so illegally allowed and the penalty as provided in this act.
Laws 1913, c. 119, p. 222, § 5.

§62-511. Security for insured deposits not required.

Any custodian of public funds of any kind or character, required by law to secure proper collateral before depositing public funds in a bank or trust company, shall hereafter, in depositing public funds in a bank or trust company whose deposits are insured by the Federal Deposit Insurance Corporation, be required to secure proper collateral only for sums deposited in excess of the amount of deposit insured by such Federal Deposit Insurance Corporation.
Added by Laws 1935, p. 107, § 1.

§62-513. Deposits with federal instrumentalities.

The State Treasurer, and the treasurers of counties, school districts, cities, towns, municipalities and any other political

subdivision of the state, and any other officer, board, department or commission having custody, control and management of any public or trust fund or funds charged with the safekeeping and deposit of said funds or funds are hereby specifically authorized to deposit said fund or funds in any federally-insured building and loan association wherever located, whether federally or state chartered, in an amount and to the extent that such deposit is fully insured by the Federal Savings and Loan Insurance Corporation or any other instrumentality of the United States Government. When any such insured deposit is made it shall not be necessary for such treasurer, officer, board, department or commission to require any security, and such insurance shall be accepted in lieu of any security, restriction or other limitation now required or imposed by law upon the deposit of public funds.

Laws 1947, p. 395, § 1.

§62-516.1. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.2. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.3. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.4. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.5. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.6. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.7. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.8. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.9. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-516.10. Repealed by Laws 2000, c. 136, § 17, eff. July 1, 2000.

§62-517.1. Short title.

Sections 8 through 14 of this act shall be known and may be cited as the "Security for Local Public Deposits Act".

Added by Laws 2000, c. 136, § 8, eff. July 1, 2000.

§62-517.2. Definitions.

As used in the Security for Local Public Deposits Act:

1. "Financial institution" means any bank, savings bank, savings and loan association or credit union; and

2. "Public entity" means any county, city, town or board of education of a public school district or vocational-technical school

district or other governmental or public entity of a local nature which is required or permitted by law to collateralize its deposits. Added by Laws 2000, c. 136, § 9, eff. July 1, 2000.

§62-517.3. Public deposits defined - Official depositories.

A. All public deposits made by a treasurer of a public entity in financial institutions shall be secured as provided for in the Security for Local Public Deposits Act. As used in this section, "public deposits" means all forms of demand deposits or time deposits, but shall not include other investments authorized by statute which are made by a treasurer of a public entity.

B. The treasurer of every public entity shall deposit daily, not later than the immediately next banking day, all funds and monies of whatsoever kind that shall come into the possession of the treasurer by virtue of the office, in one or more financial institutions that have been designated as either state or county depositories, or both, and the acceptance of any such deposit from any such treasurer shall be tantamount to adoption, in relation thereto, of the same privileges and conditions, other than collateral security, as are now provided by law in acceptance of designation as state or county depositories. The treasurer may establish a depository or depositories for demand accounts in financial institutions outside of the governmental or municipal area of the treasurer but within this state; provided, that the treasurer of a public entity may authorize any designated depository within this state to redeposit funds of the public entity into interest-bearing demand-deposit accounts in one or more federally insured financial institutions; and provided further, that the full amount of principal and any accrued interest of each such demand-deposit account shall be insured by the Federal Deposit Insurance Corporation. The State Treasurer is hereby authorized to be the official depository for the treasurer of any county, and for the treasurer of any city or board of education where such city or school district has a population of five thousand (5,000) or more inhabitants but only for deposit of remaining fund balances in inactive funds and not for checking purposes. The county treasurer is hereby authorized to be official depository for the treasurer of any city, town, or board of education.

Added by Laws 2000, c. 136, § 10, eff. July 1, 2000. Amended by Laws 2014, c. 207, § 1, eff. Nov. 1, 2014.

§62-517.4. Deposit of collateral securities or instruments to secure public deposits - Determination of market value.

A. A treasurer of a public entity shall require that financial institutions deposit collateral securities or instruments to secure the deposits of the public entity in each such institution. The amount of collateral securities or instruments to be pledged for the security of public deposits shall be established by the treasurer of

the public entity consistent with the provisions of the Security for Local Public Deposits Act; provided, such amount shall not be less than the amount of the deposit to be secured, less the amount insured.

B. Upon authorization by the treasurer of a public entity, a financial institution shall place required collateral securities in a restricted account at a Federal Reserve Bank which serves Oklahoma, a Federal Home Loan Bank which serves Oklahoma or with another financial institution located in this state that is not owned or controlled by the same institution or holding company. The State Treasurer shall designate a number of such financial institutions authorized to serve as safekeeping or custodial institutions. The financial institution depositing collateral securities shall deliver to the treasurer of the public entity a power of attorney authorizing the treasurer to transfer or liquidate the securities in the event of a default, financial failure or insolvency of a public depository. The State Treasurer must approve any forms or pledge agreements used by public entities and financial institutions in securing public deposits of public entities.

C. Securities eligible for collateral shall be valued at market value. The treasurer shall review and determine the market value of collateral pledged for security not less than quarterly. The market value of pledged securities shall be provided to the treasurer by either the financial institution holding the deposit or the financial institution holding the collateral securities, which market value must have been obtained from an independent, recognized and documented source. The State Treasurer shall promulgate rules to provide for the valuation of collateral if the market value is not readily determinable. The State Treasurer shall prescribe reporting requirements and forms for financial institutions to list collateral securities pursuant to this section.

D. The State Treasurer shall promulgate rules for the acceptance of collateral instruments described in Section 12 of this act, to secure deposits of the public entity. Such rules shall require that sufficient documentation exists to establish that the provider of the collateral instrument will protect the public entity in the event of a default, financial failure or insolvency of a public depository.

E. All securities purchased by a treasurer of a public entity or held in custody for other departments of the public entity by the treasurer shall be held in financial institutions not involved in such transactions and shall not be held by the treasurer or a broker. Added by Laws 2000, c. 136, § 11, eff. July 1, 2000.

§62-517.5. Securities and other instruments that may be accepted as collateral.

A. For purposes of securing public deposits, the treasurer of a public entity may accept as collateral only those securities and

other instruments listed below. To insure the safety of public funds, the treasurer may establish standards which restrict, or limit further, any of the types or classes of securities or instruments listed below which may be accepted. Any treasurer of a public entity may request the State Treasurer to determine the eligibility of an individual security for pledging under this section. The treasurer may select the following securities and instruments for the purpose of securing public deposits:

1. Obligations, including letters of credit of the United States Government, its agencies and instrumentalities;

2. Obligations of this state or of a county, municipality, or school district of this state or of an instrumentality of this state or a county, municipality or school district of this state;

3. General obligation bonds of any other state of the United States; and

4. A surety bond if:

- a. subject to the terms and conditions of the bond, it is irrevocable and absolute,
- b. the surety bond is issued by an insurance company authorized to do business in Oklahoma, and which has been approved by the State Treasurer,
- c. the issuer of the surety bond does not provide surety bonds for any one financial institution in an amount that exceeds ten percent (10%) of the surety bond insurer's policyholders' surplus and contingency reserve, net of reinsurance, and
- d. the claims-paying ability of the authorized insurance company is rated, at all relevant times, in the highest category by at least two nationally recognized rating agencies acceptable to the State Treasurer.

B. A financial institution may substitute different forms of collateral from time to time, provided that the collateral is acceptable to the treasurer, and meets the requirements of this section and the rules of the State Treasurer.

Added by Laws 2000, c. 136, § 12, eff. July 1, 2000.

§62-517.6. Default or insolvency of public depository - Procedures to be implemented - Sale and forfeiture - Attorney fees.

In the event of a default or insolvency of a public depository, the treasurer of a public entity shall implement the following procedures:

1. In cooperation with the State Department of Banking and other regulatory officials, the treasurer shall ascertain the amount of public funds on deposit at the defaulting institution and the amount of deposit insurance applicable to such deposit;

2. The potential loss to the public entity shall be calculated by the treasurer. The loss to the public entity shall be satisfied,

insofar as possible, first through any applicable deposit insurance and then through the sale of securities pledged, or through the proceeds of collateral instruments pledged, by the defaulting depository institution. Such sales shall be conducted by the treasurer;

3. The securities, bonds or other forms of collateral shall become forfeited to and become the property of the public entity. If the securities, bonds or other forms of collateral are valued at less than the amount of principal and interest due to the public entity plus the cost of the ensuing sale, the securities, bonds and other forms of collateral shall be sold by the treasurer, and the treasurer shall be entitled to recover from the financial institution such balances with costs and attorney's fees. If the market value of the securities, bonds or other forms of collateral exceeds the principal and interest due to the public entity plus the cost of the ensuing sale, the securities, bonds and other forms of collateral may be sold by the treasurer and the excess of the proceeds shall be returned to the pledging financial institution or its receiver, without further process of law.

Added by Laws 2000, c. 136, § 13, eff. July 1, 2000.

§62-517.7. Liability of treasurer of public entity.

When public deposits are made in accordance with the Security for Local Public Deposits Act, the treasurer of a public entity shall not be liable for any loss resulting from the default or insolvency of a public depository in the absence of negligence, malfeasance, misfeasance or nonfeasance on the part of the treasurer.

Added by Laws 2000, c. 136, § 14, eff. July 1, 2000.

§62-521. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-522. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-523. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-524. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-525. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-526. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-527. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-528. Repealed by Laws 1999, c. 292, § 7, eff. July 1, 1999.

§62-541. Investment in public bonds, warrants and securities - Court proceedings to procure authority for investment in bonds of other municipal subdivisions or for more than par and accrued interest.

The Treasurer of the State of Oklahoma, the county treasurer in any county when authorized by the board of county commissioners, and the lawful treasurer of any city, town or board of education, when authorized so to do by the lawfully constituted governing body of such city, town, or board of education may invest the sinking funds in his custody in United States bonds, United States Treasury notes, United States Treasury certificates or Postal Savings certificates, to the payment of which the faith and credit of the United States is pledged by the terms of such bonds, notes or certificates, or in State bonds, Public Building Bonds, State Warrants or State Treasury notes of the State of Oklahoma issued under authority of legislative enactment, or in the bonds or judgments of courts of record of the particular and specific municipality whose sinking funds are to be invested, or in current warrants of his own registration, provided the securities so purchased mature prior to the time the money so invested is required by law to be on hand in cash for the purpose of meeting the bonded indebtedness of the state or the municipal subdivision thereof whose sinking funds are so invested, and further, provided the bonds of the particular municipality whose sinking funds are to be so invested or the current warrants of such treasurer's own registration, can be purchased at not to exceed par and accrued interest. If deemed advisable to invest the sinking funds in the custody of the county treasurer, or in the custody of the lawful treasurer of any city, town or board of education, in lawfully issued county, city, town, township, board of education, or dependent school district bonds issued by a municipal subdivision of the State of Oklahoma, other than the one whose sinking fund is proposed to be invested, or if deemed advisable to invest the sinking fund of such municipal subdivision in its own bonds at the market for more than par and accrued interest, then the county treasurer or the lawful treasurer of such city, town, or board of education, if authorized by the duly constituted governing board to whom he is by law required to render account, either at his own instigation or by the lawfully constituted attorney of such county, city, town or board of education, may file a duplicate application in writing in the district court, in which application he shall set forth the full nature and description of the securities which he proposed to purchase, together with the estimated value thereof, the aggregate amount thereof and the proposed price of purchase; and he shall further disclose in said application, the condition of the sinking fund account so proposed to be invested, and the bond, coupon and judgment indebtedness payable therefrom with maturities and accruals scheduled in detail. Thereupon it shall be the duty of the court clerk of such county to docket such application, without cost, upon

the appearance docket of such district court as other civil actions; and it shall be the immediate duty of such court clerk to transmit the duplicate application, schedules, and exhibits to the district attorney who shall enter his appearance in such instance on behalf of the public and who may, at the discretion of the court, require such further information by detailed exhibits, schedules or statistics as may seem advisable. Within three (3) days after the filing of such application, the judge of such district court shall enter an order setting such application for hearing, and directing the court clerk to give such notice to the public of such application and the date of hearing thereof as said district judge may deem proper for the protection of the public and the taxpayers of such county and/or the municipal subdivisions thereof, and, if such notice be directed to be had by publication in some newspaper named by the court, the expense thereof shall be borne out of any appropriation for legal expense of such county, city, town or board of education. It shall be the duty of the district attorney to file in said proceedings, in writing, at the date appointed for such hearing, a correct report setting forth the opinion of such district attorney as to the soundness of such investments and advisability thereof, the validity of such securities, and particularly whether or not the municipality issuing the same has a net bonded indebtedness in excess of five percent (5%) of the net assessed valuation thereof as last certified by the county assessor to its county excise board. Upon the date set for such hearing, any taxpayer shall have the right to appear in person, either with or without the aid of counsel, and make such protest or objection to such investment as he may deem proper for the protection of himself or the taxpayers of such county. Thereupon it shall be the duty of the district judge, informally and in open court to hear any and all evidence and protests, either in support of or opposition to said proposed investment, and at the close of such hearing, to enter an order with reference to such application for investment as may be found and determined by the court for the protection and best interest of the county or municipal subdivision thereof whose sinking funds are proposed to be invested, and to the best interest of the public and taxpayers thereof; and thereupon, such district court may, by journal entry of judgment entered and recorded in such proceedings, either authorize in whole or in part that such investment be made, or deny such application.

Laws 1919, c. 207, p. 294, § 1; Laws 1923, c. 176, p. 299, § 1; Laws 1935, p. 122, § 1; Laws 1941, p. 287, § 1.

§62-542. Sale of securities - Notice.

None of the invested securities authorized to be purchased according to the foregoing section of this act shall be sold except it be clearly for the best interest of a municipality whose sinking funds are so invested or upon the event of an emergency not

contemplated by the statute authorizing such investment, it being the intention of the legislature to authorize investment of sinking fund monies only in securities that, in legal contemplation, will mature and be paid prior to the time when the money so invested is required by the constitution to be on hand in cash when the obligations payable from such sinking fund shall mature. Therefore, under no circumstances shall the treasurer of any county, city, town or board of education be authorized to sell securities represented by negotiable coupon bonds that have been invested in the sinking fund of the same municipality that issued them and from which sinking fund such bonds are payable when due; nor shall the treasurer of any county, city, town or board of education be authorized to sell any other bonds or securities in his custody which have been purchased from sinking funds as described and set forth in the first and foregoing section of this act, without following the procedure hereinabove set forth for the investment of such sinking funds in securities of municipalities other than those issuing the same and it is hereby made the duty of such treasurer when proposing to sell any such bonds or other securities, to file a duplicate application as provided in the foregoing section for the making of such investments and to attach or cause to be attached to such application a certified copy of a resolution by his lawfully constituted governing board setting forth specifically the reason for such proposed sale being for the best interest of the municipality or setting forth in detail the contingency creating an emergency requiring the sale of such securities. Thereafter the procedures and duties devolving upon the court clerk, district attorney and district judge necessary to carry out such proceedings with reference to the sale of such securities, shall be in all respects the same as the proceedings before the district court as set forth and provided by the first and foregoing section of this act, with reference to the judicial authorization of the investment of any sinking funds, before such treasurer is authorized to make such sale of such securities.

Laws 1919, c. 207, p. 294, § 2; Laws 1939, p. 147, § 1; Laws 1941, p. 288, § 2.

§62-543. Marking and record of securities purchased - Account of treasurer.

Each and every item of securities purchased as an investment under the first and foregoing section hereof shall be marked or stamped with a number, and so recorded as in form prescribed, which record shall not fail to disclose unmatured coupons attached to any negotiable coupon bond purchased; and the account of such treasurer with each such sinking fund shall distinguish between the cash and investments belonging thereto. Such record shall, as to any sale, make reference to the district court case authorizing the same and the effect of such order. Moreover, at the time investment is made,

each and every item of such securities payable to bearer shall be marked or stamped: "This (item) is the property of the Sinking Fund of (naming the municipality) as an investment therein, and no assignment therein, and no assignment thereof shall have any force and effect unless it makes reference to the order of the district court authorizing the same.

Added by Laws 1941, p. 289, § 3, eff. April 21, 1941.

§62-544. Apportionment of interest.

On or before the last day of each month the State Treasurer and the treasurer of each county, city, town and board of education shall apportion and place to the credit of the sinking fund or sinking funds in his custody all interest earned and collected from the investment of such sinking funds, as provided in the first and foregoing section of this act; provided, that in counties, where invested securities have heretofore been purchased for the joint use and benefit of the several school districts and/or townships thereof, the amount so credited to each such sinking fund account shall bear the same ratio to the whole amount of interest so collected, as the amount of such investment credited to the sinking fund account of each such school district and/or township bears to the total amount so invested, in which last event the apportionment of such interest earnings shall be made immediately prior to the 30th day of June of each year.

Added by Laws 1941, p. 289, § 4, eff. April 21, 1941.

§62-545. Application of statute - Intention of Legislature.

It is hereby declared to be the intent of the Legislature that this act shall apply to any and all investments that may be made from and after the effective date of this act out of the sinking funds of the state or any of its municipal subdivision, and likewise to the sale of all bonds and securities now owned or held or that may hereafter be owned or held as investments for any of the sinking funds in the custody of the Treasurer of the State, or any county, city, town or board of education thereof. It is further declared to be the intent of the Legislature that all reference in this act to sinking funds in the custody of the county treasurer shall be deemed to include the sinking funds of such county, of the several townships, and of the several dependent school districts thereof; and with reference to such county treasurer, the board of county commissioners of such county shall be deemed his governing board, being the board to whom he is, by law, required to account, wherever the concurrence or authority of such governing board is required with reference to the making of investment in sinking fund monies or the sale of the securities so purchased.

Laws 1941, p. 289, § 5.

§62-551. Checks or warrants to be paid upon presentation - Maintenance of evidence of payment.

It shall be the duty of the State Treasurer and each county, city, or town treasurer to pay on presentation any check, warrant or order properly drawn on any funds in his custody by virtue of his office, when there is cash sufficient in such fund to do so and when any check, warrant or order is paid, such treasurer shall maintain evidence such check or warrant has been processed and paid. R.L.1910, § 6782. Amended by Laws 1991, c. 124, § 28, eff. July 1, 1991; Laws 2004, c. 361, § 13, eff. July 1, 2004.

§62-552. When no funds - Payment thereafter in order of presentation - Penalty for violation.

Whenever a warrant or order shall be presented to any treasurer named in the preceding section, and the same is not paid for the reason that there is not money sufficient in the fund on which same is drawn, the treasurer shall endorse on the back of such warrant or order, "Not paid for want of funds," number, date and sign the same; and he shall set down in a book to be kept for that purpose, the number, amount, the date and upon what fund drawn, to whom payable, and the date when presented for payment, and such warrants or orders shall be paid in the order of their presentation and registration as shown by such book, and such book shall be known in each such office as the "Warrant Register"; and any such treasurer who shall fail, neglect or refuse to pay any warrant or order drawn on the treasurer in the order of registration as shown by the warrant register, or shall pay any warrant or order so drawn out of its regular order, and give preference to the same over other warrants or orders, shall be deemed guilty of a misdemeanor, and upon conviction shall be subject to a fine of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00). R.L.1910, § 6783.

§62-553. Notice of ability to pay registered warrants - Publication.

It shall be the duty of all such treasurers, whenever any money comes into their hands by virtue of their respective office, to set apart a sufficient fund to pay any or all warrants or orders they may have registered in compliance with the provisions of Section 551 et seq. of this title, and to keep the same until called for; and the State Treasurer shall make regular calls, at least every sixty (60) days, by publishing notice in some newspaper of general circulation published at the state capital, giving notice that he has money in his hands with which to pay warrants, and give the numbers and the several funds, and requesting that the same be presented at the Treasury for payment and cancellation, and every county treasurer, city or town treasurer and the treasurer of every board of education, shall make calls for warrants or orders by posting notices in the

manner as provided by Section 475 of this title or by publication of a like notice as that required of the State Treasurer, in some paper of general circulation published in the county, and the interest on any and all warrants or orders called as above specified, shall cease on and after thirty (30) days from the date of the publication of such notice: Provided, that each county treasurer shall transmit to the State Treasurer all state funds or warrants in his hands on the first day of each month: Provided, further, that any treasurer who violates any of the provisions of this article, shall be guilty of a misdemeanor, and punished as provided in Section 552 of this title: And provided, further, that each school district treasurer shall publish such notice by posting printed or written notices of the same in two or more public places in his district.

R.L. 1910, § 6784; Laws 1993, c. 318, § 6, emerg. eff. June 7, 1993.

§62-554. Treasurer shall deliver warrant register to successor.

Every treasurer shall, upon the expiration of his term of office, deliver to his successor in office such warrant register, and each successor in office shall in all things act as though the entries of such warrants or orders were made and registered by himself and the registration of all warrants in such book of warrant registration shall be by each succeeding treasurer continued and no warrant shall draw interest until registered as herein provided for, and not paid for want of sufficient funds; and all warrants registered, as provided by this article, and not paid for want of sufficient funds, shall draw an annual rate of interest to be fixed by the governing board not to exceed five percent (5%) per annum, except state warrants which shall draw interest at a rate to be fixed by the State Board of Equalization not to exceed four percent (4%) per annum.

R.L.1910, § 6785; Laws 1937, p. 31, § 2; Laws 1941, p. 286, § 1.

§62-555. Lost or destroyed checks, warrants or vouchers - Second or duplicate - Affidavit - Bond - Records.

The clerk of any county, city or town, is hereby authorized and empowered to issue a second or duplicate check, warrant or voucher in lieu of any check, warrant or voucher that has been issued and subsequently lost or destroyed. Unless the treasurer of any county, city or town has evidence that a stop-payment order has been issued, no second or duplicate check, warrant or voucher shall be issued until an affidavit setting forth the facts as to the loss or destruction of the original check, warrant or voucher has been filed with the clerk, together with an indemnifying bond running to the treasurer of the county, city or town, or to the Treasurer of the State of Oklahoma, in double the amount of such lost or destroyed check, warrant or voucher. The conditions of such bond shall be to indemnify and protect the county, city or town, or to the Treasurer of the State of Oklahoma, from any loss or harm occasioned or

sustained on account of the issue of such second or duplicate check, warrant or voucher. The bond shall be satisfactory to the treasurer of such county, city or town, or to the Treasurer of the State of Oklahoma, who shall, upon being satisfied as to the sufficiency of the bond, endorse approval thereon. The clerk and treasurer shall make such records in their respective offices as will, as nearly as possible, preclude any loss being sustained by the county, city or town, or to the Treasurer of the State of Oklahoma, on account of the issue of any second or duplicate check, warrant or voucher. Warrants issued by the State Treasurer against claims submitted through the Director of the Office of Management and Enterprise Services in payment of obligations of the state which may subsequently be lost or destroyed will be governed by the provisions of Section 34.81 of this title.

Added by Laws 1953, p. 287, § 1, emerg. eff. June 1, 1953. Amended by Laws 1982, c. 39, § 2, emerg. eff. March 26, 1982; Laws 1985, c. 348, § 7, emerg. eff. July 30, 1985; Laws 1990, c. 221, § 4, operative July 1, 1990; Laws 1991, c. 124, § 29, eff. July 1, 1991; Laws 1997, c. 144, § 2, eff. July 1, 1997; Laws 2004, c. 361, § 14, eff. July 1, 2004; Laws 2012, c. 304, § 465.

§62-561. Advances made by United States for planning public works as not creating present indebtedness within meaning of Constitution.

It is the sense of the Legislature that the State of Oklahoma, its agencies and subdivisions, counties, cities, towns, and school districts should participate in the Program of Advances for Public Works Planning under Public Law No. 560, 83d Congress, as amended, and it is the further sense of the Legislature that any advances of funds made by the United States to the same under such program for the purpose of planning public works in the State of Oklahoma are repayable only when and if the public works so planned is undertaken and does not create any present indebtedness within the meaning of Article X, Section 26, of the Constitution of the State of Oklahoma. Laws 1961, p. 732, § 1.

§62-562. Municipalities - Investment of sinking funds - Disposition of interest or dividends.

Notwithstanding the provisions of Section 399, Section 541 and Section 544 of this Title 62, incorporated cities, towns or municipalities possessing sinking funds may, when authorized so to do by the lawfully constituted governing body of such city, town or municipality, invest such sinking funds, when such funds are not required for the payment or purchase of bonds, in bonds of the United States, bonds of the State of Oklahoma or in any type of interest or dividend-bearing account in a sum covered by the terms of the Federal Deposit Insurance Corporation, or The Federal Savings and Loan Insurance Corporation. Providing further, that any interest or

dividends accruing to the benefit of an incorporated city, town or municipality from the investment of such sinking funds may be credited to the general fund of such city, town or municipality. Laws 1963, c. 223, § 1, emerg. eff. June 11, 1963.

§62-571. Short title.

This act shall be known and may be cited as the "Bond Issue Proceeds Act".

Added by Laws 1976, c. 11, § 1, eff. Jan. 1, 1977.

§62-572. Purpose.

The purpose of this act is to guarantee to the citizens of the State of Oklahoma that the proceeds of bond issues approved by them will be expended only for the purposes or projects for which any such bond issue was approved.

Added by Laws 1976, c. 11, § 2, eff. Jan. 1, 1977.

§62-573. Definition.

As used in this act, unless the context requires otherwise, the term "government entity" means and includes any city, town, county, school district, other district of whatsoever nature or any other political subdivision.

Laws 1976, c. 11, § 3, eff. Jan. 1, 1977; Laws 1992, c. 350, § 21, emerg. eff. June 4, 1992.

§62-574. Publication of projects.

A. At any election upon the question of issuing bonds, which if approved would require an ad valorem tax levy or pledging the full faith and credit of the State of Oklahoma, the governmental entity calling such election shall set forth in each proposition to be voted upon the general purpose for which the bond proceeds will be expended. This shall not require the proposition or the bond to recite specific projects and dollar amounts.

B. At any election upon the question of issuing bonds, which if approved would require an ad valorem tax levy or pledging the full faith and credit of the State of Oklahoma, the governmental entity calling such election shall set forth in the call of election, in a legally qualified newspaper of general circulation in the area wherein said bond issue proceeds are to be expended, a general statement of all purposes and specific projects for which seventy percent (70%) of the proceeds shall be expended, with a further listing of the dollar amounts to be expended on each specific project. The dollar figure left unlisted as to specific projects shall not exceed thirty percent (30%) of the total amount of the bond issue.

C. If any such bond issue is approved at an election, the particular governmental entity shall expend all of the proceeds of

such bond issue for the purposes set out in the proposition voted upon and shall expend not less than eighty-five percent (85%) of the monies allocated to each specific project, unless such project can be completed for a smaller amount of money, on that project as published according to Section 4(B) of this act and for which the bond issue was approved. Provided, however, that if any money becomes available from any source outside the bond proceeds for any specific project, the outside funds would be used to reduce the amount of bond funds to be expended on that specific project. In such event, the governmental entity may expend that amount less than the specified eighty-five percent (85%) and may use the surplus funds on other projects within the same general purpose or to reduce the sinking fund. This section shall not apply in the event a final judicial determination or federal or state laws, regulations or rules preclude the undertaking or completion of a specific project.
Laws 1976, c. 11, § 4, eff. Jan. 1, 1977.

§62-575. Violations.

Any member of the governing body of a governmental entity or other elected or appointed official charged with the duty of expending the proceeds of any bond issue, who knowingly and willfully violates any provision of this act, shall forfeit his office.
Added by Laws 1976, c. 11, § 5, eff. Jan. 1, 1977.

§62-576. Exceptions.

The provisions of this act shall not apply to any bond issue approved by the qualified electors of any governmental entity prior to the effective date of this act nor to any bond or bonds issued pursuant to Article 10, Section 35 of the Oklahoma Constitution.
Added by Laws 1976, c. 11, § 6, eff. Jan. 1, 1977.

§62-577. Validity of bonds.

Nothing contained herein shall affect the validity or enforceability of such bonds, once sold pursuant to law, regardless of actions by the governmental entity subsequent to sale.
Added by Laws 1976, c. 11, § 7, eff. Jan. 1, 1977.

§62-581. Short title.

This act may be cited as the "Registered Public Obligations Act of Oklahoma".
Added by Laws 1983, c. 170, § 1, eff. July 1, 1983.

§62-582. Definitions.

As used in this act, the following terms have the following meanings, unless the context otherwise requires:

1. "Authorized officer" means any individual required or permitted, alone or with others, by any provision of law or by the

issuing public entity, to execute on behalf of the public entity a certificated registered public obligation or a writing relating to an uncertificated registered public obligation;

2. "Certificated registered public obligation" means a registered public obligation which is represented by an instrument;

3. "Code" means the Internal Revenue Code of 1954, as amended;

4. "Facsimile seal" means the reproduction by engraving, imprinting, stamping or other means of the seal of the issuer, official or official body;

5. "Facsimile signature" means the reproduction by engraving, imprinting, stamping or other means of a manual signature;

6. "Financial intermediary" means a bank, broker, clearing corporation or other person or the nominee of any of them, which in the ordinary course of its business maintains registered public obligation accounts for its customers, when so acting;

7. "Issuer" means a public entity which issues an obligation;

8. "Obligation" means an agreement of a public entity to pay principal and any interest thereon, whether in the form of a contract to repay borrowed money, a lease, an installment purchase agreement, or otherwise, and includes a share, participation or other interest in any such agreement;

9. "Official actions" means the actions by statute, order, ordinance, resolution, contract or other authorized means by which the issuer provides for issuance of a registered public obligation;

10. "Official or official body" means the officer or board that is empowered under the laws of one or more states including this state to provide for original issuance of an obligation of the issuer, by defining the obligation and its terms, conditions and other incidents, the successor or successors of any such official or official body, and such other person or group of persons as shall be assigned duties of such official or official body with respect to a registered public obligation under applicable law from time to time;

11. "Public entity" means an entity, department or agency which is empowered under the laws of one or more states, territories, possessions of the United States, or the District of Columbia, including this state, to issue obligations any interest with respect to which may, under any provision of law, be provided an exemption from the income tax referred to in the Code. The term "public entity" may thus include, without limitation, this state, an entity deriving powers from and acting pursuant to the State Constitution or a special legislative act, a political subdivision, a municipal corporation, a state university or college, a school or other special district, a joint agreement entity, a public authority, a public trust, a nonprofit corporation and other organizations;

12. "Registered public obligation" means an obligation issued by a public entity pursuant to a system of registration;

13. "System of registration" and its variants means a plan that provides:
- a. with respect to a certificated registered public obligation that:
 - (1) the certificated registered public obligation specify a person entitled to the registered public obligation and the rights it represents, and
 - (2) transfer of the certificated registered public obligation and the rights it represents may be registered upon books maintained for that purpose by or on behalf of the issuer, and
 - b. with respect to an uncertificated registered public obligation that:
 - (1) books maintained by or on behalf of the issuer for the purpose of registration of the transfer of a registered public obligation specify a person entitled to the registered public obligation and the rights evidenced thereby, and
 - (2) transfer of the uncertificated registered public obligation and the rights evidenced thereby be registered upon such books; and

14. "Uncertificated registered public obligation" means a registered public obligation which is not represented by an instrument.

Added by Laws 1983, c. 170, § 2, eff. July 1, 1983.

§62-583. Purpose.

A. The Code provides that interest with respect to certain obligations may not be exempt from federal income taxation unless they are in registered form. It is therefore a matter of state concern that public entities be authorized to provide for the issuance of obligations in such form. It is a purpose of this act to empower all public entities to establish and maintain a system pursuant to which obligations may be issued in registered form within the meaning of the applicable provisions of the Code.

B. Obligations have traditionally been issued in bearer rather than in registered form, and a change from bearer to registered form may affect the relationships, rights and duties of issuers of and the persons that deal with obligations, and by such effect, the costs. Such effects will impact the various issuers and varieties of obligations differently depending on their legal and financial characteristics, their markets and their adaptability to recent and prospective technological and organizational developments. It is therefore a matter of state concern that public entities be provided flexibility in the development of such systems and control over system incidents, so as to accommodate such differing impacts. It is a purpose of this act to empower the establishment and maintenance,

and amendment from time to time, of differing systems of registration of obligations, including system incidents, so as to accommodate the differing impacts upon issuers and varieties of obligations. It is further a purpose of this act to authorize systems that will facilitate the prompt and accurate transfer of registered public obligations and developing practices with regard to the registration and transfer of registered public obligations.

C. In order that all state and local obligations issued after July 1, 1983, retain their tax exempt status and avoid other penalties, the Legislature of the State of Oklahoma hereby urges and encourages all state and local obligations be in registered form unless:

1. The obligation is not of a type offered to the public;
2. The obligation has a maturity at issue of one (1) year or less; or
3. The obligation is sold only to foreign persons and interest on such obligation is payable only outside the United States and its possessions.

These exemptions from registration shall be construed in light of Internal Revenue Code Regulations interpreting 16 U.S.C.A. Section 310(b).

Added by Laws 1983, c. 170, § 3, eff. July 1, 1983.

§62-584. System of registration.

A. Each issuer is authorized to establish and maintain a system of registration with respect to each obligation which it issues. The system may either be:

1. A system pursuant to which only certificated registered public obligations are issued; or
2. A system pursuant to which only uncertificated registered public obligations are issued; or
3. A system pursuant to which both certificated and uncertificated registered public obligations are issued.

The issuer may amend, discontinue and reinstitute any system, from time to time, subject to covenants.

B. The system shall be established, amended, discontinued or reinstated for the issuer by, and shall be maintained for the issuer as provided by, the official or official body.

C. The system shall be described in the registered public obligation or in the official actions which provide for original issuance of the registered public obligation, and in subsequent official actions providing for amendments and other matters from time to time. Such description may be by reference to a program of the issuer which is established by the official or official body.

D. The system shall define the method or methods by which transfer of the registered public obligation shall be effective with respect to the issuer, and by which payment of principal and any

interest shall be made. The system may permit the issuance of registered public obligations in any denomination to represent several registered public obligations of smaller denominations. The system may also provide for the form of any certificated registered public obligation or of any writing relating to an uncertificated registered public obligation, for identifying numbers or other designations, for a sufficient supply of certificates for subsequent transfers, for record and payment dates, for varying denominations, for communications to holders or owners of obligations, and for accounting, canceled certificate instruction registration and release of security interests and other incidental matters. Unless the issuer otherwise provides, the record date for interest payable on the first or fifteenth day of a month shall be the fifteenth day or the last business day of the preceding month, respectively, and for interest payable on other than the first or fifteenth day of a month, shall be the fifteenth calendar day before the interest payment date.

E. Under a system pursuant to which both certificated and uncertificated registered public obligations are issued, both types of registered public obligations may be regularly issued, or one type may be regularly issued and the other type issued only under described circumstances or to particular described categories of owners and provision may be made for registration and release of security interests in registered public obligations.

F. The system may include covenants of the issuer as to amendments, discontinuances, and reinstatutions of the system and the effect of such on the exemption of interest from the income tax provided for by the Code.

G. Whenever an issuer shall issue an uncertificated registered public obligation, the system of registration may provide that a true copy of the official actions of the issuer relating to such uncertificated registered public obligation be maintained by the issuer or by the person, if any, maintaining such system on behalf of the issuer, so long as the uncertificated registered public obligation remains outstanding and unpaid. A copy of such official actions, verified to be such by an authorized officer, shall be admissible before any court of record, administrative body or arbitration panel without further authentication.

H. Nothing in this act shall preclude a conversion from one of the forms of registered public obligations provided for by this act to a form of obligation not provided for by this act if interest on the obligation so converted will continue to be exempt from the income tax provided for by the Code.

I. The rights provided by other laws with respect to obligations in forms not provided for by this act shall, to the extent not inconsistent with this act, apply with respect to registered public obligations issued in forms authorized by this act.

Added by Laws 1983, c. 170, § 4, eff. July 1, 1983.

§62-585. Execution of obligations - Signatures.

A. A certificated registered public obligation shall be executed by the issuer by the manual or facsimile signature or signatures of authorized officers. Any signature of an authorized officer may be attested by the manual or facsimile signature of another authorized officer.

B. In addition to the signatures referred to in subsection A of this section any certificated registered public obligation or any writing relating to an uncertificated registered public obligation may include a certificate or certificates signed by the manual or facsimile signature of an authenticating agent, registrar, transfer agent or the like.

C. At least one signature of an authorized officer, authenticating official or other person required or permitted to be placed on a certificated registered public obligation shall be a manual signature.

Added by Laws 1983, c. 170, § 5, eff. July 1, 1983.

§62-586. Authorized signatures to remain valid - Adoption of predecessor's signature.

A. Any certificated registered public obligation signed by the authorized officers at the time of the signing thereof shall remain valid and binding, notwithstanding that before the issuance thereof any or all of such officers shall have ceased to fill their respective offices.

B. Any authorized officer empowered to sign any certificated registered public obligation may adopt as and for the signature of such officer the signature of a predecessor in office in the event that such predecessor's signature appears on such certificated registered public obligation. An authorized officer incurs no liability by adoption of a predecessor's signature that would not be incurred by such authorized officer if the signature were that of such authorized officer.

Added by Laws 1983, c. 170, § 6, eff. July 1, 1983.

§62-587. Facsimile seals.

When a seal is required or permitted in the execution of any certificated registered public obligation, an authorized officer may cause the seal to be printed, engraved, stamped or otherwise placed in facsimile thereon. The facsimile seal has the same legal effect as the impression of the seal.

Added by Laws 1983, c. 170, § 7, eff. July 1, 1983.

§62-588. Appointment of certain agents, etc. and depositories - Issuer as agent, etc.

A. An issuer may appoint for such term as may be agreed, including for so long as a registered public obligation may be outstanding, corporate or other authenticating agents, transfer agents, registrars, paying or other agents and specify the terms of their appointment, including their rights, their compensation and duties, limits upon their liabilities and provision for their payment of liquidated damages in the event of breach of certain of the duties imposed, which liquidated damages may be made payable to the issuer, the owner or a financial intermediary. None of such agents need have an office or do business within this state.

B. An issuer may agree with custodian banks and financial intermediaries, and nominees of any of them, in connection with the establishment and maintenance by others of a central depository system for the transfer or pledge of registered public obligations. Any such custodian banks and financial intermediaries, and nominees, may, if qualified and acting as fiduciaries, also serve as authenticating agents, transfer agents, registrars, paying or other agents of the issuer with respect to the same issue of registered public obligations.

C. Nothing shall preclude the issuer from itself performing, either alone or jointly with other issuers, any transfer, registration, authentication, payment or other function described in this section.

D. All paying agents on bond issues, after holding funds for payment of principal or interest for a period of five (5) years from their payment date and the bond or coupon has not been presented for payment, shall immediately return said funds to the issuer of the bonds to be used for any lawful purpose.

Added by Laws 1983, c. 170, § 8, eff. July 1, 1983. Amended by Laws 1998, c. 400, § 2, emerg. eff. June 10, 1998.

§62-589. Collection of costs - Reimbursement.

A. An issuer, prior to or at original issuance of registered public obligations, may provide as a part of a system of registration that the transferor or transferee of the registered public obligations pay all or a designated part of the costs of the system as a condition precedent to transfer, that costs be paid out of proceeds of the registered public obligations, or that both methods be used. The portion of the costs of the system not provided to be paid for by the transferor or transferee or out of proceeds shall be the liability of the issuer.

B. The issuer may as a part of a system of registration provide for reimbursement or for satisfaction of its liability by payment by others. The issuer may enter into agreements with others respecting such reimbursement or payment, may establish fees and charges pursuant to such agreements or otherwise, and may provide that the amount or estimated amount of such fees and charges shall be

reimbursed or paid from the same sources and by means of the same collection and enforcement procedures and with the same priority and effect as with respect to the obligations.

Added by Laws 1983, c. 170, § 9, eff. July 1, 1983.

§62-590. Construction of act.

This act shall be construed in conjunction with the Uniform Commercial Code and the principles of contract law relative to the registration and transfer of obligations.

Added by Laws 1983, c. 170, § 10, eff. July 1, 1983.

§62-591. Coupon bond or coupon bonds defined.

Whenever the terms "coupon bond" or "coupon bonds" appear in any statute such terms shall mean any bond, note, or other evidence of indebtedness of any public entity, department, public trust, or agency, regardless of whether such instruments are in coupon, registered, or other form. The use of the word coupon does not limit the form of instruments authorized to be issued by such entities. The use of the terms coupon or coupon rate or terms of similar import shall mean interest or interest rate on bonds regardless of the form of such bonds and shall not imply that bonds must bear coupons.

Added by Laws 1983, c. 170, § 11, eff. July 1, 1983.

§62-601. Definitions.

As used in this act:

(a) "Public security" means a bond, note, certificate of indebtedness or other obligation for the payment of money, issued by this state or by any of its departments, agencies, or other instrumentalities or by any of its political subdivisions or districts.

(b) "Authorized officer" means any official of this state or of any of its departments, agencies, or other instrumentalities or districts whose signature to a public security, or certificate thereon or thereto, is required or permitted.

(c) "Facsimile signature" means the reproduction by engraving, imprinting, stamping or other means of the manual signature of an authorized officer.

Added by Laws 1959, p. 258, § 1.

§62-602. Execution of public securities by facsimile signature - Effect.

Any authorized officer, after filing with the Secretary of State his manual signature certified by him under oath, may execute or cause to be executed with a facsimile signature in lieu of his manual signature any public security, or any certificate thereon or thereto.

Upon compliance with this act by the authorized officer, his facsimile signature has the same legal effect as his manual signature.

Laws 1959, p. 258, § 2; Laws 1991, c. 124, § 30, eff. July 1, 1991.

§62-603. Facsimile seals.

When the seal of this State or of any of its departments, agencies, or other instrumentalities or of any of its political subdivisions or districts is required in the execution of a public security, the authorized officer may cause the seal to be printed, engraved, stamped or otherwise placed in facsimile thereon. The facsimile seal has the same legal effect as the impression of the seal itself.

Added by Laws 1959, p. 258, § 3.

§62-604. Use on a public security with intent to defraud.

Any person who with intent to defraud uses on a public security:

(a) A facsimile signature, or any reproduction of it, of any authorized officer, or

(b) Any facsimile seal, or any reproduction of it, of this state or of any of its departments, agencies, or other instrumentalities or of any of its political subdivisions or districts is guilty of a felony and shall be punishable as provided by Section 9 of Title 21 of the Oklahoma Statutes.

Added by Laws 1959, p. 258, § 4. Amended by Laws 1997, c. 133, § 520, eff. July 1, 1999; Laws 1999, 1st Ex.Sess., c. 5, § 378, eff. July 1, 1999.

NOTE: Laws 1998, 1st Ex.Sess., c. 2, § 23 amended the effective date of Laws 1997, c. 133, § 520 from July 1, 1998, to July 1, 1999.

§62-605. Construction.

This act shall be so construed as to effectuate its general purpose to make uniform the law of states which enact it.

Laws 1959, p. 258, § 5.

§62-606. Citation.

This act may be cited as the Uniform Facsimile Signature of Public Officials Act.

Laws 1959, p. 259, § 6.

§62-651. Citation.

This act may be cited as the "Local Industrial Development Act."

Laws 1961, p. 471, Sec. 1.

Laws 1961, p. 471, § 1.

§62-652. Authority regarding industrial development.

Any municipality and any county is hereby authorized to own, acquire, construct, reconstruct, extend, equip, improve, maintain, sell, lease, contract concerning, or otherwise deal in or dispose of any lands, buildings, or facilities of any and every nature whatever that can be used in securing or developing industry within or near the municipality or county. Industry as referred to herein shall not include any trust purpose, function nor activity in any residential enterprise or function except as provided in Section 178.6 of Title 60 of the Oklahoma Statutes.

Added by Laws 1961, p. 471, § 2, emerg. eff. Aug. 8, 1961. Amended by Laws 1976, c. 222, § 9, eff. Dec. 1, 1976; Laws 2010, c. 195, § 2, emerg. eff. May 4, 2010.

§62-653. Use of revenues - Public trusts.

A. Municipalities and counties are hereby authorized to use any available revenues for the accomplishment of the purposes set forth in Section 652 hereof.

B. Trustees of public trusts who have constructed and leased or operated county law enforcement centers or jails for the benefit of counties may designate any available revenues for additional equipment, personnel, or compensation that are in addition to those provided by law in order to carry out the required duties of such project.

Added by Laws 1961, p. 471, § 3, emerg. eff. Aug. 8, 1961. Amended by Laws 1976, c. 222, § 10, eff. Dec. 1, 1976; Laws 2002, c. 48, § 1, eff. July 1, 2002.

§62-654. Election on issuance of revenue bonds.

(a) Revenue bonds may be issued by a public trust as referred to in Section 2 above for the purposes set forth in Sections 2 and 3 hereof only with the approval of a majority of the qualified electors of the municipality or county voting at an election called for that purpose. An election on the question of issuing revenue bonds shall be held at the request of the trustees at such time as the governing body of the municipality or the board of county commissioners of a county shall designate by ordinance or resolution. Such ordinance or resolution shall specifically state the purpose for which the bonds are to be issued, the total amount of the issue and the date upon which the election is to held, which date shall not occur earlier than thirty (30) days after the passage of said ordinance or resolution.

(b) The election shall be held and conducted, the vote canvassed, and the results declared in the manner now or hereafter provided for municipal or county elections, so far as the same may be applicable, except as herein otherwise provided.

(c) Notice of the election shall be given by the mayor or board of county commissioners by advertisement in a newspaper of general

circulation within the municipality or county once a week for four (4) consecutive weeks, with the last publication to be not less than ten (10) days prior to the date of said election.

(d) only qualified electors of the municipality or county shall have a right to vote at said election.

(e) The results of the election shall be proclaimed by the mayor or chairman of the board of county commissioners, and shall be conclusive unless attacked in the courts within thirty (30) days after the date of such proclamation.

Laws 1961, p. 471, § 4.

§62-655. Type of bonds - Interest - Conditions - Sale and execution.

(a) The issuance of revenue bonds shall be by a resolution of the trustees. The bonds may be issued in one or more series, may bear such date or dates, may mature at such time or times, not exceeding thirty (30) years from their respective dates, may bear interest at such rate or rates, not exceeding the maximum rate provided by Section 498.1 of this title, may be in such form, may be executed in such manner, may be payable in such medium of payment, at such place or places, may be subject to such terms of redemption, and may contain such terms, covenants, and conditions as the resolution may provide including without limitation those pertaining to the custody and application of the proceeds of the bonds, the collection and disposition of revenues, the maintenance of various funds and reserves, the nature and extent of the security, the rights, duties, and obligations of the trustees and the trustee for the holders or registered owners of the bonds, and the rights of the holders or registered owners of the bonds. There may be successive bond issues for the purpose of financing the same industrial project (lands, buildings, or facilities) involving one or more industries, and there may be successive bond issues for financing the cost of reconstructing, replacing, constructing additions to, extending, improving, and equipping industrial projects (lands, buildings, or facilities) already in existence, whether or not originally financed by bonds issued under this act, with each successive issue to be authorized as provided by this act. Priority between and among issues and successive issues as to security of the pledge of revenues and mortgage lien on the lands, buildings, and facilities involved may be controlled by the ordinance or resolution authorizing the issuance of bonds hereunder. The bonds shall have all the qualities of negotiable instruments under the negotiable instruments laws of this state.

(b) Said resolution may provide for the execution by the trustees of an indenture which defines the rights of the bondholders and provides for the appointment of a trustee for the bondholders. Such indenture may control the priority between successive issues and may contain any other terms, covenants, and conditions that are deemed

desirable, including without limitation those pertaining to the custody and application of the proceeds of the bonds, the collection and disposition of revenues, the maintenance of various funds and reserves, the nature and extent of the security, the rights, duties, and obligations of the trustees and the trustee for the holders or registered owners of the bonds, and the rights of the holders or registered owners of the bonds; provided, the indenture shall state that it constitutes no obligation against or pledge of the full faith and credit of the municipality and county.

(c) The bonds shall be sold only after public advertisement for bids, to the bidder offering the lowest effective interest rate and best terms on the proposal so advertised, and may be sold for such price, including without limitation sale of a discount, and in such manner as the trustees may determine by resolution, but in no event shall the trustees be required to pay more than the maximum rate provided by Section 498.1 of this title on the amount received, computed with relation to the absolute maturity of the bonds in accordance with the Standard Tables of Bond Values. The bonds may be sold with the privilege of conversion into an issue bearing other rate or rates of interest, upon such terms that the trustees receive no less and pay no more than they would receive and pay if the bonds were not converted, and the conversion shall be subject to the approval of the trustees.

(d) The bonds shall be executed by the chairman and secretary of the trustees, and in case any of the officers whose signatures appear on the bonds shall cease to be such officers before the delivery of such bonds or coupons, such signatures shall nevertheless be valid and sufficient for all purposes. Facsimile signatures may be used as provided in the Registered Public Obligations Act of Oklahoma. Amended by Laws 1983, c. 170, § 58, eff. July 1, 1983.

§62-656. Bonds not general obligations of municipality or county - Payment of principal and interest.

Such revenue bonds shall not be general obligations of the municipality or county, and in no event shall the revenue bonds constitute an indebtedness of the municipality or county within the meaning of any constitutional or statutory limitation. It shall be plainly stated on the face of each bond that the same has been issued under the provisions of this act, and under the terms of 60 O.S. 1951, Sections 176 - 180, inclusive, as amended by Sections 1 and 2, Chapter 4, Title 60, page 277, Oklahoma Session Laws 1953 (60 O.S. Supp.1959, Sections 176 and 177), relating to public trusts, and that it does not constitute an indebtedness of the municipality or county within any constitutional or statutory limitation. The principal of and the interest on the revenue bonds, and paying agent's fees, shall be payable in the first instance from gross revenues derived from the lands, buildings, and/or facilities acquired, constructed,

reconstructed, extended, and/or improved, in whole or in part, with the proceeds of the bonds. In addition, the trustees, with prior approval of the municipality or county, are authorized to pledge to and use for the payment of the principal of and interest on the bonds, and paying agent's fees, such revenues derived from other lands, buildings, and/or facilities used and useful or securing and developing industry and/or surplus revenues derived from water, sewer, gas, and electric utilities owned by the municipality or county and by such beneficiary transferred or leased to the trustees for such purpose, provided that such transfer or lease shall have been included in the question voted upon and approved in the election required to be held under Section 4 of this act. For the purpose of this section the phrase "surplus revenues" is hereby defined to be any revenues over and above the costs of financing the general government and utility functions of the municipality or county in any fiscal year, or any prior commitments of such revenues.
Added by Laws 1961, p. 473, § 6, emerg. eff. Aug. 8, 1961.

§62-657. Refunding bonds.

Revenue bonds may be issued hereunder for the purpose of refunding any obligations issued hereunder. Such refunding bonds may be combined with bonds issued under the provisions of Section 3 of this act into a single issue. When bonds are issued under this section for refunding purposes, such bonds may either be sold or delivered in exchange for the outstanding obligations. If sold, the proceeds may be either applied to the payment of the obligations refunded or deposited in escrow for the retirement thereof. All bonds issued under this section shall in all respects be authorized, issued, and secured in the manner provided for other bonds issued under this act and shall have all the attributes of such bonds. The resolution under which such refunding bonds are issued may provide that any of the said refunding bonds shall have the same priority of lien on the revenues pledged for their payment as was enjoyed by the obligations refunded thereby.
Added by Laws 1961, p. 473, § 7, emerg. eff. Aug. 8, 1961.

§62-658. Mortgage liens.

Subject to the subsequent provisions of this section, there shall exist a statutory mortgage lien upon the lands, buildings, and/or facilities acquired, constructed, reconstructed, extended, equipped, or improved, in whole or in part, with the proceeds of revenue bonds issued under this act which shall exist in favor of the holders of the bonds and in favor of the holders of the coupons attached to said bonds, and said lands, buildings, and/or facilities shall remain subject to such statutory mortgage lien until payment in full of the principal of and interest on said revenue bonds. Anything herein to the contrary notwithstanding, the resolution and/or indenture

referred to in Section 5 of this act may impose a foreclosable mortgage lien upon the lands, buildings, and/or facilities acquired, constructed, reconstructed, extended, equipped, or improved, in whole or in part, with the proceeds of revenue bonds issued under this act and the nature and extent of said mortgage lien may be controlled by the resolution or indenture including, without limitation, provisions pertaining to the release of all or part of the lands, buildings, and/or facilities from the mortgage lien and the priority of mortgage lien in the event of successive bond issues as authorized by Section 5 of this act. Subject to such terms, conditions, and restrictions as may be contained in the resolution or indenture authorizing and/or securing the said bonds, any holder of bonds issued under the provisions of this act, or of any coupon attached thereto, may, either at law or in equity, enforce the mortgage lien and may, by proper suit, compel the performance of the duties of the officials of the issuing trustees set forth in this act and set forth in any resolution and/or indenture authorizing and/or securing the said bonds.

Added by Laws 1961, p. 473, § 8, emerg. eff. Aug. 8, 1961.

§62-659. Defaults - Appointment and powers of receiver.

In the event of a default in the payment of the principal of or interest on any revenue bonds issued under this act, any court having jurisdiction may appoint a receiver to take charge of the lands, buildings, and/or facilities acquired, constructed, reconstructed, extended, equipped, or improved, in whole or in part, with the proceeds of revenue bonds issued under this act, upon which lands, buildings, and/or facilities, or any part thereof, there is a mortgage lien securing the said revenue bonds with reference to which there is such a default in the payment of principal and/or interest. The receiver shall have the power to operate and maintain the said lands, buildings, and/or facilities and to charge and collect rates and/or rents sufficient to provide for the payment of the principal of and interest on said bonds, after providing for the payment of any cost of receivership and operating expenses of said lands, buildings, and/or facilities, and to apply the income and revenues derived from said lands, buildings, and/or facilities in conformity with this act and the resolution or indenture authorizing and/or securing the said bonds. When the default has been cured, the receivership shall be ended and the properties returned to the trustees. The relief afforded by this section shall be construed to be in addition and supplemental to the remedies that may be afforded the trustee for the bondholders and the bondholders in the resolution or indenture authorizing and/or securing the bonds, and shall be so granted and administered as to accord full recognition to priority rights of bondholders as to the pledge of revenues from, and the mortgage lien on, said lands, buildings, and/or facilities as specified in and

fixed by the resolutions or indentures authorizing and/or securing successive bonds issues.

Added by Laws 1961, p. 474, § 9, emerg. eff. Aug. 8, 1961.

§62-660. Tax exemption.

