

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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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.

SECTION 381. AMENDATORY 62 O.S. 2011, Section 34.54, is amended to read as follows:

Section 34.54 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 State Finance~~ 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 State Finance~~ 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. On the second Monday of June of each year, the Director of the ~~Office of State Finance~~ 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.

4. 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.

SECTION 382. AMENDATORY 62 O.S. 2011, Section 34.55, is amended to read as follows:

Section 34.55 A. The Director of the ~~Office of State Finance~~ 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 State Finance~~ 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.

SECTION 383. AMENDATORY 62 O.S. 2011, Section 34.56, is amended to read as follows:

Section 34.56 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 State Finance~~ 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 ~~State and Education~~ Oklahoma Employees Group 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.

SECTION 384. AMENDATORY 62 O.S. 2011, Section 34.58, is amended to read as follows:

Section 34.58 A. Each state agency shall furnish to the Director of the ~~Office of State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services.

B. The Director of the ~~Office of State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services that an agency is not in compliance with the provisions of subsection A of this section.

SECTION 385. AMENDATORY 62 O.S. 2011, Section 34.62, is amended to read as follows:

Section 34.62 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 ~~Department of Central Services~~ 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 State Finance~~ Office of Management and Enterprise Services;

6. Any encumbrance document that is outstanding on the records in the ~~Office of State Finance~~ 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.

SECTION 386. AMENDATORY 62 O.S. 2011, Section 34.63, is amended to read as follows:

Section 34.63 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 State Finance~~ 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 State Finance~~ 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.

SECTION 387. AMENDATORY 62 O.S. 2011, Section 34.64, is amended to read as follows:

Section 34.64 A. Except as otherwise provided in the Oklahoma State Finance Act, 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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. 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. 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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.

G. 1. The Director of the ~~Office of State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services in the amount and method prescribed by the Director of the ~~Office of State Finance~~ 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 State Finance~~ 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.

SECTION 388. AMENDATORY 62 O.S. 2011, Section 34.65, is amended to read as follows:

Section 34.65 A. To facilitate the payment of vendor invoices and contract estimates, the Director of the ~~Office of State Finance~~ 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.

SECTION 389. AMENDATORY 62 O.S. 2011, Section 34.66, is amended to read as follows:

Section 34.66 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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.

SECTION 390. AMENDATORY 62 O.S. 2011, Section 34.67, is amended to read as follows:

Section 34.67 A. The Director of the ~~Office of State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services to be paid to the proper entity by lump sum payments.

SECTION 391. AMENDATORY 62 O.S. 2011, Section 34.68, is amended to read as follows:

Section 34.68 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services for auditing and settlement.

SECTION 392. AMENDATORY 62 O.S. 2011, Section 34.69, is amended to read as follows:

Section 34.69 There is hereby created in the State Treasury a Payroll Fund which shall be used by the Director of the ~~Office of State Finance~~ 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 State Finance~~ 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 ~~State Finance~~ 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 State Finance~~ 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 State Finance in coordination with the Office of Personnel Management~~ Office of Management and Enterprise Services shall establish procedures concerning the conversion.

SECTION 393. AMENDATORY 62 O.S. 2011, Section 34.70, is amended to read as follows:

Section 34.70 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 ~~Administrator~~ Director of the ~~Office of Personnel Management~~ 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 Personnel Management~~ 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 Personnel Management~~ 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 ~~Administrator~~ Director of the Office of Personnel Management 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.

SECTION 394. AMENDATORY 62 O.S. 2011, Section 34.71, is amended to read as follows:

Section 34.71 The Director of the ~~Office of State Finance~~ 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.

SECTION 395. AMENDATORY 62 O.S. 2011, Section 34.72, is amended to read as follows:

Section 34.72 The Director of the ~~Office of State Finance~~ 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.

SECTION 396. AMENDATORY 62 O.S. 2011, Section 34.74, is amended to read as follows:

Section 34.74 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 State Finance~~ 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.

SECTION 397. AMENDATORY 62 O.