Bonds issued under the provisions of this act shall be exempt from all state, county, and municipal taxes. This exemption includes income and inheritance taxes.

Added by Laws 1961, p. 474, § 10, emerg. eff. Aug. 8, 1961.

§62-661. Definitions.

Wherever used or referred to in this act, unless a different meaning clearly appears from the context:

(a) "Trustees" means the trustees appointed by the governing body of any municipality or the board of county commissioners to carry out the provisions of this act, and as provided in 60 O.S.1951, Sections 176 - 180, inclusive, as amended by Sections 1 and 2, Chapter 4, Title 60, page 277, Oklahoma Session Laws 1953 (60 O.S. Supp. 1959, Sections 176 and 177), relating to public trusts.

(b) "Municipality" means any incorporated city or town.

(c) "Trustee" means the person or corporation appointed by the trustees as trustee for the bondholders.

Added by Laws 1961, p. 474, § 11, emerg. eff. Aug. 8, 1961.

§62-662. Bids for purchase of materials and supplies costing over \$500 - Meetings of trustees - Records.

In all cases where the trustees shall contract for the payment of Two Thousand Dollars (\$2,000.00) or more for the purchase of any materials, equipment, or supplies or for the construction of facilities, said contract shall be made only, after public advertisement for bids, to the lowest and best bidder upon the proposal so advertised.

All meetings of the trustees shall be open to the public to the same extent as is required by law of meetings by other boards and commissions, and all records of the trustees shall be public records as provided by law and shall be kept either in the office of the city clerk or the county clerk, as the case may be.

Laws 1961, p. 475, § 12; Laws 1991, c. 124, § 31, eff. July 1, 1991.

§62-663. Act inapplicable for acquiring certain utility plants or distribution systems.

The provisions of this act shall not be applicable to nor used by a municipality or county or trust for the purpose of purchasing, condemning, or otherwise acquiring a utility plant or distribution system owned or operated by a regulated public utility.

Added by Laws 1961, p. 475, § 13, emerg. eff. Aug. 8, 1961.

§62-664. Act as supplemental - Construction.

This act is intended to supplement all constitutional provisions and other acts now existing or hereafter adopted designed to secure and develop industry and, when applicable in accordance with the provisions hereof, may be used by any municipality or county as an alternative notwithstanding any constitutional provisions or any other act now existing or hereafter adopted authorizing a municipality or county, or any commission or agency thereof, to issue bonds for the purpose of securing and developing industry. This act shall be liberally construed to accomplish the purposes hereof. Added by Laws 1961, p. 475, § 15, emerg. eff. Aug. 8, 1961.

§62-690.1. Short title.

This act may be cited as the "Oklahoma Enterprise Zone Act". Added by Laws 1983, c. 168, § 1, emerg. eff. June 6, 1983.

§62-690.2. Definitions.

For the purposes of Section 690.1 et seq. of this title:

1. "Authority" means an "Enterprise District Management Authority" created pursuant to Section 690.7 of this title;
2. "Building" means a structure consisting of a foundation, walls, roof and other parts necessary to its occupation; provided however, it shall not include a structure intended to be used for residence purposes;
3. "Enterprise" means any form of business organization including, but not limited to, any partnership, sole proprietorship, corporation, limited liability company or other legally constituted business entity;
4. "Enterprise district" means at least three but not more than six contiguous enterprise zones formed for the purpose of issuing general obligation bonds;
5. "Enterprise zone" means:
 - a. a county which:
 - (1) has experienced a decrease in population during the ten-year period preceding the date as of which an establishment either enters into a commitment to locate or announces a plan to locate within an enterprise zone or expands activity within an existing enterprise zone as determined by the Oklahoma Department of Commerce, or
 - (2) has been determined to rank in the lowest one-third (1/3) of all counties, which for purposes of this division shall be computed as the lowest twenty-five (25) counties, for per capita personal income as measured by the Bureau of Economic Analysis for the Oklahoma region for the calendar year preceding the beginning of the fiscal year

for which an application is made pursuant to Section 690.3 of this title,

- b. an area within or contiguous to the corporate limits of any city or town of this state which the Oklahoma Department of Commerce determines, upon application, as an area of economic distress. For purposes of this subparagraph, an area within or contiguous to the corporate limits of a city or town may be determined to be an area of economic distress if it consists of one or more census tracts located within a city or town or contiguous to a city or town. The area as defined by this subparagraph must:
 - (1) contain a population of persons equal to or greater than thirty percent (30%) of the total population the household income for whom is equal to or less than the poverty level as measured by the U.S. Census Bureau for the Oklahoma region for the most recent year for which data is available prior to the date an application is made pursuant to Section 690.3 of this title, or
 - (2) contain a population of persons the per capita gross income for whom is fifteen percent (15%) or more below the state per capita income,
- c. an area designated as a federal enterprise community as provided by Section 690.3 of this title, or
- d. any enterprise zone designated by the Oklahoma Department of Commerce prior to July 1, 2000;

6. "Equipment" means machinery necessary to the construction or manufacture of products for resale;

7. "Expand" means to make expenditures to add land, buildings, machinery, equipment or other materials, except inventory, to a facility that equal at least ten percent (10%) of the market value of the facility prior to such expenditures, as determined for the purposes of local property taxation;

8. "Facility" means an enterprise's place of business in an enterprise zone, including land, buildings, machinery, equipment and other materials, except inventory used in business. Except as provided by subsection B of Section 11 of this act, "facility" does not include an establishment used primarily for making retail sales;

9. "Full-time employee" means an individual who is employed for consideration by an enterprise for at least thirty-five (35) hours a week, or who renders any other standard of service generally accepted by custom or specified by contract as full-time employment;

10. "New employee" means a full-time employee first employed by an enterprise at a facility after the designation of an enterprise zone;

11. "Position" means the position of one full-time employee performing a particular set of tasks and duties;

12. "Priority Enterprise Zones" means enterprise zones which are selected to receive additional resources or programs after meeting the criteria specified in this act;

13. "Project" means any undertaking by an enterprise to establish a facility or to improve a facility by expansion, in an enterprise zone or enterprise district;

14. "Responsible tenant" means any person, partnership, firm, company or corporation whether organized for profit or not deemed by the Authority, after proper investigation, to be financially responsible to assume all rental and all other obligations prescribed by the Authority in the leasing of any building or equipment on which the Authority has a loan outstanding; and

15. "Renovate" means to make expenditures to alter or repair a facility that equal at least fifty percent (50%) of the market value of the facility prior to such expenditures, as determined for the purposes of local property taxation.

Added by Laws 1983, c. 168, § 2, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 1, emerg. eff. June 18, 1985; Laws 1986, c. 207, § 56, operative July 1, 1986; Laws 1987, c. 171, § 1, emerg. eff. June 26, 1987; Laws 1990, c. 321, § 1, emerg. eff. May 30, 1990; Laws 1991, c. 334, § 1, eff. Sept. 1, 1991; Laws 1994, c. 183, § 1, emerg. eff. May 9, 1994; Laws 1998, c. 349, § 1, eff. July 1, 2000; Laws 2000, c. 339, § 7, eff. July 1, 2000; Laws 2001, c. 382, § 3, emerg. eff. June 4, 2001.

NOTE: Laws 1999, c. 382, § 5, eff. July 1, 1999, amended the effective date of Laws 1998, c. 349, § 1 from July 1, 1999 to July 1, 2000.

§62-690.3. Designation of enterprise zones - Application.

A. On July 1 of each year, the Oklahoma Department of Commerce shall designate as enterprise zones those counties which meet the criteria set out in subparagraph a of paragraph 5 of Section 690.2 of this title or cities or towns or areas contiguous to cities or towns which meet the criteria set out in subparagraph b of paragraph 5 of Section 690.2 of this title. The list shall also include all areas designated as federal enterprise communities which shall be Priority Enterprise Zones for three (3) years.

B. The Oklahoma Department of Commerce shall, within thirty (30) days following July 1 of each year, submit to the board of county commissioners of each county a list of the counties designated enterprise zones.

C. Upon application by an enterprise seeking to qualify for the benefits and incentives authorized by the provisions of the Oklahoma Enterprise Zone Act, the Oklahoma Department of Commerce may approve an enterprise for the benefits and incentives as provided by law.

D. The Oklahoma Department of Commerce shall promulgate rules concerning application procedures and requirements for an enterprise to qualify for benefits and incentives pursuant to the Oklahoma Enterprise Zone Act in accordance with the Administrative Procedures Act.

Added by Laws 1983, c. 168, § 3, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 2, emerg. eff. June 18, 1985; Laws 1986, c. 207, § 57, operative July 1, 1986; Laws 1987, c. 171, § 2, emerg. eff. June 26, 1987; Laws 1990, c. 321, § 2, emerg. eff. May 30, 1990; Laws 1992, c. 176, § 2, emerg. eff. May 6, 1992; Laws 1998, c. 349, § 2, eff. July 1, 2000; Laws 1999, c. 382, § 2, eff. July 1, 1999; Laws 2000, c. 339, § 8, eff. July 1, 2000.

NOTE: Laws 1999, c. 382, § 5 amended the effective date of Laws 1998, c. 349, § 2 from July 1, 1999 to July 1, 2000. (However, Laws 1999, c. 382, § 2 amended Laws 1998, c. 349, § 2, giving it an effective date of July 1, 1999.)

§62-690.4. Benefits and incentives.

A. The following benefits and incentives shall be available to qualified enterprises:

1. Two times the amount of investment tax credits as provided in subsection A of Section 2357.4 of Title 68 of the Oklahoma Statutes. For purposes of this act and for purposes of computing the tax credit amount pursuant to subsection A of Section 2357.4 of Title 68 of the Oklahoma Statutes, if an enterprise selects to claim the credit based upon the qualified cost of depreciable property, the credit amount shall be two percent (2%) of such qualified cost. If an enterprise selects to claim the credit based upon the number of new full-time-equivalent positions, the credit amount shall be One Thousand Dollars (\$1,000.00) for each new full-time-equivalent employee;

2. Sales tax exemptions for certain manufacturers as provided in Section 1359 of Title 68 of the Oklahoma Statutes; and

3. Low interest loans as provided in Section 690.16 of this title.

B. Any enterprise moving into an enterprise zone on or after the effective date on which the enterprise zone is designated may obtain the benefits and incentives provided by this section if the enterprise meets the requirements established by law for the receipt of such benefits.

C. An enterprise located within an enterprise zone before the date on which the enterprise zone is designated may obtain the benefits and incentives provided by this section with respect to any project or any expansion of its labor force occurring after the date on which the enterprise zone is designated.

D. For purposes of obtaining the benefit provided by paragraph 1 of subsection A of this section, a business, which prior to the effective date of this act, located in an area that was designated as

an enterprise zone at the time any official action was taken by a public trust or private funds with respect to location of such business in a county, city or town designated as the beneficiary of such public trust or private funds, shall be entitled to such benefit for any taxable year during which such business was located and operating in the area regardless of any changes in the designation of the area as an enterprise zone resulting from a change in employment levels.

E. For purposes of obtaining the benefit provided by paragraph 1 of subsection A of this section, a business, which prior to July 1, 1993, located in an area that was not designated as an enterprise zone at the time of location of the business but such area has since been designated as an enterprise zone by the Oklahoma Department of Commerce as a result of the area's location in County 115, Tract 9746, Block Group 4 of the 1990 decennial census, shall be entitled to such benefit for any taxable year during which such business was located and operating in the location regardless of designation of the area in which the business located as an enterprise zone area after the date of initial location of the business.

F. The low interest loans as authorized by this section shall be available for a period of five (5) years following the date on which the county or area within the corporate limits of a city or town is designated an enterprise zone, or until said county or area no longer qualifies as an enterprise zone.

G. The other benefits and incentives set forth in this section shall be subject to the limitations as provided by law.

Added by Laws 1983, c. 168, § 4, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 3, emerg. eff. June 18, 1985; Laws 1987, c. 32, § 1, emerg. eff. April 20, 1987; Laws 1993, c. 275, § 48, eff. July 1, 1993; Laws 1998, c. 349, § 3, eff. July 1, 2000.

NOTE: Laws 1999, c. 382, § 5, eff. July 1, 1999, amended the effective date of Laws 1998, c. 349, § 3 from July 1, 1999 to July 1, 2000.

§62-690.5. Request for list of designated enterprise zones.

Any enterprise may request from the Oklahoma Employment Security Commission or the Oklahoma Department of Commerce a list of designated enterprise zones. The boards of county commissioners of counties and the governing bodies of any city or town designated enterprise zones shall make available information concerning such designation to local chambers of commerce, trade associations and similar business organizations.

Added by Laws 1983, c. 168, § 5, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 4, eff. June 18, 1985; Laws 1986, c. 207, § 58, operative July 1, 1986.

§62-690.6. Enterprise districts - Establishment.

A. The boards of county commissioners of at least three but no more than six contiguous enterprise zones are authorized, by adoption of a resolution by a majority of the members of each board, to form an enterprise district.

B. The governing body of at least three but no more than six contiguous enterprise zones, established within the corporate limits of a city or town, are authorized, by adoption of a resolution by a majority of the members of the governing body of such city or town, to form an enterprise district.

C. Before an enterprise zone can be established within the corporate limits of a city or town or before an enterprise zone can be established which incorporates any part of a city or town the need for participation of such city or town shall be determined by a majority vote of the governing body. No enterprise zone shall include all or part of a city or town if the governing body does not approve such inclusion.

Added by Laws 1983, c. 168, § 6, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 5, emerg. eff. June 18, 1985.

§62-690.7. Enterprise District Management Authority.

Each enterprise district formed pursuant to Section 690.6 of this title shall create, by adoption of a resolution by a majority of the members of each board or governing body, an authority to be known as the "Enterprise District Management Authority". Each Authority created pursuant to this section shall be, and is hereby declared to be a public body, corporate and politic, with the powers and duties specified in this act.

Added by Laws 1983, c. 168, § 7, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 6, emerg. eff. June 18, 1985.

§62-690.8. Membership of Authority - Appointment - Terms - Officers - Compensation - Conflict of Interest - Eligibility - Treasurer's bond.

A. The boards of county commissioners of each member county of an enterprise district or the governing bodies of each member city or town of an enterprise district shall appoint, from their respective counties, cities or towns, no more than five (5) persons to serve as members of the Authority of the enterprise district.

B. Each Authority member shall have been a qualified elector in the county from which he is appointed for a period of at least three (3) years next preceding his appointment.

C. The members of any Authority first appointed shall serve staggered terms. Thereafter, each successor shall serve for a term of five (5) years, except that any person appointed to fill a vacancy shall be appointed to only the unexpired term and any member shall be eligible for reappointment, and no member shall be removed except for cause.

D. The members of the Authority shall elect a chairman, a vice-chairman and a treasurer from among its membership. A majority of the Authority shall constitute a quorum, the affirmative vote of which shall be necessary for any action taken by the Authority.

E. A member of the Authority shall receive no compensation for his services, but shall be reimbursed by the political subdivision which made his appointment for expenses incurred for attending meetings of the Authority.

F. During his tenure and for three (3) years thereafter, no member of an Authority shall own or acquire any interest, direct or indirect, in any facility included or planned to be included in any project financed through bonds issued pursuant to this act.

G. No person shall be eligible for appointment as a member of an Authority who has been convicted of a felony.

H. The treasurer of the Authority shall be bonded in the sum of One Hundred Thousand Dollars (\$100,000.00) conditioned upon faithful performance of duty and true account of money and proper disposition of all said money.

Added by Laws 1983, c. 168, § 8, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 7, emerg. eff. June 18, 1985.

§62-690.9. Powers and duties of Authority.

The Authority is hereby authorized and empowered:

1. To adopt bylaws for the regulation of its affairs and conduct of its business;

2. To adopt an official seal and alter the same;

3. To maintain an office at such place or places within the enterprise district as it may designate;

4. To sue and be sued, in contract, reverse condemnation, equity, mandamus and similar actions in its own name, plead and be impleaded; provided however, that any and all actions at law or in equity against the Authority shall be brought in the county in which the principal office of the Authority shall be located, or in the county of the residence of the plaintiff, or the county wherein the cause of action arose;

5. To acquire, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties under this section;

6. To make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this act; and

7. To adopt such rules and regulations and do all things necessary or convenient to carry out the powers and duties expressly granted in this section.

Added by Laws 1983, c. 168, § 9, emerg. eff. June 6, 1983.

§62-690.10. Bond election - Notice - Resolution - Ballots.

A. Upon adoption of a resolution by a majority of the members of each board of county commissioners of an enterprise district or of the governing bodies of each member city or town of an enterprise district, and pursuant to the recommendation of the Authority, said boards or governing bodies shall by resolution call for an election for the purpose of issuing general obligation bonds to finance low interest loans as provided by Section 690.16 of this title.

B. Each board or governing body shall give notice of said election by publication once a week for two (2) consecutive weeks in a daily or weekly newspaper of general circulation published in its respective county. If there is no daily or weekly newspaper published in the county, then notice shall be given in a newspaper of general circulation in such county.

C. The resolution calling for the election and the notice shall contain:

1. The amount of bonds to be issued;
2. The time of holding said election, which shall not be less than thirty (30) days from the first publication of any notice;
3. The names of all counties or cities and towns in the enterprise district; and
4. The purpose for which the bonds are to be used.

D. Printed ballots stating "For District Bonds" and "Against District Bonds" shall be cast at the election.

Added by Laws 1983, c. 168, § 10, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 8, emerg. eff. June 18, 1985.

§62-690.11. Issuance of bonds - Sale - Disposition of proceeds - Nature of bonds - Payment of principal and interest.

A. If at the election three-fifths of the voters of each county or city or town voting thereon shall vote in favor of the issuance of the bonds, the boards of county commissioners or the governing bodies of each city and town of the enterprise district shall proceed at once with the issuing of the bonds and shall deposit them with the treasurer of the Authority. Said election shall be held in accordance with the general election laws of the State of Oklahoma.

B. The bonds shall be sold by competitive bid. The Authority shall award the purchase of the bonds to the highest responsible bidder, but shall have the right to reject any and all bids. The Authority shall in no event sell any of the bonds for less than par with accrued interest.

C. All proceeds derived from the sale of said bonds shall be deposited in an "Enterprise District Loan Fund" by the treasurer of the Authority.

D. All such bonds shall be general obligation bonds, backed by the full faith and credit of the member counties, cities or towns of the enterprise district, and there is hereby pledged to the payment of principal and interest of such bonds:

1. The net proceeds from repayment of loans and interest received thereon;
 2. Any monies available from other funds of the counties not otherwise obligated; and
 3. The proceeds of any tax imposed for such purpose in the event funds available for use and pledge under paragraphs 1 and 2 of this subsection should be insufficient.
- Added by Laws 1983, c. 168, § 11, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 9, emerg. eff. June 18, 1985; Laws 1990, c. 321, § 4, emerg. eff. May 30, 1990.

§62-690.12. Venture capital loan program.

The Authority shall establish and administer a program of venture capital loans to enterprises seeking to establish or expand facilities within an enterprise district. As part of such program, it shall be the duty of the Authority to solicit written proposals from enterprises seeking to establish or expand facilities in the enterprise district. Any proposal received by the Authority shall be submitted to the Oklahoma Department of Commerce for comments and recommendations.

Added by Laws 1983, c. 168, § 12, emerg. eff. June 6, 1983. Amended by Laws 1986, c. 207, § 59, operative July 1, 1986.

§62-690.13. Loan application - Contents.

Prior to the loaning of any funds to an enterprise for building and equipment, the Authority shall receive from such enterprise a loan application in the form adopted by the Authority which shall contain, without being limited to, the following provisions:

1. A general description of the project and a general description of the purpose for which the project is to be established;
2. A legal description of all real estate necessary for the project;
3. Such plans and other documents as may be required to show the type, structure and general character of the project;
4. A general description of the types and categories of skills, and the number of employees to be employed in the operation of the project;
5. Estimates of costs of the project;
6. A general description and statement of value of any property, real or personal, of the enterprise applied or to be applied to the project;
7. A statement of cash funds which are to be applied to the project by the enterprise;
8. Evidence that the project will not cause the removal of an industrial or manufacturing plant or facility from one area of the

state to another area of the state, or replace an existing facility;
and

9. Any additional evidence which the Authority may deem pertinent to the determination of the probable successful operation of the project at the selected location, and indicating that a substantial increase in employment and payrolls will probably result from the granting of such loans.

Added by Laws 1983, c. 168, § 13, emerg. eff. June 6, 1983.

§62-690.14. Loan hearings and examinations - Grant of loan.

The Authority shall hold such hearings and examinations as to each loan application received as shall be necessary to determine whether the public purposes of this act will be accomplished by the granting of loans requested. When the Authority shall have determined the facts to be favorable as to any loan application, it is hereby authorized and empowered to grant a loan to an enterprise in the manner and to the extent provided in this act.

Added by Laws 1983, c. 168, § 14, emerg. eff. June 6, 1983.

§62-690.15. Contract to loan - Security - Foreclosure and other remedies.

A. When it has been determined by the Authority, upon application of an enterprise and hearing thereon in the manner provided in this act, that a particular project referred to in such application will accomplish the purposes of this act, the Authority may contract to loan such enterprise an amount up to one hundred percent (100%) of the estimated cost of the building and equipment necessary to such project. The Authority shall take as security for its loan a first or second mortgage lien on such approved project.

B. The Authority is hereby authorized to take title by foreclosure to any building and equipment on which it has a loan outstanding, where such acquisition is necessary to protect any loan previously made by the Authority. The Authority is hereby authorized to sell, transfer and convey any such building and equipment to any responsible buyer, provided, that all such property shall be sold to the highest bidder at a public sale. The Authority shall decline the highest bid and reoffer the property for sale if it considers the price bid insufficient to recover the total cost of the Authority's investment. In the event such sale, transfer and conveyance cannot be effected with reasonable promptness, the Authority may, in order to minimize financial losses and sustain employment, lease such building and equipment to a responsible tenant or tenants. Provided, that the terms of such lease shall be sufficient to ensure that no financial loss shall be incurred by the Authority, county or school district by the leasing of such property.

Added by Laws 1983, c. 168, § 15, emerg. eff. June 6, 1983.

§62-690.16. Enterprise District Loan Fund.

A. There is hereby created a special account to be known as the "Enterprise District Loan Fund", to which fund shall be credited all monies received as loan capital by the Authority from the sale of general obligation bonds. To this fund there shall also be deposited and credited all payments received on interest and principal of loans outstanding made, or to be made, by the Authority, all such deposits to be made immediately upon receipt of same.

The treasurer of the Authority shall deposit daily, no later than the next banking day, all such funds and monies in one or more banks that have been designated as county depositories by the boards of county commissioners of the respective counties comprising an enterprise district. Monies accruing to the fund may be expended by the Authority for carrying out the provisions of this act.

B. It is hereby unlawful for any of the funds of the Authority to be deposited in any bank in which any member of the board of county commissioners or the governing body of any city or town or any member of the Authority is the owner of any stock or otherwise directly or indirectly pecuniarily interested. A county commissioner or a member of the governing body of a city or town or a member of the Authority shall be considered to be interested in such a bank if any member of his immediate family owns any interest in said depository bank.

C. As often as may be necessary the Authority shall requisition from the Enterprise District Loan Fund, upon warrants duly drawn as required by law, such amounts as shall be allocated and appropriated by the Authority for loans to enterprises upon approved projects. When and as the amounts so allocated and appropriated by the Authority as loans to enterprises are repaid to the Authority pursuant to the terms of the mortgages and other agreements made and entered into by the Authority, the Authority shall immediately pay such amounts into said fund, it being the intent of this act that the Enterprise District Loan Fund shall operate as a revolving fund whereby all monies placed therein shall be applied and reapplied to the purposes of this act.

D. To guarantee payment of interest on bonds, as the same shall become due, the Authority shall pay into a special "Bond Interest Account" fund, out of the first-earned interest received into the Enterprise District Loan Fund, an amount sufficient to cover all interest requirements at least thirty (30) days prior to the due date thereof.

E. To guarantee retirement of bonds at maturity, the Authority shall provide for a "Bond Redemption Account", in addition to interest reserves, as above set out, and there shall be paid annually into such Bond Redemption Account, after all interest requirements have been met, beginning at a time to be determined by the Authority, a sum sufficient to retire all bonds issued at maturity.

F. All monies deposited in the Enterprise District Loan Fund, the Bond Interest Account fund and the Bond Redemption Account shall draw interest at rates considered competitive with those offered for similar accounts.

Added by Laws 1983, c. 168, § 16, emerg. eff. June 6, 1983. Amended by Laws 1985, c. 174, § 10, emerg. eff. June 18, 1985.

§62-690.17. Audit of accounts and books of Authority.

The accounts and books of the Authority, including its receipts, disbursements, contracts, mortgages, investments and other matters relating to its finances, operations and affairs shall be examined and audited annually by the State Auditor and Inspector as provided by law.

Added by Laws 1983, c. 168, § 17, emerg. eff. June 6, 1983.

§62-690.18. Priority Enterprise Zones.

The Oklahoma Department of Commerce shall select a number of enterprise zones whether county, municipal or federal for which the state may provide additional resources or programs. Such enterprise zones shall be known as Priority Enterprise Zones. The criteria for selection of the Priority Enterprise Zones shall be developed by the Oklahoma Department of Commerce. The criteria for selection may include but shall not be limited to the degree of need, the likelihood of success in attracting new economic growth, and the evidence of local commitment. The criteria for selection of Priority Enterprise Zones shall be subject to the Administrative Procedures Act.

B. An enterprise zone that is selected as a Priority Enterprise Zone, regardless of its change in statistics, shall continue in its status as a Priority Enterprise Zone for a minimum of three (3) years.

C. The Oklahoma Department of Commerce shall work with other agencies, entities, and groups to assist Priority Enterprise Zones in obtaining other services vital to the economic recovery of such zones.

Added by Laws 1990, c. 321, § 3, emerg. eff. May 30, 1990.

§62-690.19. Annual performance report.

The Oklahoma Department of Commerce shall produce an annual report by October 15 of each year for the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate regarding the performance of the zones. Information in the report shall include but not be limited to the amount of tax credits granted, jobs added, if known, and the impact on unemployment rates within the zones. The information concerning the tax credits shall be provided to the Department of Commerce by the Oklahoma Tax

Commission. The report shall include those zones in existence prior to the passage of this act.

The county commissioners, municipal governing body or enterprise district management authority of any enterprise zone, or enterprise district shall submit to the Department of Commerce the name and address of the individual in charge of supervising such enterprise zones by July 1 of each year.

Added by Laws 1990, c. 321, § 6, emerg. eff. May 30, 1990. Amended by Laws 1991, c. 334, § 2, eff. Sept. 1, 1991.

§62-690.20. Limitation upon benefits already conferred.

The provisions of this act shall not operate as a limitation upon any benefit conferred upon an enterprise prior to July 1, 1999. An enterprise which has previously qualified for a benefit or incentive pursuant to Section 690.1 et seq. of Title 62 of the Oklahoma Statutes prior to July 1, 1999, or which has expended money or undertaken an obligation or made a location decision in reliance upon the conditions prescribed by Section 690.1 et seq. of Title 62 of the Oklahoma Statutes or other provisions of law related to benefits available based upon location of business activity within an enterprise zone shall continue to be entitled to all such benefits or incentives on and after July 1, 1999.

Added by Laws 1998, c. 349, § 4, eff. July 1, 2000.

NOTE: Laws 1999, c. 382, § 5, eff. July 1, 1999, amended the effective date of Laws 1998, c. 349, § 4 from July 1, 1999 to July 1, 2000.

§62-691.1. Repealed by Laws 2003, c. 8, § 6, eff. July 1, 2003.

§62-691.2. Repealed by Laws 2003, c. 8, § 6, eff. July 1, 2003.

§62-691.3. Repealed by Laws 2003, c. 8, § 6, eff. July 1, 2003.

§62-691.4. Repealed by Laws 2003, c. 8, § 6, eff. July 1, 2003.

§62-691.5. Repealed by Laws 2003, c. 8, § 6, eff. July 1, 2003.

§62-695.1. Short title.

This act shall be known and may be cited as the "Oklahoma Bond Oversight and Reform Act".

Added by Laws 1987, c. 222, § 91, operative July 1, 1987. Amended by Laws 2012, c. 275, § 1, eff. Nov. 1, 2012.

§62-695.2. Legislative findings and declarations.

The Legislature hereby finds and declares that there is a need to establish procedures for the efficient sale and issuance of bonds or other obligations by State Governmental Entities which are hereby

declared to be essential to the economic well-being of the state. The Legislature further declares that there are hereby adopted procedures, requirements and methods allowing for significant systematic oversight of State Governmental Entity issuers of bonds or other obligations. The Legislature further declares such oversight is essential to protect the public welfare of the State of Oklahoma. Added by Laws 1987, c. 222, § 92, operative July 1, 1987. Amended by Laws 2012, c. 275, § 2, eff. Nov. 1, 2012.

§62-695.3. Definitions.

As used in the Oklahoma Bond Oversight and Reform Act:

1. "Council" means the Council of Bond Oversight;
 2. "State Governmental Entity" means the State of Oklahoma or any agency, board, commission, authority, department, public trust of which the state is the beneficiary or other instrumentality of state government, other than a public trust with the state as beneficiary whose jurisdiction is limited to one county, including, but not limited to, the following:
 - a. Oklahoma Municipal Power Authority,
 - b. Oklahoma Development Authority,
 - c. Oklahoma Industrial Finance Authority,
 - d. Grand River Dam Authority,
 - e. Oklahoma Water Resources Board,
 - f. Northeast Oklahoma Public Facilities Authority,
 - g. Oklahoma Turnpike Authority,
 - h. Oklahoma Housing Finance Authority, and
 - i. Oklahoma Public, Industrial and Cultural Facilities Authority;
 3. "Local Governmental Entity" means counties, cities and towns, school districts, public trusts of which a county, city or town or school district is the beneficiary or other political subdivision of the state;
 4. "Purpose" means the issuer's principal intended use of the funds derived from the issuance of bonds or other obligations; and
 5. "State Governmental Entity Financing" shall include local governmental transactions where the project is leased by a State Governmental Entity or debt service is paid directly or indirectly by a State Governmental Entity or where the project or improvement is in direct support of or administered by a State Governmental Entity.
- Added by Laws 1987, c. 222, § 93, operative July 1, 1987. Amended by Laws 2012, c. 275, § 3, eff. Nov. 1, 2012.

§62-695.4. Repealed by Laws 2012, c. 275, § 9, eff. Nov. 1, 2012.

§62-695.5. Repealed by Laws 2012, c. 275, § 9, eff. Nov. 1, 2012.

§62-695.6. Repealed by Laws 2012, c. 275, § 9, eff. Nov. 1, 2012.

§62-695.6a. Council of Bond Oversight - Membership.

A. The Council of Bond Oversight shall consist of five (5) members as follows:

1. One member shall be appointed by the President Pro Tempore of the Senate;

2. One member shall be appointed by the Speaker of the House of Representatives;

3. Two members shall be appointed by the Governor, with the advice and consent of the Senate; and

4. The State Treasurer or his or her designee shall be a member.

B. Three members shall constitute a quorum. The affirmative vote of three members shall be necessary for any action to be taken by the Council.

C. Members appointed to the Council shall serve a term of four (4) years and may be removed for cause by the appointing authority. Members may be reappointed for additional terms.

D. A vacancy on the Council shall be filled in the same manner as the original appointment, to hold office during the unexpired term for which the member was appointed. The Council shall elect one of its members chair and may elect such other officers as it deems necessary. No vacancy in the membership of the Council shall impair the right of the Council to exercise all duties of the Council.

E. The State Treasurer, as provided in Section 695.7 of this title, shall provide support staff as necessary to implement the purposes and functions of the Council.

F. The Attorney General shall provide legal counsel to the Council.

G. No member of the Oklahoma State Legislature shall be eligible to serve as a member of the Council.

Added by Laws 2012, c. 275, § 4, eff. Nov. 1, 2012. Amended by Laws 2017, c. 374, § 2, eff. Nov. 1, 2017; Laws 2019, c. 53, § 1, eff. Nov. 1, 2019.

§62-695.7. Deputy Treasurer for Debt Management.

A. The State Treasurer shall engage the services of a person knowledgeable in the current state of the art of national and international standards for the issuance of obligations by governmental entities and experienced in the negotiation of fees for various goods and services requisite to or deemed desirable in the issuance of such obligations as well as the negotiation of other matters essential to provide the best current price and terms of the issuance of such obligations for the benefit of the State of Oklahoma, who shall have the title "Deputy Treasurer for Debt Management".

When hiring a person to the position of Deputy Treasurer for Debt Management, the State Treasurer shall conduct a national search in seeking requests for proposals for the position.

B. The State Treasurer may employ the necessary staff to carry out the duties related to debt management and the Council of Bond Oversight.

C. 1. Except as provided in Section 695.8 of this title, prior to engaging the services of underwriters, bond or other legal counsel, financial advisors, consultants, a financial institution to serve as trustee, paying agent or in any fiduciary capacity in connection with any program, indenture or general resolution of the State Governmental Entity, or any other experts, except as provided in Section 5062.8 of Title 74 of the Oklahoma Statutes, the State Governmental Entity shall, in conjunction with a State Governmental Entity Financing, request proposals for such services from a plurality of persons engaged in the particular activity for such services and the selection of such persons shall be made on the basis of the response to the request which is the most economical and will provide competent service which furthers the best interest of the State Governmental Entity and the state. In negotiating requests for proposals to engage such services, the State Governmental Entity shall seek the advice and assistance of the Deputy Treasurer for Debt Management. Under no circumstances shall proprietary inducements be granted. The Deputy Treasurer for Debt Management shall provide assistance and advice to State Governmental Entities with respect to the issuance of obligations by the State Governmental Entities, review, negotiate, and approve or disapprove the fees and expenses for goods and services requisite to or deemed desirable in the issuance of State Governmental Entity obligations and State Governmental Entity Financing and shall represent the interests of the state before rating agencies and credit enhancement providers.

2. Any State Governmental Entity or Local Governmental Entity proposing to make a significant modification to the terms of any State Governmental Entity Financing, including modification of collateral by substitution, swap, or other derivative product shall first obtain the written approval of the Deputy Treasurer for Debt Management. If the Deputy Treasurer for Debt Management denies approval, the State Governmental Entity or Local Governmental Entity may request the Council of Bond Oversight to review and approve proposed modifications.

D. The Deputy Treasurer for Debt Management shall serve as an advisor to the Governor and to the Legislature with respect to issuance of indebtedness reviewed by the Council and shall prepare an annual report to be submitted to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives as of January 15 each year. The report shall contain a summary of

the issuance of indebtedness by State Governmental Entities during the preceding year.

E. The Deputy Treasurer for Debt Management or any member of the immediate family of the Deputy Treasurer for Debt Management shall not have any direct or indirect financial or contractual relationship with any firm or corporation or any officer, partner or principal stockholder of any firm or corporation directly involved in public finance.

Added by Laws 1987, c. 222, § 97, operative July 1, 1987. Amended by Laws 1988, c. 319, § 14, eff. Nov. 1, 1988; Laws 1989, c. 374, § 2, emerg. eff. June 6, 1989; Laws 1990, c. 342, § 2, emerg. eff. May 30, 1990; Laws 1997, c. 413, § 1, eff. Jan. 1, 1998; Laws 1998, c. 188, § 1, emerg. eff. April 29, 1998; Laws 2003, c. 215, § 1, emerg. eff. May 14, 2003; Laws 2005, c. 166, § 1, eff. Nov. 1, 2005; Laws 2012, c. 275, § 5, eff. Nov. 1, 2012; Laws 2017, c. 374, § 3, eff. Nov. 1, 2017; Laws 2019, c. 53, § 2, eff. Nov. 1, 2019.

§62-695.7a. Repealed by Laws 2017, c. 374, § 6, eff. Nov. 1, 2017.

§62-695.8. Powers and duties of Council of Bond Oversight.

A. The Council of Bond Oversight shall:

1. Make determinations as to whether the purposes for which obligations proposed to be issued by a State Governmental Entity, in conjunction with a State Governmental Entity Financing, are for the furtherance and accomplishment of authorized and proper public functions or purposes of the state or of any county or municipality, as specified in the statutes governing public trusts organized pursuant to Title 60 of the Oklahoma Statutes;

2. Review proposed issuance of debt by State Governmental Entities for compliance with any applicable provisions of federal, state or other laws;

3. Review such other matters as the Council deems relevant to the Application, including, without limitation, sources of repayment and security for the obligation. However, the Council shall not review the merits of the project. The Council shall only determine that the project has a legal and beneficial purpose which can be legitimately funded by bond or similar indebtedness, issued by a State Governmental Entity or Local Governmental Entity;

4. a. Except as provided in subparagraph b of this paragraph, review the findings of the Program Development and Credit Review Committee to determine if the Rules Regarding the Administration of the Credit Enhancement Reserve Fund and related regulations and policies as implemented by the Oklahoma Development Finance Authority adequately and sufficiently fulfill the intents and purposes of the Credit Enhancement Reserve Fund Act, provided such provision shall not apply to

Credit Enhancement Reserve Fund applications approved by the Bond Oversight Commissions prior to May 30, 1990; and, except as provided in subparagraph b of this paragraph, approve or disapprove any bonds or indebtedness being issued by the Oklahoma Development Finance Authority to the extent the bonds or indebtedness are enhanced or supported pursuant to the Credit Enhancement Reserve Fund Act.

- b. The Council shall not be required to review or approve individual projects or loans under the Small Business Credit Enhancement Program created by Section 5063.4b of Title 74 of the Oklahoma Statutes, or the Oklahoma Beginning Agricultural Producer Pool Act, but may approve a package of such projects or loans in advance. Each project or loan shall be individually listed in the package and the dollar amount of the project or loan shall be specifically set out together with the total dollar amount involved in the package. The Council or the Deputy Treasurer for Debt Management may, in their discretion, remove any such individual project or loan from the package submitted, for individual action. Should the Oklahoma Development Finance Authority submit an application to the Council for the approval of an obligation or credit enhancement under these two programs, the application shall be deemed approved if not disapproved by the Council within forty-five (45) days of filing such an application or, as to an individual project or loan, removed from the submitted package within such forty-five-day period.
- c. The Council may establish maximum compensation levels to be paid to individuals and firms acting in a fiduciary capacity in connection with Credit Enhancement Reserve Fund Program financings. The Council may set such compensation levels for a one-year period and such compensation will be applicable to all individuals and firms participating in the program for that period. Providers of such services selected prior to making application may be employed subject to the established maximum compensation levels. Prior to December 31 of each year, the Council shall review market conditions and set new compensation levels for the program. Provided, such compensation levels may not exceed the compensation levels obtained by the Oklahoma Development Finance Authority through its most recent invitation to bid for the services of individuals and firms acting in a fiduciary capacity in

connection with Credit Enhancement Reserve Fund Program financing; and

5. Adopt, amend and repeal rules to regulate affairs of the Council and to implement the powers and purposes of the Council.

B. The Council and Deputy Treasurer for Debt Management, in order to fulfill their duties pursuant to the Oklahoma Bond Oversight and Reform Act, shall be authorized to charge and collect a fee, in accordance with the rules of the Council, derived from proceeds of bond issues approved by the Council.

Added by Laws 1987, c. 222, § 98, operative July 1, 1987. Amended by Laws 1988, c. 319, § 15, eff. Nov. 1, 1988; Laws 1990, c. 342, § 3, emerg. eff. May 30, 1990; Laws 1993, c. 275, § 47, eff. July 1, 1994; Laws 1994, c. 285, § 1, eff. July 1, 1994; Laws 1997, c. 413, § 2, eff. Jan. 1, 1998; Laws 1998, c. 188, § 2, emerg. eff. April 29, 1998; Laws 2012, c. 275, § 7, eff. Nov. 1, 2012; Laws 2019, c. 53, § 3, eff. Nov. 1, 2019.

§62-695.8a. Bond Oversight Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Office of the State Treasurer, to be designated the "Bond Oversight Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of fees collected pursuant to Section 695.8 of this title and any other monies provided for by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Office of the State Treasurer for expenses related to the Oklahoma Bond Oversight and Reform Act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 1988, c. 305, § 22, operative July 1, 1988. Amended by Laws 1994, c. 322, § 24, eff. July 1, 1994; Laws 2003, c. 215, § 3, emerg. eff. May 14, 2003; Laws 2012, c. 304, § 466; Laws 2017, c. 374, § 4, eff. Nov. 1, 2017.

§62-695.8b. Repealed by Laws 1994, c. 322, § 33, eff. July 1, 1994.

§62-695.9. State and local governmental entities - Approval of issuance of obligations.

A. No State Governmental Entity or Local Governmental Entity shall issue any State Governmental Entity Financing obligations unless such obligations have been approved by the Council of Bond Oversight as provided for in Section 695.8 of this title; provided, however, that in no event shall the Council's approval be required for the issuance of any obligations pursuant to a remarketing or a change in interest rate or maturity under the terms of indentures or agreements securing obligations heretofore issued prior to July 1,

1987, or pursuant to the provisions of the Oklahoma Bond Oversight and Reform Act.

B. 1. With respect to any State Governmental Entity Financing proposed to be obtained through the issuance of its obligations, any State Governmental Entity or Local Governmental Entity shall file with the Council a written description of the nature, need and purpose of such proposed financing. The Council shall review the description of the proposed financing in order to either approve or disapprove the purpose to be served by the issuance of the State Governmental Entity obligations and for compliance with any applicable provisions of federal, state or other laws.

2. With respect to bonds or indebtedness proposed to be issued by the Oklahoma Development Finance Authority which will be enhanced or supported pursuant to the Credit Enhancement Reserve Fund Act, the Council shall review the description of such proposed financing in accordance with paragraph 1 of this subsection and additionally shall approve or disapprove the proposed financing on a determination of sufficient compliance with the Rules Regarding the Administration of the Credit Enhancement Reserve Fund as implemented by the Oklahoma Development Finance Authority. Such determinations by the Council shall be based on a written report prepared for and provided to the Council by the Program Development and Credit Review Committee as provided in Section 5062.6a of Title 74 of the Oklahoma Statutes, provided the Council shall not be bound to follow the conclusions reached by the committee in such reports. All orders issued by the Council approving or disapproving bonds or indebtedness enhanced or supported pursuant to the Credit Enhancement Reserve Fund Act shall be final and shall not be subject to any type of appeal.

3. Except as provided in paragraph 4 of this subsection, approval provided for in paragraph 1 of this subsection shall expire one hundred eighty (180) days after such approval. Provided, if such approval expires, nothing shall prevent the State Governmental Entity from refile with the Council for approval of such financing and, if granted, any one subsequent approval of such financing shall be valid for a period, not to exceed one hundred eighty (180) days, as determined by the Council.

4. Applicants having received approval, as provided for in paragraph 1 of this subsection, may request and the Deputy Treasurer for Debt Management may grant, at his or her discretion, a single one-hundred-eighty-day extension. Any request for an extension must be made at least five (5) business days prior to the expiration of the original approval. Applicants failing to request an extension in this manner may refile with the Council as provided for in paragraph 3 of this subsection.

5. In the event there is a substantial change in the nature or purpose of a proposed financing after approval by the Council, the prior approval shall be void and the State Governmental Entity shall

be required to seek approval from the Council in the manner provided in paragraph 1 of this subsection.

C. Local Governmental Entities, within ten (10) days following the date funds become available to the issuer from the sale of any obligation, shall file with the Council a copy of the official statement or notice of sale and any other information concerning the proposed financing required by the Council.

D. Upon the request of a Local Governmental Entity, the Deputy Treasurer for Debt Management may provide advice and assistance to the Local Governmental Entity with respect to the issuance of obligations. The State Treasurer may assess reasonable fees for such services.

Added by Laws 1987, c. 222, § 99, operative July 1, 1987. Amended by Laws 1988, c. 319, § 16, eff. Nov. 1, 1988; Laws 1989, c. 374, § 3, emerg. eff. June 6, 1989; Laws 1990, c. 342, § 4, emerg. eff. May 30, 1990; Laws 1991, c. 1, § 1, emerg. eff. Feb. 13, 1991; Laws 1991, c. 341, § 3, eff. July 1, 1991; Laws 1994, c. 322, § 25, eff. July 1, 1994; Laws 1998, c. 188, § 3, emerg. eff. April 29, 1998; Laws 2012, c. 275, § 8, eff. Nov. 1, 2012; Laws 2019, c. 53, § 4, eff. Nov. 1, 2019.

§62-695.10. Repealed by Laws 1994, c. 322, § 34, eff. July 1, 1994.

§62-695.10A. Public finance service provider - Required disclosure.

A. As used in this section, "public finance service provider" means underwriters, bond or other legal counsel, financial advisors, consultants, and financial institutions who serve as trustee, paying agent or in any fiduciary capacity, who seek to provide services to State Governmental Entities or Local Governmental Entities with regard to the issuance of bonds, notes or other evidences of indebtedness.

B. Any public finance service provider shall be required to make a disclosure, upon such form as the Deputy Treasurer for Debt Management may prescribe, of any and all direct financial contributions made by the public finance service provider which exceed Five Thousand Dollars (\$5,000.00) in any calendar year on a cumulative basis to any nonprofit organization, regardless of its exempt status pursuant to the provisions of the Internal Revenue Code of 1986, as amended, the primary purpose of which is to provide services to one or more political subdivisions of the state or the membership of which consists primarily of public school administrators, common school districts or common school district boards of education, common school superintendents, career technology districts or career technology district governing boards, municipal government entities, county commissioners or other public officials or local government entity having authority to issue debt obligations either directly or which is the beneficiary of a public trust

organized pursuant to the provisions of Section 176 et seq. of Title 60 of the Oklahoma Statutes.

C. In addition, the public finance service provider shall be required to make disclosure of any and all direct financial contributions which exceed One Hundred Dollars (\$100.00) on a cumulative basis during any calendar year made to any elected officials or employees of a State Governmental Entity or Local Governmental Entity to which financial services are to be provided in connection with issuance of debt obligations or contributions made to any individuals associated with any of the nonprofit organizations described by subsection B of this section.

D. The disclosure shall be filed annually with the Deputy Treasurer for Debt Management not later than January 15, or the first business day after such date if January 15 is not a date upon which the State Treasurer's office is open for business, and shall include an itemized description of all direct financial contributions made to any and all of the entities described by subsections B and C of this section by the public finance service provider during the immediately preceding calendar year.

E. Any public finance service provider shall submit a copy of the most recent disclosure document on file with the Deputy Treasurer for Debt Management as required pursuant to subsection D of this section prior to the selection of a public finance service provider by any county, city, town, common school district, career technology district or other local government entity or any public trust organized pursuant to the provisions of Section 176 et seq. of Title 60 of the Oklahoma Statutes having one or more political subdivisions as its beneficiary or beneficiaries, with respect to the issuance of any obligations described by subsection A of this section. The disclosure document shall be provided to each member of the governing board of the unit of local government to which services will be provided and, if applicable, to each member of the board of trustees of any public trust as described in this subsection to which public finance services will be provided. If the board of trustees of such public trust is comprised of persons who are also members of the governing board of the unit of local government, the disclosure document may be provided to the members of the governing board of the unit of local government and the document will not be required to be provided to any member of the board of trustees of the public trust unless such person is not a member of the governing board of the unit of local government.

Added by Laws 2017, c. 374, § 5, eff. Nov. 1, 2017. Amended by Laws 2019, c. 53, § 5, eff. Nov. 1, 2019.

§62-695.11. Application of Oklahoma Central Purchasing Act - Review and approval of Deputy Treasurer for Debt Management.

The provisions of The Oklahoma Central Purchasing Act shall not be applicable to any actions of a State Governmental Entity in regard to the sale and issuance of its obligations, including any contracts and undertakings relating thereto; however, such issuance, contracts and undertakings shall be subject to the provisions of the Oklahoma Bond Oversight and Reform Act regarding review or approval of such matters by the Deputy Treasurer for Debt Management. Added by Laws 1987, c. 222, § 101, operative July 1, 1987. Amended by Laws 1998, c. 188, § 4, emerg. eff. April 29, 1998; Laws 2003, c. 215, § 4, emerg. eff. May 14, 2003; Laws 2019, c. 53, § 6, eff. Nov. 1, 2019.

§62-695.11A. Repealed by Laws 2012, c. 275, § 9, eff. Nov. 1, 2012. NOTE: Subsequent to repeal, this section was amended by Laws 2012, c. 304, § 467 to read as follows:

A. In the event either the Executive or Legislative Bond Oversight Commission is found unconstitutional by a final, unappealed order of a court of competent jurisdiction, all of the powers, duties and responsibilities of the Commissions shall devolve upon the Council of Bond Oversight, and previous joint or individual actions, approvals and disapprovals of the Executive and Legislative Bond Oversight Commissions are hereby confirmed, ratified, validated and deemed incontestable. In the event the Executive or the Legislative Bond Oversight Commission or the Council of Bond Oversight is found unconstitutional by a final, unappealed order of a court of competent jurisdiction, such determination shall not nullify joint or individual actions, approvals and disapprovals of the Executive and Legislative Bond Oversight Commissions or the Council of Bond Oversight and any obligations entered into by the Oklahoma Development Finance Authority pursuant to provisions of the Oklahoma Development Finance Authority Act and the Credit Enhancement Reserve Fund Act with approval by the Bond Oversight Commissions or the Council of Bond Oversight and such obligations are hereby confirmed, ratified, validated and deemed incontestable.

B. The Council shall consist of five (5) nonlegislative members. One member shall be appointed by the Speaker of the House of Representatives, one member shall be appointed by the President Pro Tempore of the Senate, two members shall be appointed by the Governor with the advice and consent of the Senate and one member shall be the Director of the Office of Management and Enterprise Services. Three members of the Council shall constitute a quorum. The affirmative vote of three members present and voting shall be necessary for any action taken by the Council. Appointed members shall serve a term of two (2) years and may be removed for cause by the appointing authority. Members may be appointed for additional terms.

C. A vacancy on the Council shall be filled in a like manner as the original appointment, but only for the remainder of the term. The Council shall elect one of its members chairman and may elect such other officers as it deems necessary. No vacancy in the membership of the Council shall impair the right of the Council to exercise all rights and duties of the Council.

D. If the powers, duties and responsibilities of the Commissions devolve upon the Council pursuant to this section, the person serving as the Oklahoma State Bond Advisor on the date of such devolution shall continue to serve in that position until the Governor appoints a new

Oklahoma State Bond Advisor from a list of candidates provided by the Council and said appointee has been confirmed by the Senate. Thereafter, and in the case of a vacancy, the Oklahoma State Bond Advisor shall be appointed, subject to the advice and consent of the Senate, by the Governor from a list of candidates provided by the Council and shall serve a term of office coterminous with that of the appointing Governor. The Oklahoma State Bond Advisor may be removed by the Council for cause, after a public hearing.

§62-695.12. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.13. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.14. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.15. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.16. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.17. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.18. Repealed by Laws 1990, c. 326, § 7, emerg. eff. May 31, 1990.

§62-695.19. Refunding bonds - Review and approval of Deputy Treasurer for Debt Management.

Notwithstanding any other provision of law, a State Governmental Entity, as such term is defined in Section 695.3 of this title, is authorized to issue refunding bonds for the purpose of refinancing existing bonds or obligations without further authorization from the Legislature provided the issuance of the refunding bonds and any services, fees and expenses related thereto are reviewed and approved by the Deputy Treasurer for Debt Management and the Council of Bond Oversight pursuant to the provisions of the Oklahoma Bond Oversight and Reform Act.

Added by Laws 2003, c. 215, § 5, emerg. eff. May 14, 2003. Amended by Laws 2019, c. 53, § 7, eff. Nov. 1, 2019.

§62-695.21. Short title.

This act shall be known and may be cited as the "Oklahoma Private Activity Bond Allocation Act".

Added by Laws 1990, c. 326, § 1, emerg. eff. May 30, 1990.

§62-695.22. Formula and procedures adopted for issuance of private activity bonds.

Pursuant to the provisions of the Federal Tax Reform Act of 1986 (26 U.S.C., Section 1 et seq.), as amended, under which a ceiling is established on the amount of private activity bonds which may be issued in a state during any calendar year, the following formula and procedures are hereby adopted for the issuance of private activity bonds for the purpose of promoting employment, economic development, assuring the general health, safety and welfare of the citizens and residents of the state and otherwise lessening the burdens of government.

Added by Laws 1990, c. 326, § 2, emerg. eff. May 30, 1990.

§62-695.23. Definitions.

As used in the Oklahoma Private Activity Bond Allocation Act:

1. "Application for state ceiling allocation" means the written application form provided by the Deputy Treasurer for Debt Management which shall be filed by or on behalf of the issuer in compliance with the requirements of this act;

2. "Beginning Agricultural Producer Pool" means the portion of the state ceiling reserved for bonds relating to the Oklahoma Beginning Agricultural Producer Pool Act;

3. "Carryforward" shall have the same meaning as in Section 146(f) of the Internal Revenue Code;

4. "Confirmation" means a written confirmation of allocation issued by the Deputy Treasurer for Debt Management;

5. "Consolidated Pool" means an aggregation of unallocated sums of the state ceiling derived from pools as set forth in subsection M of Section 695.24 of this title;

6. "Economic Development Pool" means that portion of the state ceiling reserved for projects specifically authorized by the Council of Bond Oversight, as provided for in subsection B of Section 695.24 of this title;

7. "Exempt facility bonds" means exempt facility bonds as defined in Section 142(a) of the Internal Revenue Code;

8. "Exempt Facility Pool" means the portion of the state ceiling reserved for exempt facility bonds;

9. "Final certification" or "final certificate" means a certification or certificate filed with the Deputy Treasurer for Debt Management by or on behalf of the issuer specifying the exact amount of indebtedness issued by an issuer, or, in the case of mortgage credit certificates, a copy of the document or election filed with the Internal Revenue Service exchanging bond issuance authority for mortgage credit certificate issuance authority;

10. "Internal Revenue Code" means the Internal Revenue Code of 1986 (26 U.S.C., Section 1 et seq.), as amended;

11. "Issued" means any issue of bonds which have been delivered and the purchase price therefor remitted to or for the account of the issuer, or a copy of the document or election filed with the Internal Revenue Service exchanging bond issuance authority for mortgage credit certificate issuance authority;

12. "Issuer" or "issuing authority" means any public trust or other entity which is authorized to issue tax-exempt bonds, notes and other like obligations, or has the authority to exchange single-family mortgage bond authority for mortgage credit certificate authority, under the Constitution or laws of the state;

13. "Local issuer" means any municipality, county or public trust having counties or municipalities or combinations thereof as beneficiary, or a public trust having the state as beneficiary with jurisdiction limited to one county of the state;

14. "Local Issuer Single Family Pool" means the portion of the state ceiling reserved for local issuers of single-family, mortgage revenue bonds and mortgage credit certificates;

15. "Metropolitan Area Housing Pool" means the portion of the state ceiling reserved pursuant to subsection I of Section 695.24 of this title;

16. "Mortgage credit certificate election" means a document or election filed by an issuer with the Internal Revenue Service exchanging single-family mortgage bond issuance authority for mortgage credit certificate issuance authority;

17. "Mortgage credit certificates" shall have the same meaning as in Section 25(c) of the Internal Revenue Code;

18. "Oklahoma Housing Finance Agency Pool" means that portion of the state ceiling reserved for single-family bonds, multifamily bonds, and mortgage credit certificates issued by the Oklahoma Housing Finance Agency;

19. "Private activity bonds" or "bonds" means any bonds or notes or other evidence of indebtedness, the interest on which is exempt from tax pursuant to the Internal Revenue Code, and mortgage credit certificates, except those bonds or certificates specifically excluded from the state ceiling under the terms of federal legislation;

20. "Qualified small issue" used in the context of "bond" or "bonds" or the "Qualified Small Issue Pool" shall have the meaning as in Section 144(a) of the Internal Revenue Code;

21. "Qualified Small Issue Pool" means the portion of the state ceiling reserved for qualified small issue bonds;

22. "Qualified student loan bonds" shall have the same meaning as in Section 144(b) of the Internal Revenue Code;

23. "Rural Area Housing Pool" means the portion of the state ceiling reserved pursuant to subsection J of Section 695.24 of this title;

24. "State" means the State of Oklahoma;

25. "State Bond Advisor" means the Deputy Treasurer for Debt Management or his or her designee;

26. "State ceiling" means the limit which is prescribed by the Internal Revenue Code in Section 146 and in such other applicable sections of the Internal Revenue Code on the amount of private activity bonds which may be issued collectively by all of the issuers of the state during a calendar year;

27. "State issuer" means any public trust having the state as beneficiary or any state agency or other entity with powers to issue private activity bonds, provided that the term shall not include a public trust or any local issuer with the state as beneficiary whose jurisdiction is limited to one county;

28. "State Issuer Pool" means the portion of the state ceiling reserved for state issuers of qualified small issuer projects; and

29. "Student Loan Pool" means the portion of the state ceiling reserved for qualified student loan bonds.

Added by Laws 1990, c. 326, § 3, emerg. eff. May 30, 1990. Amended by Laws 1993, c. 233, § 5, eff. July 1, 1993; Laws 1998, c. 129, § 1, eff. Jan. 1, 1999; Laws 1998, c. 400, § 3, eff. Jan. 1, 1999; Laws 2004, c. 380, § 1, eff. Jan. 1, 2005; Laws 2019, c. 53, § 8, eff. Nov. 1, 2019.

§62-695.24. Designation of various pools - Amounts reserved and placed.

A. 1. Fifteen and five-tenths percent (15.5%) of the state ceiling shall be reserved and placed in the Student Loan Pool.

2. For the period January 1 through September 1 of each calendar year, the Student Loan Pool shall be allocated to qualified student loan bonds issued by eligible state issuers. Allocations will be available to issuers on a first-come, first-serve basis.

B. Twelve percent (12%) of the state ceiling shall be reserved and placed in a pool designated as the Economic Development Pool. For the period January 1 through September 1 of each calendar year, allocations from this pool may be made only upon the recommendation of the Director of the Oklahoma Department of Commerce and following review and approval by the Council of Bond Oversight. In order to approve the recommendation, the Council of Bond Oversight must find that the project seeking an allocation from this pool will result in the creation of manufacturing jobs in this state or will in some other way contribute to an economic development objective of this state. For purposes of this subsection, "manufacturing jobs" means jobs created by manufacturing facilities as that term is defined in subparagraphs a, b, and c of paragraph 1 of subsection B of Section 2902 of Title 68 of the Oklahoma Statutes.

C. 1. Twelve percent (12%) of the state ceiling shall be reserved and placed in a pool to be designated the Qualified Small Issue Pool.

2. For the period January 1 through September 1 of each calendar year, the Qualified Small Issue Pool shall be allocated to qualified small issue bond projects undertaken by either state or local issuers. Allocations will be available to issuers on a first-come, first-serve basis.

D. 1. One percent (1%) of the state ceiling shall be reserved and placed in a pool to be designated the Beginning Agricultural Producer Pool.

2. For the period January 1 through September 1 of each calendar year, the Beginning Agricultural Producer Pool shall be allocated pursuant to the criteria established in Section 5063.23 of Title 74 of the Oklahoma Statutes.

E. 1. Two and five-tenths percent (2.5%) of the state ceiling shall be reserved and placed in a pool to be designated the Exempt Facility Pool.

2. For the period January 1 through September 1 of each calendar year, the Exempt Facility Pool shall be allocated to exempt facility bonds issued by either state or local issuers. Allocations will be available to issuers on a first-come, first-serve basis.

F. 1. Except as otherwise provided by this subsection, fifteen percent (15%) of the state ceiling shall be reserved and placed in a pool to be designated the Oklahoma Housing Finance Agency Pool. Provided, however, that the allocation of the state ceiling to the Oklahoma Housing Finance Agency as otherwise authorized pursuant to this subsection shall be increased up to ten percent (10%) of the state ceiling amount for any calendar year subsequent to a certification by the Oklahoma Strategic Military Planning Commission that the available housing stock in an area located on or near a military installation at risk for closure or adverse realignment pursuant to federal law is inadequate and an increase in available funds for construction or rehabilitation of such housing would make closure or an adverse realignment of the military installation less likely. The certification by the Oklahoma Strategic Military Planning Commission shall be made and communicated to the Deputy Treasurer for Debt Management not later than November 15 each year. The Oklahoma Strategic Military Planning Commission shall make a specific recommendation to the Deputy Treasurer for Debt Management regarding the percentage increase to be adopted for the Oklahoma Housing Finance Agency pool for the ensuing year. The Deputy Treasurer for Debt Management shall make the final determination regarding the amount of such increase. Any certification made by the Oklahoma Strategic Military Planning Commission shall be valid only for the calendar year immediately following such certification.

2. a. For the period January 1 through September 1 of each year, the Oklahoma Housing Finance Agency Pool shall be allocated to qualified single family bonds, multifamily

bonds, or mortgage credit certificates issued by the Oklahoma Housing Finance Agency.

- b. Provided, thirty-five percent (35%) of the allocation from the Oklahoma Housing Finance Agency Pool shall be set aside for at least three (3) months for the origination of single-family loans in counties with populations of three hundred thousand (300,000) or less.

G. 1. Four percent (4%) of the state ceiling shall be reserved and placed in a pool to be designated the State Issuer Pool. For the period commencing January 1 of each calendar year through September 1 of the same year, the State Issuer Pool shall be allocated to those qualified small issuer projects undertaken by state issuers which have issued in excess of Seventy-five Million Dollars (\$75,000,000.00) in qualified small issue bonds.

2. Notwithstanding the provisions of this section, a state issuer specifically limited in jurisdiction to one county shall be treated as a local issuer for the purposes of allocation.

H. Seventeen and five-tenths percent (17.5%) of the state ceiling shall be reserved and placed in a pool to be designated the Local Issuer Single Family Pool. For the period commencing January 1 of each calendar year through September 1 of the same year, the Local Issuer Single Family Pool shall be allocated to single-family projects undertaken by local issuers in counties with populations of three hundred thousand (300,000) or less on a first-come, first-serve basis with no single local issuer or project to receive an allocation in excess of Ten Million Dollars (\$10,000,000.00) from the Local Issuer Single Family Pool. An issuer which has not received any allocation from the State Issuer Pool and having a single-family project limited in jurisdiction to twenty counties or less, each of which has a population of three hundred thousand (300,000) or less, shall be considered a local issuer for the purposes of this subsection.

I. Twelve and five-tenths percent (12.5%) of the state ceiling shall be reserved and placed in a pool to be designated the Metropolitan Area Housing Pool. Allocations from the Metropolitan Area Housing Pool may only be made to any public trust created to provide single-family housing having a county with a population in excess of three hundred thousand (300,000) as its sole beneficiary and which has issued tax exempt single-family housing revenue bonds in the amount of at least Four Hundred Million Dollars (\$400,000,000.00). Provided, no more than fifty percent (50%) of the amount allocated pursuant to this subsection shall be awarded to any single county.

J. Eight percent (8%) of the state ceiling shall be reserved and placed in a pool to be designated the Rural Area Housing Pool which shall be allocated to single-family projects undertaken by other

local issuers in counties with populations of three hundred thousand (300,000) persons or less on a first-come, first-serve basis with no single local issuer or project to receive an allocation in excess of four percent (4%) of the state ceiling.

K. Provided, however, that the percentage otherwise authorized by subsections A, B, C, D, E, F, G, H, I and J of this section shall be proportionately reduced by the amount of increase in the percentage authorized to the Oklahoma Housing Finance Agency as a result of a recommendation by the Oklahoma Strategic Military Planning Commission pursuant to paragraph 1 of subsection F of this section.

L. The state ceiling for each calendar year shall be allocated within the categories set forth in subsections A, B, C, D, E, F, G, H, I and J of this section to all private activity bonds, as follows:

1. Except as provided in Section 695.21 et seq. of this title, the state ceiling shall be allocated in the order in which confirmations are issued;

2. The Deputy Treasurer for Debt Management shall issue confirmations in the order in which fully and properly completed applications for state ceiling allocation are received. The Deputy Treasurer for Debt Management shall have the limited authority to defer or deny confirmation on applications for state ceiling allocation which appear to be incomplete or premature based upon information submitted or which fail to show demand for funds pursuant to subsections F and G of Section 695.25 of this title; and

3. The Deputy Treasurer for Debt Management shall have no discretionary control regarding the issuance of confirmations, except as specifically provided in the Oklahoma Private Activity Bond Allocation Act.

In the event a confirmation or application is denied, the Deputy Treasurer for Debt Management, within five (5) business days following such denial, shall send written notice of such denial to the applicant together with a brief recital of the reason therefor.

M. 1. On September 2 of each calendar year, nonallocated sums remaining in the Economic Development Pool, Qualified Small Issue Pool, the Beginning Agricultural Producer Pool, the Exempt Facility Pool, the Student Loan Pool, the Oklahoma Housing Finance Agency Pool, the State Issuer Pool, the Local Issuer Single Family Pool, the Metropolitan Area Housing Pool and the Rural Area Housing Pool shall be consolidated into the Consolidated Pool.

2. All local issuers and state issuers shall be entitled to obtain allocations from the Consolidated Pool for any private activity bond or mortgage credit certificate program based on the chronological order of completed applications received after January 1 of each calendar year which applications have not received an allocation.

Added by Laws 1990, c. 326, § 4, emerg. eff. May 30, 1990. Amended by Laws 1993, c. 233, § 6, eff. July 1, 1993; Laws 1995, c. 349, § 4, eff. Jan. 1, 1996; Laws 1996, c. 342, § 2, eff. Jan. 1, 1997; Laws 1997, c. 236, § 4, emerg. eff. May 23, 1997; Laws 1998, c. 129, § 2, eff. Jan. 1, 1999; Laws 1998, c. 400, § 4, eff. Jan. 1, 1999; Laws 2004, c. 380, § 2, eff. Jan. 1, 2005; Laws 2019, c. 53, § 9, eff. Nov. 1, 2019.

§62-695.25. Determination of maximum total volume of bonds that may be issued for year - Publication - Application by issuers for allocation of state ceilings - Contents.

A. On January 1 of each calendar year or the first business day thereafter, the Deputy Treasurer for Debt Management shall determine the maximum total volume of private activity bonds that may be issued pursuant to federal law by the state during that year.

B. On or before February 15 of each calendar year, the Deputy Treasurer for Debt Management shall cause to be published in The Oklahoma Register, or any successor publication, a notice specifying the amount of the state ceiling for the calendar year.

C. Allocations from the pools set forth in Section 695.24 of this title will be processed on the basis of the chronological order of receipt of completed applications for state ceiling allocation unless otherwise provided in said section, and on the basis of the information and provisions set forth in subsections D, E, F, G and H of this section. Allocations from the Consolidated Pool will be processed on the basis of the system set out in subsection M of Section 695.24 of this title and on the basis of information and provisions set forth in subsections D, E, F, G and H of this section.

D. An issuer which proposes to issue private activity bonds for a specific project or purpose shall make application for an allocation of a portion of the state ceiling for the particular project or purpose by submitting to the Deputy Treasurer for Debt Management an application for state ceiling allocation together with copies of the following:

1. A certified copy of the resolution or other action adopted by the issuer for the purpose of taking "official action" as required by the Treasury Regulations relating to Section 103 of the Internal Revenue Code, if the issuer of private activity bonds for which the allocation is requested requires "official action" under applicable Treasury Regulations and the Internal Revenue Code; and

2. A final resolution of the beneficiary of the issuer evidencing its approval of the issuance of the issuer's obligations, if the issuer is a municipal or county public trust, or a certificate signed by the Governor of the state evidencing his approval of the issuance of the issuer's obligations, to the extent required under the Internal Revenue Code, if the issuer is a public trust having the state as its beneficiary.

E. The application for state ceiling allocation shall contain the following information:

1. The name and mailing address of the issuer, the beneficiary and jurisdiction thereof, the name of the presiding officer of the issuer and the respective pool from which an allocation is requested;

2. The name and mailing address or other definitive description of the location of the project or bonds and the purpose for which an allocation of the state ceiling is requested, the name and mailing address of both the initial owner or operator of the project, where applicable, and an appropriate person from whom information regarding the project or bonds can be obtained, and the name and address of the person to whom the confirmation should be sent;

3. The amount of the state ceiling which the Issuer is requesting;

4. A statement of bond counsel for the issuer that the proposed issue requires, pursuant to Section 103, Section 146 or such other applicable sections of the Internal Revenue Code, an allocation of a portion of the state ceiling; and

5. Where applicable, the intention to exchange single-family mortgage bond authority for mortgage credit certificates.

F. 1. Applications for single-family mortgage bonds or mortgage credit certificate programs shall also include the submission of information demonstrating a reasonable expectation to use an allocation of the state ceiling for its intended purpose. This information shall include historical usage of mortgage revenue bond proceeds or mortgage credit certificates in the geographic area subject to an application over the previous twenty-four-month period and the impact of known or possible competing programs that would act to reduce demand. This information may also include demand surveys. Provided, in cases where historical usage cannot be documented, demand surveys shall be included with an application.

2. Applications for qualified student loan bonds shall also include the submission of information showing a reasonable expectation to use the state ceiling for its intended purpose. This information shall include historical lending activity over the previous twenty-four-month period as well as a demonstration of need based upon such factors as increased enrollment costs, enrollment increases, or new federal regulations that act to increase demand by making changes to eligibility requirements to certain federally guaranteed or subsidized student loan programs. This information may also include demand surveys. Provided, in cases where historical usage cannot be documented, demand surveys shall be included with an application.

3. Applications shall also include evidence of a structure to deliver the financing derived from single-family mortgage bond proceeds or mortgage credit certificates or from qualified student loan bond proceeds to ultimate users, particularly the extent of

lender participation in the case of mortgage revenue bonds or mortgage credit certificate programs.

G. 1. Upon receipt of the completed application for state ceiling allocation, copies of the official action and final resolutions or certificates as required by subsection D of this section and the information required by subsections E and F of this section and assuming availability of the sum requested and compliance with the Oklahoma Private Activity Bond Allocation Act, the Deputy Treasurer for Debt Management shall send, within five (5) business days of the receipt thereof, a confirmation of the allocation of the state ceiling for the subject project or purpose to the person designated in the application for state ceiling allocation. Provided, the Deputy Treasurer for Debt Management may reject an application or deny a confirmation pursuant to the provisions of this subsection.

2. The Deputy Treasurer for Debt Management may reject any application which is incomplete or filed with insufficient information. The Deputy Treasurer for Debt Management may reject any application where, in the Deputy Treasurer for Debt Management judgment, a reasonable likelihood has not been shown that single-family mortgage and student loan bond proceeds or mortgage credit certificates will be used for their intended public purposes. In the event an application or confirmation is denied, within five (5) business days following such denial, the Deputy Treasurer for Debt Management shall send the applicant written notice of the denial of an application or confirmation together with the reason or reasons therefor. In the case of disapprovals of applications or confirmations, an applicant may appeal the disapproval by submitting a new application to the Council of Bond Oversight, along with an explanation addressing the reasons for disapproval cited in the Deputy Treasurer for Debt Management letter. The Council of Bond Oversight, through affirmative action of the Council, may accept an application rejected by the Deputy Treasurer for Debt Management, or order the Deputy Treasurer for Debt Management to issue a confirmation of allocation, subject to provisions of the Oklahoma Private Activity Bond Allocation Act. Applicants may submit only one new application based on an appeal of any specific application previously submitted.

3. Only complete applications, as determined by the Deputy Treasurer for Debt Management, shall be used to establish the chronological order of applications. In the case of a new application submitted based on an appeal, chronological order shall be established at the time the new application is submitted.

H. An original confirmation shall cease to be effective to assure allocation of any portion of the state ceiling unless the bonds, notes, other evidences of indebtedness, or the appropriate election filed with the Internal Revenue Service exchanging mortgage

bond authority for mortgage credit certificate authority have been issued or filed within one hundred twenty (120) days after the date of such confirmation. No extensions shall be granted. Such issuance shall be evidenced by the mailing, transmittal or delivery of a final certification to the Deputy Treasurer for Debt Management within the time specified by this subsection. Receipt by an issuer of a confirmation as contemplated by this section shall entitle the issuer to rely conclusively upon the accuracy of the Deputy Treasurer for Debt Management's mathematical calculation and the allocation for purposes of closing.

I. The confirmation given in advance of bond issuance or mortgage credit certificate election will assure allocation for only the amount of such bonds or mortgage credit certificate authority as is therein set forth, unless a supplementary application for state ceiling allocation for an increase in amount is filed with and a supplementary confirmation is issued by the Deputy Treasurer for Debt Management for such requested allocation prior to such bond issuance or such election, pursuant to the Oklahoma Private Activity Bond Allocation Act. The supplementary confirmation shall be effective for the same period as the prior confirmation which it supplements. Provided, however, no supplementary confirmation shall be effective to preempt any intervening confirmation as to allocation of a portion of the state ceiling.

J. Notwithstanding the provisions of this section, all confirmation dates for an issue of private activity bonds or mortgage credit certificate programs expire on December 20 of each calendar year. Final certification of issuance shall be delivered to the Deputy Treasurer for Debt Management by 9:00 a.m. on December 20 of each calendar year.

K. On or after 9:00 a.m. on December 20 of each calendar year, issuing authorities may apply to the Deputy Treasurer for Debt Management to carry forward a portion of the state ceiling for such calendar year allocated to any qualified carryforward project, as said term is used in Section 103(n)(10) and 146(f) of the Internal Revenue Code and which shall be evidenced by the issuance of confirmations for all carryforward projects within the limitations of the state ceiling. Provided, issuers or projects with more than Twenty Million Dollars (\$20,000,000.00) of carryforward outstanding as of the date of the application for carryforward shall only be eligible for carryforward allocations to the extent other issuers with less than Twenty Million Dollars (\$20,000,000.00) of outstanding carryforward authority do not fully commit the state ceiling. Allocations on carryforward projects shall be processed on the basis of the chronological receipt of applications. No portion of the state ceiling carried forward for any given year may be carried forward for a period in excess of three (3) calendar years following

the calendar year in which the carryforward arose, except as otherwise permitted under federal law.

L. The Deputy Treasurer for Debt Management shall maintain continuous and cumulative records which shall include a list and cumulative dollar total of the private activity bonds for which:

1. Private activity bonds have been issued or state ceiling exchanged for mortgage credit certificate authority and final certifications have been received by the Deputy Treasurer for Debt Management;

2. Confirmations of carryforward have been issued; and

3. Confirmations in effect and outstanding for which no private activity bonds or mortgage credit certificate elections have been issued or filed.

The Deputy Treasurer for Debt Management shall keep continuous and cumulative records and totals for each of the categories specified in paragraphs 1, 2 and 3 of this subsection as well as the aggregate total of all categories. The Deputy Treasurer for Debt Management shall not give further confirmations at such time as the aggregate amount of bonds, other indebtedness, carryforward or mortgage credit certificate elections specified by paragraphs 1, 2 and 3 of this subsection equals the state ceiling authorized for the applicable year. The Deputy Treasurer for Debt Management shall not award a confirmation if such award would cause indebtedness, carryforward or elections as specified by paragraphs 1, 2 and 3 of this subsection to exceed the state ceiling. Confirmation records shall be compiled and furnished to any local issuer and state issuer upon written request and payment of a fee of Fifteen Dollars (\$15.00) which shall be apportioned to the General Revenue Fund. Upon issuance of a confirmation, the amounts of the proposed bond issue, mortgage credit certificate election and carryforward confirmation shall be included in the continuing, mathematical calculation, until the same shall have been terminated in accordance with this section.

M. The person signing any confirmation for any allocations granted pursuant to the Oklahoma Private Activity Bond Allocation Act shall certify under penalty of perjury that such allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

N. A state or local issuer, who intentionally overissues mortgage credit certificates or bonds, shall be prohibited from making application for an allocation of the state ceiling for any purpose for a period of three (3) years following discovery of such over issuance.

Added by Laws 1990, c. 326, § 5, emerg. eff. May 30, 1990. Amended by Laws 1993, c. 233, § 7, eff. July 1, 1993; Laws 1998, c. 400, § 5, eff. Jan. 1, 1999; Laws 2000, c. 351, § 11, emerg. eff. June 6, 2000; Laws 2004, c. 380, § 3, eff. Jan. 1, 2005; Laws 2019, c. 53, § 10, eff. Nov. 1, 2019.

§62-695.26. Application of Act.

The definitions, terms and provisions of the Oklahoma Private Activity Bond Allocation Act shall apply solely to private activity bonds pursuant to the applicable provisions of the Internal Revenue Code.

Added by Laws 1990, c. 326, § 6, emerg. eff. May 30, 1990.

§62-701. Repealed by Laws 2015, c. 120, § 1, eff. Nov. 1, 2015.

§62-702. Repealed by Laws 2015, c. 120, § 1, eff. Nov. 1, 2015.

§62-703. Repealed by Laws 2015, c. 120, § 1, eff. Nov. 1, 2015.

§62-704. Repealed by Laws 2015, c. 120, § 1, eff. Nov. 1, 2015.

§62-751. Short title.

Sections 1 through 12 of this act shall be known and may be cited as the "General Obligation Public Securities Refunding Act".

Added by Laws 1984, c. 255, § 1, emerg. eff. May 30, 1984.

§62-752. Definitions.

As used in the General Obligation Public Securities Refunding Act:

1. "Escrow supplement" means any legally available funds or moneys, other than bond proceeds, of a public body, which are placed in an escrow or trust account established pursuant to the provisions of the General Obligation Public Securities Refunding Act to be used and expended, together with the proceeds of refunding bonds, to accomplish the purposes of the escrow or trust account;

2. "Federal securities" means United States Government or agency bills, certificates of indebtedness, notes, bonds or other obligations which are direct obligations of, or the principal of and interest on which obligations are unconditionally guaranteed by or secured by an unconditional obligation of, the United States of America;

3. "General obligation" means general obligation bonds or any other general obligation of a public body constituting a debt or indebtedness of the public body;

4. "Governing body" means a city council, town council, board, commission, board of commissioners, board of trustees, board of directors or other legislative body of a public body in which the legislative powers of the public body are vested;

5. "Net effective interest rate" means the net interest cost of such obligations to be refunded divided by the product of the principal amounts expressed in one-thousand-dollar units of such obligations to be refunded maturing on each maturity date and ten

times the number of years from the date of the proposed refunding bonds to the respective maturities of the obligations to be refunded. The net effective interest rate shall be computed without regard to any option of redemption prior to the designated maturity dates of the obligations;

6. "Net interest cost" of outstanding obligations to be refunded means the total amount of interest which would accrue on the outstanding obligations from the date of the proposed refunding bonds to the respective maturity dates of the outstanding obligations to be refunded. The net interest cost shall be computed without regard to any option of redemption prior to the designated maturity dates of the obligations to be refunded;

7. "Public body" means any county, city, town, school district, or other political subdivision of the state;

8. "State" means the State of Oklahoma;

9. "Qualified escrow agent" means any commercial bank with full corporate trust powers located within the state whose accounts are insured by the Federal Deposit Insurance Corporation; and

10. "Escrow account" means an escrow or trust account established with a qualified escrow agent pursuant to the provisions of the General Obligation Public Securities Refunding Act. The escrow account shall be deemed a part of the sinking fund of the issuer of the refunded bonds.

Added by Laws 1984, c. 255, § 2, emerg. eff. May 30, 1984.

§62-753. Purposes for refunding bonds - Certificate of certified public accountant - Accomplishment of refunding without election.

A. A refunding of outstanding obligations of a public body pursuant to the provisions of the General Obligation Public Securities Refunding Act shall only occur for the following purposes:

1. Avoiding or terminating any default in the payment of interest on or principal of, or both, of obligations, provided a postponement in the maturity date of all or any portion of obligations shall be approved at an election as provided for in Section 754 of this title; or

2. Reducing the net effective interest rate of obligations; or

3. Reducing the total interest payable over the life of obligations; or

4. Reducing the total principal and interest payable on obligations; or

5. Any combination of the purposes specified in this subsection.

Provided, no refunding shall be authorized for purposes of paragraph 2, 3 or 4 of this subsection unless the public body provides the Attorney General with a certificate of a certified public accountant that the taxes payable with respect to the refunding bonds over the life of the refunding bonds has a lesser present value than the present value of taxes that would have been

payable with respect to the refunded bonds over the life of the refunded bonds. Such certificate shall assume no other sources of funding are deposited to the sinking fund with respect to either the refunding bonds or the refunded bonds and shall be calculated on the same present value basis.

B. A refunding of outstanding obligations of a public body may be accomplished pursuant to the provisions of the General Obligation Public Securities Refunding Act by the issuance, without an election except as otherwise provided in the General Obligation Public Securities Refunding Act, of bonds for refunding, paying, and discharging all or any part of the outstanding obligations, including a portion of one or more issues of the obligations and including any interest thereon in arrears or about to become due.

Added by Laws 1984, c. 255, § 3, emerg. eff. May 30, 1984. Amended by Laws 2003, c. 333, § 2, eff. July 1, 2003.

§62-753.1. Issuance of general obligation refunding bonds not to have certain effects.

The issuance of general obligation refunding bonds pursuant to the General Obligation Public Securities Refunding Act, to refund all or any portion of outstanding general obligation bonds shall not have the effect of extinguishing the requirements of either Section 26 or Section 27 of Article X of the Oklahoma Constitution that the proceeds of such bonds to be refunded shall be expended only for the purposes or projects for which such bonds were approved. The issuance of general obligation refunding bonds to refund all or any portion of outstanding general obligation bonds issued under and pursuant to Section 27 of Article X of the Oklahoma Constitution shall not have the effect of extinguishing the requirement that public utilities purchased, constructed, or repaired with the proceeds of such bonds shall be owned exclusively by the city or town which issued such bonds.

Added by Laws 1987, c. 94, § 2, emerg. eff. May 18, 1987.

§62-754. Limitations on refunding bonds - School bonds - Competitive bidding - Excluded bidders - Conditions of refunding - Escrow supplements - Issuance of refunding bond.

A. Any general obligation bonds issued or incurred by any public body may be refunded by the public body issuing or incurring the general obligations or any successor of the public body in the name of the public body that issued or incurred the obligation or indebtedness being refunded, but subject to provisions concerning their payment and to any other contractual limitations in the proceedings authorizing their issuance or otherwise appertaining to the general obligations; provided, approval of the refunding by an election held in the same manner as required for the issuance of the

general obligations being refunded shall be required if the refunding extends the maturity date of the obligations.

B. 1. The outstanding bonded indebtedness of any school district at the time of the inclusion of all the territory of the district in another district by reorganization, consolidation, dissolution, or any other lawful means may be refunded by action of the governing body of the district including such territory at the time of such refunding, whether or not such indebtedness has been assumed by the district including such territory.

2. When an entire school district with outstanding bonded indebtedness has been divided and parts of the school district have been included within two or more other districts by any lawful means, the refunding of such indebtedness shall require affirmative action by a majority of the members of the governing body of each of the districts within which any part of the territory of the district having the indebtedness is then included, except as otherwise provided for in the General Obligation Public Securities Refunding Act.

3. The outstanding bonded indebtedness of any school district at the time any territory of the district is detached from the school district by any lawful means, which school district has retained its lawful corporate existence subsequent to the detachment of said territory from the school district, may be refunded by action of the governing body of the school district from which territory has been detached with or without the concurrence of or action by the governing body of any school district within which all or any part of such detached territory is included. The school districts from which territory has been detached and which retain their corporate existence subsequent to detachment are specifically exempted from the requirements and provisions of paragraph 2 of this subsection.

C. General obligation refunding bonds may be issued to refund all or any portion of one or more outstanding general obligations of a public body, but no two or more outstanding general obligations, or portions thereof, may be refunded by a single issue of refunding bonds unless the taxable property upon which tax levies are being made for payment of each such outstanding general obligation proposed to be refunded by such single issue of refunding bonds, and the same tax and debt limitations, if any, applicable to each obligation proposed to be refunded by such single issue of refunding bonds are also applicable to all other obligations to be refunded by such single issue.

D. All refundings of general obligation issues shall be made through competitive bidding pursuant to the procedures established by Section 354 of Title 62 of the Oklahoma Statutes. The governing body may waive the competitive bid requirement if three-fourths (3/4) of the membership of the governing body so vote or upon a unanimous vote of those members voting if less than three-fourths (3/4) of the

membership of the governing body is present. Refunding bonds may be delivered in exchange for the obligations to be refunded or may be sold by competitive or negotiated sale as determined by the governing body in the best interest of the public body in either of the following manners:

1. If the public body sells the refunding bonds at competitive sale, the public body is hereby authorized to pay all expenses incident to the issuance of said bonds including fees for legal, financial, and other assistance in the preparation and proceedings thereof, from the proceeds of such refunding bonds or any other moneys available to the public body. The proceeds of such sale shall be applied as provided for in the General Obligation Public Securities Refunding Act. The bonds may be sold at a sum not less than par with accrued interest.

2. If the bonds are sold through a negotiated sale, it shall be unlawful for any board of county commissioners, city council or city commissioners, town council, township board, school district board, board of education or any other officer of any such municipal corporation, or any officer of any political corporation, or subdivision of this state, to sell, agree to sell or contract to sell any bonds issued with, or without a vote of the people for any sum less than par with accrued interest added. All fees for legal, financial, and other assistance in the preparation and proceedings thereof shall be paid from the proceeds of such refunding bonds.

E. Persons, firms, or corporations prohibited from bidding on or purchasing general obligations pursuant to Section 355 of Title 62 of the Oklahoma Statutes shall be prohibited from bidding on or purchasing refunding bonds issued pursuant to the provisions of the General Obligation Public Securities Refunding Act.

F. No general obligation may be refunded unless the holder of the general obligation voluntarily surrenders it for exchange of payment or the general obligation either matures or is callable by the issuer for prior redemption under its terms within twenty-five (25) years from the date of issuance of the refunding bonds, and provision shall have been made in such refunding for paying the obligation being refunded within said period of time. In no event shall general obligations be refunded except for the purposes specified in paragraph 1 of subsection A of Section 3 of this act, or unless the total of the principal and interest payable over the life of the refunding bonds and the expenses incurred in issuing the refunding bonds shall be less than the total of the principal and interest payable over the life of the refunded obligations.

G. A public body shall be authorized to utilize an escrow supplement in accomplishing any refunding undertaken pursuant to the General Obligation Public Securities Refunding Act.

H. The issuance of refunding bonds by any public body pursuant to the provisions of the General Obligation Public Securities

Refunding Act shall not be interpreted to be the creation of debt or indebtedness such that the issuance would require the approval at an election in accordance with the Constitution or laws of this state. No such approval shall be required for the issuance of such refunding bonds except as provided for in the General Obligation Public Securities Refunding Act. Any obligations which have been refunded, pursuant to the provisions of the General Obligation Public Securities Refunding Act, either by immediate payment or redemption and retirement or by the placement of net proceeds of refunding bonds in escrow shall continue to be considered general obligations but shall not be deemed outstanding for purposes of determining compliance with debt limitations from and after the date on which sufficient moneys are placed either with the paying agent of such outstanding obligations for the purpose of immediately paying or redeeming and retiring such bonds or with the escrow agent for the purpose of paying or redeeming and retiring such bonds at a designated future date.

Added by Laws 1984, c. 255, § 4, emerg. eff. May 30, 1984. Amended by Laws 1987, c. 94, § 1, emerg. eff. May 18, 1987.

§62-754.1. Public hearing on voting on refunding or altering terms of bond issue - Notice.

Prior to voting on refunding or altering the original terms of the bond issue involved, the entity involved must hold a public hearing to advise the public of the terms, conditions, fees and expenses involved. Notice of such hearing must be given at least ten (10) days prior thereto.

Added by Laws 1987, c. 94, § 3, emerg. eff. May 18, 1987.

§62-755. Principal amount of refunding bond - Requisites of bonds - Redemption - Recitals.

A. The principal amount of the refunding bonds may be less than, more than, or the same as the principal amount of the obligations being refunded, if there is a provision for the payment in full and discharge of such refunded obligations. The principal amount of the refunding bonds may be greater than the principal amount of the bonds being refunded only if the total principal and interest of the refunding bonds is less than the total principal and interest of the bonds being refunded.

B. Refunding bonds issued pursuant to the provisions of the General Obligation Public Securities Refunding Act shall:

1. Be of a convenient denomination;
2. Mature at such time not exceeding twenty-five (25) years from the date of the refunding bonds as determined by the governing body, with municipal levies to begin as determined by the governing body, but in not more than five (5) years of the date of the refunding bonds;

3. Be in coupon or registered form;

4. Bear interest at a specified rate determined by the governing body, but not exceeding any applicable statutory rate, payable annually or semiannually, but the first interest payment may be for interest accruing for any other period not to exceed three (3) years;

5. Be made payable, both principal and interest, in legal tender of the United States, at such place as determined by the governing body;

6. Be legal tender and authorized investments for banks, savings banks, trust companies, savings and loan associations, insurance companies, fiduciaries, trustees and guardians, and for the State of Oklahoma and any of its political subdivisions, departments, institutions and agencies. Coupon bonds, when accompanied by all unmatured coupons appurtenant thereto, and registered bonds are approved as collateral security for all deposits of state funds or any other public funds. Provided, the bonds being refunded shall still be approved as collateral security for all deposits of state funds or any other public funds.

C. The right to redeem all or part of the refunding bonds prior to their maturity, and the order of any said redemption, may be reserved in the ordinance or resolution of the governing body authorizing the issuance of the bonds and, if so reserved, shall be set forth in the text of such refunding bonds.

D. Any ordinance or resolution authorizing, or any escrow agreement or trust indenture or other instrument appertaining to, any refunding bonds issued pursuant to the provisions of the General Obligation Public Securities Refunding Act may provide that each refunding bond shall recite that it is issued pursuant to the authority of the General Obligation Public Securities Refunding Act. The recital shall conclusively impart full compliance with all of the provisions and limitations of the General Obligation Public Securities Refunding Act. All refunding bonds issued containing the recital shall be incontestable for any cause whatsoever after their delivery for value.

Added by Laws 1984, c. 255, § 5, emerg. eff. May 30, 1984.

§62-756. Bond proceeds and interest - Uses - Escrow and trust accounts.

A. The proceeds derived from the issuance of refunding bonds pursuant to the provisions of the General Obligation Public Securities Refunding Act, together with other legally available funds, if any, of the public body, shall either be immediately applied to the payment or redemption and retirement of the obligations to be refunded and the cost and expense incident to such procedure or shall be placed in escrow or trust to be applied for the purposes and in the manner required or permitted pursuant to the

provisions of the General Obligation Public Securities Refunding Act as the governing body may determine.

B. Any accrued interest and any premium appertaining to a sale of refunding bonds may be:

1. applied to the payment of the interest thereon or the principal thereof, or to both interest and principal; or
2. used to pay refunded obligations by deposit in the escrow or trust account, or otherwise; or
3. used for any combination thereof or any lawful purpose of the public body, as the governing body may determine.

C. For the purpose of implementing the provisions of the General Obligation Public Securities Refunding Act, the governing body shall have the power to enter into escrow agreements and to establish escrow or trust accounts with any qualified escrow agent under protective covenants and agreements whereby such accounts shall be fully secured as provided for in Section 7 of this act.

Added by Laws 1984, c. 255, § 6, emerg. eff. May 30, 1984.

§62-757. Moneys in escrow or trust account - Investment - Security - Sufficiency.

A. Moneys placed in any escrow or trust account shall not necessarily be limited to proceeds of refunding bonds but may include other moneys legally available for that purpose.

B. Any moneys in an escrow or trust account, pending use for their intended purpose, may be invested or reinvested only in federal securities.

C. The escrow agent shall continuously secure any moneys placed in an escrow or trust account and not so invested or reinvested in federal securities by a pledge of federal securities with a market value determined on a daily basis at least equal to the total uninvested moneys held in such escrow or trust account in strict accordance with the provisions of the escrow agreement. The requirements of this subsection shall not apply to any said uninvested moneys insured by the Federal Deposit Insurance Corporation.

D. Such moneys and investments in the escrow or trust account, together with the interest or other gain to be derived from any such investments, shall at all times be at least sufficient to make all of the payments required to be made pursuant to the escrow agreement in the manner and at the times specified in the escrow agreement. The computations made in determining such sufficiency shall be verified by a certified public accountant. Said computations shall be certified within five (5) days prior to the delivery of and payment for the refunded bonds.

Added by Laws 1984, c. 255, § 7, emerg. eff. May 30, 1984.

§62-758. Issuance of combination of bonds.

Any refunding bonds and bonds for any other purpose authorized by law may, in the discretion of the governing body, be issued separately or in combination in one or more series by the public body, subject to the same limitations provided for in subsection C of Section 4 of this act for combined refunding of two or more outstanding obligations.

Added by Laws 1984, c. 255, § 8, emerg. eff. May 30, 1984.

§62-759. Conclusive determination that applicable laws have been complied with.

The determination of the governing body that the provisions and limitations contained in the General Obligation Public Securities Refunding Act and in any other applicable law and imposed upon the issuance of any bonds pursuant to the provisions of the General Obligation Public Securities Refunding Act have been met shall be conclusive in the absence of fraud or arbitrary and gross abuse of discretion.

Added by Laws 1984, c. 255, § 9, emerg. eff. May 30, 1984.

§62-760. Examination of bonds by Attorney General.

All general obligation refunding bonds issued pursuant to the provisions of the General Obligation Public Securities Refunding Act shall be examined by the Attorney General as ex officio Bond Commissioner in the manner provided for by law for general obligation bonds.

Added by Laws 1984, c. 255, § 10, emerg. eff. May 30, 1984.

§62-761. Impairment of other bonds, obligations or refunding transactions prohibited.

Nothing in the General Obligation Public Securities Refunding Act shall be construed so as to impair the obligations of any refunding bonds issued or any refunding transaction consummated by a public body prior to the effective date of this act, or otherwise to invalidate any such bond, obligation, or refunding transaction.

Added by Laws 1984, c. 255, § 11, emerg. eff. May 30, 1984.

§62-762. Interpretation and construction of act.

The powers conferred by the General Obligation Public Securities Refunding Act are in addition to and supplemental to and are not in substitution for the powers conferred by any other law. Bonds may be issued pursuant to the provisions of the General Obligation Public Securities Refunding Act without regard to the provisions of any other law unless otherwise provided for in the General Obligation Public Securities Refunding Act, and if so issued, insofar as the provisions of the General Obligation Public Securities Refunding Act are inconsistent with the provisions of any other law, the provisions

of the General Obligation Public Securities Refunding Act are controlling.

Added by Laws 1984, c. 255, § 12, emerg. eff. May 30, 1984.

§62-800. Short title.

This act shall be known and may be cited as the "Municipal and County Economic and Community Development Bonds Act".

Added by Laws 1991, c. 142, § 1, emerg. eff. May 1, 1991. Amended by Laws 2003, c. 433, § 1, eff. July 1, 2003.

§62-801. Legislative finding and declaration.

The Legislature hereby finds and declares that there is a need to establish terms regarding the purposes for which bonds may be issued under Section 35 of Article X of the Oklahoma Constitution and terms under which such bonds may be sold and issued by municipalities and counties for economic and community development, which are hereby declared to be essential to the economic well-being of the state.

Added by Laws 1991, c. 142, § 2, emerg. eff. May 1, 1991. Amended by Laws 2003, c. 433, § 2, eff. July 1, 2003.

§62-802. Definitions.

As used in the Municipal and County Economic and Community Development Bonds Act:

1. "Amortization" means the reduction of bonded indebtedness by making annual or fiscal year payments of principal and interest sufficient to pay off bonds by their stated maturity;
2. "Annual maturing principal plus interest shall be as nearly equal as practicable throughout the term of the issue" means that the total annual or fiscal year debt service, except for short periods, must be approximately equal for every annual or fiscal period, provided each net annual or fiscal year debt service payment in relation to all other net annual or fiscal year payments must be made within a dollar amount range not to exceed twice the stated denomination of the bonds;
3. "Debt service" means money required, pursuant to the terms of issuance, for payments of principal and interest due on outstanding bonds;
4. "Level principal debt service payments" means the amount of principal retired annually or during a fiscal year with respect to outstanding bonds shall be equal;
5. "Qualified economic or community development purpose" means the use of bond proceeds for the acquisition, construction, development and/or equipping of the following projects or programs:
 - a. industrial facilities, including manufacturing, maintenance, servicing, warehouse, wholesale distribution, and transportation facilities,

- b. tourism facilities, including recreation or entertainment facilities, theme parks, cultural and historic sites,
- c. sports facilities, including arenas, stadiums, ballparks, and golf courses,
- d. agricultural facilities, including grain elevators, cotton gins, compresses, livestock barns, and other commodity processing facilities,
- e. defense industry facilities, including office facilities, security facilities, and the acquisition of land for clear zones or to implement noise abatement zoning,
- f. redevelopment programs, including the acquisition of real property in a designated blighted area and the rehabilitation of such property, the clearing and preparation of land for redevelopment, the transfer of interests in the property to nongovernmental persons for fair market value, and the relocation of occupants of the real property acquired,
- g. governmental facilities, including city halls, courthouses, administration buildings, and police and fire stations,
- h. community facilities, including parks, senior citizens centers, shelters for homeless or abused persons, and juvenile centers,
- i. public infrastructure facilities, including highways, roads, streets, bridges, sewers, traffic control systems and devices, telecommunications systems, wastewater and water distribution and supply systems, curbing, sidewalks and any similar public improvements, gas and electric production, distribution and transmission facilities, common utility or service facilities, landscaping, parking, and water detention/retention systems, and
- j. economic development programs, including but not limited to job creation payments, low interest and/or forgivable loans;

6. "Short periods" means the period of time preceding the beginning of full amortization of principal and interest due on bonds;

7. "True interest cost" means the rate used to discount the amounts payable on the respective principal and interest maturity dates which yields a result equal to the purchase price received for bonds; and

8. "Ultimate user" means the industry on whose behalf bonds are issued.

Added by Laws 1991, c. 142, § 3, emerg. eff. May 1, 1991. Amended by Laws 2003, c. 433, § 3, eff. July 1, 2003; Laws 2009, c. 369, § 3, eff. July 1, 2009.

§62-803. Issuance of bonds - Requirements - Verification of registration of advisers and brokers.

Whenever any municipality or county of this state votes any bonds or refunding bonds pursuant to Section 35 of Article X of the Oklahoma Constitution, such bonds shall be subject to the following requirements:

1. At least ninety percent (90%) of the proceeds from the bonds must be used for a qualified economic development or community development purpose, or to refund bonds issued for a purpose, which, on the date originally issued, was a qualified economic development or community development purpose; provided, however, that for purposes of determining such use, proceeds used to fund a debt service reserve shall be considered to be for a qualifying economic development or community development purpose;

2. The bonds must be issued in denominations of One Hundred Dollars (\$100.00) or multiples thereof, except that the first numbered bond may be for such odd amount as will complete the full issue of the bonds;

3. The average coupon rate of the bonds shall not exceed fourteen percent (14%) per annum;

4. The principal shall begin to mature not less than one (1) year or more than five (5) years after the dated date of the issue;

5. The bonds must have a final maturity no later than thirty (30) years after their date of issuance; and

6. A verification from the Administrator of the Oklahoma Department of Securities that all persons receiving compensation, directly or indirectly, for providing advice to a municipality or county with regard to the Municipal and County Economic and Community Development Bonds Act are appropriately registered with the Oklahoma Department of Securities as investment advisers or investment adviser representatives, as applicable, and that all persons receiving compensation, directly or indirectly, for the placement of the bonds are registered as broker-dealers or agents, as applicable.

Added by Laws 1991, c. 142, § 4, emerg. eff. May 1, 1991. Amended by Laws 2003, c. 433, § 4, eff. July 1, 2003.

§62-804. Sale of bonds - Per value - Maturing installments - Notice for bids - Acceptance of bids - Contestability.

Except as otherwise provided in the Municipal and County Economic and Community Development Bonds Act, bonds sold pursuant to Section 35 of Article X of the Oklahoma Constitution shall be issued pursuant to the following terms:

1. Bonds may be sold for not less than ninety-eight percent (98%) of par with accrued interest added. All commissions allowed any firms, persons, or corporations for the sale of the bonds, after deducting from the sum total for which the bonds are sold, must leave in the treasury a sum equal to ninety-eight percent (98%) of the par value and accrued interest thereof;

2. The bonds must be made to mature in installments so that the annual maturing principal plus interest is as nearly equal as practicable throughout the term of the issue, or provide for level principal debt service payments, which provide for principal on the bonds to mature in equal annual installments, except that the first maturing installment may be for such sum, not more than one installment and the last maturing installment may be for such sum not more than two installments, as will complete the full issue of the bonds notwithstanding the necessity of varying the amount thereof to complete the same;

3. Whenever bonds shall be made or ordered by any municipality or county, the proper officers, before selling the bonds, shall cause at least ten (10) days' notice to be given of the time and place when and where bids therefor will be received. The notice shall be signed by the county clerk if issued by a county, and by the clerk of the municipality if issued by a municipality, and shall be published once a week for two (2) consecutive weeks in a legally qualified newspaper published in such political subdivision. The date mentioned in the notice for the sale of the bonds shall not be less than ten (10) days after the first publication thereof; and

4. The bonds must be awarded to the lowest true interest cost bidder who will pay therefor at least ninety-eight percent (98%) of par plus accrued interest. Bidders shall indicate the true interest cost of their bid. Upon the acceptance of a bid, the bonds shall be issued in accordance therewith and shall be delivered to the purchaser upon payment of the purchase price of the bonds. Each bidder shall submit with the bid a sum in cash or its equivalent, equal to two percent (2%) of the bid, and upon the acceptance of any bid, the deposit becomes the property of the county or municipality selling the bonds, and shall be credited on the purchase price of the bonds or returned upon payment in full of the purchase price, upon the understanding that if the purchaser fails for five (5) days after tender of the bonds to pay the balance of the purchase price, the sale is annulled and the deposit is retained by the governing body of the county or municipality and credited to the account for which the bonds are being issued and shall be used accordingly. No tender of the bonds to the purchaser is valid until after the expiration of the period of contestability, as now provided by law. All other deposits shall be returned. The governing body selling the bonds shall have the right to reject all bids and readvertise the bonds for sale.

Added by Laws 1991, c. 142, § 5, emerg. eff. May 1, 1991. Amended by Laws 2003, c. 433, § 5, eff. July 1, 2003.

§62-821. Short title.

This act shall be known and may be cited as the "Regional Economic Development District Act".

Added by Laws 2001, c. 318, § 1, eff. Nov. 8, 2002.

§62-822. Purpose - Contingent on approval of proposed constitutional amendment.

The Regional Economic Development District Act is intended to implement and execute paragraph (h) of Section 35 of Article X of the Constitution of the State of Oklahoma as amended pursuant to the provisions of Enrolled House Bill No. 1198 of the 1st Session of the 48th Oklahoma Legislature by providing for the issuance of bonds by municipalities and counties located within regional economic development districts. None of the provisions of the Regional Economic Development District Act shall be effective until the amendment to Section 35 of Article X of the Constitution of the State of Oklahoma as proposed by Enrolled House Bill No. 1198 of the 1st Session of the 48th Oklahoma Legislature is approved by the people. Added by Laws 2001, c. 318, § 2, eff. Nov. 8, 2002.

§62-823. Definitions.

As used in the Regional Economic Development District Act:

1. "Bonds" means any bonds, notes, certificates of participation or other evidences of indebtedness issued pursuant to Section 35 of Article X of the Oklahoma Constitution;

2. "Department" means the Oklahoma Department of Commerce established pursuant to Section 5001 et seq. of Title 74 of the Oklahoma Statutes and any successor agency;

3. "Governing body" means the city council, city commission, board of trustees of a municipality or the board of commissioners of a county;

4. "Participating Entity" means any municipality or county comprising an established Regional District;

5. "Project" means the acquisition or construction of real or personal property, or both, by or for the use of public or private entities as may be authorized for economic development purposes by the Legislature pursuant to the provisions of Section 35 of Article X of the Oklahoma Constitution; and

6. "Regional District" means a regional economic development district, as designated by the Governor pursuant to Section 7 of this act.

Added by Laws 2001, c. 318, § 3, eff. Nov. 8, 2002.

§62-824. Creation of regional districts - Issuance of bonds - Governmental entities of which comprised.

Regional Districts may be created pursuant to the provisions of this act, to assist in financing economic development projects which have a substantial regional economic impact, by allowing municipalities and counties comprising such districts to issue bonds in accordance with Section 35 of Article X of the Oklahoma Constitution. Such districts may be comprised of:

1. Two or more municipalities;
2. Two or more counties; or
3. One or more municipalities and one or more counties.

Added by Laws 2001, c. 318, § 4, eff. Nov. 8, 2002.

§62-825. Preliminary Project Plan - Public hearing - Notice - Final Project Plan.

A. Upon a request by the Governor, the Oklahoma Department of Commerce shall prepare a Preliminary Project Plan relating to a proposed project. This Preliminary Project Plan shall set forth the following information:

1. A description of the economic development project, including the name of private companies being assisted, if any, and the nature of such assistance;
2. An estimate of the total project costs of the project;
3. A description of the bonds proposed to be issued, including the par amount of bonds proposed for issuance by each municipality or county comprising the proposed Regional District;
4. A listing of the municipalities and counties comprising the proposed Regional District;
5. A description of the economic impact that the project will have on the municipalities and counties comprising the proposed Regional District;
6. A description of the type and amount of tax that will be authorized for the payment of principal, interest and premium, if any, on the bonds;
7. The name of the public trust designated to administer the project; and
8. Such other information as the Department may deem appropriate.

B. Following the preparation of the Preliminary Project Plan, the Department shall conduct public hearings for the purpose of receiving input from the public regarding the Preliminary Project Plan. If the proposed Regional District consists of one county, the public hearing shall be held in the incorporated municipality having the highest population in the county according to the most recent Federal Decennial Census or most recent annual estimate of such population. If the proposed Regional District consists of more than one county, the public hearing shall be held in the municipality

having the highest population in each such county according to the most recent Federal Decennial Census or most recent annual estimate of such population. If the proposed Regional District consists of one municipality, the public hearing shall be held in such municipality. If the proposed Regional District consists of more than one municipality, the public hearing shall be held in each such municipality. If the proposed Regional District consists of one municipality and one county, the public hearing shall be held in the municipality and, if not a duplication of the hearing location, in the municipality within the county having the highest population according to the most recent Federal Decennial Census or most recent annual estimate of such population. If the proposed Regional District consists of more than one municipality and more than one county and the public hearing location is not otherwise prescribed by this subsection, the public hearing shall be held in each of the municipalities and, if not already satisfied by the hearing requirement prescribed by this paragraph, for purposes of a hearing in any of the affected counties, the public hearing shall be held in each of the municipalities having the highest population in each county according to the most recent Federal Decennial Census or most recent annual estimate of such population.

C. Notice of the time, date, and place of the public hearings shall be published in one or more newspapers of general circulation within each of the municipalities and counties comprising the proposed Regional District. The notice shall also inform the public that a copy of the Preliminary Project Plan can be obtained from the Department without charge. Such publication shall be at least seven (7) days prior to the hearings. At the hearings, comments from all interested persons shall be received by the Department and a record made of such comments.

D. After the public hearings are concluded, the Department shall prepare a Final Project Plan, based upon the Preliminary Project Plan, but giving due consideration to the comments received at the public hearings. The Final Project Plan shall also include a certification by the Department that the proposed project will have a substantial economic impact on each of the municipalities and counties proposed for inclusion in the Regional District. The Final Project Plan shall include the same items listed in subsection A of this section. No municipalities or counties may be listed in the Final Project Plan for inclusion in a Regional District other than those listed in the Preliminary Project Plan. A municipality or county may be omitted in the Final Project Plan if the Department determines that the project will not have a substantial economic impact within such municipality or county. Thereafter, the Department shall forward the Final Project Plan to the Governor. Added by Laws 2001, c. 318, § 5, eff. Nov. 8, 2002.

§62-826. Approval or rejection by Governor of Final Project Plan - Election proclamation.

A. After receipt and review of the Final Project Plan, the Governor shall either approve the Final Project Plan and the terms and conditions contained therein, or the Governor shall reject the plan and return it to the Oklahoma Department of Commerce along with any revisions which the Governor may deem appropriate. If returned to the Department, the Department will revise the plan and resubmit the plan to the Governor.

B. Once the Final Project Plan is approved by the Governor, the Governor shall then issue an election proclamation calling for an election to be held within each of the municipalities and counties listed in the Final Project Plan. The election proclamation shall set a date on which elections shall be held within each of the listed municipalities and counties. The elections shall be conducted by the appropriate county election board or boards pursuant to the general election laws of the state, but shall be coordinated by the State Election Board under such procedures as it may, by rule, prescribe. Notice of the election shall be given by the mayor of each municipality or by the county commissioners of each county, by advertisement weekly for at least four times in a newspaper of general circulation in said municipality or county, with the last publication to be not less than ten (10) days prior to the date of the elections. All costs associated with the holding of such elections shall be paid for by the Department, and no municipal or county funds shall be used; provided, however, that the Governor is authorized to accept donations from private parties for the purpose of defraying all or a portion of the costs associated with the holding of such elections.

C. The State Election Board shall certify the results of such elections and shall forward the same to the Governor.

Added by Laws 2001, c. 318, § 6, eff. Nov. 8, 2002.

§62-827. Voter approval of bond authorization - Determination of sufficient financial resources.

If the voters of one or more of the municipalities or counties listed in the Final Project Plan approve the authorization of bonds issued pursuant to this act, the Governor shall determine, with the assistance of the Department, whether the bonds authorized by such entity or entities will provide sufficient financial resources to allow for the project to be undertaken. If the Governor determines that sufficient financial resources are available and that the project is feasible, then the Governor shall, by executive order, establish a Regional District comprised of those municipalities and counties whose voters approved the issuance of bonds pursuant to this act. No municipality or county whose voters failed to authorize the

issuance of bonds shall be a part of the Regional District established by the Governor.

Added by Laws 2001, c. 318, § 7, eff. Nov. 8, 2002.

§62-828. Issuance of bonds by participating entities - Examination by Attorney General.

Once a Regional District has been established by the Governor, the governing bodies of each of the Participating Entities comprising such district shall take all actions required by law for the issuance of the type of bonds described in the Final Project Plan. A transcript of proceedings for each of the Participating Entities shall thereafter be prepared and submitted to the Attorney General of Oklahoma for examination. Such bonds, having been examined and certified as legal obligations by the Attorney General in accordance with such requirements as the Attorney General may make, shall be incontestable in any court of the State of Oklahoma unless suit thereon shall be brought in a court having jurisdiction thereof within thirty (30) days from the date of such approval. Bonds so approved by the Attorney General shall be prima facie valid and binding obligations according to their terms. The only objection which may be offered thereto in any suit instituted after such thirty-day period shall have expired shall be a violation of provisions of either the United States Constitution or the Oklahoma Constitution.

Added by Laws 2001, c. 318, § 8, eff. Nov. 8, 2002.

§62-829. Required attributes of bonds - Open competitive offering - Special limited obligations - Investment by financial and insurance companies.

A. Bonds issued pursuant to this act shall:

1. Be issued in one or more series;

2. Bear such date or dates;

3. Mature at such time or times not exceeding twenty-five (25) years from their date;

4. Be in such denomination or denominations;

5. Be payable in such medium of payment at such place or places;

6. Be subject to such terms of redemption with or without premium; and

7. Bear such rate or rates of interest as may be provided in the Final Project Plan; provided, however, that the average coupon rate for such bonds shall not exceed fourteen percent (14%) per annum.

B. All bonds issued hereunder, except bonds sold to the federal government or any agency thereof or to any agency of the State of Oklahoma, shall be awarded to the lowest and best bidder based upon an open competitive public offering, advertised at least once a week for two (2) successive weeks in a newspaper of general circulation in the county where the Participating Entity is located prior to the

date on which bids are received and opened; provided, however, that the Governor may waive this requirement if the Governor determines that a lower aggregate interest cost may be obtained through a negotiated sale. In no event, however, shall any bonds issued hereunder be sold for less than ninety-six percent (96%) of par value.

C. Bonds shall have all the qualities and incidents of negotiable paper and the interest thereon shall not be subject to taxation by the State of Oklahoma.

D. Each Participating Entity may issue bonds pursuant to this act for the purpose of refunding any obligations of such entity issued pursuant to this act.

E. The bonds issued pursuant to this act shall not constitute an obligation of the State of Oklahoma, or general obligations of the issuers thereof, but shall be special, limited obligations payable solely from the taxes or other revenues described in the Final Project Plan and only to the extent authorized by the voters of each Participating Entity. The governing body of each Participating Entity is hereby authorized and directed to pledge all or any part of such revenues to the payment of principal, interest and premium, if any, on the bonds issued by such Participating Entity.

F. A Participating Entity may enter into any agreement or contracts with the United States of America or the State of Oklahoma or any agency or instrumentality thereof which it may consider advisable or necessary in order to obtain a grant of funds or other aid to be used in connection with the proceeds of the bonds.

G. Bonds issued pursuant to this act shall not be subject to the provisions of the Municipal and County Industrial Development Bonds Act, but instead, shall be issued pursuant to the provisions of this act.

H. Any bank, trust or insurance company organized under the laws of Oklahoma may invest its capital, surplus and reserves in bonds issued under the provisions of this act.

Added by Laws 2001, c. 318, § 9, eff. Nov. 8, 2002.

§62-830. Application to Supreme Court for validation of bonds - Notice - Conclusiveness of determination.

A. The Governor is hereby authorized to file an application, at the Governor's discretion, with the Supreme Court of Oklahoma for the validation of any bonds to be issued hereunder or for any writ, including mandamus, which may lie in relation to any action to be taken by the governing body of a Participating Entity. Exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each such application. Notice of the hearing on each application shall be given by a notice published in a newspaper of general circulation within the Regional District. Such notice shall inform all persons interested that they may file protests

against the validation or approval and be present at the hearing and contest the same. Such notice shall be published one time, not less than ten (10) days prior to the date named for the hearing, and the hearing may be adjourned from time to time at the discretion of the court.

B. In any action to approve bonds, if the Supreme Court is satisfied that the bonds have been properly authorized in accordance with the provisions of this act, and that when issued they will constitute valid obligations of the respective issuers in accordance with their terms, the Supreme Court shall render its written opinion approving the bonds and shall fix the time within which a petition for rehearing may be filed. The decision of the Supreme Court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the governing body of each Participating Entity, and thereafter the bonds so approved and the revenues pledged to their payment shall be incontestable in any court of the State of Oklahoma. Added by Laws 2001, c. 318, § 10, eff. Nov. 8, 2002.

§62-831. Disposition of bond proceeds.

All proceeds received by a Participating Entity from the sale of bonds shall be transferred to a public trust created pursuant to the provisions of Section 176 et seq. of Title 60 of the Oklahoma Statutes, which public trust shall have among its beneficiaries, all of the Participating Entities. In lieu of a public trust, the Oklahoma Development Finance Authority may be designated as the agency in charge of administering the Regional District, subject to the approval of the governing board of the Oklahoma Development Finance Authority. The administering agency shall be responsible for disbursing funds from proceeds of the sale of the bonds for payment of all costs relating to the project, including the costs of issuance of the bonds, and may take title to such property and take all other such actions as it deems necessary to implement the Final Project Plan. The administering agency shall be entitled to collect an administrative fee from the proceeds of the bond, said fee to be described in the Final Project Plan. The Final Project Plan may also designate said agency to serve as the paying agent for any monies which are to be remitted to the Participating Entities, whether such revenues are in the form of lease payments, debt service payments, tax increment revenues or otherwise.

Added by Laws 2001, c. 318, § 11, eff. Nov. 8, 2002.

§62-832. Powers supplemental.

The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law.

Added by Laws 2001, c. 318, § 12, eff. Nov. 8, 2002.

§62-840. Short title.

Sections 840 through 847 of this title and Section 2357.81 of Title 68 of the Oklahoma Statutes shall be known and may be cited as the "Oklahoma Local Development and Enterprise Zone Incentive Leverage Act".

Added by Laws 2000, c. 339, § 9, eff. July 1, 2000. Amended by Laws 2008, c. 217, § 1, emerg. eff. May 20, 2008.

§62-841. Definitions.

As used in the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act:

1. "Enterprise" means any form of business organization including, but not limited to, any partnership, sole proprietorship, corporation, limited liability company or other legally constituted business entity;
2. "Enterprise zone" means an area as defined pursuant to paragraph 5 of Section 690.2 of this title;
3. "Estimated direct state benefits" means the total incremental state tax revenues new to the state estimated by the Oklahoma Department of Commerce to accrue to the state from new investments and new employment during the period of apportionment of local sales taxes as a result of the project and/or projects described in the related project plan. For purposes of projecting state benefits for a military growth impact project, the military growth impacts shall be used in lieu of the project and/or projects described in the related project plan. In projecting such benefits, the Oklahoma Department of Commerce shall consider, if practicable, whether or not the project plan involves an enterprise:
 - a. relocating from within the state,
 - b. subject to or in the process of recruitment by two or more governmental entities within the state, or
 - c. which will be in direct competition with an existing enterprise located in the state;
4. "Estimated direct state costs" means the costs projected by the Oklahoma Department of Commerce to be incurred by the state during the period of apportionment of local sales taxes, as a result of the project and/or projects described in the related project plan. For purposes of projecting state costs for a military growth impact project, the military growth impacts shall be used in lieu of the project and/or projects described in the related project plan;
5. "Estimated net direct state benefits" means the estimated direct state benefits less the estimated direct state costs;
6. "Facility" means the definition contained in paragraph 8 of Section 690.2 of this title;
7. "Governing body" means the governing board of a local governmental entity in the case of a single incentive district or increment district when the boundaries of the district are coextensive with or contained within the jurisdiction of any such

single local governmental entity or the governing boards of a combination of counties, cities, or towns forming an incentive district or an increment district pursuant to the provisions of the Local Development Act;

8. "Incentive district" means an area created pursuant to the provisions of the Local Development Act, including Section 856 of this title;

9. "Increment district" means an area created pursuant to the provisions of the Local Development Act;

10. "Local governmental entity" means a county, city or town forming an incentive district or an increment district pursuant to the provisions of the Local Development Act;

11. "Local sales taxes" means amounts payable to or for the benefit of a local governmental entity calculated as a percentage, which, except on transient lodgings, shall not exceed four and one-half percent (4.5%) of gross sales whether imposed by ordinance, resolution, covenant, or agreement;

12. "Major tourism destination project" means a project which:

- a. meets the definition of a "tourism attraction" as set forth in subparagraph a of paragraph 10 of Section 2357.36 of Title 68 of the Oklahoma Statutes, subject only to the restrictions of divisions (1), (3) and (6) of subparagraph b of paragraph 10 of Section 2357.36 of Title 68 of the Oklahoma Statutes,
- b. is projected to meet the following qualifications within three (3) years of the date of substantial completion of the project based upon the findings of the Oklahoma Department of Commerce:
 - (1) at least Fifty Million Dollars (\$50,000,000.00) in capital investment,
 - (2) at least Fifty Million Dollars (\$50,000,000.00) in projected annual gross sales revenues or at least Ten Million Dollars (\$10,000,000.00) in annual gross sales revenues to out-of-state visitors,
 - (3) a number of out-of-state visitors of at least:
 - (a) twenty percent (20%) of the number of total visitors, or
 - (b) twenty thousand (20,000) visitors per year, and
 - (4) a number of visitors traveling at least one hundred (100) miles of at least:
 - (a) thirty percent (30%) of the number of total visitors, or
 - (b) twenty-five thousand (25,000) visitors per year, or
- c. is a lake resort project, containing a hotel, a conference center, and an eighteen-hole golf course,

located within twenty-five (25) linear miles of the state boundary on a lake containing at least forty-five thousand (45,000) surface acres of water, that is estimated to generate at least Fifty Million Dollars (\$50,000,000.00) in capital investment;

13. "Military growth impacts" means the increases in investment, employment, and residents resulting from military growth activities;

14. "Military growth impact community" means a city, town, or county experiencing and reasonably projected to experience a population growth of at least one thousand (1,000) persons and increased payrolls of at least Ten Million Dollars (\$10,000,000.00) within a five-year period directly resulting from federal military base activities;

15. "Military growth impact project" means a project pursuant to the Local Development Act which the governing body determines to be in support of the needs and quality of life issues resulting from the military growth impacts;

16. "Net benefit rate" means the estimated net direct state benefits computed as a percentage of gross taxable sales derived from the project during the period of apportionment of local sales taxes by the local governmental entity;

17. "Public entity" means those entities described in the Local Development Act;

18. "Retail purposes" means the objectives of selling tangible personal property, other than art, on the physical premises of an establishment. Retail purposes shall not mean a hotel, motel, entertainment facility, museum, cultural facility, art gallery, restaurant supporting another establishment excluded herein, military growth impact project located within a military growth impact community, or a major tourism destination project;

19. "State local enterprise matching payment" means the payment authorized by subsection A of Section 844 of this title; and

20. "State local government matching payment" means the payment authorized by subsection D of Section 844 of this title.

Added by Laws 2000, c. 339, § 10, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 1, emerg. eff. June 4, 2004; Laws 2008, c. 217, § 2, emerg. eff. May 20, 2008; Laws 2010, c. 279, § 1, emerg. eff. May 26, 2010.

§62-842. Eligibility for incentive payments.

A. An enterprise which locates its facility within an enterprise zone or which expands its existing facility after the designation of an enterprise zone as authorized by law and which is located in an incentive district as authorized pursuant to the provisions of the Local Development Act shall be eligible for the state local enterprise matching payment authorized pursuant to subsection A of Section 844 of this title.

B. 1. A local governmental entity which approves a project plan pursuant to the provisions of the Local Development Act within an enterprise zone or in support of a major tourism destination project which the local governmental entity determines is likely to significantly benefit contiguous or nearby enterprise zone census tracts shall be eligible for the state local government matching payment authorized pursuant to subsection D of Section 844 of this title; provided, no state local government matching payment shall be made for project costs in relation to:

- a. any gambling establishment, or
- b. any development within a project plan that provides for more than ten percent (10%) of the net leasable space of such development to be used for retail purposes.

State local government matching payments shall not be used to supplant local revenue currently being expended within the increment district boundaries.

2. In order to be eligible for state local government matching payments for approving a project within an enterprise zone, a local governmental entity shall provide to the Oklahoma Department of Commerce as part of the application provided for in subsection J of this section:

- a. an estimate of incremental revenues likely to be derived from the project, and
- b. certification that all projects described within the related project plan will generate, in the aggregate, a minimum of either One Million Dollars (\$1,000,000.00) in payroll, exclusive of payroll for construction, or Five Million Dollars (\$5,000,000.00) in investment.

3. In order to be eligible for state local government matching payments in support of a major tourism destination project, a local governmental entity shall provide to the Oklahoma Department of Commerce as part of the application provided for in subsection J of this section:

- a. an estimate of incremental revenues new to the state likely to be derived from the project,
- b. certification that the major tourism destination meets the applicable criteria described in paragraph 12 of Section 841 of this title, and
- c. an agreement to provide payment to the Oklahoma Department of Commerce to defray the costs of the study required by paragraph 4 of this subsection.

4. To determine if a project qualifies as a major tourism destination project pursuant to subparagraph b of paragraph 12 of Section 841 of this title and to assist in other required determinations, the Oklahoma Department of Commerce shall cause a market and feasibility study to be conducted by an independent consultant with experience in the conduct of such studies. Upon

review of the feasibility report, the Oklahoma Department of Commerce shall make its finding as to the reasonable probability that the proposed project is a major tourism destination project as provided in subparagraph b of paragraph 12 of Section 841 of this title.

C. For purposes of the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, an enterprise engaged in a retail activity, where otherwise prohibited by the Oklahoma Enterprise Zone Act for purposes of the benefits and incentives extended pursuant to the Oklahoma Enterprise Zone Act, shall be considered an eligible enterprise for purposes of the state local enterprise matching payment authorized by the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act.

D. The maximum amount of state local enterprise matching payments for an enterprise per fiscal year shall not exceed Two Hundred Thousand Dollars (\$200,000.00).

E. Except as provided in subsection H of this section, for purposes of the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act, the maximum amount of aggregate investment in all qualifying facilities located in any single county which can qualify for a state local enterprise matching payment pursuant to subsection A of Section 844 of this title shall be computed for each county of the state by multiplying Two Hundred Dollars (\$200.00) times the population of the county according to the most recent estimate provided by the United States Bureau of the Census prior to the date an application is made.

F. The computation required by subsection E of this section shall be the maximum amount of aggregated investment qualifying for the purposes of all enterprises for the duration of the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act.

G. The aggregate investment limit for all facilities located within a county which may qualify for the state local enterprise matching payments pursuant to subsection A of Section 844 of this title shall:

1. Not be less than Twenty Million Dollars (\$20,000,000.00) for counties with a population of less than one hundred thousand (100,000) persons; and

2. Not be greater than Forty Million Dollars (\$40,000,000.00) for all other counties of the state.

H. The aggregate limit for all state local government matching payments made to any public entity on behalf of any local governmental entity within a single county pursuant to subsection D of Section 844 of this title for the duration of the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act shall be an amount equal to the net benefit rate multiplied by the taxable gross sales derived from the project over the period of apportionment of local sales taxes, as certified by the Secretary of Commerce.

I. The payments authorized by Section 844 of this title shall be available for business and governmental entities qualifying pursuant to the Local Development Act for investments made within an incentive district or for improvements made within an increment district prior to December 31, 2007, or for which an incentive district or an increment district has been created prior to December 31, 2028, if the investments or improvements are begun not later than December 31, 2029.

J. The Oklahoma Department of Commerce shall promulgate rules to establish a procedure for an enterprise or local governmental entity to make application for state local enterprise and state local government matching payments pursuant to this section. Such rules shall reflect the intent that the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act be fiscally neutral to the state.

Added by Laws 2000, c. 339, § 11, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 2, emerg. eff. June 4, 2004; Laws 2008, c. 217, § 3, emerg. eff. May 20, 2008; Laws 2019, c. 215, § 1, emerg. eff. April 29, 2019.

§62-843. Certification - Payment.

A. In order to receive the state local enterprise matching payment pursuant to the provisions of subsection A of Section 844 of this title, the enterprise shall obtain a certification, provided by the governing body of the local governmental entity creating the incentive district, acknowledged by the chief elected official of the local governing body that the enterprise has qualified pursuant to the Local Development Act for sales tax exemption. The certification document shall include:

1. The beginning date of the exemption;
2. The ending date of the exemption;
3. The total amount of projected investment to construct or expand the facility during the period for which the incentives available pursuant to the Local Development Act will be in force and effect together with a certification by the Oklahoma Department of Commerce that the facility is located in an enterprise zone; and
4. The legal name and business entity classification of the entity to which exemption is afforded or to which sales tax payment is made by the local governmental entity or entities pursuant to the provisions of the Local Development Act.

B. The local governing body shall provide a copy of the certification document to the Oklahoma Tax Commission.

C. After the enterprise provides a certification from the local governing body, the Tax Commission shall make payment to the enterprise identified in the certification document equal to the amount of the sales tax from which the enterprise is certified as

exempt as identified in the certification in the manner prescribed by subsection A of Section 844 of this title.

D. The state local enterprise matching payment shall be made only for sales tax foregone by local governmental entities or rebated to the business enterprise by local entities for purchases made by the business enterprise and not on the basis of any sales tax collected by the business enterprise from consumers or users on taxable sales made by the enterprise.

E. In order to receive the state local governmental matching payment pursuant to the provisions of subsection D of Section 844 of this title, the local governmental entity shall provide to the Tax Commission a certification, acknowledged by its mayor or chairperson, that such local governmental entity has created an increment district pursuant to the Local Development Act which qualifies for a state local government matching payment. The certification document shall include:

1. The beginning date of the increment district;
2. The ending date of the increment district;
3. A description of the project costs authorized by the project plan for which the state local government matching payments will be used and the estimated date for substantial completion of the project being assisted as described in the application;
4. A certification by the Oklahoma Department of Commerce that the project plan is located in an enterprise zone or supports a qualifying major tourism destination project, and that the qualifying investment and development has been or will be substantially completed no later than December 31, 2034;
5. The amount of the local sales taxes which have been apportioned during the previous six-month period by the local governmental entity for the payment of project costs pursuant to the provisions of the Local Development Act; and
6. The name of the public entity identified in the project plan pursuant to Section 858 of this title as the entity authorized to carry out activities pursuant to the project plan.

After the local governmental entity provides such certification, the Tax Commission shall make payment to the designated public entity in an amount equal to the lesser of the certified amount of the local sales taxes apportioned during the previous six (6) months or the estimated net direct state benefits as prescribed by subsection D of Section 844 of this title.

Added by Laws 2000, c. 339, § 12, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 3, emerg. eff. June 4, 2004; Laws 2008, c. 217, § 4, emerg. eff. May 20, 2008; Laws 2019, c. 215, § 2, emerg. eff. April 29, 2019.

§62-844. State local enterprise matching payments - Eligibility and amount.

A. If an enterprise is located within an incentive district pursuant to the provisions of Section 856 of this title, and the enterprise either constructs or expands a facility that is located within an enterprise zone designated pursuant to the provisions of Section 690.2 of this title, the enterprise shall be eligible for a state local enterprise matching payment equal to the amount of sales tax exemption afforded to the enterprise pursuant to Section 860 of this title.

B. The state local enterprise matching payment shall be made for the twelve-month period preceding March 1 of each calendar year. The state local government matching payment shall be made for the six-month periods preceding March 1 and September 1 of each calendar year.

C. The state local enterprise matching payment shall be made in an amount equal to the amount of sales tax for which the enterprise has received payment during the period prescribed by subsection B of this section pursuant to Section 860 of this title.

D. Beginning July 1, 2005, the state local government matching payment shall be made in an amount equal to the lesser of the amount of local sales taxes which have been apportioned under the applicable project plan during the period prescribed by subsection B of this section pursuant to Section 861 of this title or the net benefit rate multiplied by the actual gross sales derived from the project, pursuant to the limits provided in Section 842 of this title. Added by Laws 2000, c. 339, § 13, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 4, emerg. eff. June 4, 2004.

§62-845. Oklahoma Local Development and Enterprise Zone Incentive Leverage Act Incentive Payment Fund.

There is hereby created within the State Treasury a special fund for the Oklahoma Tax Commission to be designated the "Oklahoma Local Development and Enterprise Zone Incentive Leverage Act Incentive Payment Fund". The Oklahoma Tax Commission is hereby authorized and directed to withhold a portion of the taxes levied and collected pursuant to Section 2355 of Title 68 of the Oklahoma Statutes for deposit into the fund in order to pay claims as they become due. All of the amounts deposited in such fund shall be used and expended by the Tax Commission solely for the purposes and in the amounts authorized by the Oklahoma Local Development and Enterprise Zone Incentive Leverage Act. The liability of the State of Oklahoma to make the incentive payments under this act shall be limited to the balance contained in the fund created by this section. Added by Laws 2000, c. 339, § 14, eff. July 1, 2000.

§62-846. Issuance of payment warrants.

A. As soon as practicable after verification of the amount of the state local enterprise matching payments authorized by Section

844 of this title, the Oklahoma Tax Commission shall issue a warrant to the qualifying establishment in the amount of the sales tax exempted or apportioned pursuant to the applicable provisions of the Local Development Act, subject to the limitations imposed by Section 842 of this title.

B. As soon as is practicable after verification of the amount of state local government matching payments authorized by Section 844 of this title, the Tax Commission shall issue a warrant to the qualifying public entity in the amount provided for in subsection D of Section 844 of this title, subject to the limitations imposed by Section 842 of this title.

Added by Laws 2000, c. 339, § 15, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 5, emerg. eff. June 4, 2004; Laws 2008, c. 217, § 5, emerg. eff. May 20, 2008.

§62-847. Annual reporting by Tax Commission.

A. The Oklahoma Tax Commission shall maintain a record of state local enterprise matching payments and state local government matching payments made pursuant to Section 844 of this title and a record of income tax credits claimed pursuant to Section 2357.81 of Title 68 of the Oklahoma Statutes. Local sales taxes apportioned under the applicable project plan shall be reported, collected, remitted, and disbursed in the same manner as other local sales taxes under Title 68 of the Oklahoma Statutes.

B. The Tax Commission shall prepare a report separately identifying the amounts described in subsection A of this section and shall submit the report prior to April 1 each year to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

Added by Laws 2000, c. 339, § 16, eff. July 1, 2000. Amended by Laws 2004, c. 448, § 6, emerg. eff. June 4, 2004; Laws 2008, c. 217, § 6, emerg. eff. May 20, 2008.

§62-850. Short title.

Sections 1 through 20 of this act shall be known and may be cited as the "Local Development Act".

Added by Laws 1992, c. 342, § 1.

§62-851. Purpose of act.

The Local Development Act shall serve to implement and execute Section 6C of Article X of the Oklahoma Constitution as approved by the voters of the State of Oklahoma on November 6, 1990, by:

1. Providing for the granting of incentives and exemptions from taxation within certain areas, placing restrictions thereon, and limiting the time period for the exemptions, as authorized by subsection A thereof;

2. Providing for apportionment of an increment of local taxes and fees, placing restrictions thereon, and limiting the time period for the apportionment, as authorized by subsection B thereof; and

3. Providing for the planning, financing, and carrying out of development and redevelopment within certain areas, as authorized by subsection C thereof.

Nothing in the Local Development Act shall be construed in a manner contrary to or inconsistent with the provisions of said constitutional provision.

The Legislature hereby finds that historic preservation, reinvestment or enterprise areas as defined under this act are unproductive, undeveloped, underdeveloped or blighted areas pursuant to subsection C of Section 6 of Article X of the Oklahoma Constitution.

Added by Laws 1992, c. 342, § 2.

§62-852. Legislative guidelines.

It is the intent of the Legislature that the provisions of this act be used in accordance with the following guidelines:

1. That the tools of this act be used in those cases where investment, development and economic growth is difficult, but is possible if the provisions of this act are available;

2. That the tools of this act not be used in areas where investment, development and economic growth would have occurred anyway and that the governing body take care to exclude areas that do not meet this criteria;

3. That the tools of this act be used to supplement and not supplant or replace normal public functions and services;

4. That the tools of this act work in conjunction with existing programs and efforts such as the Oklahoma Main Street Program, Oklahoma Enterprise Zone Act, historic preservation and other locally implemented economic development efforts;

5. That any proposed districts be delineated with particular emphasis not to have boundaries that dissect a similar area or create unfair competitive advantage;

6. That the governing body recognizes the need for residential and neighborhood treatment, capital improvements to neighborhood public schools, as well as commercial/industrial development;

7. That where possible partial credits or credits that do not utilize the full time frame allowed be pursued;

8. That maximum effort be made to allow full public knowledge and participation in the local use of this act;

9. That conservation, preservation and rehabilitation be emphasized while demolition, clearance and relocation be minimized where possible; and

10. That the governing bodies develop and apply clear standards, criteria and threshold limits that are applicable to all similar

property and areas and that the governing bodies enact protection against nearby relocations to utilize incentives. Added by Laws 1992, c. 342, § 3. Amended by Laws 1998, c. 63, § 2, eff. Nov. 1, 1998.

§62-853. Definitions.

As used in Section 850 et seq. of this title:

1. "Apportionment" means the direction by a governing body, authorized by the Legislature pursuant to Section 6C of Article X of the Oklahoma Constitution, to apply all or any portion of an increment of ad valorem taxes and all or any portion of sales taxes, other local taxes or local fees, or any combination thereof, to financing a plan and project in accordance with this act;
2. "Apportionment area" means the same as an increment district as defined under this act;
3. "Bonds" means evidences of indebtedness, tax apportionment bonds or other obligations issued by a public entity pursuant to the provisions of Section 863 of this title to finance project costs, pursuant to a project plan, which are to be repaid in whole or part with apportioned increments;
4. "District" means either an incentive district as authorized by Section 860 of this title or an increment district as authorized by Section 861 of this title. A district may consist of all or a portion of a project area;
5. "Enterprise area" means any area within a designated state or federal enterprise zone;
6. "Enterprise zone" means an enterprise zone as designated by the Department of Commerce pursuant to the provisions of Section 690.3 of this title or as designated by the federal government;
7. "Governing body" means the city council of a city, the board of trustees of a town or the board of county commissioners;
8. "Historic preservation area" means a geographic area listed in or nominated by the State Historic Preservation Officer to the National Register of Historic Places, an historic structure or structures listed individually in or nominated by the State Historic Preservation Officer to the National Register of Historic Places, with such area or structure being subject to historic preservation zoning, or for purposes of ad valorem tax exemptions provided for in subsection D of Section 860 of this title, a structure subject to historic preservation zoning. Rehabilitation undertaken in an historic preservation area shall meet the Secretary of the Interior's Standards for Rehabilitation, latest revision, in order to be eligible for the incentives or exemptions granted pursuant to Section 860 of this title;
9. "Increment" means that portion of ad valorem taxes in excess of the amount of that portion of the taxes which are produced by the levy at the rate fixed each year by or for each such ad valorem

taxing entity upon the base assessed value of the district or as to an area later added to the district, the effective date of the modification of the plan, or that portion of sales taxes, other local taxes or local fees collected each year reasonably determined by a formula approved by the governing body to be generated by the project, regardless of taxable location or recipient local public taxing entity, which may be apportioned for specific project costs or as a specific revenue source for other public entities in the area in which the project costs take place;

10. "Local taxes" means ad valorem taxes, sales taxes and other local taxes which are levied by or on the behalf of a taxing entity;

11. "Planning commission" means an organization established for local planning by local government or governments in accordance with the laws of this state;

12. "Project" means all development activities pursuant to the objectives of the project plan;

13. "Project area" means the geographic boundaries within which development activities will occur. The project area may be coextensive or larger than the increment district;

14. "Project costs" means the expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred which are listed in the project plan as costs of and incidental to planning, approval and implementation of the project plan. Any income, special assessments, or other revenues received, or reasonably expected to be received, by the city, town or county in connection with the implementation of the project plan may be used to pay project costs. Project costs include, but are not limited to:

- a. capital costs, including the actual costs of the acquisition and construction of public works, public improvements, new public or private buildings, structures, and fixtures; the actual costs of the acquisition, demolition, alteration, remodeling, repair, or reconstruction of existing public or private buildings, structures, and fixtures; and the actual costs of the acquisition of land and equipment for public works, public improvements and public buildings and the actual costs of clearing and grading of such land and environmental remediation related thereto,
- b. financing costs, including interest paid to holders of evidences of indebtedness or other obligations issued to pay for project costs and premium paid over the principal amount of the obligations because of the redemption of the obligations before maturity,
- c. real property assembly costs, including clearance and preparation costs,

- d. professional service costs, including those incurred for architectural, planning, engineering, legal and financial advice and services,
- e. direct administrative costs, including reasonable charges for the time spent by employees of the city, town or county in connection with the implementation of a project plan or employees of private entities under contract with a public entity for project planning or implementation,
- f. organizational costs, including the costs of conducting environmental impact studies or other impact studies, the cost of publicizing the consideration of the project plan, costs incidental to creation of the district, and the cost of implementing the project plan for the district,
- g. interest, before and during construction and for two (2) years after completion of construction, whether or not capitalized,
- h. fees for bond guarantees, letters of credit and bond insurance,
- i. the amount of any contributions offset made in connection with the implementation of the project plan,
- j. the costs for determining or redetermining the base assessed value of a district,
- k. costs of construction of public works or improvements, including but not limited to highways, roads, streets, bridges, sewers, traffic control systems and devices, telecommunications systems, parks, water distribution and supply systems, curbing, sidewalks and any similar public improvements, common utility or service facilities, landscaping, parking, and water detention/retention systems,
- l. all or a portion of another taxing jurisdiction's capital costs resulting from the development or redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the plan and project, to the extent the governing body by written agreement accepts and approves such costs,
- m. relocation costs to the extent that a governing body determines that relocation costs shall be paid or are required to be paid by federal or state law,
- n. all costs incurred in the maintenance, management, marketing and other services provided through an active Main Street Program recognized as such by the Oklahoma Department of Commerce, and
- o. assistance in development financing to the extent the governing body approves such financing;

15. "Project plan" means the approved plans of a city, town or county which may include a designated district or districts under this act in conformance with its comprehensive plan, which is intended by the payment of costs through apportionment of the increment or by the granting of incentives or exemptions to reduce or eliminate those conditions, the existence of which qualified the district, and to thereby enhance private investment of the tax bases of the taxing entities which extend into the district. Project plans may be a part of and incorporate existing neighborhood, renewal, economic development, public school and other such plans. Each project plan shall conform to the requirements specified by this act;

16. "Public entity" means any city, town, county, board, commission, authority, district, urban renewal authority or public trust;

17. "Reinvestment area" means any area located within the limits of a city, town or county requiring public improvements, including but not limited to transportation-related projects identified by any transportation authority pursuant to Section 1370.7 of Title 68 of the Oklahoma Statutes, to reverse economic stagnation or decline, to serve as a catalyst for retaining or expanding employment, to attract major investment in the area or to preserve or enhance the tax base or in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is detrimental to the public health, safety, morals or welfare. Such an area may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning. Such an area includes a blighted area as defined in Section 38-101 of Title 11 of the Oklahoma Statutes at the time of approval of the project plan; and

18. "Taxing entity" or "taxing jurisdiction" means a city, town, county, school district, political subdivision or other local entity in which local taxes or fees are levied by or on its behalf. Added by Laws 1992, c. 342, § 4. Amended by Laws 1995, c. 332, § 2, eff. Nov. 1, 1995; Laws 1998, c. 63, § 3, eff. Nov. 1, 1998; Laws 1998, c. 412, § 2, eff. Nov. 1, 1998; Laws 2000, c. 351, § 1, emerg. eff. June 6, 2000; Laws 2003, c. 433, § 6, eff. July 1, 2003; Laws 2004, c. 5, § 55, emerg. eff. March 1, 2004; Laws 2011, c. 361, § 1. NOTE: Laws 1998, c. 30, § 2 repealed by Laws 1998, c. 412, § 8, eff. Nov. 1, 1998. Laws 2003, c. 255, § 1 repealed by Laws 2004, c. 5, § 56, emerg. eff. March 1, 2004.

§62-854. Additional powers granted to city, town or county.

In addition to any other powers conferred by law, a city, town or county may exercise any powers necessary to carry out the purpose of this act, including power to:

1. Establish districts and create plans pursuant to the provisions of this act;
2. Cause project plans to be prepared, to approve the plans, and to implement the provisions and effectuate the purposes of the plans;
3. Cause bonds to be issued by public entities as provided for in Section 863 of this title;
4. Apportion local taxes or local fees and direct the use of local taxes and local fees for the purpose provided for in this act. Pursuant to Section 6C of Article X of the Constitution of the State of Oklahoma, a direction of apportionment may be prospective and may continue for one (1) or more years, and apportioned tax increments may be pledged beyond the current fiscal year to the repayment of indebtedness of other public entities, notwithstanding the provisions of Section 26 of Article X of the Constitution of the State of Oklahoma or any other provisions of law;
5. Enter into any contracts or agreements determined by the governing body to be necessary or convenient to implement the provisions and effectuate the purposes of project plans;
6. Receive, from the federal government or the state, loans and grants for, or in aid of a project and to receive contributions from any other source to defray project costs;
7. Grant tax incentives or exemptions in the manner provided for in this act;
8. Acquire by purchase, donation or lease, and own, convey, lease, mortgage, or dispose of land and other property, real or personal, or rights or interests therein;
9. Clear and improve property acquired by it pursuant to the project plan and construct public facilities on it or contract for the construction, development, redevelopment, rehabilitation, remodeling, alteration, or repair of the property;
10. Cause parks, playgrounds, or schools, including capital improvements to public schools, or water, sewer, or drainage facilities or any other public improvements which it is otherwise authorized to undertake, to be laid out, constructed, or furnished in connection with the project;
11. Lay out and construct, alter, relocate, change the grade of, make specific repairs upon, or discontinue public ways and construct sidewalks in, or adjacent to, the project area;
12. Cause sidewalks, ways for vehicular travel, playgrounds, or water, sewer, or drainage facilities and similar improvements to be constructed within the project area for the particular benefit of the project area or those dwelling or working in it;

13. Adopt ordinances or resolutions or repeal or modify such ordinances or resolutions or establish exceptions to existing ordinances and resolutions regulating the design, construction, and use of buildings;

14. Sell, mortgage, lease, transfer, or dispose of any property, or interest therein, acquired by it pursuant to the project plan for development, redevelopment, or rehabilitation in accordance with the plan, upon such terms and conditions determined by the governing body to be appropriate for achieving the objectives of the project plan; provided, in the event of disposition by lease or sublease to a lessee not entitled to a tax exemption, the improvements placed thereon shall not be entitled to a tax exemption;

15. Incur project costs;

16. Designate a public entity to exercise the powers enumerated in this section, except paragraphs 1, 4 and 7 of this section;

17. Invest project revenues as provided in this act; and

18. Do all things necessary or convenient to carry out the powers granted in this act and otherwise authorized by the laws of this state.

Added by Laws 1992, c. 342, § 5. Amended by Laws 1998, c. 63, § 4, eff. Nov. 1, 1998; Laws 2003, c. 255, § 2, eff. Nov. 1, 2003; Laws 2005, c. 210, § 2, emerg. eff. May 23, 2005.

§62-855. Review committees - Recommendations concerning proposed district, plan or projects - Approval by governing body.

A. Prior to the adoption and approval of a project plan and the ordinance or resolution required under Section 856 of this title and prior to the public hearing required under Section 859 of this title, the governing body shall appoint a review committee to review and make a recommendation concerning the proposed district, plan or project. The membership of the review committee shall consist of the following: a representative of the governing body who shall serve as chairperson; a representative of the planning commission having jurisdiction over the proposed district; a representative designated by each taxing jurisdiction within the proposed district whose ad valorem taxes might be impacted according to the plan; and three members representing the public at large and selected by the other committee members from a list of seven names submitted by the chairperson of the review committee; provided, at least one of the members representing the public at large shall be a representative of the business community in the city, town, or county considering the proposed plan and project, and if a proposed plan objective is development of principally commercial retail, such representative shall be either a retailer or a representative of a retail organization.

B. The review committee shall consider and make its findings and recommendations to the governing body with respect to the conditions establishing the eligibility of the proposed district. The review committee recommendations shall include the analysis used to project revenues over the life of the project plan, the effect on the taxing entities and the appropriateness of the approval of the proposed plan and project. The review committee may recommend that the project plan be approved, denied or approved subject to conditions set forth by the committee.

C. Prior to approval by the governing body, the review committee shall consider and determine whether the proposed plan and project will have a financial impact on any taxing jurisdiction and business activities within the proposed district and shall report its findings to the governing body. Such considerations shall be concurrent with or subsequent to the review and consideration of the committee provided for in subsection B of this section. The approval of any district plan or project by the governing body shall address any findings of such impact by the review committee.

D. In the event of any changes in the area to be included in the proposed district or any substantial changes in the proposed plan and project or for any other reason deemed appropriate by the governing body, the review committee shall consider and may modify its findings and recommendations made pursuant to the provisions of subsection B of this section.

E. Approval of the proposed district or the proposed plan or project by the governing body which is in accord with the recommendation of the review committee shall be by a majority vote of the governing body. Such approval which is not in accord with the recommendations and/or conditions set forth by the review committee shall be by a two-thirds (2/3) majority vote.

F. Meetings of the review committee shall be subject to the Oklahoma Open Meeting Act. Any information relating to the marketing plans, financial statements, trade secrets or any other proprietary information submitted to the review committee by a person or entity seeking adoption and approval of a proposed district, plan or project shall be confidential, except to the extent that the person or entity which provided the information consents to disclosure. Executive sessions may be held to discuss such information if deemed necessary by the review committee.

Added by Laws 1992, c. 342, § 6. Amended by Laws 1993, c. 69, § 2, eff. Sept. 1, 1993; Laws 2003, c. 255, § 3, eff. Nov. 1, 2003; Laws 2015, c. 381, § 1, eff. Nov. 1, 2015.

§62-856. Proposed boundaries of district or project - Designation and adoption - Content of ordinance or resolution - Legislative intent.

A. The governing body shall designate and adopt the proposed boundaries of any district and the proposed boundaries of any project area. Except as otherwise provided in this subsection, any districts created by a city or town shall be confined to that territory within the corporate limits of such city or town and any districts created by a county shall be confined to that territory within the unincorporated areas of the county. Any city, town or county may by agreement jointly create a district with another entity.

B. Upon the adoption and approval of the project plan, the governing body shall adopt an ordinance or resolution, whichever is applicable, which:

1. Describes the boundaries of districts and project areas sufficiently definite to identify with ordinary and reasonable certainty the territory included in them;

2. Creates the district as of a date provided in it or defers determination of such date, provided such date must be no more than ten (10) years after the date of approval of the project plan;

3. Assigns a name to the district for identification purposes. The first district created shall be known as either an Incentive

District or Increment District Number One, City, Town or County of _____, whichever is applicable. Each subsequently created district shall be appropriately named and shall be assigned the next consecutive number; and

4. Contains findings that:

- a. the project area or district meets at least one of the following criteria:
 - (1) is a reinvestment area,
 - (2) is a historic preservation area,
 - (3) is an enterprise area, or
 - (4) is a combination of the areas specified in divisions (1), (2) and (3) of this subparagraph,
- b. the improvement of the area is likely to enhance the value of other real property in the area and to promote the general public interest. It shall not be necessary to identify the specific parcels meeting the criteria,
- c. the guidelines specified in paragraphs 1 and 2 of Section 852 of this title shall be followed,
- d. the aggregate net assessed value of the taxable property in all districts as determined pursuant to Section 862 of this title within the city or town shall not exceed twenty-five percent (25%) of the total net assessed value of taxable property within the city or town for cities or towns having a population of fifty thousand (50,000) or more or shall not exceed thirty-five percent (35%) of the total net assessed value of taxable property within the city or town for cities or towns having a population of less than fifty thousand (50,000),
- e. for projects approved by a county, the aggregate net assessed value of the taxable property in all districts as determined pursuant to Section 862 of this title within the county shall not exceed fifteen percent (15%) of the total net assessed value of the taxable property within the county,
- f. the aggregate net assessed value of the taxable property in all districts as determined pursuant to Section 862 of this title within the city, the town or the county shall not exceed twenty-five percent (25%) of the total net assessed value of any affected school district located within the city, town or county, and
- g. the land area of this district and all other districts within the city, the town or the county shall not exceed twenty-five percent (25%) of the total land area of the city, the town or the county.

C. It is the intention of the Legislature in adopting the Local Development Act that no long-term contractual obligation be created

by the mere adoption of an ordinance or resolution establishing an increment district. Notwithstanding any provision contained in an ordinance, resolution or project plan, an ordinance or resolution establishing an increment district shall constitute a legislative act and may be repealed, modified or amended at any time during the term of the increment district, by subsequent action of the governing body except as otherwise authorized pursuant to Sections 854 and 863 of this title; provided, however, that no such ordinance shall be repealed, modified or amended during the time that any bonds payable from incremental revenues are outstanding without the consent of the bondholders, if such bonds are issued pursuant to the provisions of Article X, Section 35 of the Oklahoma Constitution following its amendment by State Question No. 693.

D. However, nothing in the Local Development Act shall restrict the ability of:

1. Any city, town or county to:
 - a. issue debt in accordance with the applicable provisions of Article X of the Oklahoma Constitution, and any statutes enacted in connection therewith, and
 - b. use incremental revenues derived from an increment district to pay principal, interest or premium associated with such indebtedness; or
2. Any public entity, other than a city, town or county, to:
 - a. issue tax apportionment bonds or notes in accordance with Section 863 of this title or to issue other types of revenue bonds or notes in accordance with other applicable provisions of Oklahoma law, and
 - b. use incremental revenues derived from an increment district to pay principal, interest or premium associated with such indebtedness.

Added by Laws 1992, c. 342, § 7. Amended by Laws 2000, c. 351, § 2, emerg. eff. June 6, 2000; Laws 2003, c. 433, § 7, eff. July 1, 2003; Laws 2004, c. 5, § 57, emerg. eff. March 1, 2004; Laws 2005, c. 210, § 3, emerg. eff. May 23, 2005; Laws 2011, c. 361, § 2.

NOTE: Laws 2003, c. 255, § 4 repealed by Laws 2004, c. 5, § 58, emerg. eff. March 1, 2004.

§62-857. Conflict of interest - Disclosure.

A. If any member of the governing body of a city, town or county which is in the process of adopting a project plan for a district or which has adopted such a plan pursuant to the provisions of the Local Development Act or if any member of the governing body of a taxing entity within the boundaries of a district or any person who is a member of the immediate family of such member, owns or controls a financial interest, direct or indirect, in any property in any project area to be acquired or developed with public financial assistance, said member shall disclose the same in writing to the

clerk of the city, town or county with such disclosure entered into the minutes of the governing body. Any such member with any interest of ten percent (10%) or more or any such member with an immediate family member with any interest of ten percent (10%) or more shall be ineligible to vote on any matter or transaction pertaining to such property, and shall refrain from taking any other official action related to such property. This section shall not preclude acquisition of a residence, acquisition of any property after issuance of a certificate of completion, or agreement to develop in accordance with the objectives of such project plan, provided such member discloses any actual or prospective interest and does not participate in any official action approving such agreement.

B. For purposes of this act and unless otherwise provided therein, any matter requiring a vote by the governing body of a city, town or county or a governing body of a taxing entity within the district shall be by a majority of those eligible to vote.

Added by Laws 1992, c. 342, § 8. Amended by Laws 2005, c. 210, § 4, emerg. eff. May 23, 2005; Laws 2008, c. 367, § 2, eff. Nov. 1, 2008.

§62-858. Project plans - Amendments - Vote on project plan adopted by transportation authority.

A. The governing body shall cause to be prepared a project plan. The appropriate local planning commission shall review the proposed project plan and shall make a recommendation on the plan to the governing body. The project plan shall include the following items, if applicable, according to the type of district being formed:

1. A description of the proposed boundaries of the district and the proposed boundaries of the project area by legal description and by street or other recognizable physical feature accompanied by a sketch clearly delineating the area in detail;

2. A general description of the proposed public works or improvements, the anticipated private investments and the estimated public revenues which should accrue;

3. A list of estimated project costs including administrative expenses;

4. A general description of the methods of financing the estimated project costs, the expected sources of revenue to finance or pay project costs, and the general time when the costs or monetary obligations related thereto are to be incurred;

5. A map showing existing uses and conditions of real property in the district and a map showing proposed improvements to and proposed uses of that property;

6. Proposed changes in zoning;

7. Proposed changes in the master plan and city ordinances if required to implement the project plan;

8. The name of the person who shall be in charge of the implementation of all of the project plans of the district with such name being forwarded to the Department of Commerce; and

9. A designation of any public entity to be authorized to carry out all or any part of the project plan.

B. Before the governing body may approve such project plan, notice must be given and public hearings must be held pursuant to the provisions of Section 859 of this title. The approval by the governing body must be by ordinance if a city or town or by resolution if a county which contains findings that the plan is feasible and conforms to the master plan, if any, of the city, town or county.

C. Except as otherwise provided in this section, the planning commission may recommend an amendment to a project plan, which amendment shall be subject to review by the review committee and approval by the governing body. Prior to the adoption of the amendment, the governing body shall give notice concerning such amendment and hold public hearings on such amendment in the manner prescribed by Section 859 of this title. The approval by the governing body must be by ordinance if a city or town or by resolution of a county which contains findings that the plan is feasible and conforms to the master plan, if any, of the city, town or county.

D. The governing body may grant the department, agency or public entity in charge of the implementation of the project plan the authority to make minor amendments to the plan. An amendment is considered to be minor if such amendment does not change the character or purpose of the plan; does not add more than five percent (5%) to the district's area; or does not add more than five percent (5%) to the public costs of the plan to be financed by apportioned tax increments. All amendments made pursuant to the provisions of this subsection shall be considered on a cumulative basis.

E. Approval by any ad valorem taxing entities, if required pursuant to the provisions of Section 850 et seq. of this title, shall be secured before any plan or amendment thereto goes into effect.

F. Any project plan adopted by a transportation authority pursuant to Section 1370.7 of Title 68 of the Oklahoma Statutes, after having met the provisions of this section, shall be submitted to a vote of the people within the boundaries of the authority, pursuant to the provisions of subsections D through H of Section 868 of this title.

Added by Laws 1992, c. 342, § 9. Amended by Laws 1995, c. 332, § 3, eff. Nov. 1, 1995; Laws 2003, c. 255, § 5, eff. Nov. 1, 2003; Laws 2005, c. 210, § 5, emerg. eff. May 23, 2005; Laws 2008, c. 367, § 3, eff. Nov. 1, 2008.

A. Before the adoption of a project plan or subsequent amendments thereto, the governing body must hold two public hearings. The primary purpose of the first hearing will be to provide information and to answer questions; provided, such information shall include, but not be limited to, an analysis of potential positive or negative impacts which may result from the adoption of a project plan. A representative of the city, town or county shall present the city, town or county's proposed plan or amendment thereto. The date of the second public hearing shall be announced in the presence of the persons in attendance at the hearing, but such date shall be more than seven (7) days after the date of the first public hearing. The purpose of the second public hearing shall be to give any interested persons the opportunity to express their views on the proposed plan or amendment thereto.

B. Notice of the first public hearing shall be given once by publication in a newspaper with circulation in the city, town or county and published on any Internet website maintained by the political subdivision. Any person, entity, or organization that has registered with the city, town or county clerk of the political subdivision shall also receive notice of such public hearing and a copy of the analysis upon request of the proposed project plan required in subsection A of this section. Such notices must be published or mailed no later than fourteen (14) days before the date of the public hearing. The notice shall include the following:

1. The time and place of the public hearing;
2. The boundaries of the proposed districts and proposed project areas by legal description and by street location, if possible, accompanied by a sketch clearly delineating the area in detail as may be necessary to advise the reader of the particular land proposed to be included;
3. A statement that the first public hearing shall be for information and questions purposes only with persons being given the opportunity to be heard at the second public hearing before any votes are taken;
4. A description of the project plan or amendment thereto and a location and time where the entire plan may be reviewed by any interested party; and
5. Such other matters as the city, town or county may deem appropriate.

C. Notice of the second public hearing may be included in the notices provided for in subsection B of this section. Notice of the second public hearing shall be published and mailed in the same manner as the notices provided for in subsection B of this section if:

1. Notice for both public hearings is not included in the notice of the first public hearing;

2. The location, date or time of the second public hearing is changed after the notices of the first hearing have been published and mailed; or

3. The second public hearing is held more than fourteen (14) days after the first public hearing.

D. The provisions of this section shall not apply to the adoption of minor amendments as provided for in Section 858 of this title.

E. The city, town or county clerk shall send the notices or copies of the analysis required to be sent to registered persons, entities, or organizations pursuant to subsection B of this section by electronic mail or if no electronic mail address has been provided by the registrant, by first-class mail. The city, town or county clerk shall provide an affidavit declaring that all registrants have been mailed the requisite notices or analyses. Any technical irregularities in the form of the published or mailed notices required by this section shall not result in the invalidation of any ordinance enacted or amended subsequent thereto, so long as the notices, as published and mailed, reasonably apprise interested parties as to the subject matter of the hearings and correctly describes the date, time and place of such hearings and affidavits of publication and mailing shall constitute compliance with the notice requirement of this section.

Added by Laws 1992, c. 342, § 10. Amended by Laws 2002, c. 476, § 2, emerg. eff. June 6, 2002; Laws 2003, c. 255, § 6, eff. Nov. 1, 2003; Laws 2015, c. 381, § 2, eff. Nov. 1, 2015.

§62-860. Incentives or exemptions from local taxation.

A. A project plan may contain a provision that certain local taxes may be subject to incentives or may be exempted in reinvestment areas, historic preservation areas or enterprise areas.

B. The governing body may grant incentives or exemptions from local taxation only on the new investment made. No ad valorem tax incentives or exemptions may be granted on the value of property which has been assessed or which is subject to assessment prior to the adoption of the project plan. No ad valorem tax incentives or exemptions authorized in this section may be granted for retail establishments. If a retail establishment is located in property which otherwise qualifies for an incentive or exemption pursuant to this section, the incentive or exemption shall not be allowed for

that portion of the property used for such retail establishment. As used in this subsection, "retail establishment" shall not include an establishment that provides lodging, including but not limited to a hotel, apartment hotel, public rooming house or motel. No ad valorem tax incentives or exemptions authorized in this section may be granted if the property is located in an increment district or as long as the property is subject to the ad valorem tax exemption for new or expanding manufacturing facilities as authorized by Section 6B of Article X of the Oklahoma Constitution. In the event of disposition by lease or sublease to a lessee not entitled to an ad valorem tax exemption, the improvements placed thereon shall not be entitled to an ad valorem tax exemption provided for in Section 850 et seq. of this title. The incentives or exemptions, which may be full or partial, may be granted for a period not to exceed five (5) years; however, in enterprise zones incentives or exemptions may be granted for a period not to exceed six (6) years.

C. No incentives or exemptions may be granted to any business or firm that is relocating from within the state and is subject to or in the process of recruitment by two or more governmental entities within the state unless the governmental entity in which the business or firm does not locate adopts a resolution giving their approval to the granting of incentives or exemptions to the business or firm locating in the competing governmental entity. No incentives or exemptions may be granted to an out-of-state business or firm that is subject to or in the process of recruitment by two or more governmental entities within the state except as otherwise provided for in this subsection. The prohibition against incentives or exemptions to a business or firm relocating within the state may be waived upon application by the governing body to, and approval of, the Director of the Oklahoma Department of Commerce. In order for the Director to approve the waiver, the Director must find that the incentives or exemptions are necessary and sufficient to attract the business or firm and that the benefits generated by the business location outweigh the costs of the business location.

D. A project plan may contain a provision that ad valorem taxes may be exempted in a commercial historic preservation area that is adjacent to and serves designated historical residential areas for neighborhood commercial preservation purposes in order for the neighborhood to retain its basic character and scale. No ad valorem tax exemption may be granted on the value of property which has been assessed or which is subject to assessment prior to the adoption of the project plan. No ad valorem tax exemption shall be granted pursuant to the provisions of this subsection for single-family residences. The governing body may grant the exemption only on the increase in value of the property. The exemptions may be granted for a specific period of time as determined by a written agreement between the property owners of the area and the governing body and

may be renewed. Uses of the property eligible for this exemption may include but not be limited to commercial, office or multifamily residential use.

Added by Laws 1992, c. 342, § 11. Amended by Laws 1994, c. 183, § 2, emerg. eff. May 9, 1994; Laws 2000, c. 351, § 3, emerg. eff. June 6, 2000; Laws 2001, c. 121, § 1, emerg. eff. April 23, 2001; Laws 2001, c. 382, § 1, eff. Nov. 1, 2001.

§62-861. Tax increment financing - Apportionment - Adjustment.

A. A project plan may contain a provision that the increments from certain local taxes or fees may be used to finance project costs in areas qualified under the Local Development Act. The increment from local taxes or fees levied from and after the effective date of the approval of such plan shall be apportioned in the following manner for a period not to exceed twenty-five (25) fiscal years thereafter or the period required for payment of project costs, whichever is less; provided, however, that for any increment district established after November 1, 1992, such time period shall be tolled for a period of time equal to the pendency of any litigation directly or indirectly challenging the increment district or apportionment or disbursement:

1. That portion of the ad valorem taxes which are produced by the levy at the rate fixed each year by or for each such ad valorem taxing entity upon the base assessed value of the increment district determined pursuant to Section 862 of this title and as to an area later added to the increment district, the effective date of the addition to the increment district, shall be paid to each taxing entity and all or any portion of local sales taxes, other local taxes or local fees collected each year which are not subject to apportionment shall be paid or retained as otherwise provided by law; and

2. All or any portion of:

- a. ad valorem taxes, in excess of such amount specified in paragraph 1 of this subsection,
- b. the increment of local sales taxes, other local taxes or local fees, or a combination thereof, paid to or for the benefit of the city, town, or county approving the plan, and
- c. with its consent, evidenced by agreement in writing, the increment of local sales tax, other local taxes or local fees, or combination thereof, payable to any other local public taxing entity,

shall be apportioned to, and when collected, shall be paid into an apportionment fund established for the project pursuant to the project plan. Such revenues shall be used for the payment of the project costs and for the payment of the principal of, the interest on, and any premiums due in connection with the bonds of, loans,

notes, or advances of money to, or indebtedness incurred to finance project costs, whether funded, refunded, assumed, or otherwise, for financing, in whole or in part, eligible project costs. For the purposes of this section, "local sales tax" means amounts payable to or for the benefit of a local governmental entity calculated as a percentage of gross sales whether imposed by ordinance, resolution, covenant, or agreement. Nothing shall prohibit the increments from being used to directly pay eligible project costs. When all eligible project costs and such bonds, loans, advances of money or indebtedness, if any, including interest thereon and any premiums due in connection with them, have been paid and the governing body adopts an ordinance or resolution dissolving the tax apportionment financing, all ad valorem taxes upon the taxable property within the boundary of such district shall be paid into the funds of the respective taxing entities.

B. If a project plan contains a provision for apportionment as provided in subsection A of this section, and notwithstanding any other provision of law to the contrary, the governing body shall direct in the resolution or ordinance approving the plan which portion of the increments, including whether any or all, to be paid into the apportionment fund shall constitute a part of the general fund to be appropriated annually by the governing body, and which portion, including whether any or all, shall constitute funds of a public entity authorized to issue tax apportionment bonds or notes or to incur project costs.

C. To the extent that collections exceed project costs and the provisions for payment of principal and interest along with sufficient reserves on any bonds issued pursuant to the provisions of Section 863 of this title, the excess shall be paid into the funds of the respective taxing entities unless the taxing entity agrees to some other use of such collections.

D. Except as provided in subsection E of this section, for any year in which taxes or fees are apportioned in the manner specified in paragraph 2 of subsection A of this section, any increase in assessed valuation of taxable real property or taxable personal property within the boundaries of such district in excess of the base assessed value shall not be considered by any taxing entity in computing any debt limitation or for any other purpose except for the levy of taxes and in determining the amount to be apportioned.

E. In the event there is a change in the assessment ratio for ad valorem tax property valuations of property within the boundaries of an increment district, the portions of valuations for assessment pursuant to paragraphs 1 and 2 of subsection A of this section shall be proportionately adjusted in accordance with such reassessment.

F. Nothing in this section shall be construed as relieving property in such project area from being assessed as provided in the Ad Valorem Tax Code of the Oklahoma Statutes, or as relieving owners

of such property from paying a uniform rate of taxes, as required by Section 5 of Article X of the Oklahoma Constitution.

G. Subject to constitutional exemptions, if property in an increment district is owned by a public entity and is leased to or operated for a private use, including, without limitation, use by a not-for-profit corporation or trust, the portion of the property so leased or operated shall be assessed by the county assessor as if such portion of the property were taxable, and, during the term of the increment district, the public entity owning such property shall pay or require the user thereof to pay ad valorem taxes or an in lieu ad valorem tax payment in an amount not less than the amount that would have resulted if taxes had otherwise been levied on such portion of the property. If property subject to ad valorem tax in an increment district is acquired by a private not-for-profit corporation or public or private trust, it shall continue to be assessed and subject to ad valorem taxes or an in lieu ad valorem payment by the user thereof until termination of the increment district unless and only to the extent of the portion of the property and the use thereof that is:

1. Acquired to implement the project plan;
2. Converted to a new tax-exempt use by a tax-exempt user; or
3. Entitled to claim a constitutional exemption notwithstanding statutory provisions.

During the period of an increment district, such nonexempt uses and interests are severable for purposes of ad valorem and in lieu of ad valorem assessment and payments, notwithstanding any statutory provisions to the contrary.

Added by Laws 1992, c. 342, § 12. Amended by Laws 1997, c. 96, § 1, eff. Nov. 1, 1997; Laws 2000, c. 351, § 4, emerg. eff. June 6, 2000; Laws 2003, c. 255, § 7, eff. Nov. 1, 2003; Laws 2008, c. 367, § 4, eff. Nov. 1, 2008.

§62-862. Base assessed value - Computation of tax levy.

A. Upon approval of a project plan containing apportionment financing as provided in Section 861 of this title, the county assessor shall, within ninety (90) days, determine the total assessed value of all taxable real property and all taxable personal property within the boundaries of an increment district which shall be certified by the assessor as the "base assessed value".

B. Any school district located within the boundaries of an increment district may file a protest with the governing body of the city, town or county as to the amount certified by the county assessor as the "base assessed value" of the increment district. Such protest shall be filed within thirty (30) days after the "base assessed value" is certified by the county assessor. The governing body of the city, town or county shall notify the county assessor of the protest. Within thirty days after being notified of the protest,

the county assessor shall redetermine the total assessed value of all taxable real property and all taxable personal property within the boundaries of the increment district and shall certify to the governing body of the city, town or county the redetermined amount as the "base assessed value" of that district.

C. After the county assessor has certified the "base assessed value" of the taxable real property and the taxable personal property in such increment district, then in respect to every taxing jurisdiction receiving taxes levied in the increment district, the county assessor or any other official required by law to ascertain the amount of the equalized assessed value of all taxable property within such increment district for the purpose of computing the tax levy to be extended upon taxable property within such increment district, for the purpose of calculating the general state school aid formula, or for the purpose of computing any debt limitation, shall in every year that the tax apportionment is in effect ascertain the amount of value of taxable property in such increment district by including in such amount the certified "base assessed value" of all taxable real property and all taxable personal property in such increment district in lieu of the equalized assessed value of all taxable real property and all taxable personal property in such increment district. The tax levy determined shall be extended to the current equalized assessed value of all property in the increment district in the same manner as the tax levy is extended to all other taxable property in the increment district. The method of extending taxes established under the provisions of this section shall terminate when the governing body adopts an ordinance or resolution dissolving the tax apportionment financing. The provisions of this act shall not be construed as relieving property owners within an increment district from paying a uniform rate of taxes upon the current equalized assessed value of their taxable property as required by Section 5 of Article X of the Oklahoma Constitution. Added by Laws 1992, c. 342, § 13. Amended by Laws 1997, c. 96, § 2, eff. Nov. 1, 1997; Laws 2003, c. 255, § 8, eff. Nov. 1, 2003.

§62-863. Tax apportionment bonds or notes.

A. With the approval of the governing body, a public entity, other than a city, town or county, may issue tax apportionment bonds or notes, other bonds or notes, or both, the proceeds of which may be used to pay project costs pursuant to the plan notwithstanding any other statutory provision to the contrary. Subject to the approval of the governing body, such public entity may issue refunding bonds or notes for the payment or retirement of bonds or notes previously issued by the public entity to pay project costs pursuant to the plan.

B. The public entity issuing tax apportionment bonds or notes may, as authorized by the governing body pursuant to Section 6C of

Article X of the Constitution of the State of Oklahoma, irrevocably pledge all or part of the apportioned increments and other revenue for payment of the tax apportionment bonds or notes. The part of the apportioned increments pledged in payment may be used only for the payment of the bonds or notes or interest on the bonds or notes until the bonds or notes have been fully paid. A holder of the bonds or notes or of coupons issued on the bonds has a lien to the extent authorized by the pledge against the apportionment fund and the future increments for payment of the bonds or notes and interest on the bonds or notes and may protect or enforce the lien at law or in equity.

C. The issuing public entity may provide in the contract with the owners or holders of tax apportionment bonds that they will pay into the apportionment fund all or any part of the revenue produced or received from the operation or sale of a facility acquired, improved, or constructed pursuant to a project plan, to be used to pay principal and interest on the bonds. If the public entity agrees, the owners or holders of these bonds may have a lien or mortgage on a facility acquired, improved, or constructed with the proceeds of the bonds.

D. Tax apportionment bonds may be issued to mature in a period not to exceed twenty-five (25) years in one or more series; provided, however, that for any increment district established after November 1, 1992, such time period shall be tolled for a period of time equal to the pendency of any litigation directly or indirectly challenging the increment district or apportionment or disbursement. The trust indenture, ordinance, or resolution approved, issued in connection with such bond or note, shall provide:

1. The date that the bond or note bears;
2. That the bond or note is payable on demand or at a specified time;
3. The interest rate that the bond or note bears;
4. The denomination of the bond or note;
5. Whether the bond or note is in coupon or registered form;
6. The conversion or registration privileges of the bond or note;
7. The manner of execution of the bond or note;
8. The medium of payment in which and the place or places at which the bond or note is payable;
9. The terms of redemption, with or without premium, to which the bond or note is subject;
10. The manner in which the bond or note is secured; and
11. Any other characteristic of the bond or note.

E. A bond or note issued pursuant to the provisions of the Local Development Act is fully negotiable. In a suit, action, or other proceeding involving the validity or enforceability of a bond or note issued pursuant to the provisions of the Local Development Act or the

security of a bond or note issued pursuant to the provisions of the Local Development Act, if the bond or note recites in substance that it was issued by the public entity pursuant to the Local Development Act, the bond or note is deemed to have been issued for that purpose, and the recital shall be conclusive of its validity and the regularity of its issuance.

F. A bank, trust company, savings bank or institution, savings and loan association, investment company or other person carrying on a banking or investment business; an insurance company, insurance association, or other person carrying on an insurance business; or an executor, administrator, curator, trustee, or other fiduciary may invest any sinking funds, money, or other funds belonging to it or in its control in tax apportionment bonds or notes issued under the Local Development Act. This act does not relieve any person of the duty to exercise reasonable care in selecting securities or of complying with other applicable laws.

G. A tax apportionment bond or note issued pursuant to the provisions of this section is not a debt, liability, or obligation of the city, town or county creating or approving the plan, project or increment district. The bond or note does not give rise to a charge against the general credit or taxing powers of such city, town or county and is not payable except as provided by the Local Development Act. Bonds or notes issued pursuant to the provisions of this section are not general obligations of the state and have no claim on the revenues or resources of the state. A bond or note issued pursuant to the provisions of this section must state the restrictions of this subsection on its face.

H. A tax apportionment bond or note issued pursuant to the provisions of this section may not be included in any computation of the general obligation debt of the city, town or county creating or approving the plan, project or increment district.

I. A public entity may not issue bonds or notes, pursuant to the provisions of this section, providing for repayment of any portion of the principal from apportioned tax increments in an amount that exceeds the total cost of implementing the project plan for which the bonds or notes are issued except to the extent that bond or notes issues may be sized to include costs of issuance, credit enhancement fees or premiums, and reasonably required reserves or amounts to be repaid from sources other than apportioned tax increments.

J. All bonds issued pursuant to the provisions of this section shall be reviewed by the Oklahoma State Bond Advisor who will give a recommendation on such bonds to the issuing entity.
Added by Laws 1992, c. 342, § 14. Amended by Laws 2000, c. 351, § 5, emerg. eff. June 6, 2000; Laws 2003, c. 255, § 9, eff. Nov. 1, 2003; Laws 2005, c. 210, § 6, emerg. eff. May 23, 2005.

§62-864. Adjustment in school State Aid.

In those cases where the net assessed valuation of the real property within a school district increases as a result of the provisions of Sections 860 and 861 of this title, the school district's State Aid shall be determined by subtracting such increase in the net assessed valuation from the assessed valuation of the school district and the state. Such increase shall be subtracted for each fiscal year during which the incentives or exemptions are granted in the case of property within an incentive district or such increase shall be subtracted for each fiscal year the increment is captured in the case of property within an increment district. The increase in net assessed valuation subtracted, in the case of property within an increment district, shall be the amount that represents that portion of the increment which is captured and which is actually used for the purposes of this act. Added by Laws 1992, c. 342, § 15. Amended by Laws 2008, c. 367, § 5, eff. Nov. 1, 2008.

§62-865. Agreement between other local taxing entity and governing body.

A. In accordance with the requirements of Section 6C of Article X of the Oklahoma Constitution, the tax incentives or exemptions granted pursuant to the provisions of Section 860 of this title shall only be allowed for that portion of the tax under jurisdiction of another local taxing entity by written agreement between said other local taxing entity and the governing body of the city, town or county.

B. In order for the tax incentives or exemptions to be granted for that portion of the tax under the jurisdiction of each taxing entity within the district, the governing body of the taxing entity must adopt the agreement provided for in subsection A of this section upon a majority vote of those members eligible to vote as determined by Section 857 of this title. Action on the agreement by these governing bodies must occur within sixty (60) days after the governing body of the city, town or county submits the proposed agreement to the governing bodies of such taxing entities. Added by Laws 1992, c. 342, § 16. Amended by Laws 2000, c. 351, § 6, emerg. eff. June 6, 2000.

§62-866. Agreements between governing body and property owners.

A. There shall be a written agreement between the governing body and the property owners who are granted tax incentives or exemptions pursuant to Section 860 of this title. The written agreement may include, but shall not be limited to, the following:

1. List the kind, number, and location of all proposed improvements to the property;
2. Provide access to and authorize inspection of the property by city, town or county employees to ensure that the improvements or

repairs are made according to the specifications and conditions of the agreement;

3. Limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the area during the period that the tax incentives or exemptions or the increment financing are in effect;

4. Provide for recapturing the local tax revenue lost as a result of the agreement if the owner of the property fails to make the improvements or repairs as provided by the agreement; and

5. Include any other requirement deemed by the governing body necessary to carry out the agreement.

B. There shall be a written agreement between the governing body and the property owners in historic preservation areas who are granted ad valorem tax exemptions pursuant to subsection D of Section 860 of this title. The written agreement shall include the following:

1. List the location of the property;

2. Provide access to and authorize inspection of the property by city, town or county employees to ensure that the property is being maintained according to the specifications and conditions of the agreement;

3. Limit the uses of the property consistent with the general purpose of encouraging neighborhood commercial preservation of the area during the period that the ad valorem tax exemptions are in effect;

4. Provide for recapturing the ad valorem tax revenue lost as a result of the agreement if the owner of the property fails to maintain the property as provided by the agreement;

5. Specify the time frame of the agreement including whether renewals can occur, at what time such renewals can occur and under what conditions renewals can occur;

6. Specify rehabilitations, preservation efforts and other specific actions that should be taken by the property owners on an individual or collective basis;

7. Provide for reciprocal actions by public entities to protect, enhance and improve the commercial historic preservation area and the surrounding residential areas served by such districts;

8. Provide review and approval procedures that may be used when usage or ownership of the property changes; and

9. Include any other requirement deemed by the governing body necessary to carry out the agreement.

C. The governing body shall enter into written agreements with active project participants of increment projects. The written agreement may include, but shall not be limited to, the provisions specified in paragraphs 1 through 5 of subsection A of this section. Added by Laws 1992, c. 342, § 17. Amended by Laws 2000, c. 351, § 7, emerg. eff. June 6, 2000; Laws 2001, c. 382, § 2, eff. Nov. 1, 2001.

§62-867. Report to taxing entity.

A. For those increment districts in operation for nine (9) months or more, on or before the ninetieth day following the end of each fiscal year, the governing body of a city, town or county shall submit a report to the chief executive officer of each taxing entity that levies ad valorem taxes on property in an increment district. The report shall include:

1. The amount and source of revenue captured and apportioned pursuant to the project plan;

2. The amount and purpose of expenditures;

3. The amount of principal and interest due on outstanding bonded indebtedness;

4. The tax increment base and current captured appraised value or the other local tax or fees collections retained by the area;

5. The captured appraised value or the other local tax or fee collections shared by the city, town or county and other taxing entities, the total amount of tax increments received and any additional information necessary to demonstrate compliance with the plan adopted by the city, town or county;

6. The name of the person who is currently in charge of the implementation of the plan; and

7. The names of the persons who have disclosed an interest as required pursuant to Section 857 of this title and the interest disclosed.

B. For those incentive districts in operation for nine (9) months or more, on or before the ninetieth day following the end of each fiscal year, the governing body of a city, town or county shall submit to the chief executive officer of each taxing entity that levies property taxes on real property in an incentive district. The report shall include:

1. The parties receiving incentives or exemptions;

2. A general description of the property and the improvements to be made;

3. The portion and fair market value of the property to be exempted or that portion of the local taxes to be subject to incentives or to be exempted;

4. The duration of the incentives or exemptions;

5. Any additional information necessary to demonstrate compliance with the tax incentives or exemptions;

6. The name of the person who is currently in charge of the implementation of the plan; and

7. The names of the persons who have disclosed an interest as required pursuant to Section 857 of this title and the interest disclosed.

C. At the time of submitting the reports as required by subsections A and B of this section, the governing body shall publish

in a newspaper of general circulation in the city, town or county, a summary of the relevant financial information along with a notice to the effect that such report has been prepared and that the report is available for inspection during business hours in the office of the municipal or county clerk.

Added by Laws 1992, c. 342, § 18. Amended by Laws 2003, c. 255, § 10, eff. Nov. 1, 2003; Laws 2008, c. 367, § 6, eff. Nov. 1, 2008.

§62-867.1. Incentive or increment district creation - Dissolution - Annual revenue loss.

A. Within thirty (30) days after the creation of either an incentive district or an increment district, the sponsoring governmental entity shall notify the Oklahoma Tax Commission, upon such form as the Commission shall prescribe, of the geographic area where the district is located, a description of any locally authorized tax incentives, such as property tax exemptions, sales tax exemptions or for purposes of an increment district, whether there is or will be indebtedness incurred the repayment of which will partially or entirely be paid from incremental tax revenues apportioned for such purpose.

B. If an incentive district or increment district is dissolved or for any reason ceases to be operative, the sponsoring entity shall notify the Oklahoma Tax Commission within thirty (30) days of such dissolution or termination upon a form to be prescribed by the Commission for such purpose.

C. The Oklahoma Tax Commission, in conjunction with the Oklahoma Department of Commerce, shall make an estimate of the annual revenue loss resulting from all matching payments to be made pursuant to Section 844 of Title 62 of the Oklahoma Statutes.

Added by Laws 2008, c. 367, § 1, eff. Nov. 1, 2008.

§62-868. Initiative and referendum.

A. The powers of initiative and referendum, reserved by the Oklahoma Constitution to the people, are reserved to the people of every city, town or county with reference to the tax relief or incentives or exemptions or increment captured as authorized by Section 6C of Article X of the Oklahoma Constitution and as provided for in this act.

B. 1. For purposes of this section, the form of the petition for either initiative or referendum shall be substantially as provided in Sections 1 and 2 of Title 34 of the Oklahoma Statutes. A true copy of each measure proposed by initiative and referendum shall be filed with the clerk of the city or town or with the secretary of the county election board before it is circulated and signed by the registered voters.

2. Every petition for either the initiative or referendum shall be signed by a number of the registered voters residing in the city

or town equal to at least twenty-five percent (25%) of the total number of votes cast at the preceding general municipal election or for counties, equal to at least ten percent (10%) of the registered voters residing in the county. The signatures to each petition shall be verified in the manner provided by law.

3. Signed copies of an initiative petition shall be submitted to the clerk or secretary within ninety (90) days after the initial filing of the measure with the clerk or secretary. Signed copies of a petition invoking a referendum upon any ordinance or resolution shall be submitted to the clerk or secretary within thirty (30) days after the passage or adoption of the ordinance or resolution.

C. When signed copies of a petition are timely filed with the clerk or secretary, the clerk or secretary shall make a physical count of the number of signatures appearing on the petitions. He shall then publish, in at least one newspaper of general circulation in the municipality or the county, a notice of the filing and the apparent sufficiency or insufficiency of the petition. The notice shall also state that any qualified elector of the municipality or the county may file a protest to the petition or an objection to the count made by the clerk or secretary.

A protest to the petition or the count of signatures shall be filed in the district court in the county in which the situs of the city, town or county is located within ten (10) days after the publication. Written notice of the protest shall be served upon the clerk or secretary and the parties who filed the petition. In the case of the filing of an objection to the count, notice shall also be served upon any party filing a protest. The district court shall fix a day, not less than ten (10) days after the filing of a protest, to hear testimony and arguments for and against the sufficiency of the petition. A protest filed by anyone, if abandoned by the party filing it, may be revived within five (5) days by any other qualified elector. After the hearing, the district court shall decide whether such petition is in form required by law.

D. 1. The parties submitting a petition for either initiative or referendum shall also prepare and file a ballot title for the measure. The ballot title may be filed with the clerk or secretary prior to circulating the petition, but it must be submitted no later than the time that the signed copies of the petition are filed with the clerk or secretary. The ballot title shall contain the gist of the proposition couched in language that may be readily understood by persons not engaged in the practice of law. The ballot title shall contain language which clearly states that a "yes" vote is a vote in favor of the proposition, and a "no" vote is a vote against the proposition. The ballot title may not:

- a. exceed one hundred fifty words,
- b. reflect partiality in its composition or contain any argument for or against the measure, or

c. contain language whereby a "yes" vote is, in fact, a vote against the proposition and a "no" vote is, in fact, a vote in favor of the proposition.

2. The clerk or secretary shall immediately forward a copy of the proposition and ballot title to the municipal attorney or district attorney. Within three (3) days after the filing of the ballot title, the attorney shall notify the clerk or secretary in writing whether or not the proposed ballot title is in legal form and in harmony with the law. If the ballot title is not in proper form, in the opinion of the attorney, he shall prepare and file a ballot title which does conform to the law within the three-day period.

E. A qualified elector who is dissatisfied with the wording of a ballot title may appeal, within ten (10) days after the ballot title is filed with the clerk or secretary, to the district court in the county in which the situs of the city, town or county is located. The petition for appeal shall offer a substitute ballot title for the one from which the appeal is taken. Written notice of the appeal shall be served upon the clerk or secretary and upon the parties who filed the ballot title at least five (5) days before such appeal is heard by the court. The municipal attorney or the district attorney shall, and any interested citizen may, defend the ballot title from which the appeal is taken. After the hearing of the appeal, the district court may correct or amend the ballot title, or accept the substitute suggested, or may draft a new one which will conform with the law.

F. When a ballot title has been decided upon, either as approved by the municipal attorney or district attorney or by the district court, the clerk or secretary shall notify the mayor or the chairman of the board of county commissioners in writing, and attach a copy of the petition and ballot title.

G. When an initiative petition demands the enactment of an ordinance or resolution, the mayor or the chairman of the board of county commissioners shall present the petition to the governing body at its next meeting. If the petition is not granted more than thirty (30) days before the next general municipal or county election, the mayor or the board of county commissioners shall submit the ordinance or act so petitioned to the registered voters of the city, town or county at the next general municipal or county election.

H. Whenever a referendum is demanded against any measure passed by the city, town or county governing body, or whenever an initiative petition is demanded, the question shall be submitted to the registered voters of the city, town or county for their approval or rejection at the next general municipal or county election.

Added by Laws 1992, c. 342, § 19.

§62-869. Powers conferred by act.

The powers conferred by this act shall be in addition and supplemental to the power conferred by any other law.
Added by Laws 1992, c. 342, § 20.

§62-870. Short title.

This act shall be known and may be cited as the "Oklahoma Rural Housing Incentive District Act".
Added by Laws 1999, c. 140, § 1, eff. Nov. 1, 1999.

§62-871. Definitions.

As used in the Oklahoma Rural Housing Incentive District Act:

1. "County" means any county with a population of less than seventy-five thousand (75,000) persons, according to the most recent federal decennial census;
2. "Developer" means the person, firm or corporation responsible under an agreement with the governing body of a municipality or county to develop housing or related public facilities in a district;
3. "District" means a rural housing incentive district established in accordance with the Oklahoma Rural Housing Incentive District Act;
4. "Executive Director" means the Executive Director of the Oklahoma Housing Finance Agency;
5. "Governing body" means the board of county commissioners of any county or the governing body of a municipality;
6. "Municipality" means any incorporated city or town with a population of less than forty thousand (40,000) persons in a county with a population of less than seventy-five thousand (75,000) persons, according to the most recent federal decennial census;
7. "Real property taxes" means and includes all taxes levied on an ad valorem basis upon land and improvements thereon; and
8. "Taxing subdivision" means the county, the municipality, the school district, and any other taxing subdivision levying real property taxes, the territory or jurisdiction of which includes any currently existing or subsequently created rural housing incentive district.

Added by Laws 1999, c. 140, § 2, eff. Nov. 1, 1999.

§62-872. Purpose of act.

It is hereby declared to be the purpose of the Oklahoma Rural Housing Incentive District Act to encourage the development and renovation of housing in the rural municipalities and counties of Oklahoma by authorizing municipalities and counties to assist directly in the financing of public improvements that will support such housing in rural areas of Oklahoma which experience a shortage of housing, pursuant to the provisions of subsection B of Section 6C of Article X of the Oklahoma Constitution.
Added by Laws 1999, c. 140, § 3, eff. Nov. 1, 1999.

§62-873. Designation of rural housing incentive districts - Authority of municipality or county - Findings and determinations - Review by Executive Director of Oklahoma Housing Finance Agency.

A. The governing body of any municipality or county is hereby authorized to designate rural housing incentive districts within such municipality or county. Any municipal governing body may designate one or more such districts in such municipality, and any county governing body may designate one or more such districts in any part of the unincorporated territory of such county. Prior to making such a designation, the governing body shall conduct a housing needs analysis to determine what, if any, housing needs exist within its community. After conducting the analysis, the governing body shall adopt a resolution containing a legal description of the proposed district, a map depicting the existing parcels of real estate in the proposed district, and a statement of the following findings and determinations:

1. There is a shortage of quality housing of various price ranges in the municipality or county despite the best efforts of public and private housing developers;

2. The shortage of quality housing can be expected to persist and additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in the municipality or county;

3. The shortage of quality housing is a substantial deterrent to the future economic growth and development of such municipality or county; and

4. The future economic well-being of the municipality or county depends on the governing body providing additional incentives for the construction or renovation of quality housing in such municipality or county.

B. The resolution containing the findings contained in subsection A of this section shall be published at least once in a legal newspaper of general circulation within the municipality or county.

C. Upon publication of the resolution as provided in subsection B of this section, the governing body shall send a certified copy of the resolution to the Executive Director of the Oklahoma Housing Finance Agency, requesting that the Executive Director review the resolution and advise the governing body whether he or she agrees with the findings contained therein. If the Executive Director advises the governing body in writing that he or she agrees with each of the findings of the governing body, the governing body may proceed to establish the district as set forth in the Oklahoma Rural Housing Incentive District Act. If the Executive Director fails to agree with the findings, the Executive Director shall advise the governing body in writing of the specific reasons therefor.

Added by Laws 1999, c. 140, § 4, eff. Nov. 1, 1999.

§62-874. Establishment of incentive district - Project plan for development or redevelopment - Resolution - Public hearing - Notice.

A. Upon receipt of the approval of the Executive Director of the Oklahoma Housing Finance Agency as provided in subsection C of Section 4 of this act, the governing body may proceed with the establishment of the district. Before doing so, the governing body shall adopt a project plan for the development or redevelopment of housing and public facilities in the proposed district. Such project plan may include plans for one or more projects, and the length of any individual project shall not exceed fifteen (15) years. The project plan shall include, but not be limited to, the following:

1. The legal description and map required by subsection A of Section 4 of this act;

2. The existing assessed valuation of the real estate in the proposed district, listing the land and improvement values separately;

3. A list of the names and addresses of the owners of record of all real estate parcels within the proposed district;

4. A description of the housing and public facilities project or projects that are proposed to be constructed or improved in the proposed district, and the location thereof;

5. A listing of the names, addresses and specific interests in real estate in the proposed district of the developers responsible for development of the housing and public facilities in the proposed district;

6. The contractual assurances, if any, the governing body has received from such developer or developers, guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed district; and

7. A comprehensive analysis of the feasibility of providing housing tax incentives in the district as provided in the Oklahoma Rural Housing Incentive District Act, which shows that the public benefits derived from such district will exceed the costs and that the income therefrom, together with other sources of funding, will be sufficient to pay for the public improvements that may be undertaken in such district. If other sources of public or private funds are to be used to finance the improvements, they shall be identified in the analysis.

B. Prior to the adoption of the project plan and designation of the district, the governing body shall adopt a resolution stating that the governing body is considering such action. The resolution shall provide notice that a public hearing will be held to consider the adoption of the project plan and the designation of the district and contain the following elements:

1. The date, hour, and place of the public hearing;

2. The contents of paragraphs 1 through 4 of subsection A of this section;

3. A summary of the contractual assurances by the developer and comprehensive feasibility analysis as specified in paragraphs 6 and 7 of subsection A of this section; and

4. A statement that the project plan is available for inspection at the office of the clerk of the municipality or county during normal business hours; and

5. A statement inviting members of the public to review the project plan and attend the public hearing on the date announced in the resolution.

C. The date fixed for the public hearing shall be not less than thirty (30) nor more than seventy (70) days following the date of the adoption of the resolution. The resolution shall be published at least once in a legal newspaper of general circulation in the municipality or county, with the final publication being not less than one (1) week or more than two (2) weeks preceding the date fixed for the public hearing.

D. A certified copy of the resolution shall be delivered to the planning commission of the municipality or county and the board of any school district levying taxes on property within the proposed district. If the resolution is adopted by a municipal governing body, a certified copy also shall be delivered to the board of county commissioners of the county. If the resolution is adopted by a county governing body, it also shall be delivered to the governing body of any municipality located within three (3) miles of such proposed district.

Added by Laws 1999, c. 140, § 5, eff. Nov. 1, 1999.

§62-875. Public hearing - Presentation of proposed project plan - Ordinance or resolution establishing district - Determination of adverse effect.

A. At the public hearing, a representative of the municipality or county shall present the proposed project plan for the development or renovation of housing in the proposed district. Each project proposed for the district shall be identified and explained. At the hearing, the developer or developers that have contracted with the municipality to undertake the project shall be identified and presented in person or through such developer's representative. Following the presentation, all interested persons shall be given an opportunity to be heard. The governing body for good cause shown may recess such hearing to a time and date certain, which shall be fixed in the presence of persons in attendance at the hearing.

B. Upon the conclusion of the public hearing, the governing body may adopt the project plan for the district and may establish the district by ordinance or, in the case of any county, by resolution. The boundaries of such district shall not include any area not

designated in the notice required by Section 5 of this act. Any addition of area to the district or any substantial change to the project plan shall be subject to the same procedure for public notice and hearing as required for the initial establishment of the district.

C. The ordinance or resolution establishing the district shall be null and void if, within thirty (30) days following the conclusion of the hearing:

1. The board of any school district levying taxes on such property determines by resolution that the proposed district will have an adverse effect on such school district;

2. The governing body of any municipality located within three (3) miles of the district proposed to be established by a county determines by ordinance that the proposed district will have an adverse effect on such municipality; or

3. The board of county commissioners of the county in which a municipal governing body proposes to establish such a district determines by resolution that the proposed district will have an adverse effect on such county.

Added by Laws 1999, c. 140, § 6, eff. Nov. 1, 1999.

§62-876. Acquisition of real property - Sale or lease to developer.

A. Any governing body which has established a rural housing incentive district as provided in the Oklahoma Rural Housing Incentive District Act may purchase or otherwise acquire real property; however, the property may not be acquired through the exercise of the power of eminent domain.

B. Any property acquired by a municipality or county under the Oklahoma Rural Housing Incentive District Act may be sold or leased to any developer, in accordance with the rural housing incentive project plan and under such conditions as shall have been agreed to prior to the adoption of the project plan. The municipality or county and the developer may agree to any additional terms and conditions, but if the developer requests to be released from any obligations agreed to and embodied in the project plan, such release shall constitute a substantial change and subject to the requirements provided in subsection B of Section 6 of this act.

Added by Laws 1999, c. 140, § 7, eff. Nov. 1, 1999.

§62-877. Issuance of special obligation bonds - Pledge of revenue - Execution and recitals.

A. Any municipality or county which has established a housing incentive district as provided in the Oklahoma Rural Housing Incentive District Act may issue special obligation bonds to finance the implementation of the project plan adopted for the district by the governing body, subject to the limitations on indebtedness of the municipality or county as provided in Section 26 of Article X of the

Oklahoma Constitution. The issuance of such bonds shall be required to be approved by the voters of the district, voting at an election called for such purpose by the governing body of the municipality or county. Such special obligation bonds shall be made payable, both as to principal and interest:

1. From property tax increments allocated to, and paid into a special fund of the municipality or county under the provisions of subsection A of Section 10 of this act;

2. From revenues of the municipality or county derived from or held in connection with the implementation of the project or projects in the district;

3. From any private sources, contributions or other financial assistance from the state or federal government;

4. From any financial sureties or other guarantees provided by the developer;

5. From a pledge of any other lawfully available municipal or county revenue sources including, but not limited to, a portion of all increased franchise fees collected from utilities and other businesses using public rights-of-way within the district or a portion of the sales and use tax revenues received by the municipality or county; or

6. By any combination of these methods.

The municipality or county may pledge such revenue to the repayment of such special obligation bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

B. Bonds issued pursuant to the provisions of this section shall not be general obligations of the municipality or county, nor in any event shall they give rise to a charge against the general credit or taxing powers of the municipality or county, or be payable out of any funds or properties other than any of those set forth in this subsection. Such bonds shall so state on their face.

C. The bonds issued under the provisions of this section shall be special obligations of the municipality or county and are hereby declared to be negotiable instruments. The bonds shall be executed by the mayor and clerk of the municipality or, in the case of counties, by the chair of the board of county commissioners and clerk of the county, and shall be sealed with the corporate seal of the municipality or the seal of the county. All details pertaining to the issuance of such special obligation bonds shall be determined by ordinance of the municipality or resolution of the county. All special obligation bonds issued pursuant to the Oklahoma Rural Housing Incentive District Act shall be exempt from all state taxes except estate taxes. Special obligation bonds issued pursuant to the provisions of this section shall contain the following recitals:

1. The authority under which such special obligation bonds are issued;

2. That they are in conformity with the provisions, restrictions, and limitations thereof; and

3. That such special obligation bonds and the interest thereon are to be paid from the money and revenue received as provided in subsection A of this section.

D. The maximum maturity on bonds issued to finance projects pursuant to the Oklahoma Rural Housing Incentive District Act shall not exceed fifteen (15) years.

E. Any municipality or county issuing special obligation bonds under the provisions of the Oklahoma Rural Housing Incentive District Act may refund all or part of such issue as provided by law.

F. In the event the municipality or county shall default in the payment of any special obligation bonds as authorized pursuant to the provisions of this section, no public funds shall be used to pay the holders thereof except as otherwise specifically authorized in the Oklahoma Rural Housing Incentive District Act.

G. Any and all terms, conditions, exclusions and limitations which are otherwise applicable to bonds issued by municipalities and counties shall also be applicable to bonds issued pursuant to this section.

Added by Laws 1999, c. 140, § 8, eff. Nov. 1, 1999.

§62-878. Use of bond proceeds.

A. Any municipality or county which has established a rural housing incentive district may use the proceeds of special obligation bonds issued under Section 8 of this act, or any uncommitted funds derived from those sources of revenue set forth in subsection A of Section 8 of this act, to implement specific projects identified within the rural housing incentive district project plan including, without limitation:

1. Acquisition of property within the specific project area or areas as provided in Section 7 of this act;
2. Payment of relocation assistance;
3. Site preparation;
4. Sanitary and storm sewers and lift stations;
5. Drainage conduits, channels and levees;
6. Street grading, paving, graveling, macadamizing, curbing, guttering and surfacing;
7. Street lighting fixtures, connection and facilities;
8. Underground gas, water, heat, and electrical services and connections located within the public right-of-way;
9. Sidewalks; and
10. Water mains and extensions.

B. None of the proceeds from the sale of special obligation bonds issued under Section 8 of this act shall be used for the construction of buildings or other structures to be owned by or to be

leased to any developer of a residential housing project within the district.

Added by Laws 1999, c. 140, § 9, eff. Nov. 1, 1999.

§62-879. Levy of assessments - Apportionment - Payment into special fund.

A. The governing body of a municipality or county, subject to the provisions of the Oklahoma Rural Housing Incentive District Act, may levy assessments by and for the benefit of a taxing subdivision on property located within such district, the revenue from which shall be apportioned as follows:

1. From the assessments levied each year subject to the provisions of the Oklahoma Rural Housing Incentive District Act by or for each taxing subdivision upon property located within a district constituting a separate taxing unit under the provisions of the Oklahoma Rural Housing Incentive District Act, the county treasurer first shall allocate and pay to each such taxing subdivision all of the revenues collected which are produced from that portion of the current assessed valuation of such real property located within such separate taxing unit which is equal to the total assessed value of such real property on the date of the establishment of the district; and

2. Any revenues produced from that portion of the current assessed valuation of real property within a district and constituting a separate taxing unit under the provisions of this section in excess of an amount equal to the total assessed value of such real property on the effective date of the establishment of the district shall be allocated and paid by the county treasurer to the treasurer as follows:

- a. in districts established by a municipality, the amount shall be paid to the treasurer of the municipality and deposited in a special fund of the municipality to pay the cost of housing projects in the district including the payment of principal of and interest on any special obligation bonds issued by such municipality to finance, in whole or in part, such housing project, and
- b. in districts established by a county, the amount shall be deposited by the county treasurer in a special fund of the county to pay the cost of housing projects in the district including the payment of principal of and interest on any special obligation bonds issued by such county to finance, in whole or in part, such housing project. If such special obligation bonds and interest thereon have been paid before the completion of a project, the municipality or county may continue to use such moneys for any purpose authorized by the Oklahoma Rural Housing Incentive District Act until such time as

the project is completed, but for not to exceed fifteen (15) years from the date of the establishment of the district.

When such special obligation bonds and interest thereon have been paid and the project is completed, all moneys thereafter received from real property taxes within such district shall be allocated and paid to the respective taxing subdivisions in the same manner as are other ad valorem taxes.

B. Notwithstanding any other provision of law, it is hereby stated that it is an object of assessments levied by or for the benefit of any taxing subdivision on taxable real property located within any district created pursuant to the Oklahoma Rural Housing Incentive District Act, that revenues therefrom may be applied and allocated to and when collected paid into a special fund of a municipality or county pursuant to the procedures and limitations of the Oklahoma Rural Housing Incentive District Act to pay the cost of a project including principal of and interest on special obligation bonds issued by such municipality or county to finance, in whole or in part, such project.

Added by Laws 1999, c. 140, § 10, eff. Nov. 1, 1999.

§62-880. Transmission of project plan documents.

After the adoption by the governing body of a project plan which contains the provisions required by Section 5 of this act, the clerk of the municipality or county shall transmit a copy of the description of the land within the district, a copy of the ordinance or resolution adopting the project plan, and a map or plat indicating the boundaries of the district, to the clerk, assessor, and treasurer of the county in which the district is located and to the governing bodies of any taxing subdivision which levy taxes upon any property in the district. Such documents shall be transmitted as promptly as practicable following the adoption or modification of the project plan, but in any event, on or before January 1 of the year following the adoption or modification of the project plan.

Added by Laws 1999, c. 140, § 11, eff. Nov. 1, 1999.

§62-881. Short title.

This act shall be known and may be cited as the "Oklahoma Housing Reinvestment Program Act".

Added by Laws 2002, c. 344 , § 1, eff. Jan. 1, 2003.

§62-882. Definitions.

As used in this act:

1. "Governing body" means the city council of a city, the board of trustees of a town or the board of county commissioners of a county;

2. "Housing reinvestment district" means a district created pursuant to the provisions of Section 5 of this act; and

3. "Taxing entity" means a municipality, county, school district, political subdivision or other local entity which levies ad valorem taxes.

Added by Laws 2002, c. 344 , § 2, eff. Jan. 1, 2003.

§62-883. Purpose.

It is hereby declared to be the purpose of the Oklahoma Housing Reinvestment Program Act to encourage reinvestment in housing in those areas of this state for which a demonstrated need for housing exists but is not met through existing public and private efforts by authorizing local governmental entities to provide abatement of ad valorem taxes during the first years after new or remodeled housing construction.

Added by Laws 2002, c. 344 , § 3, eff. Jan. 1, 2003.

§62-884. Ad valorem tax exemption - Effect on school state aid.

Pursuant to the provisions of Section 6C of Article X of the Oklahoma Constitution, a municipality or county may provide an exemption from ad valorem taxes in a housing reinvestment district pursuant to the provisions of this act. A school district or taxing entity other than a municipality or county may provide an exemption from ad valorem taxes in a housing reinvestment district pursuant to the provisions of this act through a contractual arrangement with the municipal or county governing body. The loss of revenue to a school district from any such exemption from ad valorem taxes shall be borne by the school district and such exempted revenue shall be treated as being received by the school district for purposes of computation of the school district's state aid pursuant to the provisions of Article 18 of Title 70 of the Oklahoma Statutes.

Added by Laws 2002, c. 344 , § 4, eff. Jan. 1, 2003.

§62-885. Procedures for establishing housing reinvestment district - Adoption of ordinance or resolution - Initiative and referendum.

A. The governing body of a municipality or county may establish a housing reinvestment district as follows:

1. A housing reinvestment district may only be created in a municipality or county with a population of less than three hundred thousand (300,000) persons and in which the percentage change in population, according to the most recent federal decennial census or the most recent population estimate provided by the United States Bureau of the Census, compared with the previous federal decennial census, is less than the national average percentage change in population; provided, a municipality or county which does not meet such requirement may create a housing reinvestment district in a specific geographic area thereof which meets the definition of an

"opportunity zone" as such term is defined in paragraph 2 of subsection G of Section 3604 of Title 68 of the Oklahoma Statutes;

2. The governing body shall designate and adopt the proposed boundaries of any such district. Except as otherwise provided in this subsection, the boundaries of any district created by a municipality shall be confined to that territory within the corporate limits of the municipality and any district created by a county shall be confined to that territory within the unincorporated areas of the county. Any municipality or county may by written agreement jointly create a contiguous district with one or more other municipalities or counties;

3. The governing body shall obtain the written consent of each taxing entity levying ad valorem taxes upon property located in the proposed boundaries of the district to grant tax abatements as provided in Section 6 of this act. If such written consent is not obtained from each taxing entity, the district shall not be created. The governing body shall further enter into a contractual arrangement with the governing bodies of all other affected taxing entities to provide relief from ad valorem taxes as provided in Section 6 of this act;

4. Upon the adoption and approval of the proposed boundaries of the district, the governing body shall, after public notice and hearing, adopt an ordinance or resolution, whichever is applicable, which:

- a. describes the boundaries of the district sufficiently definite to identify with ordinary and reasonable certainty the territory included in it,
- b. creates the district as of a specified date,
- c. assigns a name to the district for identification purposes, and
- d. contains findings that:
 - (1) the municipality or county or portion thereof in which the proposed district is located meets the requirements of paragraph 1 of this subsection, and
 - (2) the improvement to housing in the area of the district caused by the granting of tax abatements pursuant to the provisions of this act is likely to enhance the value of other real property in the municipality or county and to promote the general public interest.

B. The powers of initiative and referendum, reserved by the Oklahoma Constitution to the people, are reserved to the people of every municipality or county with reference to the tax relief or incentives or exemptions or increment captured as authorized by Section 6C of Article X of the Oklahoma Constitution and as provided for in this act. A housing reinvestment district may be created

through an initiative or referendum petition pursuant to the procedures set forth in Section 868 of Title 62 of the Oklahoma Statutes. A housing reinvestment district may also be terminated, whether created pursuant to the provisions of subsection A of this section or through an initiative or referendum petition, through an initiative or referendum petition pursuant to such procedures. Added by Laws 2002, c. 344 , § 5, eff. Jan. 1, 2003.

§62-886. Residences qualifying for tax exemption - Application - Limit on amount.

A. Upon creation of a housing reinvestment district pursuant to the provisions of Section 5 of this act, there shall be granted exemptions from ad valorem taxes upon property that qualifies for a homestead exemption as follows:

1. A newly constructed residence located on a parcel upon which a residence has not previously been located within a ten-year period immediately preceding the date of the commencement of construction shall be exempt from ad valorem taxes for a period of two (2) tax years, beginning with the tax year the property first qualifies for a homestead exemption, to the extent of the ad valorem taxes upon the parcel of property upon which the residence is located attributable to the difference in the fair market value of such parcel in such tax year compared to the fair market value of such parcel in the tax year in which construction of the residence commenced;

2. A newly constructed residence located on a parcel upon which a residence was previously located within a ten-year period immediately preceding the date of the commencement of construction shall be exempt from ad valorem taxes for a period of three (3) tax years, beginning with the tax year the property first qualifies for a homestead exemption, to the extent of the ad valorem taxes upon the parcel of property upon which the residence is located attributable to the difference in fair market value of such parcel in such tax year compared to the fair market value of such parcel in the tax year in which construction of the residence commenced; and

3. A residence to which an improvement, as defined in Section 2802.1 of Title 68 of the Oklahoma Statutes, has been made, in an amount which increases the fair cash value of the property by not less than Twenty Thousand Dollars (\$20,000.00) as determined by the county assessor, shall be exempt from ad valorem taxes for a period of five (5) tax years, beginning with the first full tax year following completion of the improvement, to the extent of the amount of ad valorem taxes attributable to the value of the improvement.

For purposes of this section, a "newly constructed residence" shall mean a dwelling for which construction was commenced after the creation of the housing reinvestment district in which the dwelling is located.

B. The owner of any property qualifying for an exemption as provided in subsection A of this section shall apply to the county assessor on or before March 15 of the first tax year for which the exemption is sought for the granting of such exemption. Such exemption shall not be granted unless the property owner is in compliance with all ad valorem tax laws of this state. If the property owner ceases to be in compliance with all ad valorem tax laws of this state during the period of the exemption, the exemption shall be disallowed.

C. An exemption from ad valorem taxes in any area included within the boundaries of an enterprise area, a historic preservation area or a reinvestment area as such terms are defined in Section 853 of Title 62 of the Oklahoma Statutes, or in a rural housing incentive district established in accordance with the Oklahoma Rural Housing Incentive District Act, in which ad valorem tax revenues or other local tax revenues, or any increment or portion thereof, are apportioned or allocated for the repayment of bonds pursuant to the Local Development Act or the Oklahoma Rural Housing Incentive District Act, shall be limited to the amount of ad valorem taxes not so apportioned or allocated.

Added by Laws 2002, c. 344 , § 6, eff. Jan. 1, 2003.

§62-887. Expiration of act.

The provisions of the Oklahoma Housing Reinvestment Program Act shall cease to be effective January 1, 2013; provided, any exemption granted pursuant to the Oklahoma Housing Reinvestment Program Act prior to January 1, 2013, which will extend for a period of time after such date shall remain eligible for such exemption for the period of time and under the terms and conditions under which it was originally granted.

Added by Laws 2002, c. 344 , § 7, eff. Jan. 1, 2003.

§62-891.1. Short title.

This act shall be known and may be cited as the "Oklahoma Community Economic Development Pooled Finance Act".

Added by Laws 2009, c. 309, § 1, eff. July 1, 2009.

§62-891.2. Purpose of act.

The Legislature finds investments for the purpose of economic development of the State of Oklahoma, including but not limited to authorized economic development projects for the purpose of attracting private investment and job creation, public infrastructure to aid development such as roads, bridges, water treatment, water storage and water delivery facilities, surface water management assets, sanitary sewer facilities and related assets, and other assets owned or maintained by the counties, cities and towns of the state are essential to a safe and productive environment for the

residents of the state and visitors to the state. The Legislature further finds that existing fiscal resources at the local government level are not always sufficient to maintain the highest possible standards of safety or quality and that it is an essential function of state government to ensure that critical infrastructure is constructed, maintained and repaired in conformity with such highest possible standards. The Legislature finds that encouraging local governments to cooperate to develop regional infrastructure and economic development projects will most economically and efficiently serve the needs of the state's citizens. The Legislature finds that the methods of public finance provided for in the Oklahoma Community Economic Development Pooled Finance Act are in furtherance of an essential public and state governmental function.
Added by Laws 2009, c. 309, § 2, eff. July 1, 2009.

§62-891.3. Definitions.

1. "Authority" means the Oklahoma Development Finance Authority;
2. "Bonds" means any form of obligation issued by the Oklahoma Development Finance Authority pursuant to this act;
3. "Business entity" means a corporation, limited liability company, general partnership, limited partnership, or such other entity conducting a lawful activity which is organized pursuant to the laws of the state or which is authorized to do business in the state if organized under the law of another jurisdiction;
4. "Community Economic Development Pooled Finance Revolving Fund" means the fund created pursuant to Section 891.15 of this title;
5. "Conduit issuer" means the Oklahoma Development Finance Authority acting for the benefit of either a combination of local government entities or a local government entity or entities in conjunction with a for-profit business entity pursuant to the provisions of this act;
6. "Credit Enhancement Reserve Fund" means that fund created pursuant to Section 5063.3 of Title 74 of the Oklahoma Statutes;
7. "Debt" means bonds, notes, or other evidence of indebtedness issued by the Oklahoma Development Finance Authority;
8. "Department" means the Oklahoma Department of Commerce;
9. "Economic Development Pool" means proceeds of obligations sold by the Authority to provide resources for eligible local government entities or a local government entity in conjunction with a for-profit business entity to finance an eligible economic development project or other purposes authorized by this act;
10. "Eligible local government entity" means:
 - a. a city,
 - b. a town,
 - c. a county,
 - d. any combination of cities, towns, or counties, or

- e. a public trust with a beneficiary or beneficiary which is a city, town, county or some combination of such entities as authorized by Section 176 of Title 60 of the Oklahoma Statutes;

11. "Federal government defense entities" means U.S. Department of Defense installations in the State of Oklahoma including Fort Sill, Tinker Air Force Base, Altus Air Force Base, Vance Air Force Base and McAlester Army Ammunition Plant;

12. "For-profit business" means any lawful activity conducted by a business entity with the goal or expectation of selling goods, services or other property at a price greater than the actual costs incurred by the business;

13. "Infrastructure" means:

- a. county roads,
- b. county bridges,
- c. municipal streets,
- d. municipal bridges,
- e. any railway or utility system owned by an eligible local government entity,
- f. water treatment facilities,
- g. solid waste management facilities,
- h. water treatment and distribution systems, or
- i. any asset or project identified by the eligible local government entities necessary for essential government functions if the asset is owned by a local government entity or entities;

14. "Infrastructure Pool" means proceeds of obligations sold by the Authority to provide resources for eligible local government entities to provide financing for infrastructure or other purposes authorized by this act;

15. "Pooled financing" means an agreement, pursuant to the provisions of this act or pursuant to the Interlocal Cooperation Act, among two or more eligible local governmental entities or involving a local government entity or entities in conjunction with a for-profit business entity to use proceeds from a tax levy or other authorized source of revenue to make payments of principal, interest, and other related costs in connection with an obligation issued by the Oklahoma Development Finance Authority for the benefit of the entities entering into such agreement according to the terms of the agreement and according to the requirements of any ballot submitted to the voters of the respective eligible local governmental entities. Pooled financing does not mean or include the use of any ad valorem tax revenues derived from a levy imposed pursuant to Section 26 of Article X of the Oklahoma Constitution;

16. "Private activity bonds" means those obligations the interest income from which may be exempt from federal income tax

pursuant to the provisions of the Internal Revenue Code of 1986, as amended; and

17. "Public-Private Partner Development Pool" means proceeds of obligations sold by the Oklahoma Development Finance Authority to provide resources for eligible local government entities to provide financing for infrastructure in conjunction with for-profit business entities and federal government defense entities or any other purpose authorized by this act.

Added by Laws 2009, c. 309, § 3, eff. July 1, 2009. Amended by Laws 2010, c. 373, § 1, emerg. eff. June 7, 2010; Laws 2013, c. 179, § 1, eff. Nov. 1, 2013; Laws 2019, c. 260, § 1, eff. Nov. 1, 2019.

§62-891.4. Applicability of Oklahoma Development Finance Authority Act.

Unless otherwise provided by the terms, definitions or other provisions of the Oklahoma Community Economic Development Pooled Finance Act, the powers, rights, duties and limitations applicable to the Oklahoma Development Finance Authority pursuant to the provisions of the Oklahoma Development Finance Authority Act shall be applicable to the Authority and transactions conducted pursuant to the Oklahoma Community Economic Development Pooled Finance Act.

Added by Laws 2009, c. 309, § 4, eff. July 1, 2009.

§62-891.5. Applicability of Credit Enhancement Reserve Fund Act - Participation in Community Economic Development Pooled Finance Revolving Fund.

A. To the extent that the provisions of the Credit Enhancement Reserve Fund Act are consistent with the provisions of the Oklahoma Community Economic Development Pooled Finance Act, the provisions of the Credit Enhancement Reserve Fund Act shall be applicable to a pooled financing.

B. The Credit Enhancement Reserve Fund shall not be utilized in support of any pooled financing obligations issued pursuant to this act prior to the full use of any revenues committed to the repayment of any such obligations pursuant to an agreement or agreements among the participating local government entities or for-profit business entity for the repayment of principal, interest and other costs of the pooled financing.

C. Agreements entered into pursuant to this act may provide for one or more of the participating local government entities to make deposits in the Community Economic Development Pooled Finance Revolving Fund in excess of the amount originally provided for in any agreement authorized by this act in order to compensate for the payments otherwise required to be made by any other participating local government entity which is a party to the same agreement.

D. If any participating local government entity does not make deposits in the Community Economic Development Pooled Finance

Revolving Fund as originally required by an agreement authorized by this act, such local government entity shall be required to compensate the other participating local government entity or entities pursuant to the terms of the agreement for the amounts paid on its behalf, including interest.

E. Any local government entity that does not make deposits in the Community Economic Development Pooled Finance Revolving Fund according to the terms of an agreement authorized by this act shall be prohibited from participation in any other pooled financing otherwise authorized by this act for a period of five (5) years from the date of the first date upon which a required deposit to the Community Economic Development Pooled Finance Revolving Fund is not made or for a period of five (5) years from the first date upon which a payment is made on a timely basis, but for less than the amount required pursuant to the terms of an agreement authorized pursuant to this act.

Added by Laws 2009, c. 309, § 5, eff. July 1, 2009.

§62-891.6. Bonds and other obligations.

A. No bonds or other obligations issued by the Authority pursuant to the provisions of the Oklahoma Community Economic Development Pooled Finance Act shall be considered or deemed to be general obligations of the State of Oklahoma. Such bonds or other obligations shall be special and limited obligations the repayment of which shall be derived exclusively from the revenues accruing to the credit of the Community Economic Development Pooled Finance Revolving Fund created pursuant to Section 15 of this act.

B. The obligations issued by the Authority pursuant to this act shall have a maximum maturity of twenty-five (25) years.

C. The average coupon rate for any obligations issued by the Authority pursuant to this act shall not exceed fourteen percent (14%) per annum.

Added by Laws 2009, c. 309, § 6, eff. July 1, 2009.

§62-891.7. Infrastructure Pool.

A. The Authority shall be authorized to act as a conduit issuer for the benefit of two or more eligible local government entities for an authorized infrastructure project using the Infrastructure Pool.

B. The Authority shall be authorized to issue its obligations in order to provide net proceeds on a pooled basis not to exceed One Hundred Million Dollars (\$100,000,000.00) for the Infrastructure Pool. The Authority shall be authorized to issue obligations within the limit prescribed by this subsection based upon the defeasance of previously issued obligations.

C. Except as otherwise provided by subsection F of this section, proceeds from the Infrastructure Pool shall be for the purpose of providing financing for two or more eligible local government

entities for an authorized infrastructure project located in this state involving a pooled financing.

D. Sixty-five percent (65%) of the net proceeds from the Infrastructure Pool shall be used by the Authority for the benefit of eligible local government entities the population of which, according to the most recent Federal Decennial Census, does not exceed three hundred thousand (300,000) persons for any participating municipality.

E. Thirty-five percent (35%) of the net proceeds from the Infrastructure Pool may be used by the Authority for the benefit of any and all eligible local government entities regardless of population.

F. The proceeds from the Infrastructure Pool may also be used for the purposes authorized by Section 891.8 of this title. Added by Laws 2009, c. 309, § 7, eff. July 1, 2009. Amended by Laws 2010, c. 285, § 1; Laws 2013, c. 179, § 2, eff. Nov. 1, 2013.

§62-891.8. Economic Development Pool.

A. The Authority shall be authorized to act as a conduit issuer for the benefit of one or more eligible local government entities or for the benefit of one or more local government entities in conjunction with a for-profit business entity for an authorized economic development project using the Economic Development Pool.

B. The Authority shall be authorized to issue its obligations in order to provide net proceeds on a pooled basis not to exceed One Hundred Million Dollars (\$100,000,000.00) for the Economic Development Pool. The Authority shall be authorized to issue obligations within the limit prescribed by this subsection based upon the defeasance of previously issued obligations.

C. Except as otherwise provided by subsection G of this section, proceeds from the Economic Development Pool shall be for the purpose of providing financing for an eligible local government entity or entities or for the benefit of a business entity for an authorized economic development project located in this state.

D. Sixty-five percent (65%) of the net proceeds from the Economic Development Pool shall be used by the Authority for the benefit of eligible local government entities the population of which, according to the most recent Federal Decennial Census, does not exceed three hundred thousand (300,000) persons for any participating municipality.

E. Thirty-five percent (35%) of the net proceeds from the Economic Development Pool may be used by the Authority for the benefit of any and all eligible local government entities regardless of population.

F. Obligations issued pursuant to the provisions of this section may be issued on a tax-exempt basis if the applicable provisions of federal law governing private activity bonds allow such issuance.

Otherwise, the obligations issued pursuant to the provisions of this section shall be issued on a taxable basis.

G. The proceeds from the Economic Development Pool may also be used for the purposes authorized by Section 891.7 of this title. Added by Laws 2009, c. 309, § 8, eff. July 1, 2009. Amended by Laws 2010, c. 285, § 2; Laws 2013, c. 179, § 3, eff. Nov. 1, 2013.

§62-891.9. Local governments liable for debt issued – Payments.

A. With respect to an eligible project financed through the Infrastructure Pool, local government entities shall be required to be financially responsible for the repayment of the debt issued by the Oklahoma Development Finance Authority.

B. With respect to obligations incurred by the Authority for an authorized infrastructure project, local government entities shall make payments to the Oklahoma Development Finance Authority for principal, interest, required reserve amounts, and any other amount required in order to make the obligations issued by the Authority marketable.

C. Repayment by local government entities pursuant to the provisions of this section shall consist of authorized revenue sources including, but not limited to, taxes levied by the local government entities or which are available for use by such entities pursuant to the provisions of Section 1370 of Title 68 of the Oklahoma Statutes, Section 2701 et seq. of Title 68 of the Oklahoma Statutes and the provisions of Sections 13 and 14 of this act.

D. The Authority shall use the monies in the Community Economic Development Pooled Finance Revolving Fund created by Section 15 of this act in order to make payments of principal, interest and other costs.

Added by Laws 2009, c. 309, § 9, eff. July 1, 2009.

§62-891.10. Oklahoma Department of Commerce rules and forms - Prioritized list - Authority for the Infrastructure Pool.

A. The Oklahoma Department of Commerce shall promulgate rules for purposes of establishing criteria for the funding of authorized infrastructure projects from the proceeds of obligations issued by the Authority for the Infrastructure Pool.

B. The criteria shall be similar to the criteria used by the federal government in administering the Community Development Block Grant program.

C. A combination of eligible local government entities shall apply to the Department for approval of a pooled financing for an infrastructure project on such forms as the Department may prescribe for such purpose.

D. The Department shall compile and maintain a prioritized list of infrastructure projects eligible for pooled financing through the Oklahoma Development Finance Authority.

E. The Oklahoma Development Finance Authority shall use the prioritized list provided by the Department in order to provide financing to the eligible local government entities.

F. The Authority shall, within the limit on available bond proceeds in the Infrastructure Pool, provide proceeds in accordance with the scoring system used by the Department.

Added by Laws 2009, c. 309, § 10, eff. July 1, 2009.

§62-891.11. Economic development project scoring system - Authority for the Economic Development Pool - For-profit business participation.

A. The Oklahoma Department of Commerce shall establish a scoring system in order to evaluate economic development projects to be financed from the proceeds of obligations issued by the Authority for the Economic Development Pool.

B. The scoring system shall include, but shall not be limited to, analysis of:

1. Capital investment by a for-profit business entity;

2. New direct jobs, as such term is defined by Section 3603 of Title 68 of the Oklahoma Statutes, to be created by a for-profit business entity or entities;

3. Salary and wage payments to persons employed in new direct jobs; and

4. Likelihood of additional business location decisions resulting from the activity of the for-profit business entity or entities that would benefit from use of the Economic Development Pool.

C. One eligible local government entity, in conjunction with a for-profit business entity, or a combination of eligible local government entities, in conjunction with a for-profit business entity, may apply to the Department for approval of a pooled financing for an economic development project on such forms as the Department may prescribe for such purpose.

D. The Department shall compile and maintain a prioritized list of projects eligible for pooled financing through the Oklahoma Development Finance Authority from the Economic Development Pool.

E. The Oklahoma Development Finance Authority shall use the prioritized list provided by the Department in order to provide financing to the eligible local government entity or entities or to a for-profit business entity in conjunction with a local government entity or entities.

F. The Authority shall, within the limit on available bond proceeds in the Economic Development Pool, provide proceeds in accordance with the scoring system used by the Department.

Added by Laws 2009, c. 309, § 11, eff. July 1, 2009.

§62-891.12. For-profit businesses determination letter and agreements - Withholding taxes.

A. As used in this section:

1. "Estimated direct state benefits" means the tax revenues projected by the Oklahoma Department of Commerce to accrue to the state as a result of new direct jobs;

2. "Estimated indirect state benefits" means the indirect new tax revenues projected by the Oklahoma Department of Commerce to accrue to the state, including, but not limited to, revenue generated from ancillary support jobs directly related to the primary business;

3. "Estimated direct state costs" means the costs projected by the Department to accrue to the state as a result of new direct jobs. Such costs shall include, but not be limited to:

- a. the costs of education of new state resident children,
- b. the costs of public health, public safety and transportation services to be provided to new state residents,
- c. the costs of other state services to be provided to new state residents, and
- d. the costs of other state services; and

4. "Estimated indirect state costs" means the costs projected by the Department to accrue to the state as a result of new indirect jobs. Such costs shall include, but not be limited to, costs enumerated in subparagraphs a, b, c and d of paragraph 3 of this subsection.

B. A for-profit business entity that would otherwise qualify to receive or benefit from proceeds from the issuance of obligations by the Authority from the Economic Development Pool shall be required to obtain a determination letter from the Oklahoma Department of Commerce that the business activity of the entity will result in a positive net benefit rate, to be computed by the Department of Commerce using a methodology which provides for the analysis of estimated direct state benefits, estimated indirect state benefits, estimated direct state costs and estimated indirect state costs. The Oklahoma Department of Commerce shall use such information as it determines to be relevant for the analysis required by this subsection including, but not limited to, the type of business activity in which the entity is engaged or will be engaged, amount of capital investment, type of assets acquired or utilized by the business entity, economic effect of the business activity within the relevant geographic region and such other factors as the Department determines to be relevant. The Oklahoma Department of Commerce may use information regarding the business entity alone or in conjunction with relevant information regarding other business activity in a geographically relevant area surrounding the principal business location of the primary business entity in order to perform the computation of the net benefit rate. If the result of the analysis

is a positive net benefit rate, the business entity shall be allowed to capture withholding taxes associated with new jobs or with existing jobs as otherwise provided by this act. The Oklahoma Department of Commerce shall transmit a determination letter to the authorized representative of the business entity and shall also transmit a copy of the determination letter to the Oklahoma Tax Commission and to the Oklahoma Development Finance Authority, regardless of whether the result is a positive or negative net benefit rate. The Oklahoma Development Finance Authority shall not allow a business entity to use captured withholding tax revenues for purposes of any pooled financing otherwise authorized by this act unless the Oklahoma Department of Commerce has previously transmitted a determination letter that reveals a positive net benefit rate for the business entity.

C. Any for-profit business entity that receives proceeds from the issuance of any obligations by the Authority from the Economic Development Pool may be required by the applicable local government entity to enter into such agreements as may be required between the entity, the local government entity, the Authority and the Oklahoma Tax Commission to provide for the segregation of withholding taxes attributable to new direct jobs created or existing payroll retained by the for-profit business entity in connection with the asset or assets acquired, constructed or improved with such proceeds.

D. The amount of withholding taxes subject to the provisions of this section shall, together with other revenue sources or commitments and undertakings by the for-profit business entity or third parties, be sufficient to make payment of any required principal, interest, adequate reserves or other authorized costs for the borrowing by the Authority.

E. The Authority shall have such power of approval regarding the amount and duration of withholding tax segregation pursuant to the provisions of this section in order to ensure payment of its obligations and to promote the marketability of such obligations.

F. The Authority shall obtain information from the for-profit business entity as may be required in order to determine the necessary amount of segregated withholding taxes attributable to new direct jobs or existing payroll.

G. The Oklahoma Tax Commission shall determine with respect to the withholding taxes attributable to the income of employees engaged in new direct jobs or existing jobs for a for-profit business entity participating in a pooled financing pursuant to the Oklahoma Community Economic Development Pooled Finance Act the amount of such withholding taxes required to be deposited to the credit of the Community Economic Development Pooled Finance Revolving Fund.

H. The Oklahoma Tax Commission shall make a deposit in the Community Economic Development Pooled Finance Revolving Fund in accordance with any applicable agreement entered into by a for-profit

business entity participating in a pooled financing pursuant to the Oklahoma Community Economic Development Pooled Finance Act.

I. No for-profit business entity that benefits from proceeds of obligations issued by the Authority from the Economic Development Pool may receive or continue to receive incentive payments pursuant to the Oklahoma Quality Jobs Program Act or claim any investment tax credits otherwise authorized pursuant to Section 2357.4 of Title 68 of the Oklahoma Statutes during the period of time that any withholding taxes attributable to the payroll of such entity are being paid to the Community Economic Development Pooled Finance Revolving Fund or in any manner used for the payment of principal, interest or other costs associated with any obligations issued by the Authority pursuant to the provisions of this act.

Added by Laws 2009, c. 309, § 12, eff. July 1, 2009.

§62-891.13. Submitting tax questions to municipal voters.

A. As used in this section:

1. "Authority" means the Oklahoma Development Finance Authority;

2. "Eligible local government entity" means:

a. a city,

b. a town,

c. a county,

d. any combination of cities, towns, or counties, or

e. a public trust with a beneficiary or beneficiary which is a city, town, county or some combination of such entities as authorized by Section 176 of Title 60 of the Oklahoma Statutes;

3. "Existing levy" means a tax or other revenue-raising mechanism approved by the voters of a county, city or town prior to the effective date of this act;

4. "Municipality" means an incorporated city or town; and

5. "Pooled financing" means the use of municipal revenues, derived from a levy imposed pursuant to the authority of Section 2701 of Title 68 of the Oklahoma Statutes, available to one or more municipalities or county revenues, derived from a levy imposed pursuant to the authority of Section 1370 of Title 68 of the Oklahoma Statutes, based upon the local government entity participating in a pooled financing.

B. Subject to the requirements of Section 2701 of Title 68 of the Oklahoma Statutes, one or more municipalities may submit to the respective voters of each such municipality the question of whether to impose a tax not previously imposed, authorized by Section 2701 of Title 68 of the Oklahoma Statutes, in order to provide revenues to repay indebtedness incurred by the Authority for the purposes authorized by the Oklahoma Community Economic Development Pooled Finance Act. The provisions of this subsection shall be applicable to any one or more municipalities participating in a pooled

financing, regardless of whether any other municipality, subject to voter approval, will be imposing a tax levy to be used for the purposes of this act for the first time or whether any one or more of such municipalities, subject to voter approval, will be modifying the purposes of an existing tax levy to allow revenues to be used for the purposes of this act.

C. Subject to the requirements of Section 2701 of Title 68 of the Oklahoma Statutes, one or more municipalities may submit to the respective voters of each such municipality the question of whether to modify an existing tax levy, previously approved by the voters of such municipality, in order to allow the use of some part or all of the proceeds from the existing tax levy in order to provide revenues to repay indebtedness incurred by the Authority for the purposes authorized by this act. The provisions of this subsection shall be applicable to any one or more municipalities participating in a pooled financing, regardless of whether any other municipality, subject to voter approval, will be imposing a tax levy to be used for the purposes of this act for the first time or whether any one or more of such municipalities, subject to voter approval, will be modifying the purposes of an existing tax levy to allow revenues to be used for the purposes of this act.

D. Municipalities may submit questions authorized by this section regardless of whether the municipalities are contiguous or adjacent to one another.

E. A municipality that submits a question for the imposition of a dedicated tax levy pursuant to the provisions of this section shall specify the type of tax levy and the rate of the levy in the question submitted which shall be clearly identified by the wording of the ballot.

F. A municipality may impose a different tax levy or the same type of tax levy at a different rate than any other municipality or municipalities or a different tax levy or at a different tax rate than any other county or counties submitting a pooled financing question for voter approval.

G. The duration of the tax levy shall be identical in all questions submitted for voter approval and shall not exceed twenty-five (25) years.

H. The ballot for a pooled financing pursuant to the provisions of this act shall clearly indicate:

1. That the revenues from the tax levy are to be used for the payment of principal, interest and other costs of borrowing authorized by the provisions of this act;
2. The maximum maturity of the obligations to be repaid; and
3. The projects or assets to be acquired, constructed, improved, maintained or otherwise used by the municipality as a result of the imposition of the levy.

I. Revenues derived from a tax levy imposed pursuant to the provisions of this section shall be paid by the municipality or municipalities to the Community Economic Development Pooled Finance Revolving Fund created pursuant to Section 15 of this act.

J. No tax levy imposed pursuant to the provisions of this section shall be repealed until such time as the obligations issued by the Authority are fully paid. In no event shall the duration of the levy be extended beyond the duration approved by the voters of the municipality or municipalities.

Added by Laws 2009, c. 309, § 13, eff. July 1, 2009.

§62-891.14. Submitting tax questions to county voters.

A. As used in this section:

1. "Authority" means the Oklahoma Development Finance Authority;

2. "Eligible local government entity" means:

a. a city,

b. a town,

c. a county,

d. any combination of cities, towns, or counties, or

e. a public trust with a beneficiary or beneficiary which is a city, town, county or some combination of such entities as authorized by Section 176 of Title 60 of the Oklahoma Statutes;

3. "Existing levy" means a tax or other revenue raising mechanism approved by the voters of a county, city or town prior to the effective date of this act;

4. "Municipality" means an incorporated city or town; and

5. "Pooled financing" means the use of municipal revenues, derived from a levy imposed pursuant to the authority of Section 2701 of Title 68 of the Oklahoma Statutes, available to one or more municipalities or county revenues, derived from a levy imposed pursuant to the authority of Section 1370 of Title 68 of the Oklahoma Statutes, based upon the local government entity participating in a pooled financing.

B. Subject to the requirements of Section 1370 of Title 68 of the Oklahoma Statutes, one or more counties may submit to the respective voters of each such county the question of whether to impose a tax not previously imposed, authorized by Section 1370 of Title 68 of the Oklahoma Statutes, in order to provide revenues to repay indebtedness incurred by the Authority for the purposes authorized by the Oklahoma Community Economic Development Pooled Finance Act. The provisions of this subsection shall be applicable to any one or more counties participating in a pooled financing, regardless of whether any other county, subject to voter approval, will be imposing a tax levy to be used for the purposes of this act for the first time or whether any one or more of such counties, subject to voter approval, will be modifying the purposes of an

existing tax levy to allow revenues to be used for the purposes of this act.

C. Subject to the requirements of Section 1370 of Title 68 of the Oklahoma Statutes, one or more counties may submit to the respective voters of each such county the question of whether to modify an existing tax levy, previously approved by the voters of such county, in order to allow the use of some part or all of the proceeds from the existing tax levy in order to provide revenues to repay indebtedness incurred by the Authority for the purposes authorized by this act. The provisions of this subsection shall be applicable to any one or more counties participating in a pooled financing, regardless of whether any other county, subject to voter approval, will be imposing a tax levy to be used for the purposes of this act for the first time or whether any one or more of such counties, subject to voter approval, will be modifying the purposes of an existing tax levy to allow revenues to be used for the purposes of this act.

D. Counties may submit questions authorized by this section regardless of whether the counties are contiguous or adjacent to one another.

E. A county that submits a question for the imposition of a dedicated tax levy or the modification of an existing tax levy pursuant to the provisions of this section shall specify the type of tax levy and the rate of the levy in the question submitted which shall be clearly identified by the wording of the ballot.

F. A county may impose a different tax levy or the same type of levy at a different rate than the other counties or a different levy or at a different rate than a participating municipality or municipalities submitting a pooled financing question to the respective voters of the participating jurisdictions.

G. The duration of the levy shall be identical in all questions submitted for voter approval and shall not exceed twenty-five (25) years.

H. The ballot for a pooled financing pursuant to the provisions of this act shall clearly indicate:

1. That the revenues from the tax levy are to be used for the payment of principal, interest and other costs of borrowing authorized by the provisions of this act;
2. The duration of the obligations to be repaid; and
3. The projects or assets to be acquired, constructed, improved, maintained or otherwise used by the county as a result of the imposition of the levy.

I. Revenues derived from a tax levy imposed pursuant to the provisions of this section shall be paid by the county to the Community Economic Development Pooled Finance Revolving Fund created pursuant to Section 15 of this act.

J. No tax levy imposed pursuant to the provisions of this section shall be repealed until such time as the indebtedness is fully repaid. In no event shall the duration of the levy be extended beyond the duration approved by the voters of the county. Added by Laws 2009, c. 309, § 14, eff. July 1, 2009.

§62-891.15. Community Economic Development Pooled Finance Revolving Fund.

There is hereby created in the State Treasury a revolving fund for the Oklahoma Development Finance Authority to be designated the "Community Economic Development Pooled Finance 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 Development Finance Authority from revenues derived from levies imposed by counties, cities, towns or combinations of such local governmental entities as provided by this act in addition to any withholding tax revenues as provided by Section 891.12 of this title or Section 5 of this act. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Development Finance Authority for the purpose of paying principal, interest and other costs of borrowing by the Authority as authorized by this act. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

Added by Laws 2009, c. 309, § 15, eff. July 1, 2009. Amended by Laws 2012, c. 304, § 468; Laws 2019, c. 260, § 2, eff. Nov. 1, 2019.

§62-891.16. Authority as conduit issuer - Public-Private Partner Development Pool - Issuance of obligations - Purpose of proceeds.

A. The Oklahoma Development Finance Authority shall be authorized to act as a conduit issuer for the benefit of at least one eligible local government entity in conjunction with one or more for-profit business entities and/or federal government defense entities for an authorized infrastructure development project using the Public-Private Partner Development Pool.

B. The Authority shall be authorized to issue obligations in order to provide net proceeds on a pooled basis not to exceed the combined Economic Development Pool and Infrastructure Development Pool amount authorized by Sections 891.7 and 891.8 of this title. The Authority shall be authorized to issue obligations within the limit prescribed by this subsection based upon the defeasance of previously issued obligations.

C. The proceeds from the Public-Private Partner Development Pool shall be for the purpose of providing financing for an eligible local government entity for an authorized infrastructure project located in

this state that will benefit one or more business entities located in this state.

D. Sixty-five percent (65%) of the net proceeds from the Public-Private Partner Development Pool shall be used by the Authority for the benefit of eligible local government entities the population of which, according to the most recent Federal Decennial Census, does not exceed three hundred thousand (300,000) persons for any participating municipality.

E. Thirty-five percent (35%) of the net proceeds from the Public-Private Partner Development Pool may be used by the Authority for the benefit of any and all eligible local government entities regardless of population.

F. Obligations issued pursuant to the provisions of this section may be issued on a tax-exempt basis if the applicable provisions of federal law governing private activity bonds allow such issuance. In the event federal law does not allow issuance of obligations on a tax-exempt basis, such obligations shall be issued on a taxable basis.

Added by Laws 2019, c. 260, § 3, eff. Nov. 1, 2019.

§62-891.17. Promulgation of rules establishing funding criteria - Scoring system to evaluate projects.

A. The Oklahoma Department of Commerce shall promulgate rules for purposes of establishing criteria for the funding of authorized infrastructure projects from the proceeds of obligations issued by the Oklahoma Development Finance Authority for the Public-Private Partner Development Pool.

B. The Department shall establish a scoring system to evaluate projects to be financed from the proceeds of obligations issued by the Authority for the Public-Private Partner Development Pool.

C. The scoring system shall include, but shall not be limited to, analysis of:

1. Capital investment by one or more for-profit business entities and/or federal government defense entities;

2. Additional capital investment by one or more local government entities;

3. New direct jobs as defined by Section 3603 of Title 68 of the Oklahoma Statutes, to be created by a for-profit business entity or entities;

4. Salary and wage payments to persons employed in new direct jobs; and

5. The likelihood of additional business location decisions resulting from the activity of the for-profit business entity or entities that would benefit from use of the Public-Private Partner Development Pool.

D. One or more eligible local government entities shall apply to the Department for approval of a pooled financing for an infrastructure project on such forms as the Department may prescribe.

E. The Department shall compile and maintain a prioritized list of infrastructure projects eligible for pooled financing through the Authority.

F. The Authority shall use the prioritized list provided by the Department in order to provide financing to the eligible local government entities in conjunction with one or more for-profit business entity or entities for infrastructure development.

G. The Authority shall, within the limit on available bond proceeds in the Development Infrastructure Pool, provide proceeds in accordance with the scoring system established by the Department pursuant to this section.

Added by Laws 2019, c. 260, § 4, eff. Nov. 1, 2019.

§62-891.18. Local government entity to obtain a determination letter - Positive net benefit rate - Withholding taxes.

A. As used in this section:

1. "Estimated direct state benefits" means the tax revenues projected by the Oklahoma Department of Commerce to accrue to the state as a result of new direct jobs and capital spending associated with one or more for-profit business entities, federal government defense entities and infrastructure development by one or more local government entities;

2. "Estimated indirect state benefits" means the indirect new tax revenues projected by the Department to accrue to the state including, but not limit to, revenue generated from ancillary support jobs directly related to the new direct jobs, capital spending and infrastructure spending;

3. "Estimated direct state costs" means the costs projected by the Department to accrue to the state as a result of new direct jobs. The costs shall include, but not be limited to:

- a. the costs of education for new state resident children,
- b. the costs of public health, public safety and transportation services to be provided to new state residents,
- c. the costs of other state services to be provided to new state residents, and
- d. the costs of other state services; and

4. "Estimated indirect state costs" means the costs projected by the Department to accrue to the state as a result on new indirect jobs. The costs shall include, but not be limited to, costs enumerated in subparagraphs a, b, c and d of paragraph 3 of this subsection.

B. An eligible local government entity in partnership with one or more for-profit business entities and/or federal government

defense entities that would otherwise qualify to receive or benefit from proceeds from the issuance of obligations by the Authority from the Public-Private Partner Development Pool shall be required to obtain a determination letter from the Department that the infrastructure development will result in a positive net benefit rate, to be computed by the Department using a methodology which provides for the analysis of estimated direct state benefits, estimated indirect state benefits, estimated direct state costs and estimated indirect state costs. The Department shall use such information as it determines to be relevant for the analysis required by this subsection including, but not limited to, the type of infrastructure development, the business activities in which the participating for-profit business entities are engaged or will be engaged, the amount of capital investment, type of assets acquired or utilized by the participating business entities, economic effect of the business activity within the relevant geographic region and any other factors as the Department deems relevant. The Department may use information regarding the infrastructure development alone or in conjunction with relevant information regarding other business activity in a geographically relevant area surrounding the infrastructure development or the location of the participating for-profit business entities in order to perform the computation of the net benefit rate. If the result of the analysis is a positive net benefit rate, the applying local government entity shall be allowed to capture withholding taxes associated with new jobs or with existing jobs associated with the participating for-profit business entities as otherwise provided by this act. The Department shall transmit a determination letter to the authorized representative of the local government entity and shall also transmit a copy of the determination letter to the Oklahoma Tax Commission and to the Oklahoma Development Finance Authority notwithstanding the positive or negative result of the net benefit rate. The Authority shall not allow a local government entity to use captured withholding tax revenues for purposes of any pooled financing otherwise authorized by this act unless the Department has previously transmitted a determination letter that reveals a positive net benefit rate for the Public-Private Partner Development Pool project.

C. Any for-profit business entity that participates in the Public-Private Partner Development Pool may be required by the applicable local government entity to enter into such agreements as may be required between the entity, the local government entity, the Authority and the Oklahoma Tax Commission to provide for the segregation of withholding taxes.

D. The amount of withholding taxes subject to the provisions of this section shall, together with other revenue sources or commitments and undertakings by the for-profit business entity or third parties, be sufficient to make payment of any required

principal, interest, adequate reserves or other authorized costs for borrowing by the Authority.

E. The Authority shall have the power of approval regarding the amount and duration of withholding tax segregation pursuant to the provisions of this section in order to ensure payment of its obligations and to promote the marketability of such obligations.

F. The Authority shall obtain information from the participating for-profit business entities as may be required in order to determine the necessary amount of segregated withholding taxes attributable to new direct jobs or existing payroll.

G. The Oklahoma Tax Commission shall determine with respect to the withholding taxes attributable to the income of employees engaged in new direct jobs or existing jobs for one or more for-profit business entities participating in a pooled financing pursuant to the Oklahoma Community Economic Development Pooled Finance Act the amount of such withholding taxes required to be deposited to the credit of the Community Economic Development Pooled Finance Revolving Fund.

H. The Oklahoma Tax Commission shall make a deposit in the Community Economic Development Pooled Finance Revolving Fund in accordance with any applicable agreement entered into with one or more eligible local government entities in conjunction with participating for-profit business entities participating in a pooled financing pursuant to the Oklahoma Community Economic Development Pooled Finance Act.

I. No for-profit business entity that participates from proceeds of obligations issued by the Authority from the Public-Private Partner Development Pool may receive or continue to receive incentive payments pursuant to the Economic Development Pool, the Oklahoma Quality Jobs Program Act or claim any investment tax credits otherwise authorized pursuant to Section 2357.4 of Title 68 of the Oklahoma Statutes during the period of time that any withholding taxes attributable to the payroll of such entity are being paid to the Community Economic Development Pooled Finance Revolving Fund or in any manner used for the payment of principal, interest or other costs associated with any obligations issued by the Authority pursuant to the provisions of the act.

Added by Laws 2019, c. 260, § 5, eff. Nov. 1, 2019.

§62-891.19. Corporate income tax exclusion for for-profit business entities.

For-profit business entities that participate in the Public-Private Partner Development Pool will not be subject to corporate income tax associated with the segregation and payment of withholding taxes to local government entities when such payment is made for the purpose of infrastructure development in the Public-Private Partner Development Pool.

Added by Laws 2019, c. 260, § 6, eff. Nov. 1, 2019.

§62-895. Municipal development fees.

A. Municipalities that adopt ordinances, resolutions, or regulations for the implementation and collection of development fees shall provide that such development fees are adopted and governed pursuant to the provisions of this section. As used in this section:

1. "Development fee" means any payment of money imposed, in whole or in part, as a condition of approval of any building permit, plat approval, or zoning change, to the extent the fee is to pay for public infrastructure systems that are attributable to new development or to expand or modify existing development;

2. "Expanded or modified development" is one in which the expansion or modification results in an increased demand or increased impact upon the public infrastructure system as compared to the demand or impact prior to the expansion or modifications;

3. "Public infrastructure system" includes any real property improvement, fixture, or accession that is included within, but not limited to, any of the following categories of public systems:

- a. water systems, including supply, production, treatment, and distribution facilities,
- b. wastewater systems, including collection, treatment, and disposal facilities,
- c. street systems, including roads, streets, boulevards, bridges, sidewalks, bicycle routes, drainage, traffic signals and systems, traffic control devices and signage, traffic calming devices, landscaping associated with street rights-of-way, and any local components of county, state, or federal highways to the extent and to the proportionate cost that the local components are not funded by state or federal grants or other state or federal permanent funding sources,
- d. storm water systems, including collection, retention, detention, treatment, channelization, disposal, discharge, flood control, and bank and shoreline protection facilities,
- e. parks systems, including parks, open spaces, trails, bicycle paths, and natural recreation areas and related facilities,
- f. public safety systems, including police, fire, emergency medical, and rescue facilities,
- g. solid waste systems, including facilities,
- h. public transportation systems, including facilities, and
- i. public capital improvement communications facilities; and

4. "Public infrastructure system costs" means capital improvements that have a projected useful life of at least ten (10)

years or more, and that result in an increase or expansion to the functional service capacity of that public infrastructure system.

B. New development and expanded or modified existing development may only be charged the development fee for capital improvement costs for increases or expansion to the capacity of public infrastructure systems attributable to that development.

1. Development fees shall not exceed a clear, ascertainable, and reasonably determined proportionate share of the cost of capital improvement to the public infrastructure system attributable to the expansion or increase in functional service capacity generated, or to be generated by, the development being charged the fee. There shall be a clearly established functional nexus between the purpose and amount of the development fee being charged and the development against which the fee is charged. In determining the development fee, the municipality shall make a documented effort to quantify the projected impact from development and determine that the proposed development fee is reasonably and roughly proportional to the nature and extent of the impact of development.

2. Development fees cannot be adopted or used to fund repairs, maintenance, restorations, refurbishments, alterations, improvements, or fixes to existing public infrastructure systems in any way that does not result in an increase or expansion in the functional service capacity of the system which is available to serve new or expanded existing growth and development in the applicable service area.

3. The development fees shall be based on actual system improvement costs or reliable, ascertainable and reasonable projected estimates of the costs. Any estimates of costs shall be based upon factual and historically realized costs for similar system capital improvements.

4. Development fees may only be imposed to recover or fund the costs of public infrastructure system capital improvements, including, but not limited to, the cost of real property interest acquisitions, rights-of-ways, capital improvements, design, construction, inspection, and capital improvement construction administration, related to one or more public infrastructure systems.

C. A municipal development fee ordinance, resolution, or regulation shall provide for the following:

1. A schedule of development fees specifying the development fee for various land uses per unit of development, the purpose for the development fee, and termination of the development fee when the applicable public infrastructure system has been fully funded and the expanded or modified development has no additional impact on the public infrastructure system; and

2. A component capital improvement plan that:

- a. lists public infrastructure system capital projects or facility expansions that are necessitated by development of various land uses in designated areas,

- b. provides reasonable notice to developers of specific public infrastructure system impacts from development of various land uses within the area of the development, and
- c. delineates the property locations that are clearly served by the public infrastructure system that will be funded through the development fee.

In the alternative, a municipality may establish one or more service areas for the collection of development fees. As used in this section, "service area" means a geographic area defined by a municipality in which a defined public infrastructure system provides service to developments within that service area. Service areas shall be carefully drawn so as to include only property locations that are clearly served by the cost of capital improvements that increase or expand the functional service capacity of the public infrastructure system that will be funded through the development fee that is associated with the service area. The determinations regarding the establishment of one or more service areas will be a matter of legislative determination and discretion. Different public infrastructure systems may have different and separately defined service areas unique to each system's coverage. The development fees within a particular service area may be different as applied to different types of land uses; and

3. An adoption process that provides for at least the following before any development fees, capital improvement plan, service plan, or creation of service areas shall become effective:

- a. a public hearing before the municipal planning commission. Notice of the time, date and place of the hearing shall be published in a newspaper of general circulation in the municipality at least fifteen (15) days prior to the hearing,
- b. a subsequent public hearing before the municipal governing body. Notice of the time, date and place of the hearing shall be published in a newspaper of general circulation in the municipality at least fifteen (15) days prior to the hearing.

All duly enacted ordinances, resolutions, or regulations existing at the time of the effective date of this section shall remain in full force and effect; provided, no existing impact or development fees shall be amended, modified, or renewed except in accordance with this act.

D. The development fees collected pursuant to a component capital improvement plan or within a service area, and any interest on the funds, shall be spent only for capital improvements that expand or increase the functional service capacity of that particular public infrastructure system to serve the area encompassing the

development or only within that service area from which the funds were collected.

1. Every assessment of a development fee shall be in writing and a copy shall be provided to the developer and property owner(s) affected, as such names and addresses of the property owner(s) are provided by the developer. The assessment shall specify the purpose or service area for which the development fee is being collected, the basis for calculation of the assessment, and the amount of the assessment. No development fee collected for one purpose shall be devoted to another purpose except as hereinafter provided.

2. If the purpose, component capital improvement plan, or service area is changed or redrawn, or if a development spans more than one component capital improvement plan or service area, the development fees collected prior to the change shall be spent proportionately pursuant to the new purpose or within the new component capital improvement plan or service area or areas that encompass the development at the time of expenditure from which the fee was originally collected. Any change or expansion in a purpose, component capital improvement plan, or service area shall be done through the full hearing process as set forth in paragraph 3 of subsection C of this section.

E. Each municipality shall present an annual report to its governing body on:

1. The collection, investment, and expenditure of development-fee funds as separately reported upon for each development capital project or service area, and each public infrastructure system for each development capital project or in each service area;

2. The recovery of costs from development-fee revenues; and

3. Estimates of the timing of system-capacity-expansion improvements, as such construction is funded by development fees.

If the municipality determines that the development fees as collected within a service area are no longer needed or desired for the purpose for which they were collected, the municipality may either refund the collected fees to the current owners of the property within the development for which the fees were paid, or proceed through the hearing process as set forth in paragraph 3 of subsection C of this section in order to adopt a new purpose for the fees.

F. Municipalities may establish a process for the collection of development fees to occur at a point in time no earlier than the issuance of a building permit.

G. Municipalities may enter into written agreements with developers to construct capital improvements to expand or increase the functional service capacity of a public infrastructure system within the designated development area or to serve a service area and provide a credit against or an adjustment to payment of all or part of the development fee for that system and that development. The

credit or adjustment may not exceed the cost of the capital improvement or the amount of the development fee that would have been collected from that developer for the development and that system. No credit or adjustment will be carried over or transferred to a different development, a subsequent development, a subsequent change to that development, or against a development fee for a different system.

H. Nothing in this section will:

1. Preclude a municipality from requiring the developer to donate or dedicate real property or capital improvements, or to install, construct, operate, maintain, or repair capital improvements; or
2. Require a credit against or an adjustment to a development fee for contribution of, or to the cost of, any real property or capital improvement provided by a developer if the direct cost of the specific contribution is not specifically and directly included in the calculation of the applicable development fees.

I. No credit or adjustment shall be carried over from one development to a development at a different location. No credit or adjustment will be carried over from one development to a subsequent development at the same location, unless the development fee collected previously is for the same purpose, making any subsequent collection a repeat charge for the same purpose.

J. Development fees shall be deemed dedicated and restricted revenues and therefore shall require accounting for development proceeds as restricted funds. Interest earned on development fees shall be considered funds of the account on which it is earned and shall be subject to all restrictions placed on the use of development fees under the provisions of this section. The accounting records and details thereof shall be maintained as public records of the municipality, be accessible to the public through open records requests, and include at least the following information, as relates both to each development capital project or service area and each public infrastructure system for each development capital project or within each service area:

1. The receipt of development fees;
2. The development capital project or service area from which the development fee was collected;
3. The accumulation of interest on the development fee funds;
4. The type of public infrastructure system for which the funds were collected;
5. The cost of the capital improvements to which the development fees were applied; and
6. The dates when development fee funds were expended to fund, or applied to reimburse, the cost of capital improvements to public infrastructure systems.

K. Any ordinance, resolution, or regulation adopted in compliance with this section which is thereafter challenged in any future court action shall be reviewed through rational-basis scrutiny, such that it shall be upheld if it substantially complies with this section and if the municipality documented reasonably conceivable facts that provided a rational basis for the adoption.

L. No municipality is required to adopt development fees and it is within the discretion of the municipality as to whether development fees should be considered for adoption. Any municipal development fee ordinance, resolution, or regulation may provide for appeal to the governing body for exemption of all or part of particular development projects from development fees if:

1. The projects are determined to create desirable economic development, quality jobs, a type of desirable land use that is in short supply within the municipality, or affordable housing; or

2. The exempt development project's proportionate share of the system expansion improvements is funded through a revenue source other than development fees.

M. Any payment of a development fee by a payor shall not be deemed to have waived the standing or rights of the payor to later challenge or protest the payment as being invalid and not required.

N. A municipality may not recover the public infrastructure system costs as a development fee by way of connection fees, hook-up fees or other fees in any manner that results in charges beyond the public infrastructure system cost that the development fee already collected. Any connection fees, hook-up fees or any other fees charged by a municipality as related to the cost of capital improvements necessary to increase or expand the functional service capacity of public infrastructure systems shall be determined relative to the functional service capacity actually being provided or made available to the fee payor, and any amounts in excess thereof shall be considered development fees and may only be applied if put forth in accordance with this section. Nothing herein shall prevent a municipality to separately impose and collect connection fees, hook-up fees or any other fees that are reasonably related in character and amount charged to the costs of regulation of the activities for which the fees were enacted or enforcement of municipal health or safety codes.

O. This section shall not prohibit municipalities from self-funding capital improvements by use of pay-back agreements utilizing recoupment districts or lease-purchase agreements in order to finance improvements to public infrastructure systems, by borrowing or on a cash basis, so long as such procedures are utilized in a manner that is consistent with the requirements of this section to the extent such procedures pertain to development fees. Nothing in this section shall limit, regulate, or prohibit a municipality from investing public resources in public infrastructure systems in anticipation of

development, recovering those public resources through proportional reimbursement payments equal to the total cost of the public investment in those public infrastructure systems, and subsequently expending the proceeds from those reimbursement payments for any purpose determined by the jurisdiction.

Added by Laws 2011, c. 205, § 1, eff. Nov. 1, 2011.

§62-896.1. Local government website - Notice after approval of bonds or other indebtedness.

A. At least thirty (30) days after the approval for a vote on a bond or other evidence of indebtedness to be issued by the local government entities described in subsection C of this section, the governing board of such entity shall cause to be published on that local government website:

1. A description of the projects or assets that will be acquired, improved or repaired with the proceeds from the issuance of the bonds;

2. A description of any unpaid or unfinished bond approved by the voters of that jurisdiction preceding the date of the vote on the bonds to be issued; and

3. A detailed description of the use of the previous bond proceeds. If the bond proceeds were used to acquire or improve real property, the description shall include a physical address using a street number or some other method by which the location of the property can be identified.

B. If the local government entity does not have a website, then it shall make the information accessible through some other method using the Internet to persons who reside in the geographic area of the local government entity. Should there be no reasonable method as described in this section, the entity shall cause the information to be published at least once in a newspaper of general circulation in the geographic area in which the voters of the local government jurisdiction reside.

C. The provisions of subsection A of this section shall be applicable to any bond or other evidence of indebtedness the repayment of which requires either a sinking fund millage rate pursuant to Section 26 of Article X of the Oklahoma Constitution, or bonds issued pursuant to the authority of Section 35 of Article X of the Oklahoma Constitution or pursuant to any provisions contained in any other provision of Article X of the Oklahoma Constitution to the extent not otherwise specifically identified in this section, which shall include:

1. Counties;
2. Cities;
3. Towns;
4. Common school districts;
5. Career technology districts;

6. Emergency Medical Service Districts; and
7. Solid waste management districts.

D. The provisions of this section shall not be applicable to obligations issued by a trust organized pursuant to the provisions of Section 176 et seq. of Title 60 of the Oklahoma Statutes.
Added by Laws 2017, c. 62, § 2, eff. Nov. 1, 2017.

§62-900. Short title.

Sections 1 and 2 of this act shall be known and may be cited as the "State Capital Improvement Planning Act".
Added by Laws 1992, c. 330, § 1, emerg. eff. May 28, 1992.

§62-901. Long-Range Capital Planning Commission - Annual state capital plan - Capital budget.

A. There is hereby created a Long-Range Capital Planning Commission to advise and assist the Legislature in providing for real property capital facility needs for this state. The Commission shall consist of nine (9) members as follows:

1. Three members appointed by the President Pro Tempore of the Senate;

2. Three members appointed by the Speaker of the House of Representatives; and

3. Three members shall be appointed by the Governor.

All appointees shall be from the public at large. Within thirty (30) days of the effective date of this act, the appointing authorities shall appoint new members to the Commission; provided, a member serving on the effective date of this act may be reappointed if he or she is otherwise qualified. Of the members initially appointed by each appointing authority after the effective date of this act, one shall be appointed for a one-year term, one shall be appointed for a two-year term and one shall be appointed for a three-year term. Thereafter, their successors shall be appointed for four-year terms. Any vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. The appointing authorities shall appoint members who possess knowledge, skills and abilities to perform the duties of the Commission. No member of the Commission shall be interested, directly or indirectly, in any contract entered into for a project approved by the Commission during the period of service of the member, nor shall any person be appointed as a member of the Commission if such person is interested, directly or indirectly, in a contract entered into for a project approved prior to the appointment. An indirect interest shall include, but not be limited to, an interest of an immediate family member of the member of the Commission or a business with which the member of the Commission is associated.

B. A chair of the Commission shall be elected from its membership. Five members of the Commission shall constitute a

quorum. Members of the Commission shall serve without compensation, but shall be entitled to reimbursement, pursuant to the State Travel Reimbursement Act, for expenses incurred in the performance of their duties.

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

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

E. The Office of Management and Enterprise Services, with the advice and assistance of the Oklahoma State Bond Advisor, shall provide staffing for the Commission and other such assistance as the Commission may require.

F. 1. The Commission shall prepare each year an annual capital plan budget and a state capital plan for addressing state capital facility needs for the next ensuing eight (8) years. The Oklahoma State Regents for Higher Education and each state governmental entity as defined in Section 695.3 of this title shall cooperate with the Commission in the preparation of the state plan. Each year, on or about December 1, the plan shall be submitted to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate. The Long-Range Capital Planning Commission shall annually update the eight-year plan. The Office of Management and Enterprise Services shall perform routine services to support the eight-year plan, including but not limited to, agency-level planning, real estate services, construction services and facility operations as provided by law.

2. In addition to the requirements set forth in Section 10 of this act, the capital plan should:

- a. supplement and integrate, not replace, existing capital planning processes,
- b. assess long-term needs for capital facilities to support state government needs as determined by the Commission,
- c. review and assess the inventory of capital facilities held by the state, and make recommendations on reallocation, reuse or liquidation of properties for incorporation into the annual capital plan,
- d. include a projection of economic and demographic trends likely to influence the needs of state government during the eight-year period,
- e. address agency strategic facility plans for new, improved, renovated, or expanded capital facilities or facilities that should be reallocated or liquidated,
- f. include estimates of life cycle costs for new and substantially expanded or renovated facilities,

- g. evaluate the effectiveness of planning processes at the agency level to account for all capital facility costs for incorporation into the annual capital budget,
- h. account for projections of debt service and revenues available from general obligation bonds and other sources, including but not limited to, the Maintenance of State Buildings Revolving Fund,
- i. analyze the capacity of the state to incur debt or finance public capital facilities,
- j. include a comprehensive listing of all capital expenditures of the state which the Commission recommends be undertaken or continued for any state agency in the next two (2) fiscal years, together with information as to the effect of such capital projects on future operating expenses of the state, and with recommendations as to the priority of such capital projects and the means of funding them,
- k. forecast the requirements for capital projects of state agencies for the eight-year-period and for such additional periods, if any, as may be necessary or desirable for adequate presentation of particular capital projects, and include a schedule for the planning and implementation or construction of such capital projects,
- l. set forth a proposed itemized budget for the next fiscal year of recommended capital expenditures inclusive of all funding sources, for each agency, including facility rent and lease payments, energy and utility expenditures, operations and maintenance, capital improvements and capital development projects as necessary to optimize and preserve the state's capital assets,
- m. include the findings of the Oklahoma State Government Asset Reduction and Cost Savings Program and the indexing of the most necessary capital improvements to the expenditure of funds from the Maintenance of State Buildings Revolving Fund,
- n. include such other information as the Commission deems relevant to its duties, and
- o. include findings of the Oklahoma State Government Asset Reduction and Cost Savings Program and the indexing of the most necessary capital improvements to the expenditure of funds from the Maintenance of State Buildings Revolving Fund.

G. The capital plan budget shall include, for each expenditure and class of expenditures, the capital facility costs to be incurred during the next ensuing fiscal year, inclusive of the annual

operating and maintenance costs of such facilities and a schedule of depreciation calculated in accordance with the principles and standards of capital budgeting authorized by subsection H of this section.

H. The Commission, with the assistance of the Office of Management and Enterprise Services, shall prepare and publish rules and regulations that set forth principles and standards for capital planning and budgeting to be used by state agencies. The rules and regulations shall set forth definitions of relevant terms to be used in the capital planning and budgeting processes, establish accounting standards and standards for costs and benefits of public facility investments.

I. 1. The Commission, the Office of Management and Enterprise Services, and the Oklahoma State Bond Advisor may request the assistance of such personnel of any state agency in order to perform their duties pursuant to the State Capital Improvement Planning Act and such agencies shall respond and provide any such assistance as may be required. The Commission may use existing studies, surveys, plans, data and other materials in the possession of any state agency. Each such agency shall make the same available to the Commission so that the Commission may have available to it current information with respect to the capital plans and programs of each such agency.

2. The officers and personnel of any state agency may serve at the request of the Commission upon such advisory committees as the Commission may create and such officers and personnel may serve upon such committees without forfeiture of office or employment and with no loss or diminution of the compensation, status, rights and privileges which they otherwise enjoy.

J. This section shall not be applicable to the following or their lands, properties, buildings, funds or revenue:

1. The Oklahoma Ordnance Works Authority; and
2. The Commissioners of the Land Office.

Added by Laws 1992, c. 330, § 2, emerg. eff. May 28, 1992. Amended by Laws 2001, c. 33, § 57, eff. July 1, 2001; Laws 2012, c. 288, § 1, eff. Nov. 1, 2012; Laws 2013, c. 15, § 68, emerg. eff. April 8, 2013; Laws 2013, c. 209, § 9, eff. July 1, 2013.

NOTE: Laws 2012, c. 304, § 469 repealed by Laws 2013, c. 15, § 69, emerg. eff. April 8, 2013.

§62-901.1. List of proposed projects

A. The Long-Range Capital Planning Commission shall submit an itemized list of the proposed projects set forth in its annual capital plan to the Governor, the President Pro Tempore of the Senate and the Speaker of the House of Representatives within the first seven (7) legislative days of a regular legislative session. The list shall be in the order of the priority of the projects as

determined by the Commission. The submission to such elected officials shall occur upon the same date for purposes of computing the time within which action must be taken as further prescribed by this subsection. The Legislature shall have a period of forty-five (45) calendar days from the date on which the list is submitted to pass a concurrent resolution disapproving any or all of the proposed projects. If the Legislature does not disapprove any proposed project by concurrent resolution by the end of the forty-fifth day following the date upon which the proposed issuance is submitted, the proposed projects shall be deemed to have been approved by the Legislature.

B. Upon approval of all or any part of the list of proposed projects, the Office of Management and Enterprise Services may expend funds in the Maintenance of State Buildings Revolving Fund for approved projects in the order of priority set forth in its annual capital plan.

C. In the event an emergency has been declared as provided for in Section 130 of Title 61 of the Oklahoma Statutes, and as a result thereof, repair or maintenance of a capital facility held by the state is required, a state agency may submit a request to the Director of the Office of Management and Enterprise Services to substitute the emergency project for any other project or projects of the state agency on the approved current fiscal year's Capital Improvement Plan list, or to add the emergency project if the state agency does not have any projects on the approved current fiscal year's Capital Improvement Plan list; provided:

1. The Director determines that there are funds available in the Maintenance of State Buildings Revolving Fund to cover all or part of the cost of the emergency project; and

2. The Director submits information on the emergency project and the cost thereof to the President Pro Tempore of the Senate and the Speaker of the House of Representatives and they approve the substitution within five (5) calendar days of such submission.

D. The Director has authority to redirect funds within the Maintenance of State Buildings Revolving Fund for emergency projects approved by the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

Added by Laws 2013, c. 209, § 10, eff. July 1, 2013. Amended by Laws 2016, c. 388, § 1.

§62-908. Oklahoma State Government Asset Reduction and Cost Savings Program.

A. There is hereby established the Oklahoma State Government Asset Reduction and Cost Savings Program.

B. No later than December 31 each year, the Director of the Office of Management and Enterprise Services shall publish a comprehensive report detailing state-owned properties.

C. The report mandated in accordance with the provisions of this section shall list the five percent (5%) most underutilized state-owned properties. The report shall describe the value of properties falling within the description in this subsection, assess the potential for purchase should the properties be offered for sale and describe the impact on local-level tax rolls in the event the properties are purchased by a nongovernmental entity.

D. The Director of the Office of Management and Enterprise Services shall promulgate rules establishing procedures by which each state agency, board, commission and public trust having the State of Oklahoma as a beneficiary, excluding those otherwise exempted under Section 327 of Title 61 of the Oklahoma Statutes, shall submit the necessary data to the Office of Management and Enterprise Services for the development of this report.

E. State agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall comply with procedures promulgated pursuant to the terms of this section.

F. The report and data collected pursuant to this section shall be published as a data feed on the *data.ok.gov* website.

G. In addition to the requirements of subsection C of this section, the Office of Management and Enterprise Services may make recommendations for the sale of other state-owned properties based upon the value of the property and the potential for net gain for the state based upon the data obtained for the Oklahoma State Government Asset Reduction and Cost Savings Program.

H. There is hereby created the Maintenance of State Buildings Revolving Fund. The fund shall be a continuing fund, not subject to fiscal year limitations and shall serve as the depository for proceeds from the sale of state-owned properties pursuant to the Oklahoma State Government Asset Reduction and Cost Savings Program. The fund shall further consist of monies appropriated thereto and other funds designated for deposit therein. All monies accruing to the credit of the fund are hereby appropriated and may be expended exclusively for maintaining and repairing state-owned properties and buildings pursuant to the procedures set forth in Section 901.1 of Title 62 of the Oklahoma Statutes and for acquisition of information technology tools or resources that state agencies, boards, commissions and public trusts having the State of Oklahoma as a beneficiary shall use in carrying out their obligations in accordance with this act. The total expenditure for information technology resources shall not exceed One Hundred Thousand Dollars (\$100,000.00). Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment. Expenditures from the Maintenance of State Buildings Revolving Fund shall be detailed in a data feed and made available through the *data.ok.gov* web portal.

I. The Director of the Office of Management and Enterprise Services shall notify entities found by the Office to be out of compliance with the reporting provisions of this section in writing.

J. This section shall not be applicable to the following or their lands, properties, buildings, funds or revenue:

1. The Oklahoma Ordnance Works Authority; and
2. The Commissioners of the Land Office.

K. The report required in subsection B of this section shall include an indication of whether a property is owned by the Oklahoma Historical Society, is listed on the National Register of Historic Places or with the National Trust for Historic Preservation, or is potentially of historical significance. The Office of Management and Enterprise Services shall notify the Oklahoma Historical Society and obtain its approval prior to the sale of any such property.

Added by Laws 2011, c. 115, § 1, eff. Nov. 1, 2011. Amended by Laws 2012, c. 121, § 2, eff. July 1, 2012; Laws 2012, c. 304, § 705; Laws 2013, c. 209, § 1, eff. July 1, 2013. Renumbered from § 61.7 of Title 74 by Laws 2013, c. 209, § 17, eff. July 1, 2013. Amended by Laws 2014, c. 248, § 2; Laws 2015, c. 128, § 1, eff. Nov. 1, 2015.

§62-910. Short title.

Sections 3 through 5 of this act shall be known and may be cited as the "Local and Regional Capital Improvement Planning Process Act". Added by Laws 1992, c. 330, § 3, emerg. eff. May 28, 1992.

§62-911. Definitions.

As used in the Local and Regional Capital Improvement Planning Process Act, unless otherwise indicated:

1. "Capital improvement plan" means a document or interrelated document containing the elements established under the provisions of subsection D of Section 5 of this act, including the strategies for an implementation program which are consistent with the goals and guidelines established under the Local and Regional Capital Improvement Planning Process Act;

2. "Local planning committee" means the committee established by the officers of a unit of local government or combination of units of local governments which has the general responsibility established under Section 5 of this act. If a unit of local government has an existing planning department or other such entity, the unit may utilize that entity as its local planning committee;

3. "Person" means an individual, corporation, governmental agency, county, municipality, trust, estate, partnership, association or any other legal entity;

4. "Regional council" means a regional commission or a council of governments established under the provisions of the Interlocal Cooperation Act, and which has as its primary purpose joint planning for units of local government and consists of Grand Gateway Economic

Development Association, Eastern Oklahoma Development District, Kiamichi Economic Development District of Oklahoma, Southern Oklahoma Development Association, Central Oklahoma Economic Development District, Indian Nations Council of Governments, Northern Oklahoma Development Association, Association of Central Oklahoma Governments, Association of South Central Oklahoma Governments, South Western Oklahoma Development Authority and Oklahoma Economic Development Association;

5. "Reviewing authority" means the planning board, agency or office of a unit of local government or if none, the elected officers of such unit;

6. "Special district" means a rural water district, conservation district, rural road improvement district, sewer protection district, fire protection district and districts established pursuant to the Interlocal Cooperation Act; and

7. "Unit of local government" means a municipality, county or special district.

Added by Laws 1992, c. 330, § 4, emerg. eff. May 28, 1992.

§62-912. Responsibilities of units of local government - Joint planning programs - Local capital improvement plans.

A. Each unit of local government, subject to the limitations and requirements of the Local and Regional Capital Improvement Planning Process Act, is encouraged to:

1. Plan for future development, growth, and improvement; and

2. Adopt and amend local capital improvement programs consistent with the provisions of the Local and Regional Capital Improvement Planning Process Act.

B. 1. A unit of local government's responsibility for the preparation or amendment of its capital improvement program is governed by the provisions of this section. Where procedures for local adoption of capital improvement plans are governed by other provisions of state law or municipal charter or ordinance, the unit of local government may modify the procedural requirements of this subsection as long as a broad range of opportunity for public comment and review is preserved.

2. Each unit of local government which prepares or amends a capital improvement program shall ensure that said program is consistent with the goals, guidelines and other provisions of the Local and Regional Capital Improvement Planning Process Act.

3. a. The governing officers of a unit of local government or combination of units shall designate and establish a local planning committee which shall have the general responsibility for the development and maintenance of a local capital improvement plan. The committee shall:

(1) conduct public hearings and solicit and encourage citizen input, and

(2) prepare the local capital improvement plan and make recommendations to the local governing body regarding the adoption and implementation of the program or amended program.

b. The governing officers of a unit of local government or combination of units may solicit bids from persons or regional planning councils to act as the local planning committee.

4. In order to encourage citizen input and participation, units of local government are directed to adopt local capital improvement plans only after soliciting and considering a broad range of public review and comment.

5. The local planning committee shall conduct its meetings in accordance with the provisions of the Oklahoma Open Meeting Act. The committee shall hold at least one public hearing on its proposed local capital improvement plan. A copy of the proposed plan shall be made available for public inspection at a convenient location during normal public hours at least thirty (30) days prior to the hearing.

6. Any comments and suggestions within the established time limits shall be considered by the committee and may be adopted. All comments and suggestions shall be made available for public inspection.

7. A unit of local government may seek technical assistance, comments and suggestions on format, applicability and potential financing options from the Long Range Capital Planning Commission, the Oklahoma Department of Commerce and the State Bond Advisor.

8. The proposed capital improvement plan shall be considered adopted when it has been accepted by the governing body of the unit of local government.

9. After adoption, a copy of the capital improvement plan shall be forwarded to the appropriate regional planning council by the units of local government.

10. Each regional planning council shall incorporate the capital improvement plans into a regional capital improvement plan.

11. Regional capital improvement planning shall be the responsibility of the regional planning councils.

C. Cooperative local improvement planning efforts conducted by two or more units of local government shall comply with the provisions of this subsection.

1. A unit of local government shall exercise planning authority over the total land area within its jurisdiction.

2. Any combination of contiguous units of local government may conduct joint planning programs to fulfill the responsibilities established under this act. The units shall agree:

- a. on procedures for joint action in the preparation and adoption of local capital improvements plans,
- b. on the manner of representation, and

- c. on the amount of contribution from each for any costs incurred in the development of the local capital improvements plan.

3. The agreement shall be in writing, approved by the governing bodies of the units of local government, and forwarded to the Long Range Capital Planning Commission.

D. A local capital improvement plan shall include an inventory and analysis section addressing state goals under this act and issues of local or regional significance. The format of the inventory and capital improvement plan and process shall be based on information provided by the Oklahoma Department of Commerce. The analysis shall include ten-year projections of local and regional growth in population and residential, commercial and industrial activity, the projected need for public facilities, and the vulnerability of and potential impacts on natural resources.

1. The inventory and analysis section shall include but not be limited to:

- a. a legal description and general area description of the area address,
- b. economic and demographic data describing the unit of local government and the region within which it is located,
- c. existing transportation systems, including the capacity of existing and proposed major thoroughfares, secondary routes, pedestrian ways and parking facilities,
- d. land use information which describes current and projected development patterns,
- e. an assessment of the age of all capital facilities and an assessment of the existing technology of all capital projects,
- f. an assessment of capital facilities and public services necessary to support growth and development and the costs of those facilities and services, and
- g. an analysis of projections of revenues available from all sources including general funds, bond issues, special funds, and federal funds.

2. The plan shall include a policy development section which relates the findings contained in the inventory and analysis section to the state goals. The policies shall:

- a. promote the state goals under the Local and Regional Capital Improvement Planning Process Act,
- b. address any conflicts between state goals in the Local and Regional Capital Improvement Planning Process Act,
- c. address any conflicts between regional and local issues, and

- d. address financing policies and capabilities of the state and of units of local government and any special districts.

3. The plan shall contain an implementation strategy section which shall include a timetable for the implementation program. The implementation shall be consistent with state laws and shall actively promote policies developed during the planning process. The timetable shall identify significant issues to be presented to a vote of the people in the implementation program. In developing its strategies and subsequent policies and capital improvement plans each unit of local government shall:

- a. identify and designate at least two basic types of geographic areas. Growth areas are those suitable for orderly residential, commercial and industrial development forecast over the next ten (10) years. Rural areas are those areas where protection should be provided for agricultural, forest and scenic lands, and
- b. develop a capital investment plan for financing the replacement and expansion of public facilities and services required to meet projected economic growth and development.

4. An implementation program shall be adopted that is consistent with the strategies in paragraph 3 of this subsection.

5. The capital improvement plan shall be coordinated with existing or future comprehensive plans adopted by local units of government.

E. A unit of local government periodically shall review and revise its local capital improvement plan in a timely manner to account for changes caused by growth and development. At a minimum, the unit of local government shall update the program at least once every three (3) years in accordance with the provisions of this section.

Added by Laws 1992, c. 330, § 5, emerg. eff. May 28, 1992.

§62-1001. Repealed by Laws 1998, c. 317, § 16, eff. July 1, 1998.

§62-1002. Repealed by Laws 2005, c. 108, § 3, eff. July 1, 2005.

§62-2001. Legislative findings.

The Legislature finds that general economic conditions in rural areas of the State of Oklahoma reflect reduced individual earning power, relatively lower returns on business investment and the corresponding effects upon fiscal capacity of political subdivisions the geographical area of which consists primarily of unincorporated areas or relatively small municipalities. In order to remove impediments to economic development in rural areas, in order to alleviate the sometimes negative effects of lower population density,

population decreases, and increased demand for governmental services and in order to maintain a desirable quality of life for residents and other legal entities in rural areas, the Legislature hereby establishes a procedure pursuant to which public funds may be used in a flexible manner for the general improvement of living and working conditions in predominantly rural areas of the State of Oklahoma for which an identifiable need has been determined.
Added by Laws 1996, c. 193, § 2, eff. July 1, 1996.

§62-2002. Repealed by Laws 2004, c. 500, § 2, eff. July 1, 2004.

§62-2002.1. Rural Economic Action Plan Water Projects Fund.

A. There is hereby created the "Rural Economic Action Plan Water Projects Fund". The fund shall be subject to legislative appropriation and shall consist of all monies deposited into the fund by law. The fund shall be a continuing fund not subject to fiscal year limitations.

B. The Rural Economic Action Plan Water Projects Fund may be used for any purpose as authorized by law.

Added by Laws 2004, c. 500, § 1, eff. July 1, 2004.

§62-2003. Administration of Rural Economic Action Plan grant program - Distribution of monies - Limitations.

A. Monies appropriated by law to the Oklahoma Water Resources Board for the purpose of funding the Rural Economic Action Plan grant program and the Rural Economic Action Plan Water Projects Fund shall be administered by the Oklahoma Water Resources Board as provided by this section.

B. The monies referred to in subsection A of this section shall be distributed to eligible cities and towns, unincorporated areas or other qualified entities located within the areas represented by the following organizations:

1. Association of Central Oklahoma Governments (ACOG);
2. Association of South Central Oklahoma Governments (ASCOG);
3. Central Oklahoma Economic Development District (COEDD);
4. Eastern Oklahoma Economic Development District (EOEDD);
5. Grand Gateway Economic Development Association (GGEDA);
6. Indian Nations Council of Governments (INCOG);
7. Kiamichi Economic Development District (KEDDO);
8. Northern Oklahoma Development Association (NODA);
9. Oklahoma Economic Development Association (OEDA);
10. Southern Oklahoma Development Association (SODA); and
11. South Western Oklahoma Development Authority (SWODA).

C. The monies referred to in subsection A of this section shall not be expended for the benefit of cities or towns with a population in excess of seven thousand (7,000) persons according to the latest Federal Decennial Census. Funds may also be expended for any city or

town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census. Any municipality may enter into an agreement with an entity described in subsection B of this section to apply for available funds described by this section if the municipality is located within the area served by the entity. Upon approval of the application, funds shall be paid to the municipality requesting the funds.

D. An entity described in subsection B of this section may apply for a grant to be used for the benefit of an unincorporated area within a county served by that entity if the area benefited does not contain a population in excess of seven thousand (7,000) persons. Any county may enter into an agreement with an entity described in subsection B of this section if the county is located within the area served by the entity. Upon approval of the application, funds shall be paid to the county requesting the funds.

E. The monies referred to in subsection A of this section may be expended for water quality projects, including but not limited to sewer line construction or repair and related storm or sanitary sewer projects, water line construction or repair, water treatment, water acquisition, distribution or recovery and related projects.

F. Any city or town with a population less than one thousand seven hundred fifty (1,750) persons according to the latest Federal Decennial Census shall have a higher priority for funds allocated by the Oklahoma Water Resources Board from the amount referred to in subsection A of this section than jurisdictions of greater size. Among such cities or towns, those municipalities having relatively weaker fiscal capacity shall have a priority for project funding in preference to other municipalities.

G. The Oklahoma Water Resources Board shall establish ten separate accounts containing one-tenth (1/10) of the amount annually appropriated to the Rural Economic Action Plan Water Projects Fund per account. Each account shall be available for distribution to qualified entities located within the area served by entities described in subsection A of Section 2007 of this title or for distribution to benefit unincorporated areas with the exception of one account which shall be divided equally into two subaccounts. Each one of the two subaccounts shall be available for distribution to qualified entities located within the respective jurisdiction of one of the entities described by subsection B of Section 2007 of this title or for distribution to benefit unincorporated areas. No funds deposited into one account or subaccount shall be transferred to any other account. The total expenditure from any one account or subaccount for each fiscal year may not exceed the amount of funds available to each account as may be provided by law.

H. No city, town or other entity to which funds will be awarded pursuant to this section shall be required to provide any form of match to obtain the funds, whether through cash, services or any other method.

I. The Oklahoma Water Resources Board shall not be allowed to retain any of the funds referred to in subsection A of this section for administration. All such funds shall be distributed to eligible entities as authorized by law.

J. In order to ensure fair and equitable distribution of the funds referred to in subsection A of this section, the Oklahoma Water Resources Board shall promulgate rules for administering, determining priority of, approving and funding applications for such funds. The rules shall implement the provisions of this section including the following:

1. No qualified entity shall be approved nor funded for more than One Hundred Fifty Thousand Dollars (\$150,000.00) from such funds in any twelve-month period;

2. If a qualified entity has previously been approved for or received such funds and makes a subsequent application, that subsequent application may be assigned lower priority than an application by qualified entities who have not previously been approved for or received such funds;

3. In order to prevent substantially the same entity or area from receiving an undue advantage, a political subdivision and all its public trusts and similar subordinate entities together shall be treated as one and the same qualified entity; provided rural water or sewer districts shall not be construed to be subordinate entities of counties unless the effect would be to make multiple grants to substantially the same entity or service area; and

4. The Oklahoma Water Resources Board may establish limited time periods for processing applications for available funds.

Added by Laws 1996, c. 193, § 3, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 1, eff. July 1, 1997; Laws 1998, c. 373, § 3, eff. July 1, 1998; Laws 1999, c. 1, § 18, emerg. eff. Feb. 24, 1999; Laws 1999, c. 377, § 5, eff. July 1, 1999; Laws 2002, c. 219, § 1, eff. July 1, 2002; Laws 2010, c. 378, § 1.

NOTE: Laws 1998, c. 283, §3 repealed by Laws 1999, c. 1, § 45, emerg. eff. Feb. 24, 1999.

§62-2004. Deposit of monies in Rural Economic Action Plan Fund accounts - Expenditures.

A. The monies appropriated to the Rural Economic Action Plan Fund shall be subject to all of the requirements of Sections 2006 through 2013 of this title.

B. In a fiscal year for which the amount appropriated to the Rural Economic Action Plan Fund is less than or equal to the sum of Fifteen Million Five Hundred Thousand Dollars (\$15,500,000.00), there

shall be deposited into each of the accounts provided by Section 2006 of this title the sum of one-tenth (1/10) of the amount appropriated to the Rural Economic Action Plan Fund with the exception of one account which shall be divided equally into two subaccounts. One of the two subaccounts shall be available to one and only one of the entities described by subsection B of Section 2007 of this title for distribution to cities or towns within the respective jurisdiction of the entity if the population of such city or town does not exceed seven thousand (7,000) persons according to the latest Federal Decennial Census or for the benefit of an unincorporated area. Funds may also be expended for any city or town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census. Provided, for any fiscal year following the first fiscal year that the provisions of subsection D of this section have taken effect, funds appropriated to the Rural Economic Action Plan Fund shall be deposited as provided in subsection D of this section and the provisions of this subsection shall not be in effect.

C. In a fiscal year for which the amount appropriated to the Rural Economic Action Plan Fund is greater than Fifteen Million Five Hundred Thousand Dollars (\$15,500,000.00), but less than Seventeen Million Fifty Thousand Dollars (\$17,050,000.00), there shall be deposited into each of nine separate accounts for the entities described by subsection A of Section 2007 of this title the sum of One Million Five Hundred Fifty Thousand Dollars (\$1,550,000.00). There shall be divided equally between two additional accounts for the use and benefit of the entities described by subsection B of Section 2007 of this title the balance of any such appropriation in excess of Thirteen Million Nine Hundred Fifty Thousand Dollars (\$13,950,000.00), but less than Seventeen Million Fifty Thousand Dollars (\$17,050,000.00).

D. In the first fiscal year for which the amount appropriated to the Rural Economic Action Plan Fund equals or exceeds the sum of Seventeen Million Fifty Thousand Dollars (\$17,050,000.00), and in every subsequent fiscal year, there shall be deposited an equal amount to each of eleven accounts created for the use and benefit of the entities described by subsections A and B of Section 2007 of this title.

E. Regardless of the number of accounts created based upon the appropriation amount to the Rural Economic Action Plan Fund, all expenditures from all accounts shall be governed by the limitations imposed pursuant to Sections 2002 through 2013 of this title, including the limitations applicable to expenditures for the benefit of cities or towns based upon population limits or expenditures for the benefit of unincorporated areas.

Added by Laws 1996, c. 193, § 4, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 2, eff. July 1, 1997; Laws 1998, c. 373, § 4, eff. July 1, 1998; Laws 1999, c. 369, § 2, eff. July 1, 1999; Laws 2002, c. 219, § 2, eff. July 1, 2002; Laws 2007, c. 194, § 1, eff. July 1, 2007.

NOTE: Laws 2006, c. 317, § 1 amended this section to be effective contingent upon a sufficient appropriation. The necessary amount was not appropriated. Laws 2006, c. 317, § 1 repealed by Laws 2009, c. 2, § 17, emerg. eff. March 12, 2009.

§62-2005. Repealed by Laws 1998, c. 373, § 7, eff. July 1, 1998.

§62-2006. Rural Economic Action Plan Fund - Establishment - Accounts.

A. There is hereby established a fund within the State Treasury to be known as the Rural Economic Action Plan Fund, to be administered by the Oklahoma Department of Commerce. The fund shall be a continuing fund not subject to fiscal year limitations. Within the Rural Economic Action Plan Fund there shall be established separate accounts as prescribed by Section 2004 of this title into which shall be deposited such funds as may be provided by law.

B. Except as otherwise provided by Section 2004 of this title, one of nine accounts shall be available to each entity described in subsection A of Section 2007 of this title.

C. Except as otherwise provided by Section 2004 of this title, one account shall be divided equally into two subaccounts. One of the two subaccounts shall be available to each of the entities described by subsection B of Section 2007 of this title for distribution to any city or town within the respective jurisdiction of the entity if the population of such city or town does not exceed seven thousand (7,000) persons according to the latest Federal Decennial Census or for the benefit of an unincorporated area. Funds may also be expended for any city or town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census.

D. No funds deposited into one account or subaccount shall be transferred to any other account. No entity may access any more than one account per fiscal year and the total expenditure from any one account for each fiscal year may not exceed the amount of funds available to each account as may be provided by law.

E. No monies in the Rural Economic Action Plan Fund shall be used for the payment of administrative expenses, salaries or any other continuing obligation of the Oklahoma Department of Commerce. Added by Laws 1996, c. 193, § 6, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 3, eff. July 1, 1997; Laws 1998, c. 373, § 5, eff.

July 1, 1998; Laws 1999, c. 369, § 3, eff. July 1, 1999; Laws 2002, c. 219, § 3, eff. July 1, 2002; Laws 2007, c. 194, § 2, eff. July 1, 2007; Laws 2008, c. 392, § 2, emerg. eff. June 3, 2008.

NOTE: Laws 2006, c. 317, § 2 amended this section to be effective contingent upon a sufficient appropriation. The necessary amount was not appropriated. Laws 2006, c. 317, § 2 repealed by Laws 2009, c. 2, § 18, emerg. eff. March 12, 2009.

§62-2007. Eligibility to obtain funding.

A. A voluntary association of Oklahoma local governmental jurisdictions or another legal entity, including a public trust or a nonprofit corporation or other entity which performs functions for the benefit of or which exists for the primary benefit of Oklahoma local governmental jurisdictions and which is not described in subsection B of this section, shall be eligible to obtain funding for rural economic development projects as authorized by Section 2004 of this title or as authorized by subsection B of Section 2006 of this title.

B. A voluntary association of Oklahoma local governmental jurisdictions containing at least one municipality with a population in excess of three hundred fifty thousand (350,000) persons according to the latest Federal Decennial Census, shall be eligible to obtain funding as authorized by Section 2004 of this title or as authorized by subsection C of Section 2006 of this title.

C. The entities described in subsection A or B of this section and which are eligible for any funds authorized by Section 2006 of this title shall be prohibited from making expenditures on behalf of or from making payment directly to any city or town with a population in excess of seven thousand (7,000) persons using any funds deposited to the Rural Economic Action Plan Fund created by Section 2006 of this title. Funds may also be expended for any city or town with a population below seven thousand (7,000) persons based upon the current population estimate according to the U.S. Census Bureau. Funds may be expended for such cities and towns until the next following Federal Decennial Census.

D. An organization described in subsection A or B of this section shall be authorized to make payment of funds obtained pursuant to Section 2006 of this title directly to a county if the funds are used for the benefit of an unincorporated area located within the county to which payment is made if the area benefited does not contain a population in excess of seven thousand (7,000) persons. After the county has provided a request to an organization described in subsection A or B of this section for funds to benefit an unincorporated area of the county, together with a statement that the county has conducted a review of the needs of unincorporated areas located within the county and that the funding requested is consistent with the evaluation of priorities for funds by the county,

the funds requested may be paid to the county. Any funds paid to a county pursuant to the provisions of this subsection shall be expended by the county exclusively for the purpose identified in the request.

E. No county to which funds are paid pursuant to the provisions of subsection D of this section shall be liable to any person or other legal entity for damages arising out of any condition, act, omission or other cause alleged to have arisen as a result of a project upon which funds expended pursuant to the authority of subsection D of this section were paid to the county.

Added by Laws 1996, c. 193, § 7, eff. July 1, 1996. Amended by Laws 1997, c. 236, § 1, eff. July 1, 1997; Laws 2007, c. 194, § 3, eff. July 1, 2007; Laws 2010, c. 378, § 2.

§62-2008. Plans for use of funds - "Economic development" defined - Fund allocation.

A. The governing board of an entity described by subsection A or B of Section 2007 of this title shall develop a plan for the use of available funds for the economic development of areas included within its respective jurisdiction. For purposes of this act, "economic development" shall include, but shall not be limited to, the following purposes:

1. Rural water quality projects, including acquisition, treatment, distribution and recovery of water for consumption by humans or animals or both;
2. Rural solid waste disposal, treatment or similar projects;
3. Rural sanitary sewer construction or improvement projects;
4. Rural road or street construction or improvement projects;
5. Provision of rural fire protection services and public safety services;
6. Expenditures designed to increase the employment level within the jurisdiction of the entity;
7. Provision of health care services, including emergency medical care, in rural areas;
8. Construction or improvement of telecommunication facilities or systems;
9. Improvement of municipal energy distribution systems; and
10. Community buildings, courthouses, town halls, senior nutrition centers, meeting rooms or similar public facilities.

B. Effective July 1, 2010, at least eighty percent (80%) of any funds distributed to an entity as provided by this section shall be expended for assets described in paragraphs 1 through 6 of subsection A of this section. The remaining amount of any funds distributed to an entity as provided by this section may be expended on assets or purposes described in paragraphs 7 through 10 of subsection A of this section.

C. Not later than July 31, each entity described by Section 2007 of this title shall transmit, in such electronic form as may be prescribed by the Oklahoma Department of Commerce for purposes of access to such information on the website maintained by the Department, a summary of each project upon which funds received by the entity from the Rural Economic Action Plan Fund were expended during the fiscal year ending on the June 30 date immediately preceding the July 31 reporting date.

Added by Laws 1996, c. 193, § 8, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 4, eff. July 1, 1997; Laws 2001, c. 79, § 1, eff. July 1, 2001; Laws 2010, c. 378, § 3.

§62-2009. Filing of plan - Approval by governing board.

A. In order for an eligible entity to obtain funds provided for by Section 2006 of this title, the entity shall file the organizational plan required by Section 2008 of this title with the Oklahoma Department of Commerce.

B. In order to be filed, the plan shall have first been approved by an affirmative vote of two-thirds (2/3) of the governing board of an entity described by subsection A or B of Section 2007 of this title. The vote shall be memorialized in a document, executed under oath, that the record of the vote is a true and accurate account of the proceedings conducted by the governing board to be filed with the Oklahoma Department of Commerce.

Added by Laws 1996, c. 193, § 9, eff. July 1, 1996. Amended by Laws 1997, c. 236, § 2, eff. July 1, 1997; Laws 2008, c. 392, § 3, emerg. eff. June 3, 2008.

§62-2010. Matching funds not to be required.

No entity which qualifies for funds pursuant to Section 2006 of this title shall be required to provide matching funds or to provide equivalent value in order to obtain available funds or funds for planning expenditures.

Added by Laws 1996, c. 193, § 10, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 5, eff. July 1, 1997.

§62-2011. Administrative expenses not to be paid from Rural Economic Action Plan funds - Treble damages - Initial planning expenditures.

A. Except as otherwise provided by subsection C of this section, the funds available pursuant to the provisions of Section 2006 of this title shall not be used to pay any administrative expenses of the entity requesting the funds. The Oklahoma Department of Commerce shall monitor expenditures made pursuant to the Rural Economic Action Plan Act to ensure compliance with the provisions of this section. Such funds shall be audited by the State Auditor and Inspector in the manner provided by law for audits of other state funds. Misuse of funds by an entity shall disqualify the entity from further funding

for a period of one (1) year from the date as of which any report by the Oklahoma Department of Commerce is issued revealing a violation of the requirements of this section.

B. Except for funds authorized by subsection C of this section, an entity which violates the provisions of this section shall be liable to the State of Oklahoma for treble the amount of funds identified as having been impermissibly used for the payment or reimbursement of administrative expenses. The payment shall be made to the Oklahoma Department of Commerce for deposit in the Rural Economic Action Plan Fund and such funds shall become available for distribution as otherwise provided by Section 2001 et seq. of this title except that no such funds shall be paid to an entity which has been required to make the treble damage payment.

C. Upon verification by the Oklahoma Department of Commerce that an entity is qualified to receive funds for a purpose authorized by this section, the entity shall be eligible for an initial planning expenditure payment of not to exceed five percent (5%) of the amount contained in the account created for the entity pursuant to Section 2006 of this title.

Added by Laws 1996, c. 193, § 11, eff. July 1, 1996. Amended by Laws 1997, c. 236, § 3, eff. July 1, 1997; Laws 1998, c. 373, § 6, eff. July 1, 1998; Laws 2008, c. 392, § 4, emerg. eff. June 3, 2008.

§62-2012. Manner of expenditure.

Expenditures from the Rural Economic Action Plan Fund shall be made in the same manner as provided by law for the expenditure of other public funds.

Added by Laws 1996, c. 193, § 12, eff. July 1, 1996.

§62-2013. Function and purpose of expenditures.

The expenditures from the Rural Economic Action Plan Fund and other expenditures governed by this act, if made in accordance with the requirements of this act, shall be construed as an expenditure of public funds in furtherance of governmental functions and for the purpose of conferring general and uniform benefits resulting from the expenditures upon the residents and other legal entities located in areas subject to the jurisdiction of the entities described in subsection A or B of Section 2007 of this title.

Added by Laws 1996, c. 193, § 13, eff. July 1, 1996. Amended by Laws 1997, c. 382, § 6, eff. July 1, 1997.

§62-2101. Short title.

This act shall be known and may be cited as the "Industrial Facilities Development Act".

Added by Laws 1998, c. 252, § 1, eff. Nov. 1, 1998.

§62-2102. Definitions.

As used in this act:

1. "Community" means a county, city, town or unincorporated place located within the State of Oklahoma having a population of less than seven thousand (7,000) persons, according to the latest Federal Decennial Census;

2. "Establishment" means any legally recognized business entity engaged in manufacturing;

3. "Industrial facility" means real property or personal property or fixtures attached to real property at which an establishment engages in a manufacturing activity within a community if the total area in which the manufacturing takes place does not exceed one hundred thousand (100,000) square feet; and

4. "Manufacturing" means any activity described under any Major Group classification of Division D of the Standard Industrial Classification Manual, latest version.

Added by Laws 1998, c. 252, § 2, eff. Nov. 1, 1998.

§62-2103. Grant eligibility criteria.

A. For the purpose of developing, constructing, or improving an industrial facility, a community shall be eligible to apply for a grant from the Industrial Facilities Development Fund through the Oklahoma Department of Commerce.

B. In order to be eligible for a grant, the community must establish to the Department that it:

1. Has previously demonstrated an ability to recruit new manufacturing business activity. A community may satisfy this requirement by proving that an establishment has located a manufacturing activity within the community employing at least ten persons not more than five (5) years prior to the date as of which the community makes application for funding; or

2. Employs at least one person on a full-time basis or is benefited by the efforts of at least one full-time employee of a local chamber of commerce or similar organization whose principal duty is the recruitment of new business activity to the community.

C. The community shall include in the application a statement of the estimated total project cost for the industrial facility. The community, or a combination of the community and the establishment for whose benefit the industrial facility will be constructed or improved, shall be required to provide matching funds equal to at least twenty-five percent (25%) of the total cost of the project in order to receive a grant from the Industrial Facilities Development Fund.

Added by Laws 1998, c. 252, § 3, eff. Nov. 1, 1998.

§62-2104. Application form - Approval - Conditions of grant - Maximum amount - Matching funds - Time limit for completion of projects.

A. Communities making application for a grant from the Industrial Facilities Development Fund shall use a form to be prescribed by the Oklahoma Department of Commerce.

B. The Department shall have a period of sixty (60) days from the date an application is received in order to evaluate the application and to inform the applicant whether the application has been approved or rejected. If the application is rejected, the Department shall state the reason for the rejection.

C. 1. Upon approval of an application, the Department shall cause the amount of the grant to be paid to the applicant. All grants made pursuant to this act shall be paid to the community and shall not be paid directly to the legal entity engaged in the manufacturing activity.

2. The grant may only be used for the development, construction, or improvement of that portion of the project that will be owned by the community or a public trust of which the community is the beneficiary. Provided, however, the community or the public trust, as the case may be, may enter into a lease agreement with an establishment for long-term usage of any portion of the project funded through a grant made pursuant to this act.

D. No community shall be eligible for an award of a grant in excess of One Hundred Fifty Thousand Dollars (\$150,000.00) in any one (1) fiscal year.

E. The community making application for a grant shall demonstrate in the application either that the community has already acquired at least twenty-five percent (25%) of the funds required for the total project cost or that a legally enforceable commitment exists as of the application date which will result in the receipt of at least twenty-five percent (25%) of the funds required for the total project cost within ninety (90) days from the date the application is received.

F. Any project for which a grant is provided from the Industrial Facilities Development Fund shall be completed within six (6) months from the date the grant is paid to the applicant pursuant to this section. If an industrial facility has not been completed within the time period prescribed by this subsection, the grant paid to the applicant shall be repaid to the Department and shall be redeposited into the Industrial Facilities Development Fund.

Added by Laws 1998, c. 252, § 4, eff. Nov. 1, 1998.

§62-2105. Industrial Facilities Development Fund.

There is hereby created in the State Treasury a fund for the Oklahoma Department of Commerce to be designated the "Industrial Facilities Development Fund". The fund shall be subject to legislative appropriation and shall consist of all monies received by the Department for the implementation of the Industrial Facilities Development Act.

Added by Laws 1998, c. 252, § 5, eff. Nov. 1, 1998.

§62-2106. Expenditures from Fund construed as expenditures of public funds.

The expenditures from the Industrial Facilities Development Fund and other expenditures governed by this act, if made in accordance with the requirements of this act, shall be construed as an expenditure of public funds in furtherance of governmental functions and for the purpose of conferring general and uniform benefits resulting from the expenditures upon the residents and other legal entities located in or near the community qualifying for the receipt of the funds pursuant to this act.

Added by Laws 1998, c. 252, § 6, eff. Nov. 1, 1998.

§62-2201. Short title.

This act shall be known and may be cited as the "Oklahoma Disaster Relief Act".

Added by Laws 1999, c. 382, § 3, eff. July 1, 1999.

§62-2202. Provision of services on private land or homes.

In areas of this state that have been declared by the Federal Emergency Management Agency (FEMA) eligible for Public Assistance, state and local governmental entities, and any other entity expending public funds, are hereby authorized to use their employees, property, and other resources, pursuant to this section, to provide services on private land or homes to the extent necessary to aid in disaster relief. Disaster relief shall be designed to assist in removing health and safety hazards and returning homes to a safe and habitable level. The disaster relief shall be limited to the cleanup of debris and repair of damage caused by a natural disaster. The disaster relief shall not be utilized for work relating to general home improvements. No state or local governmental employee or employee of an entity expending public funds, pursuant to this section, shall be assigned to duties which include the provision of disaster relief services unless the employee's job description includes duties of the same type as are required to provide the disaster relief services or the employee voluntarily agrees to such assignment. Such employees shall not be disciplined or terminated for failure to participate in disaster relief. However, an employee whose job description includes duties of the same type as are required to provide disaster relief services are not exempt from disciplinary action or termination for failure to perform disaster relief duties at the request of his or her employer. The Legislature finds that it is a public purpose to provide disaster relief pursuant to this section.

Added by Laws 1999, c. 382, § 4, eff. July 1, 1999.

§62-2203.1. Short title - Oklahoma Disaster Relief Materials Price Stabilization Act.

This act shall be known and may be cited as the "Oklahoma Disaster Relief Materials Price Stabilization Act".
Added by Laws 2013, c. 400, § 2, eff. Nov. 1, 2013.

§62-2203.2. Definitions.

As used in the Oklahoma Disaster Relief Materials Price Stabilization Act:

1. "Cost to the retailer" means the invoice cost of the merchandise to the retailer or the replacement cost of the merchandise to the retailer, whichever is the lower; less all trade discounts except customary discounts for cash; to which shall be added:

- a. freight charges not otherwise included in the invoice cost or the replacement cost of the merchandise,
- b. cartage to the retail outlet if done or paid for the retailer, which cartage cost, in the absence of proof of a lesser cost, shall be deemed to be three-fourths of one percent ($\frac{3}{4}$ of 1%) of the cost to the retailer as herein defined after adding freight charges, but before adding cartage and taxes,
- c. all state and federal taxes, and
- d. a markup to cover a proportionate part of the cost of doing business, which markup, in the absence of proof of a lesser cost, shall be six percent (6%) of the cost of the retailer after adding freight charges and cartage, but before adding a markup;

2. "Cost to the wholesaler" means the invoice cost of the merchandise to the wholesaler, or the replacement cost of the merchandise to the wholesaler, whichever is the lower; less all trade discounts except customary discounts for cash; to which shall be added:

- a. freight charges, not otherwise included in the invoice cost or the replacement cost of the merchandise,
- b. cartage to the retail outlet if done or paid for by the wholesaler, which cartage cost, in the absence of proof of a lesser cost, shall be deemed to be three-fourths of one percent ($\frac{3}{4}$ of 1%) of the cost to the wholesaler after adding freight charges, but before adding cartage and taxes, and
- c. all state and federal taxes;

3. "Disaster relief materials" means those structural elements that typically sustain damage during temporary conditions, including, but not limited to: lumber and lumber composites, engineered wood products, structural wood panels, roofing, guttering, siding, drywall, insulation, flooring, windows, doors and plumbing elements;

4. "Excessive price" means a price exceeding one hundred ten percent (110%) of the highest price charged by the retailer or wholesaler for the item within the previous thirty (30) days;

5. "Replacement costs" means the cost per unit at which the merchandise sold or offered for sale could have been bought by the seller at any time within thirty (30) days prior to the date of sale or the date upon which it is offered for sale by the seller if bought in the same quantity or quantities as the seller's last purchase of such merchandise;

6. "Retailer" means and includes every person, partnership, corporation or association engaged in the business of making sales of retail disaster relief materials within this state; provided that, in the case of a person, partnership, corporation or association engaged in the business of making both sales at retail and sales at wholesale, such term shall be applied only to the retail portion of such business;

7. "Sell at retail", "sales at retail", "retail sale", "sell at wholesale", "sales at wholesale" or "wholesale sales" means any transfer for a valuable consideration made in the ordinary course of trade or the usual conduct of the seller's business of title to personal property to the purchaser for purposes of resale or further processing or manufacturing. The above terms shall include any transfer of such property where title is retained by the seller as security for the payment of the purchase price;

8. "Temporary conditions" means conditions lasting seven (7) days or less such as tornado, hail storm, ice storm or blizzard. It does not include conditions lasting longer than seven (7) days such as drought or low temperatures; and

9. "Wholesaler" means and includes every person, partnership, corporation or association engaged in the business of making sales of wholesale disaster relief materials within this state; provided that, in the case of a person, partnership, corporation or association engaged in the business of making both sales at wholesale and sales at retail, such term shall be applied only to the wholesale portion of such business.

Added by Laws 2013, c. 400, § 3, eff. Nov. 1, 2013.

§62-2203.3. Prohibitions - Fine.

A. Notwithstanding the provisions of the Emergency Price Stabilization Act, a retailer or wholesaler shall not, in connection with the advertisement or sale of disaster relief materials:

1. Take advantage of the physical or mental impairment or hardship of a person caused by extreme temporary conditions and charge an excessive price for disaster relief materials;

2. Charge within a disaster area an excessive price for any disaster relief materials; or

3. Charge any person an excessive price for disaster relief materials which the seller has reason to know is likely to be provided to consumers within a disaster area.

B. Notwithstanding the provisions of the Emergency Price Stabilization Act, a retailer shall not advertise, offer to sell, or sell at retail disaster relief materials at less than cost to the retailer with the intent and purpose of inducing the purchase of disaster relief materials or of unfairly diverting trade from a competitor or otherwise injuring a competitor, impair and prevent fair competition, injure public welfare, where the result of such advertising, offer or sale is to tend to deceive any purchaser or prospective purchaser, or to substantially lessen competition, or to unreasonably restrain trade, or to tend to create a monopoly in any line of commerce.

C. Notwithstanding the provisions of the Emergency Price Stabilization Act, a wholesaler shall not advertise, offer to sell, or sell disaster relief materials at less than cost to the wholesaler with the intent and purpose of inducing the purchase of disaster relief materials or of unfairly diverting trade from a competitor or otherwise injuring a competitor, impair and prevent fair competition, injure public welfare, where the result of such advertising, offer or sale is to tend to deceive any purchaser or prospective purchaser, or to substantially lessen competition, or to unreasonably restrain trade, or to tend to create a monopoly in any line of commerce.

D. Any person who is found to be in violation of this act shall forfeit and pay a civil penalty of not more than One Thousand Dollars (\$1,000.00) per violation. The Attorney General, acting in the name of the state, or a district attorney may petition for recovery of civil penalties.

Added by Laws 2013, c. 400, § 4, eff. Nov. 1, 2013.

§62-2203.4. Civil liability.

A. In addition to the penalties provided by this act, any person injured by any violation, or who shall suffer injury from any threatened violation of this act, may maintain an action in any court of equitable jurisdiction to prevent, restrain or enjoin such violation or threatened violation. If in such action a violation or threatened violation of this act shall be established, the court shall enjoin and restrain or otherwise prohibit such violation or threatened violation and, in addition thereto, shall assess in favor of the plaintiff and against the defendant the cost of suit. In such action if damages are alleged and proved, the plaintiff in the action, in addition to such injunctive relief and costs of suit, shall be entitled to recover actual damages from the defendant.

B. In the event no injunctive relief is sought or required, any person injured by a violation of this act may maintain an action for damages in any court of general jurisdiction, and the measure of

damages shall be the same as prescribed in subsection A of this section. Provided, this act shall not authorize suits or actions against newspapers, radio broadcasters, or other advertising agencies through which such advertisements are published, broadcast or otherwise made.

C. Evidence of advertisement, offering to sell, or sale of disaster relief materials by any retailer or wholesaler at less than cost, shall be prima facie evidence of intent to injure competitors and to destroy or substantially lessen competition.

D. Any defendant or any witness in any civil action brought under the provisions of this act may be required to testify. Any defendant or any witness, may, upon proper process, be compelled to produce books, records, invoices and all other documents of the defendant or witness into court and may be introduced as evidence. No defendant or any witness in a civil action shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction or matter. The defendant or witness may be required to testify or produce evidence, documentary or otherwise. No testimony thus given or produced shall be received against the defendant or witness upon any criminal proceeding or investigation.

Added by Laws 2013, c. 400, § 5, eff. Nov. 1, 2013.

§62-2203.5. Exemptions.

A. The provisions of this act shall not apply to sales otherwise prohibited by subsections B and C of Section 4 of this act when disaster relief materials are:

1. Sold to relief agencies or for charitable purposes;
2. Sold on contract to departments of the government or governmental institutions;
3. Sold in bona fide clearance sales, if advertised, marked, and sold as such;
4. Imperfect or damaged or are being discontinued and are advertised, marked and sold as such;
5. Sold upon the final liquidation of any business;
6. Sold by any officer acting under the order or direction of any court; or
7. Sold at any bona fide auction sale.

B. A retailer or wholesaler shall not be found to have sold or advertised at less than cost if the materials sold are at a price made in good faith to meet the price of a competitor who is selling the same article or products of comparable quality at cost as a wholesaler or retailer.

C. The price of disaster relief materials advertised, offered for sale, or sold under the exemptions specified in Section 3 of this act, shall not be considered the price of a competitor and shall not be used as a basis for establishing prices below cost, nor shall the

price established at a bankrupt sale be considered the price of a competitor.

Added by Laws 2013, c. 400, § 6, eff. Nov. 1, 2013.

§62-2203.6. Prices outside the ordinary channels of trade.

In establishing the cost of merchandise to the retailer or wholesaler, the invoice cost of such disaster relief materials purchased at a forced, bankrupt, closeout sale, or other sale outside of the ordinary channels of trade, may not be used as a basis for justifying a price lower than one based upon the replacement cost of the merchandise to the retailer or wholesaler, within thirty (30) days prior to the date of sale, in the quantity last purchased through the ordinary channels of trade.

Added by Laws 2013, c. 400, § 7, eff. Nov. 1, 2013.

§62-2301. Short title.

Sections 1 through 10 of this act shall be known and may be cited as the "Tobacco Settlement Endowment Trust Fund Act".

Added by Laws 2001, c. 274, § 1, emerg. eff. May 31, 2001.

§62-2302. Purpose.

The purpose of the Tobacco Settlement Endowment Trust Fund Act is to further implement the provisions of Section 40 of Article X of the Oklahoma Constitution that:

1. Created the Tobacco Settlement Endowment Trust Fund, the Board of Investors of the Tobacco Settlement Endowment Trust Fund, and the Board of Directors of the Tobacco Settlement Endowment Trust Fund;
2. Directs the apportionment of revenues from settlements with or judgments against tobacco companies between the Tobacco Settlement Endowment Trust Fund and a special fund established for the purpose of receiving tobacco settlement payments not deposited to the trust fund; and
3. Authorizes the Board of Directors of the Tobacco Settlement Endowment Trust Fund to expend trust fund earnings for specific purposes.

Added by Laws 2001, c. 274, § 2, emerg. eff. May 31, 2001.

§62-2303. Tobacco Settlement Endowment Trust Fund - Monies consisting principal.

A. Section 40 of Article X of the Oklahoma Constitution created a trust fund to be known as the "Tobacco Settlement Endowment Trust Fund". The trust fund principal shall consist of the portion of monies which are received by the State of Oklahoma on or after July 1, 2001, pursuant to any settlement with or judgment against any tobacco company or companies as provided by subsection B of this section, the Fifty Million Dollars (\$50,000,000.00) transferred to

the Tobacco Settlement Endowment Trust Fund pursuant to Section 29, Chapter 8, 1st Extraordinary Session, O.S.L. 2000, and any other monies that may be appropriated or otherwise directed to the trust fund by the Legislature.

B. The trust fund principal shall consist of monies which are deposited to the trust fund. Notwithstanding any other provisions of law, income and investment return on trust fund principal shall accrue to the trust fund.

Added by Laws 2001, c. 274, § 3, emerg. eff. May 31, 2001.

§62-2304. Appointments to Boards of Investors and Directors of the Tobacco Settlement Endowment Trust Fund - Terms.

A. Appointments to the Board of Investors of the Tobacco Settlement Endowment Trust Fund shall be staggered as provided in this section, pursuant to the provisions of Section 40 of Article X of the Oklahoma Constitution. The initial staggered terms of office of persons appointed prior to April 10, 2001, or persons appointed to fill the remainder of an initial term of office shall be as follows:

1. The term of office of the person appointed by the Speaker of the House of Representatives shall expire June 30, 2001;

2. The term of office of the person appointed by the President Pro Tempore of the Senate shall expire June 30, 2002;

3. The term of office of the person appointed by the Governor shall expire June 30, 2003; and

4. The term of office of the person appointed by the State Auditor and Inspector shall expire June 30, 2004.

Thereafter, persons shall be appointed for terms of four (4) years beginning July 1. Any vacancy shall be filled by the appointing authority for the remainder of the unexpired term.

B. Appointments to the Board of Directors of the Tobacco Settlement Endowment Trust Fund shall be staggered as provided in this section, pursuant to the provisions of Section 40 of Article X of the Oklahoma Constitution. The initial staggered terms of office of persons appointed prior to April 10, 2001, or persons appointed to fill the remainder of an initial term of office shall be as follows:

1. The term of office of the person appointed by the Speaker of the House of Representatives shall expire June 30, 2001;

2. The term of office of the person appointed by the President Pro Tempore of the Senate shall expire June 30, 2002;

3. The term of office of the person appointed by the Governor shall expire June 30, 2003;

4. The term of office of the person appointed by the Attorney General shall expire June 30, 2004;

5. The term of office of the person appointed by the State Treasurer shall expire June 30, 2005;

6. The term of office of the person appointed by the State Auditor and Inspector shall expire June 30, 2006; and

7. The term of office of the person appointed by the State Superintendent of Public Instruction shall expire June 30, 2007.

Thereafter, persons shall be appointed for terms of seven (7) years beginning July 1. Any vacancy shall be filled by the appointing authority for the remainder of the unexpired term. Added by Laws 2001, c. 66, § 2, emerg. eff. April 10, 2001. Amended by Laws 2001, c. 274, § 4, emerg. eff. May 31, 2001. Renumbered from § 50.1 of this title by Laws 2001, c. 274, § 12, emerg. eff. May 31, 2001.

§62-2305. Board of Investors of the Tobacco Settlement Endowment Trust Fund.

A. Section 40 of Article X of the Oklahoma Constitution created the Board of Investors of the Tobacco Settlement Endowment Trust Fund.

B. The members of the Board of Investors shall receive no salary for serving on the Board. All members shall receive necessary travel expenses for the performance of their duties in accordance with the provisions of the State Travel Reimbursement Act.

C. The terms of the Board of Investors shall be staggered as provided by subsection A of Section 2304 of this title.

D. The Board shall annually elect a vice-chair, who shall preside over meetings in the absence of the State Treasurer, and any other officers, provided that no member shall be elected vice-chair for more than two (2) consecutive years. The Board shall meet at least quarterly.

E. Staffing for the Board of Investors shall be provided by the Office of the State Treasurer.

Added by Laws 2001, c. 274, § 5, emerg. eff. May 31, 2001. Amended by Laws 2002, c. 95, § 4, eff. July 1, 2002.

§62-2306. Duties of Board of Investors.

A. The Board of Investors of the Tobacco Settlement Endowment Trust Fund shall discharge their duties as trustees of the Tobacco Settlement Endowment Trust Fund:

1. With the care, skill, prudence, and diligence, under the circumstances then prevailing, that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims;

2. By diversifying the investments in the trust fund so as to minimize the risk of large losses, unless, under the circumstances, it is clearly prudent not to do so; and

3. In accordance with the laws, documents, and instruments governing the trust fund.

B. The Board of Investors shall retain qualified investment managers to provide for the investment of the monies of the trust fund. The investment managers shall be chosen by a solicitation of

proposals on a competitive basis pursuant to standards set by the Board of Investors. The investment managers shall manage those monies of the trust fund allocated to the investment managers in compliance with the overall investment guidelines set by the Board of Investors. The monies of the trust fund allocated to the investment managers shall be managed by the investment managers in accordance with the investment guidelines and other directions of the Board of Investors. The investment managers may sell investments and realize losses if such action is considered advantageous to longer-term return maximization. Because of the total return objective, no distinction shall be made for management and performance evaluation purposes between realized and unrealized capital gains and losses. The Board of Investors may have the State Treasurer manage those monies not specifically allocated to the investment managers.

C. The trust fund may be invested in the manner in which a prudent person would invest it and consistent with the manner that state retirement funds are invested.

D. The Board of Investors shall select a custodial bank to settle transactions involving the investment of funds in the trust fund and to hold custody of the securities in the trust fund portfolio. The custodian shall be a bank or trust company offering pension fund master trustee and master custodial services. The custodian shall be chosen by a solicitation of proposals on a competitive basis pursuant to standards set by the Board of Investors. The Board of Investors may also select professional investment consultants, auditors, and actuaries to assist the Board of Investors in carrying out its fiduciary responsibilities. All these professionals shall be selected by a solicitation of proposals on a competitive basis pursuant to standards set by the Board of Investors.

E. The Board of Investors shall choose the professional custodians and managers of the assets of the trust fund, shall establish investment and fund management guidelines, and shall adopt an investment policy. The selection of investment managers, investment consultants, auditors, and actuaries, and a custodian bank shall be exempt from the provisions of the Oklahoma Central Purchasing Act.

F. The Board of Investors shall set aside cash reserves from the earnings of the Tobacco Settlement Endowment Trust Fund if requested by the Board of Directors of the Tobacco Settlement Endowment Trust Fund pursuant to subsection B of Section 10 of this act.

G. The State Treasurer shall provide any necessary staff support to the Board of Investors. The cost of up to two full-time-equivalent employees for the Office of the State Treasurer may be considered as an administrative expense of the trust fund. However, the amount provided to the State Treasurer for this purpose shall be

determined by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

Added by Laws 2001, c. 274, § 6, emerg. eff. May 31, 2001.

§62-2307. Determination of earnings.

A. On or before September 1 of each year, the Board of Investors of the Tobacco Settlement Endowment Trust Fund shall determine the earnings of the trust fund for the previous fiscal year ending June 30. In determining earnings, the Board of Investors shall certify an amount which is prudent under the standard set forth in paragraph C of this section. The earnings so determined and certified by the Board of Investors for each fiscal year shall constitute the earnings of the Tobacco Settlement Endowment Trust Fund for the purposes of Section 40 of Article X of the Oklahoma Constitution.

B. "Earnings" consist of dividends and interest, less fees to manage the fund.

C. In the administration of the powers to determine earnings, to make and retain investments, and to delegate investment management of institutional funds, the Board of Investors shall exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the action or decision. In so doing, the Board of Investors shall consider:

1. Long- and short-term needs of the trust fund in carrying out its purposes;
2. The present and anticipated financial requirements for programs funded by the Board of Directors of the Tobacco Settlement Endowment Trust Fund;
3. Expected total return on its investments;
4. Price level and inflation trends; and
5. General economic conditions.

Added by Laws 2001, c. 274, § 7, emerg. eff. May 31, 2001. Amended by Laws 2002, c. 95, § 5, eff. July 1, 2002; Laws 2003, c. 149, § 1, emerg. eff. April 28, 2003.

§62-2308. Board of Directors - Officers.

A. Section 40 of Article X of the Oklahoma Constitution created the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

B. The members of the Board of Directors shall receive no salary for serving on the Board. All members shall receive necessary travel expenses for the performance of their official duties in accordance with the provisions of the State Travel Reimbursement Act, provided that members of the Board of Directors shall be paid necessary travel expenses pursuant to the State Travel Reimbursement Act by their appointing authority until the Board of Directors adopts its initial budget and monies are made available for expenditures pursuant to the budget.

C. The terms of the Board of Directors shall be staggered as provided by subsection B of Section 2 of Enrolled Senate Bill No. 372 of the 1st Session of the 48th Oklahoma Legislature, as amended by Section 4 of Enrolled House Bill No. 1003 of the 1st Session of the 48th Oklahoma Legislature.

D. The Board of Directors shall annually elect a chair and any other officers, provided that no member shall be elected chair for more than two (2) consecutive years.

E. The initial meeting of the Board of Directors shall be called by the Attorney General and the State Treasurer.

Added by Laws 2001, c. 274, § 8, emerg. eff. May 31, 2001. Amended by Laws 2001, c. 372, § 1, emerg. eff. June 4, 2001.

§62-2309. Duties of board - Executive director.

A. The Board of Directors of the Tobacco Settlement Endowment Trust Fund shall be empowered to:

1. Appoint an executive director and other staff necessary to perform the duties of the Board of Directors;

2. Make and execute contracts and other instruments necessary or convenient to the exercise of its powers on such terms and for such period of time as the Board of Directors shall determine; and

3. Promulgate rules in accordance with the Administrative Procedures Act and not inconsistent with the Tobacco Settlement Endowment Trust Fund Act to implement its duties and responsibilities as provided by law.

B. Funding for capital expenditures and operating expenses incurred by the University of Oklahoma Health Sciences Center and the Oklahoma State University College of Osteopathic Medicine, for educational programs and residency training to maintain or improve the health of Oklahomans or to enhance the provision of health care services to Oklahomans, is hereby deemed to be an allowable purpose for which earnings from the trust fund may be expended pursuant to the provisions of paragraph 3 of subsection E of Section 40 of Article X of the Oklahoma Constitution. Pursuant to its authority as set forth in subsection G of Section 40 of Article X of the Oklahoma Constitution, the Legislature hereby authorizes the Board to expend earnings from the trust fund for such purposes, in addition to other purposes provided by law.

C. The Board shall develop a multiyear strategy by January 1, 2002, and annually update it in order to guide the Board's funding for those programs set forth in Section 40 of Article X of the Oklahoma Constitution. The strategy shall be used to maximize the outcomes of the grants awarded by the Board of Directors.

D. The Board of Directors shall develop grant programs for private, nonprofit, and public entities for the purposes set forth in Section 40 of Article X of the Oklahoma Constitution.

1. The selection and awarding of grants, whether in the form of professional service contracts or any other funding mechanism developed by the Board of Directors, awarded pursuant to grant programs developed under this subsection, shall be exempt from the requirements of The Oklahoma Central Purchasing Act.

2. The Board of Directors shall develop competitive processes for awarding grants under programs developed under this subsection. Such competitive processes for selection shall not be required for contracts awarded for program support services, including, but not limited to, professional service contracts to evaluate, audit or provide budgeting, accounting, auditing or legal services for specific programs or program grantees, contractors or participants.

3. The Board of Directors may promulgate rules to assist in the implementation and administration of grant programs developed under this subsection.

4. The terms of any request for proposals, request for applications, invitation for bid, bid notice, or grant proposal or any other solicitation issued by the Board of Directors to solicit or invite applications, proposals, bids or responses to obtain funding under grant programs developed under this subsection shall be confidential until the date and time at which the solicitation is to be made equally and uniformly known to all prospective applicants and the public, at which point all such documents and information shall be uniformly known to all prospective applicants and the public, at which point all such documents and information shall be subject to the Oklahoma Open Records Act and Oklahoma Open Meeting Act. Any application, proposal, bid, or any other document to obtain funding responsive to any solicitation of the Board of Directors under grant programs developed under this subsection shall be confidential until the date and time of award of the grant or contract, at which point all such documents and information shall be subject to the Oklahoma Open Records Act and Oklahoma Open Meeting Act. Any unsolicited application, proposal, bid, or any other document to obtain funding shall not be considered to be confidential and shall be subject to the Oklahoma Open Records Act and Oklahoma Open Meeting Act at all times.

E. The Board of Directors shall encourage grantees to match grant monies awarded with monetary commitments and in-kind matches.

F. The Board of Directors shall be required to develop a performance evaluation component for the Board of Directors' activities and those of its grantees so that the performance of grantees can be measured by their attainment of outcomes.

G. The Board of Directors shall contract periodically for performance evaluations. Copies of the evaluations shall be filed with the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate.

H. The Board of Directors shall prepare an annual report detailing the Board of Directors' activities and reporting its expenditures and the outcomes achieved by the expenditures. A copy of the report shall be submitted to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate.

I. All records associated with the expenditure of monies received by the Board of Directors or its grantees pursuant to the Tobacco Settlement Endowment Trust Fund Act shall be subject to the Oklahoma Open Records Act.

Added by Laws 2001, c. 274, § 9, emerg. eff. May 31, 2001. Amended by Laws 2006, c. 169, § 1, eff. Nov. 1, 2006; Laws 2009, c. 194, § 1, eff. Nov. 1, 2009; Laws 2015, c. 98, § 1, eff. Nov. 1, 2015.

§62-2310. Budget - Operating budget - Programs budget.

A. The Board of Directors of the Tobacco Settlement Endowment Trust Fund shall adopt a budget for each fiscal year after the Board of Directors has been notified by the Board of Investors of the amount of earnings available for distribution. The budget shall be broken out into an operating budget and a programs budget. The budget shall be presented to the Board of Investors of the Tobacco Settlement Endowment Trust Fund and filed with the Office of Management and Enterprise Services.

1. The operating budget shall consist of the administrative expenses of the Board of Directors and the administrative expenses of the State Treasurer approved by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

- a. Administrative expenses include the portion of salaries, travel, and other administrative expenses of the Board of Investors and Board of Directors of the Tobacco Settlement Endowment Trust Fund that cannot be identified with a specific program of the Board of Directors. Administrative expenses allocable to the operating budget may also include, but are not limited to: regular board and committee meetings; staff meetings; personnel or human resource management; board legal services; board consultant services; central purchasing and procurement; board budgeting, accounting and auditing; and public information activities.
- b. Administrative expenses do not include program expenses as defined below or the professional expenses paid by the Board of Investors related to the management of the Trust Fund. The fees paid to investment managers and the custodian bank must be properly disclosed and approved by the Board of Investors or authorized staff in the Office of the State Treasurer, but the fees may be paid from assets under management.

- c. Administrative expenses of the Board of Directors may not exceed fifteen percent (15%) of the annual amount of earnings certified by the Board of Investors.

2. The programs budget shall consist of the program expenses of the Board of Directors.

- a. Program expenses include direct funding awarded to grantees or contractors under grants programs developed by the Board. Program expenses allocable to the programs budget may also include, but are not limited to, staff time, represented by a proportional amount of the employee's salary, and board and staff travel expenses that can be identified to benefit a specific program of the Board of Directors.
- b. Other expenses allocable to the programs budget may include, but are not limited to: special board and committee meetings to conduct an activity identifiable to a specific program; contracted consultants, technical or program support personnel assigned directly to specific programs; professional services contracts to evaluate, audit or provide budgeting, accounting, auditing or legal services for specific programs or program grantees, contractors or participants; and training or informational activities to inform applicants, contractors, grantees or the public about a specific program developed by the Board of Directors.

3. The Board shall develop policies and procedures to define, clarify, and implement the allocation of identified expenses to either the programs or operating budget.

4. All operating expenses and program expenses shall be paid out against the amount of earnings from the Tobacco Settlement Endowment Trust Fund.

B. The Board of Investors shall ensure that sufficient cash is transferred at appropriate times to honor these claims, but shall keep as much as possible of the trust fund invested at all times. The operating budget of the Board of Directors shall be allotted in twelve substantially equal amounts throughout the fiscal year. Amounts to be distributed to carry out the purposes of the Tobacco Settlement Endowment Trust Fund Act shall be made available as needed and determined by the Board of Directors of the Tobacco Settlement Endowment Trust Fund.

C. The Board of Directors shall direct the Board of Investors of the Tobacco Settlement Endowment Trust Fund to set aside sufficient cash reserves out of earnings from the Tobacco Settlement Endowment Trust Fund to ensure that the expenses of the Board of Directors and Board of Investors of the Tobacco Settlement Endowment Trust Fund and the State Treasurer may be funded in the event that there is

insufficient earnings achieved in a future year to cover those expenses. Earnings from a fiscal year may be carried over or used as reserves for expenditure in future fiscal years.

D. The Board of Investors shall calculate earnings of the Tobacco Settlement Endowment Trust Fund for the fiscal year ending June 30, 2003, and future fiscal years pursuant to this act. Added by Laws 2001, c. 274, § 10, emerg. eff. May 31, 2001. Amended by Laws 2003, c. 149, § 2, emerg. eff. April 28, 2003; Laws 2006, c. 169, § 2, eff. Nov. 1, 2006; Laws 2012, c. 304, § 470.

§62-2315. Renumbered from § 600.21 of Title 37 by Laws 2016, c. 366, § 185, eff. Oct. 1, 2018. Renumbered back to original number as § 600.21 of Title 37 by Laws 2018, c. 270, § 2.

§62-2315. Renumbered from § 600.22 of Title 37 by Laws 2016, c. 366, § 186, eff. Oct. 1, 2018. Renumbered back to original number as § 600.22 of Title 37 by Laws 2018, c. 270, § 3.

§62-2317. Renumbered from § 600.23 of Title 37 by Laws 2016, c. 366, § 187, eff. Oct. 1, 2018. Renumbered back to original number as § 600.23 of Title 37 by Laws 2018, c. 270, § 4.

§62-3101. Short title.

This act shall be known and may be cited as the "Oklahoma Pension Legislation Actuarial Analysis Act".

Added by Laws 2006, c. 292, § 1, eff. July 1, 2006.

§62-3102. Application of act.

The provisions of the Oklahoma Pension Legislation Actuarial Analysis Act shall be applicable to legislation affecting:

1. The Teachers' Retirement System of Oklahoma;
2. The Oklahoma Public Employees Retirement System;
3. The Uniform Retirement System for Justices and Judges;
4. The Oklahoma Firefighters Pension and Retirement System;
5. The Oklahoma Police Pension and Retirement System;
6. The Oklahoma Law Enforcement Retirement System; or
7. Any new retirement system established by law not in existence

as of the effective date of this act.

Added by Laws 2006, c. 292, § 2, eff. July 1, 2006. Amended by Laws 2007, c. 186, § 1, eff. Nov. 1, 2007.

§62-3103. Definitions.

As used in the Oklahoma Pension Legislation Actuarial Analysis Act:

1. "Amendment" means any amendment, including a substitute bill, made to a retirement bill by any committee of the House or Senate,

any conference committee of the House or Senate or by the House or Senate;

2. "RB number" means that number preceded by the letters "RB" assigned to a retirement bill by the respective staffs of the Oklahoma State Senate and the Oklahoma House of Representatives when the respective staff office prepares a retirement bill for a member of the Legislature;

3. "Legislative Actuary" means the firm or entity that enters into a contract with the Legislative Service Bureau pursuant to Section 452.15 of Title 74 of the Oklahoma Statutes to provide the actuarial services and other duties provided for in the Oklahoma Pension Legislation Actuarial Analysis Act;

4. "Nonfiscal amendment" means an amendment to a retirement bill having a fiscal impact, which amendment does not change any factor of an actuarial investigation specified in subsection A of Section 3109 of this title;

5. "Nonfiscal retirement bill" means a retirement bill:
- a. which does not affect the cost or funding factors of a retirement system, or
 - b. which affects such factors only in a manner which does not:
 - (1) grant a benefit increase under the retirement system affected by the bill,
 - (2) create an actuarial accrued liability for or increase the actuarial accrued liability of the retirement system affected by the bill, or
 - (3) increase the normal cost of the retirement system affected by the bill,
 - c. which authorizes the purchase by an active member of the retirement system, at the actuarial cost for the purchase as computed pursuant to the statute in effect on the effective date of the measure allowing such purchase, of years of service for purposes of reaching a normal retirement date in the applicable retirement system, but which cannot be used in order to compute the number of years of service for purposes of computing the retirement benefit for the member,
 - d. which provides for the computation of a service-connected disability retirement benefit for members of the Oklahoma Law Enforcement Retirement System pursuant to Section 2-305 of Title 47 of the Oklahoma Statutes if the members were unable to complete twenty (20) years of service as a result of the disability,
 - e. which requires membership in the defined benefit plan authorized by Section 901 et seq. of Title 74 of the Oklahoma Statutes for persons whose first elected or appointed service occurs on or after November 1, 2018,

if such persons had any prior service in the Oklahoma Public Employees Retirement System prior to November 1, 2015, or

- f. which provides for a one-time increase in retirement benefits if the increase in retirement benefits is not a permanent increase in the gross annual retirement benefit payable to a member or beneficiary, occurs only once pursuant to a single statutory authorization and does not exceed:
- (1) the lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Dollars (\$1,000.00) and requires that the benefit may only be provided if the funded ratio of the affected retirement system would not be less than sixty percent (60%) but not greater than eighty percent (80%) after the benefit increase is paid,
 - (2) the lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Two Hundred Dollars (\$1,200.00) and requires that the benefit may only be provided if the funded ratio of the affected retirement system would be greater than eighty percent (80%) but not greater than one hundred percent (100%) after the benefit increase is paid,
 - (3) the lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Four Hundred Dollars (\$1,400.00) and requires that the benefit may only be provided if the funded ratio of the affected retirement system would be greater than one hundred percent (100%) after the benefit increase is paid, or
 - (4) the greater of two percent (2%) of the gross annual retirement benefit of the volunteer firefighter or One Hundred Dollars (\$100.00) for persons who retired from the Oklahoma Firefighters Pension and Retirement System as volunteer firefighters and who did not retire from the Oklahoma Firefighters Pension and Retirement System as a paid firefighter.

As used in this subparagraph, "funded ratio" means the figure derived by dividing the actuarial value of assets of the applicable retirement system by the actuarial accrued liability of the applicable retirement system.

A nonfiscal retirement bill shall include any retirement bill that has as its sole purpose the appropriation or distribution or redistribution of monies in some manner to a retirement system for

purposes of reducing the unfunded liability of such system or the earmarking of a portion of the revenue from a tax to a retirement system or increasing the percentage of the revenue earmarked from a tax to a retirement system;

6. "Reduction-in-cost amendment" means an amendment to a retirement bill having a fiscal impact which reduces the cost of the bill as such cost is determined by the actuarial investigation for the bill prepared pursuant to Section 3109 of this title;

7. "Retirement bill" means any bill or joint resolution introduced or any bill or joint resolution amended by a member of the Oklahoma Legislature which creates or amends any law directly affecting a retirement system. A retirement bill shall not mean a bill or resolution that impacts the revenue of any state tax in which a portion of the revenue generated from such tax is earmarked for the benefit of a retirement system;

8. "Retirement bill having a fiscal impact" means any retirement bill creating or establishing a retirement system and any other retirement bill other than a nonfiscal retirement bill; and

9. "Retirement system" means the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Oklahoma Law Enforcement Retirement System, or a retirement system established after January 1, 2006.

Added by Laws 2006, c. 292, § 3, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 3, eff. July 1, 2007; Laws 2008, c. 3, § 32, emerg. eff. Feb. 28, 2008; Laws 2011, c. 199, § 1; Laws 2018, c. 44, § 1, eff. Oct. 1, 2018; Laws 2018, c. 245, § 2, eff. Sept. 1, 2018.

NOTE: Laws 2007, c. 186, § 2 repealed by Laws 2008, c. 3, § 33, emerg. eff. Feb. 28, 2008.

§62-3104. Retirement bills, RB numbers - Amendments.

A. No retirement bill may be introduced by any member of the Legislature unless, at the time of its introduction, the bill has printed thereon in the upper right portion of each page of the bill an RB number. Once a retirement bill is presented to the Legislative Actuary, unless as otherwise provided by this subsection, neither the applicable staff nor any person shall make any change in the retirement bill prior to its introduction into the Legislature unless the bill is returned to the applicable staff office and that office assigns a new RB number to the bill. A change in a retirement bill by the applicable legislative staff to correct nonsubstantive errors shall not require the assignment of a new RB number.

B. A measure that is not a retirement bill when introduced, but becomes amended to become a retirement bill shall have printed thereon in the upper right corner of each page of the bill an RB

number at the time the measure is deemed to be a retirement bill as provided in Section 7 of this act.

Added by Laws 2006, c. 292, § 4, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 4, eff. July 1, 2007.

§62-3105. Retirement bills - Presentation to Legislative Actuary - Certification of fiscal impact - Restrictions.

As a condition precedent to the introduction of any retirement bill, the applicable legislative staff, on behalf of the member of the Legislature who intends to be the primary author of the bill must present an exact copy of the proposed bill, which must bear an RB number, to the Legislative Actuary. The Legislative Actuary shall determine whether the proposed bill is a retirement bill having a fiscal impact or a nonfiscal retirement bill and provide a written certification of that determination to the member of the Legislature who intends to be the primary author of the bill. Such certification shall specifically identify the proposed bill by reference to the RB number. If the proposed bill is introduced into the Legislature, it shall have attached thereto the original of the certification of the Legislative Actuary. If the RB number on the bill as offered for introduction is different from the RB number shown on the certification of the Legislative Actuary or if the bill as offered for introduction does not bear an RB number on each page of the bill, the bill may not be accepted for introduction by the Secretary of the Senate or the Clerk of the House of Representatives, and the bill may not be considered by any committee of the House of Representatives or the Senate or by the House of Representatives or the Senate. If the bill is certified as a retirement bill having a fiscal impact, its introduction shall also be limited by the provisions of subsection A of Section 3107 of this title.

Added by Laws 2006, c. 292, § 5, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 5, eff. July 1, 2007.

§62-3106. Nonfiscal retirement bills - Procedure - Amendments.

A. A nonfiscal retirement bill may be introduced at any time according to the applicable deadlines established by the House of Representatives or Senate in any regular session of the Legislature. After its introduction into the Legislature, a nonfiscal retirement bill may not be amended in any manner to cause the bill to become a retirement bill having a fiscal impact. Except as otherwise provided by this section, any amendment to such a bill shall be submitted to the Legislative Actuary by the chair of the committee, if a committee amendment, or by the presiding officer of the Senate or House of Representatives if the amendment was made by the Senate or the House of Representatives or by the author of such bill when the bill is assigned to a conference committee. An amendment with the sole purpose to strike or restore the title or the enacting clause shall

not be submitted to the Legislative Actuary. If the Legislative Actuary certifies in writing that the amendment does not cause the bill to become a retirement bill having a fiscal impact, the bill, as amended, may continue in the legislative process as any other bill. If the Legislative Actuary will not issue such a certification for the amendment, the progress of the bill in the legislative process will end, and the bill shall not be considered further by either the House of Representatives or the Senate.

B. An amendment to a nonfiscal retirement bill which is prohibited by subsection A of this section may be withdrawn by the committee which made the amendment, if a committee amendment, or by the Senate, if that body made the amendment, or by the House of Representatives, if that body made the amendment or by the author, if the amendment is made in conference. If the amendment is withdrawn, the bill may continue in the legislative process as any other bill, unless it is subsequently amended, and, in that event, the provisions of this section shall apply to the subsequent amendment.

C. A nonfiscal retirement bill which is not amended during the legislative process may be considered as any other bill.
Added by Laws 2006, c. 292, § 6, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 6, eff. July 1, 2007.

§62-3106.1. Amendments creating nonfiscal retirement bill or retirement bill having fiscal impact.

A. Any amendment made to any non-retirement bill or resolution which would cause the bill or resolution to become a nonfiscal retirement bill or a retirement bill having a fiscal impact as defined in the Oklahoma Pension Legislation Actuarial Analysis Act shall result in the bill or resolution being assigned an RB number by the applicable legislative staff. The bill or resolution shall be submitted to the Legislative Actuary by the chair of the committee, if a committee amendment, or by the presiding officer of the Senate or House of Representatives if the amendment was made by the Senate or the House of Representatives or by the author of such bill when the bill is assigned to a conference committee. If the Legislative Actuary certifies in writing that the amendment causes the bill to become a nonfiscal retirement bill and does not cause the bill to become a retirement bill having a fiscal impact, the bill, as amended, may continue in the legislative process as any other bill. If the Legislative Actuary will not issue such a certification for the amendment, the progress of the bill in the legislative process will end, and the bill shall not be considered further by either the Senate or House of Representatives.

B. An amendment to a non-retirement bill which causes the bill to become a retirement bill having a fiscal impact may be withdrawn by the committee which made the amendment, if a committee amendment, or by the Senate, if that body made the amendment, or by the House of

Representatives, if that body made the amendment, or by the author of the bill, if the amendment was made in conference. If the amendment is withdrawn, the bill may continue in the legislative process as any other bill, unless it is subsequently amended, and, in that event, the provision of this section shall apply to the subsequent amendment.

Added by Laws 2007, c. 367, § 7, eff. July 1, 2007.

§62-3107. Retirement bills having fiscal impact - Procedure - Amendments.

A. 1. Except as otherwise provided in this subsection, any retirement bill having a fiscal impact may be introduced according to the applicable deadlines established by the House of Representatives or Senate only in any odd-numbered year during the regular session. Any such retirement bill may be passed by the Legislature only during an even-numbered year of the regular session. Any retirement bill determined by the Legislative Actuary in an even-numbered year to be a fiscal retirement bill may be introduced in an even-numbered year, but shall not be considered by the Legislature.

2. Notwithstanding the provisions of paragraph 1 of this subsection, any retirement bill having a fiscal impact may be introduced, considered and enacted in any year of a regular session of the Legislature if such retirement bill is introduced solely for the purpose of an unforeseen or emergency situation that needs to be addressed immediately. Such retirement bill shall only be considered if three-fourths (3/4) of the membership of each House votes to allow the retirement bill to be considered. Such retirement bill shall be subject to an actuarial investigation by the Legislature Actuary in the year the bill is introduced and considered and shall require concurrent funding, if applicable.

B. When a retirement bill having a fiscal impact is introduced, it shall be assigned to the respective Senate or House of Representatives standing committee or subcommittee that is primarily responsible for the consideration of retirement legislation. If a majority of the total membership of such committee is opposed to the bill on its merits, no actuarial investigation provided for in Section 3109 of this title shall be necessary, and the bill shall not be reported out by the committee and shall not be adopted or considered by the House of Representatives or the Senate. If a majority of the committee wishes to consider the bill further and votes in favor of an actuarial investigation of the bill, an actuarial investigation shall be required as provided in Section 3109 of this title. Except as otherwise provided by subsection C of this section, no retirement bill having a fiscal impact may be reported out of the committee to which it is assigned or may be considered or adopted by the House of Representatives or the Senate unless an actuarial investigation of the bill is made.

C. The committee to which a retirement bill having a fiscal impact is assigned following its introduction may amend the bill to become a nonfiscal retirement bill. If the bill is so amended, an exact copy of the amended version shall be submitted by the chair of the committee to the Legislative Actuary. If the Legislative Actuary issues a written certification that the committee amendment has converted the status of the bill to a nonfiscal retirement bill, the bill shall be a nonfiscal retirement bill for all purposes under the provisions of this act as of the date of the certification of the Legislative Actuary. Only the committee to which a retirement bill having a fiscal impact is originally assigned following its introduction may convert the bill to a nonfiscal retirement bill as authorized in this subsection.

Added by Laws 2006, c. 292, § 7, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 8, eff. July 1, 2007.

§62-3108. Retirement bills having fiscal impact - Committee amendments - Transmission to Legislative Actuary.

A. A retirement bill having a fiscal impact which the committee wishes to consider may be amended, if necessary, by the committee. If a retirement bill having a fiscal impact is changed by the committee to which it is assigned, such change shall be accomplished only by a substitute bill.

B. Immediately after a retirement bill having a fiscal impact has been considered and the committee has voted in favor of an actuarial investigation, the chair of the committee to which the bill was assigned shall transmit an exact copy of the bill, as amended by a substitute bill by the committee, when applicable, to the Legislative Actuary. The copy submitted to the Legislative Actuary shall bear an RB number. The submission of the bill to the Legislative Actuary shall have attached thereto a letter signed by the chair of the committee requesting the Legislative Actuary to make or cause to be made an actuarial investigation on the bill.

Added by Laws 2006, c. 292, § 8, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 9, eff. July 1, 2007.

§62-3109. Actuarial investigation - Submission to requesting committee chair - Summary.

A. If an actuarial investigation of a retirement bill having a fiscal impact is requested under Section 3108 of this title, it shall be the duty of the Legislative Actuary to complete or cause to be completed such actuarial investigation by not later than December 1 of the same year during which the request for the actuarial investigation was made. The actuarial investigation shall include, but shall not be limited to, findings on the following factors as such factors are relevant to the retirement bill under consideration:

1. The dollar amount of the unfunded actuarial accrued liability which will result from the bill for the retirement system affected by the bill;

2. The dollar amount of the annual normal cost which will result from the bill for the retirement system affected by the bill;

3. A statement of the employer contribution rate currently in effect for the retirement system affected by the bill;

4. A statement of the employer contribution rate necessary for the retirement system to receive the required annual employer contributions consistent with the most recently available valuation report prepared by the actuary employed by the retirement system affected by the bill;

5. A statement of the dollar amount of the increase in the annual employer contribution, if an existing retirement system is affected by the bill, or a statement of the total annual employer contribution, if a new retirement system is established by the bill, which will be necessary to maintain the retirement system affected or established by the bill in an actuarially sound condition thereby creating no increase in unfunded liability as defined by the most recent actuarial evaluation of an existing system; and

6. A statement of the effect on the funded ratio for the retirement system affected by the bill.

B. By not later than December 1 of the same year that the request for an actuarial investigation was made, the completed actuarial investigation shall be submitted by the Legislative Actuary to the chair of the committee who requested it along with a summary of the actuarial investigation which shall include the relevant findings specified in subsection A of this section.

C. The chair of the committee, upon receipt of the information provided for under subsection B of this section, shall cause the summary of the actuarial investigation to be attached to all copies of the version of the bill submitted to the Legislative Actuary and made available to committee members, other legislators and any other interested parties. The original summary of the actuarial investigation shall be attached to the original version of the substitute bill, as amended by the committee under Section 3108 of this title, if applicable, or to the original version of the bill as introduced if the bill was not changed by the committee prior to its submission to the Legislative Actuary for an actuarial investigation. Added by Laws 2006, c. 292, § 9, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 10, eff. July 1, 2007; Laws 2011, c. 379, § 1, eff. Sept. 1, 2011.

§62-3110. Retirement bills having fiscal impact - Consideration following actuarial investigation - Procedure - Amendments.

A. When a retirement bill having a fiscal impact has had an actuarial investigation pursuant to Section 3109 of this title, the

bill may be considered at the next regular session of the Legislature. If the bill as originally introduced was not changed by the committee and the original version was submitted to the Legislative Actuary for an actuarial investigation, then the original version of the bill is the only one, except as otherwise provided by subsection B of this section, which may be considered by the committee or by the House of Representatives or the Senate. If the original bill was substituted by the committee and the substitute version was the one submitted to the Legislative Actuary, then that substitute bill is the only one, except as otherwise provided by subsection B of this section, which may be considered by the committee or by the House of Representatives or the Senate.

B. After completion of an actuarial investigation, any amendment to a retirement bill having a fiscal impact shall be out of order and shall not be allowed either by a committee or by the House of Representatives or the Senate, except for a nonfiscal or a reduction in cost amendment. Any amendment to a retirement bill having a fiscal impact shall be submitted to the Legislative Actuary by the chair of the committee, if a committee amendment, or by the presiding officer of the Senate or the House of Representatives if the amendment was made by the Senate or the House of Representatives. If the Legislative Actuary certifies in writing that the amendment is a nonfiscal amendment or if the amendment results in a reduction in cost and the Legislative Actuary provides an actuarial investigation as required in subsection A of Section 9 of this act, then the bill as amended, with the Legislative Actuary's certification or actuarial investigation attached to the original of the amendment, may continue in the legislative process. If the Legislative Actuary will not issue such a certification for the amendment or if there is no actuarial study showing the reduced cost of the amendment, the bill's progress in the legislative process will end, and the bill shall not be considered further by either the House of Representatives or the Senate.

C. An amendment to a retirement bill having a fiscal impact which is prohibited by subsection B of this section may be withdrawn by the committee which made the amendment, if a committee amendment, or by the Senate, if that body made the amendment, or by the House of Representatives, if that body made the amendment. If the amendment is withdrawn, the bill may continue in the legislative process as any other bill, unless it is subsequently amended, and, in that event, this section shall apply to the subsequent amendment.

Added by Laws 2006, c. 292, § 10, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 11, eff. July 1, 2007.

§62-3111. Retirement bills having a fiscal impact - Effective dates - Appropriations - Other funding.

A. Any retirement bill having a fiscal impact which is enacted by the Legislature and which is approved by the Governor or which otherwise becomes law shall become effective on the first day of July immediately following the regular session during which it was enacted, but only if the enacted bill is concurrently funded as provided by this section and only if the bill is approved as an emergency measure by a vote of two-thirds (2/3) of all members elected to each House. If an enacted bill does not receive a two-thirds (2/3) vote of all members, the law shall become effective on the first day of September immediately following the regular session during which it was enacted. If an enacted bill, including one approved by the Governor, is not concurrently funded as required by this section, then such bill shall not become effective as law.

B. When a retirement bill having a fiscal impact amends a retirement system having employer contributions funded from appropriations by the Legislature, then appropriations for the first fiscal year of effectiveness of the bill, after it becomes law, must include funds to pay the amount determined by the actuarial investigation under paragraph 5 of subsection A of Section 3109 of this title. It is the intent of the Legislature that future appropriations for subsequent fiscal years must include an amount necessary to maintain the actuarial soundness of the retirement system in accordance with the findings of the actuarial investigation. Any limitation on the rate of employer contributions that may be included in a law which is the source of authority for a retirement system affected by this subsection shall be amended to the extent necessary to comply with the requirements of this subsection.

C. When a retirement bill having a fiscal impact amends a retirement system having employer contributions funded wholly or partially from the funds of a political subdivision, that political subdivision shall have a duty to produce funds as necessary to pay all or its proportionate share of the amount determined by actuarial investigation under paragraph 5 of subsection A of Section 3109 of this title.

D. When a retirement bill having a fiscal impact creates a new retirement system, then employer contributions in conformity with paragraph 5 of subsection A of Section 3109 of this title must be made to the retirement system either by direct appropriations by the Legislature or by another source of employer contributions specifically provided for in the bill creating the new retirement system.

Added by Laws 2006, c. 292, § 11, eff. July 1, 2006. Amended by Laws 2007, c. 186, § 3, eff. Nov. 1, 2007; Laws 2011, c. 199, § 2.

§62-3112. Retirement bills having a fiscal impact - Concurrent funding determination by State Board of Equalization - Procedure.

A. Following the close of each regular legislative session during which retirement bills having a fiscal impact may be enacted, the State Board of Equalization shall make a determination for each such bill enacted during such session, which is not vetoed by the Governor, of whether or not provision has been made for the concurrent funding of the bill in conformity with the applicable requirements of Section 311 of this title.

B. The Legislative Actuary, the Director of the Office of Management and Enterprise Services, legislative staff, retirement system administrators, and employers shall provide such information and assistance as may be necessary for the State Board of Equalization to make the determinations required by subsection A of this section.

C. The State Board of Equalization shall make the determinations required by subsection A of this section by not later than the fifteenth day immediately following the last day on which the Governor is authorized to veto bills following the close of each regular legislative session. The State Board of Equalization's findings shall be made in a report to the Secretary of State showing the determination for each retirement bill by reference to the respective Senate or House of Representatives number for the bill. The report shall be submitted to the Secretary of State by not later than the last day on which the State Board of Equalization is required to make the determinations. The Secretary of State shall cause the State Board of Equalization's report to be printed in the annual session laws of the State of Oklahoma.

Added by Laws 2006, c. 292, § 12, eff. July 1, 2006. Amended by Laws 2012, c. 304, § 471.

NOTE: Reference to "Section 311" in subsection A of this section should read "Section 3111".

§62-3113. Interpretation and construction of act.

No provision of the Oklahoma Pension Legislation Actuarial Analysis Act generally and no provision of Section 11 of this act in particular shall:

1. Create or be construed to create a contractual right to a retirement benefit or a contractual right in the provisions of a retirement system law which does not exist independently of the provisions of the Oklahoma Pension Legislation Actuarial Analysis Act; and

2. Impair, alter, or diminish or be construed to impair, alter, or diminish a contractual right to a retirement benefit or a contractual right in the provisions of a retirement system law which exists independently of the provisions of the Oklahoma Pension Legislation Actuarial Analysis Act.

Added by Laws 2006, c. 292, § 13, eff. July 1, 2006.

§62-3114. Enrolled acts resulting from retirement bills - Attachment of certificates and summaries of actuarial investigations.

The enrolled act resulting from a bill which is subject to the legislative procedures provided by the Oklahoma Pension Legislation Actuarial Analysis Act shall have attached thereto the original or a true and correct copy of all certificates and summaries of actuarial investigations submitted by the Legislative Actuary pursuant to the requirements of the Oklahoma Pension Legislation Actuarial Analysis Act.

Added by Laws 2006, c. 292, § 14, eff. July 1, 2006. Amended by Laws 2007, c. 367, § 12, eff. July 1, 2007.

§62-3501. Distributions to certain retired members.

A. As used in this section, "public retirement system" means:

1. The Oklahoma Firefighters Pension and Retirement System;
2. The Oklahoma Police Pension and Retirement System;
3. The Uniform Retirement System for Justices and Judges;
4. The Oklahoma Law Enforcement Retirement System;
5. The Teachers' Retirement System of Oklahoma; and
6. The Oklahoma Public Employees Retirement System.

B. As used in this section, "funded ratio" means the figure derived by dividing the actuarial value of retirement system assets by the actuarial accrued liability of the retirement system. For purposes of this section, the rate of return on public retirement system assets for the computation of the funded ratio shall not exceed seven and one-half percent (7.5%) but shall be computed using any assumed rate of return utilized by the applicable retirement system if such rate of return does not exceed seven and one-half percent (7.5%). The provisions of this subsection shall only be applicable to the computation of the funded ratio for purposes of implementing the provisions of this section and shall not be used for any other computation or any other purpose with respect to the actuarial assumptions used by any of the public retirement systems.

C. Effective October 1, 2018, a public retirement system shall make a one-time distribution to its retired members if the member has been retired for a period of five (5) or more years as of October 1, 2018, in the amount of:

1. The lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Dollars (\$1,000.00) if the funded ratio of the public retirement system would be not less than sixty percent (60%), but not greater than eighty percent (80%) after the distribution is made;
2. The lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Two Hundred Dollars (\$1,200.00) if the funded ratio of the public retirement system would be greater than eighty percent (80%), but not greater than one hundred percent (100%) after the distribution is made; or

3. The lesser of two percent (2%) of the gross annual retirement benefit of the member or One Thousand Four Hundred Dollars (\$1,400.00) if the funded ratio of the public retirement system would be greater than one hundred percent (100%) after the distribution is made.

D. The Oklahoma Firefighters Pension and Retirement System shall make a distribution to persons who retired from the Oklahoma Firefighters Pension and Retirement System as a volunteer firefighter, if the member has been retired for a period of five (5) or more years as of October 1, 2018, in the amount of the greater of two percent (2%) of the gross annual retirement benefit of the volunteer firefighter or One Hundred Dollars (\$100.00). The provisions of this subsection shall only be applicable to persons who retired from the Oklahoma Firefighters Pension and Retirement System as volunteer firefighters and not as paid firefighters.

E. Increases in retirement benefits may only be provided pursuant to a specific authorization by law.

F. Effective October 1, 2018, increases in retirement benefits shall not be authorized to occur more frequently than once each two (2) years pursuant to the specific authorization required by subsection E of this section. Increases in retirement benefits provided to members of a public retirement system who have been a member of that system for at least twenty (20) years shall not be less than Three Hundred Fifty Dollars (\$350.00), except as set forth in subsection D of this section.

Added by Laws 2018, c. 245, § 3, eff. Oct. 1, 2018.

§62-4001. Oklahoma Centennial Botanical Garden Authority - Uses and purposes.

The uses and purposes of the Oklahoma Centennial Botanical Garden Authority are hereby declared in furtherance of a public function and purpose and vital to the public welfare of the people of Oklahoma, and all actions heretofore taken by said Authority are hereby in all respects approved and ratified and the State of Oklahoma hereby approves and accepts beneficial interest in the Oklahoma Centennial Botanical Garden Authority.

Added by Laws 2010, c. 24, § 1.

§62-4002. Oklahoma Centennial Botanical Garden Authority - Bonds.

The Oklahoma Centennial Botanical Garden Authority shall not issue bonds until such time as the Legislature has determined by concurrent resolution that sufficient monies will be available to make payments for the purpose of retiring resulting obligations.

Added by Laws 2010, c. 24, § 2.

§62-4500. Tender and acceptance of United States government gold and silver coins.

Gold and silver coins issued by the United States government are legal tender in the State of Oklahoma. No person may compel another person to tender or accept gold or silver coins that are issued by the United States government, except as agreed upon by contract. Added by Laws 2014, c. 429, § 1, eff. Nov. 1, 2014.

§62-7001. Short title - Incentive Evaluation Act.

This act shall be known and may be cited as the "Incentive Evaluation Act".

Added by Laws 2015, c. 184, § 1, eff. Nov. 1, 2015.

§62-7002. Incentive defined.

As used in this act, "incentive" means a tax credit, tax exemption, tax deduction, tax expenditure, rebate, grant, or loan that is intended to encourage businesses to locate, expand, invest, or remain in Oklahoma, or to hire or retain employees in Oklahoma. Added by Laws 2015, c. 184, § 2, eff. Nov. 1, 2015.

§62-7003. Incentive Evaluation Commission - Incentive Approval Committee.

A. There is hereby established the Incentive Evaluation Commission consisting of:

1. A certified public accountant appointed by the Oklahoma Accountancy Board whose term shall expire on June 30, 2019;

2. The president of the Oklahoma Professional Economic Development Council or his or her designee who is also a member of the Oklahoma Professional Economic Development Council who shall serve during his or her term of office as president of the Oklahoma Professional Economic Development Council;

3. An auditor who is employed as an internal auditor by a company or who is employed by a private auditing firm appointed by the Governor whose term shall expire on June 30, 2019;

4. An economist from an Oklahoma college or university appointed by the President Pro Tempore of the Oklahoma State Senate whose term shall expire on June 30, 2020;

5. A lay person who is not an elected official appointed by the Speaker of the Oklahoma House of Representatives whose term shall expire June 30, 2020;

6. The Chairman of the Oklahoma Tax Commission or his or her designee who is also a member of the Oklahoma Tax Commission, which shall be an ex officio and nonvoting position;

7. The Director of the Office of Management and Enterprise Services or his or her designee who is an employee of the Office of Management and Enterprise Services which shall be an ex officio and nonvoting position; and

8. The Oklahoma Secretary of Commerce or his or her designee who is an employee of the Oklahoma Department of Commerce which shall be an ex officio and nonvoting position.

B. Thereafter persons shall be appointed for terms of four (4) years beginning on July 1. Any vacancy shall be filled by the appointing authority for the remainder of the unexpired term.

C. No person shall serve on the Commission or be appointed to the Commission who is employed by a company that receives any incentive or who holds a substantial interest in ownership in a company that receives any incentive. As used in this subsection, "substantial interest" shall mean the ownership, directly or indirectly, of more than fifty percent (50%) of the equity interest with voting rights for any lawfully recognized business entity.

D. No person shall be appointed to the Commission who at the time of his or her appointment is an elected official. Any person who is appointed to the Commission who subsequently becomes an elected official during his or her term on the Commission shall be required to vacate his or her position on the Commission.

E. The Office of Management and Enterprise Services shall provide staff and administrative support to the Incentive Evaluation Commission. The Oklahoma Department of Commerce and the Oklahoma Tax Commission shall assist the Office of Management and Enterprise Services as needed in providing staff and administrative support to the Commission.

F. The Incentive Approval Committee is hereby created as a subcommittee of the Incentive Evaluation Commission and shall consist of the Director of the Office of Management and Enterprise Services or his or her designee, the Secretary of Commerce or his or her designee, and the Chairman of the Tax Commission or his or her designee. It shall be the duty of the Committee to determine:

1. Upon initial application on a form approved by the Committee, if an establishment is engaged in a basic industry as defined in subdivision (b) of division (7) or in subdivisions (a) through (n) of division (9) of subparagraph a of paragraph 1 of subsection A of Section 3603 of Title 68 of the Oklahoma Statutes or as otherwise provided by subsection C of Section 3603 of Title 68 of the Oklahoma Statutes;

2. If an establishment would have been defined as a "basic industry" prior to the amendments to Section 3603 of Title 68 of the Oklahoma Statutes to convert from SIC Codes to NAICS Codes. If the Committee so determines, the establishment shall be considered as a "basic industry" for purposes of the Oklahoma Quality Jobs Program Act; and

3. If employees of an establishment as defined in division (10) of subparagraph a of paragraph 1 of subsection A of Section 3603 of Title 68 of the Oklahoma Statutes meet the requirements to be

considered employed in new direct jobs as specified in paragraph 3 of subsection A of Section 3603 of Title 68 of the Oklahoma Statutes.

G. For an establishment defined as a "basic industry" pursuant to division (4) of subparagraph a of paragraph 1 of subsection A of Section 3603 of Title 68 of the Oklahoma Statutes, the Incentive Approval Committee shall consist of the members provided by subsection A of this section and the Executive Director of the Oklahoma Center for the Advancement of Science and Technology, or a designee from the Center appointed by the Executive Director.
Added by Laws 2015, c. 182, § 3, eff. Nov. 1, 2015.

§62-7004. Periodic evaluations - Exemptions.

A. The Incentive Evaluation Commission shall ensure that each incentive is evaluated at least once every four (4) years unless the Commission determines that the incentive is exempt from evaluation. The Commission may exempt from evaluation any incentive that it concludes has a minimal fiscal impact. The Commission shall determine a specific threshold amount which shall be considered as a minimal fiscal impact for the current evaluation cycle.

B. By January 1, 2016, and by January 1 each year thereafter, the Incentive Evaluation Commission shall develop a four-year schedule for evaluating incentives. The schedule for evaluating the incentives shall be developed so that the incentives having the highest fiscal impact to the state revenue system, including but not limited to the General Revenue Fund, shall be evaluated before other incentives. Each schedule shall include a list of all incentives in the state, including any it exempts from evaluation. In determining whether a program is an incentive, the Incentive Evaluation Commission may consider legislative intent and may also consider whether the program is promoted as an incentive by any state agency. For each incentive listed in the schedule, the Commission shall attempt to identify the goal or goals of the incentive.

C. Upon approval of the schedule, the Commission shall provide the schedule to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives.

Added by Laws 2015, c. 184, § 4, eff. Nov. 1, 2015.

§62-7005. Contractors - Evaluation process - Requirements - Criteria - Records disclosure.

A. The Commission may contract with a private company, nonprofit, or academic institution to assist with evaluation of each incentive. The Commission shall develop a scope of services for a request for proposals issued pursuant to The Oklahoma Central Purchasing Act, Section 85.1 et seq. of Title 74 of the Oklahoma Statutes, for professional services necessary to complete incentive evaluations pursuant to the Incentive Evaluation Act. The cost of such contract shall be paid by the Office of Management and

Enterprise Services. No recipient or potential recipient of an incentive or representative of a recipient or potential recipient shall contact the entity or individual with whom the Commission contracts pursuant to this subsection unless the entity or individual specifically requests information or documentation for purposes of the incentive evaluation process; provided, this shall not be construed to prevent participation in a public hearing conducted pursuant to subsection B of this section.

B. By November 1 of each year beginning in 2016, the Commission or the Commission's chosen contractor shall evaluate each incentive scheduled for review that year. The Commission or the Commission's chosen contractor shall conduct each incentive evaluation in consultation with the Oklahoma Department of Commerce division of Research and Economic Analysis Services using criteria developed pursuant to subsection D of this section. Between October 1 and November 30 of each year beginning in 2017, the Commission shall hold at least one public meeting to review, allow for public comment, and vote to approve, disapprove or modify each incentive evaluation conducted that year. By December 15 of each year beginning in 2016, the Commission shall provide the results of each incentive evaluation in a written report to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives. If the Commission votes to modify an incentive evaluation as provided in this subsection, such modification and the original evaluation shall be documented in the annual written report. The report shall be made publicly available on the Oklahoma Department of Commerce website, the Commission website and documents.ok.gov.

C. Each evaluation shall include the following:

1. An estimate of the economic and fiscal impact of the incentive. This estimate shall take into account the following considerations in addition to other relevant factors:

- a. the extent to which the incentive changes business behavior,
- b. the results of the incentive for the economy of Oklahoma as a whole. This consideration includes both positive direct and indirect impacts and any negative effects on other Oklahoma businesses, and
- c. a comparison to the results of other incentives or other economic development strategies with similar goals;

2. An assessment of whether adequate protections are in place to ensure the fiscal impact of the incentive does not increase substantially beyond the state's expectations in future years;

3. An assessment of whether the incentive is being administered effectively;

4. An assessment of whether the incentive is achieving its goals;

5. Recommendations for how Oklahoma can most effectively achieve the incentive's goals, including recommendations on whether the incentive should be retained, reconfigured or repealed; and

6. Recommendations for any changes to state policy, rules, or statutes that would allow the incentive to be more easily or conclusively evaluated in the future. These recommendations may include changes to collection, reporting and sharing of data, and revisions or clarifications to the goal of the incentive.

D. Evaluation criteria shall be developed for each incentive evaluated by the Commission. Each incentive shall be evaluated using criteria specific to the individual incentive. The criteria shall be developed by the Commission through the administrative rulemaking process pursuant to the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, and codified in the administrative code of the Oklahoma Department of Commerce.

E. At the request of the Incentive Evaluation Commission, state agencies shall provide any records, information, data, or data analysis necessary for the Commission or contractors to effectively evaluate incentives. The Commission and contractors shall not disclose or release any data received from other state agencies, except as permitted under law.

Added by Laws 2015, c. 184, § 5, eff. Nov. 1, 2015. Amended by Laws 2017, c. 154, § 1.

§62-8001. Repealed by Laws 2019, c. 451, § 6, emerg. eff. May 24, 2019.

§62-8002. Repealed by Laws 2019, c. 451, § 6, emerg. eff. May 24, 2019.

§62-8003. Repealed by Laws 2019, c. 451, § 6, emerg. eff. May 24, 2019.

§62-8004. Repealed by Laws 2019, c. 451, § 6, emerg. eff. May 24, 2019.

§62-8005. Repealed by Laws 2019, c. 451, § 6, emerg. eff. May 24, 2019.

§62-8011. Legislative Office of Fiscal Transparency.

A. There is hereby created within the Legislature the Legislative Office of Fiscal Transparency (LOFT). The purpose of the Office shall be to assist the Legislature in performing its constitutional and statutory function of ensuring that government funds are expended in a fiscally responsible manner.

B. The operations of the Office shall be overseen by the committee created in Section 3 of this act. The committee shall

employ an Executive Director and such other staff as it may deem necessary to carry out its duties as set forth in this act.

C. All expenses of the Office shall be paid by the Legislative Service Bureau, subject to the approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Employees of the Office shall be employed by the Legislative Service Bureau.

Added by Laws 2019, c. 451, § 1, emerg. eff. May 24, 2019.

§62-8012. Duties of the Office.

A. The Legislative Office of Fiscal Transparency shall:

1. Gather information regarding the proposed budgets of executive branch agencies each fiscal year;
2. Analyze the information and evaluate the extent to which the agency budget does or does not fulfill the agency's primary duties and responsibilities under applicable provisions of federal, state or other law;
3. Analyze and forecast all revenues available to the agency from appropriations, fees, dedicated revenue or any other source;
4. Compare the agency budget information to the comparable information contained in that agency's budget requests from prior fiscal years; and
5. Conduct such investigations regarding the operations of the agency as required in order to fulfill the duties imposed upon the Office by law or as otherwise directed by the oversight committee.

The oversight committee, subject to the direction of the President Pro Tempore of the Senate and the Speaker of the House of Representatives, shall ensure that the functions performed by the Office pursuant to the provisions of this subsection do not duplicate those of the Senate Committee on Appropriations and the House Committee on Appropriations and Budget and their respective staffs.

B. The Office shall further conduct performance evaluations and may conduct independent comprehensive performance audits. The oversight committee created in Section 3 of this act may periodically identify specific executive branch agencies, or programs, activities or functions within executive branch agencies, for which the Office shall conduct a performance evaluation or independent comprehensive performance audit.

C. As used in this act, "performance evaluation" means an examination of a program, activity or function of an executive branch agency, conducted in accordance with applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies. The term includes, but is not limited to, an examination of issues related to:

1. Economy, efficiency or effectiveness of the agency or program, including any revenue sources used to fund or support the agency or program;

2. Structure or design of the agency or program to accomplish its goals and objectives;
3. Adequacy of the agency or program to meet the needs or policy goals identified by the Legislature;
4. Alternative methods of providing agency or program services or products;
5. Goals, objectives and performance measures used by the agency to monitor and report agency or program accomplishments;
6. The accuracy or adequacy of public documents, reports or requests prepared by or in relation to the agency or program;
7. Compliance with appropriate policies, rules or laws related to the agency or program; and
8. Any other issues related to such agencies or programs as directed by the oversight committee.

D. As used in this act, "independent comprehensive performance audit (ICPA)" includes, but is not limited to, a review and analysis of the economy, efficiency, effectiveness and compliance of the policies, management, fiscal affairs and operations of state agencies, divisions, programs and accounts. The results of an ICPA may be used by the Legislature to implement the best budgeting and policy-making practices for government services to run in the most cost-effective way. The Office may, at the direction of the oversight committee and subject to the approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives, contract with a private company, nonprofit organization or academic institution to assist with an independent comprehensive performance audit or for professional consulting and administrative support services. The Office may, but shall not be required to, contract with the Office of the State Auditor and Inspector to conduct any ICPA. The Office shall develop the scope of services for a request for proposals issued, for professional services necessary to complete each ICPA. Prior to entering into any contract, the Office shall obtain no less than three separate bids for the auditing services, unless the Office determines that fewer than three entities meet the qualifications to bid to perform such services as set forth by the Office. The cost of the contract shall be paid by the Legislative Services Bureau.

An independent comprehensive performance audit shall address but not be limited to the following topics:

1. Policies which shall include constitutional mandates, if any, statutory mandates, statutory authorizations, administrative rules or policies of the affected agency reflected in internal agency documents or agency practices;
2. All sources of funding received by the agency, inclusive of federal funds, state appropriations, state-dedicated revenues, fee revenue sources, the use of agency revolving funds or any other fund or revenue source which is used to pay the expenses of the agency;

3. Management of the agency which shall include, but not be limited to, its governance, capacity, divisions, programs, accounts, information technology systems and policies and agency operations which include objective analysis of the roles and functions of the department; and

4. A schedule for implementation of agency-specific recommendations.

Added by Laws 2019, c. 451, § 2, emerg. eff. May 24, 2019.

§62-8013. Oversight committee.

A. There is hereby created within the Legislature a committee to oversee the operations of the Legislative Office of Fiscal Transparency. The committee shall consist of fourteen (14) members, as follows:

1. Seven members of the Senate, at least two of whom shall be members of the minority party, to be appointed by the President Pro Tempore of the Senate; and

2. Seven members of the House of Representatives, at least two of whom shall be members of the minority party, to be appointed by the Speaker of the House of Representatives.

B. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a co-chair of the oversight committee from among the members from their respective houses.

C. A quorum of the oversight committee shall consist of at least eight members; provided, any action by the oversight committee shall require the vote of at least four members from each house of the Legislature. The agenda for each meeting shall be set by the co-chairs and shall be made available to the public, by posting on the Senate and House websites, at least twenty-four (24) hours prior to the time of the meeting. Meetings of the oversight committee shall be governed by joint rules of the Legislature. Members of the oversight committee shall receive reimbursement from the Legislative Service Bureau for actual and necessary expenses incurred in connection with their duties as members of the oversight committee in accordance with other provisions of law relating to travel reimbursement for members of the Legislature.

D. The members and co-chairs of the oversight committee shall be appointed no later than July 1, 2019, and the oversight committee shall hold its first meeting no later than August 1, 2019.

Added by Laws 2019, c. 451, § 3, emerg. eff. May 24, 2019.

§62-8014. Agencies and institutions to furnish information and cooperate.

A. Each agency or institution of the state shall, upon request, furnish and make available to the Legislative Office of Fiscal Transparency all records, documents, materials, personnel,

information or other resources as the Office deems necessary to conduct performance evaluations as required by this act. Any record, document, material or other information made confidential by law shall be provided to the Office, which shall also maintain such confidentiality. All records, documents, materials or other information of the Office shall be deemed to be a record of the Legislature.

B. Each state agency and other affected persons shall cooperate with the oversight committee and the Office in the providing of any information requested. The oversight committee shall have the power to conduct hearings, administer oaths, issue subpoenas and compel the attendance of witnesses and the production of information as provided in Sections 773 and 775 of Title 74 of the Oklahoma Statutes. Added by Laws 2019, c. 451, § 4, emerg. eff. May 24, 2019.

§62-8015. Report of findings - Committee recommendations.

The Legislative Office of Fiscal Transparency shall prepare and submit to the oversight committee a report of its findings for each performance evaluation or independent comprehensive performance audit conducted. Such reports shall be available to the public, other than with respect to any information or material made confidential by law. The oversight committee may make recommendations to the agency evaluated, or to the Legislature and the Governor, for further action as it deems necessary, and may direct the Office to monitor and report on implementation of such recommendations. Added by Laws 2019, c. 451, § 5, emerg. eff. May 24, 2019.

§62-9001. Payments required to governmental entities.

Any person, firm, partnership, corporation, limited partnership, limited liability company or other lawfully recognized entity that is required to make payment of a tax, fee, fine, charge, cost or other expense payable to a state governmental entity or local governmental entity shall make the instrument payable to the state or local government office, agency or other governmental entity and shall not make the instrument payable to the individual who holds the public office. Added by Laws 2015, c. 182, § 1, eff. Nov. 1, 2015.

§62-9010.1. Short title - Pay for Success Act.

This act shall be known and may be cited as the "Pay for Success Act". Added by Laws 2019, c. 202, § 1, eff. Nov. 1, 2019.

§62-9010.2. Legislative intent.

A. It is the intent of the Legislature, through enactment of the Pay for Success Act, to:

1. Authorize innovation opportunities in the form of pay-for-success contracts and authorize success payments to be made from appropriated or other agency funds;

2. Address outcomes that span the mission and purpose of multiple agencies; and

3. Provide a fund that may be used by agencies for success payments.

B. It is the intent of the Legislature that nothing in this act shall prohibit the use of pay-for-success contracts by municipalities, counties or other local jurisdictions.

Added by Laws 2019, c. 202, § 2, eff. Nov. 1, 2019.

§62-9010.3. Definitions.

As used in the Pay for Success Act:

1. "Pay-for-success contract" or "contract" means a written agreement executed in order to create a public-private partnership contingent upon a specified service or program meeting specified performance targets and outcome measures; and

2. "Success payment" means a single payment or schedule of payments that is identified in a pay-for-success contract to be paid when specified performance targets and outcome measures are met.

Added by Laws 2019, c. 202, § 3, eff. Nov. 1, 2019.

§62-9010.4. Pay-for success contract requirements.

A. An agency or agencies may enter into a pay-for-success contract with a private entity or entities to receive up-front capital to fund a service or program. The agency or agencies may not enter into a pay-for-success contract until each state agency head entering into the contract determines with reasonable certainty that the contract will result in a public benefit to the state.

B. Each pay-for-success contract shall:

1. Require a private entity to underwrite or secure up-front capital from private funding sources, including foundations, financial institutions, businesses or individuals;

2. Identify the specific service or program to be funded under the contract;

3. Identify performance targets and outcome measures against which the service or program's success can be measured to determine whether the service or program has achieved quantifiable public benefits or monetary savings;

4. Require and specify an independent third-party evaluator to review and issue reports annually at specific times during the contract term specifying the degree to which the service or program has met the identified performance targets and outcome measures specified in the contract;

5. Identify the calculation or algorithm to be used by the agency or agencies in determining the amount and timing of reimbursable success payments to the private entity;

6. Contain a statement that the independent third-party evaluator will annually provide a report to the agency or agencies that includes data deemed relevant by the agency or agencies; and

7. State that the amount of funds to be reimbursed to the private entity is contingent upon the degree to which the service or program has met the performance targets and outcome measures as evaluated by the independent third-party evaluator.

C. No later than April 1 annually, the agency or agencies shall provide a report to the chairs of the legislative appropriations committees that contains the evaluation from the independent third-party evaluator.

D. Payments to private entities for the delivery of performance targets and outcome measures as authorized in this section shall be made only in accordance with the terms of the pay-for-success contract. Payments may be made utilizing the Pay for Success Innovation Fund created in Section 5 of this act or utilizing other appropriated agency funds in accordance with Oklahoma law.

Added by Laws 2019, c. 202, § 4, eff. Nov. 1, 2019.

§62-9010.5. Pay for Success Innovation Fund.

A. There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services to be designated the "Pay for Success Innovation Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies designated by state agencies to the Pay for Success Innovation Fund and monies which may otherwise be available to the Office of Management and Enterprise Services for use as provided for in this section.

B. All monies appropriated to the fund shall be budgeted and expended by the Office of Management and Enterprise Services for the purpose of funding contracts as authorized by this act. Pursuant to contract, the Office of Management and Enterprise Services shall provide payment to private entities for the delivery of performance targets and outcome measures at the direction of the agency engaged in the contract and only in accordance with the terms of the pay-for-success contract.

C. To the extent that any money credited to this fund for a particular pay-for-success contract remains unpaid at the time the particular contract expires or is terminated, as soon after the contract expiration as is practicable, the Office of Management and Enterprise Services shall return the unpaid amount to the agency to which the money was originally appropriated.

D. The Office of Management and Enterprise Services may enter into memorandums of understanding with other agencies and promulgate

rules as necessary to administer this section and pay-for-success contracts entered into under this section.
Added by Laws 2019, c. 202, § 5, eff. Nov. 1, 2019.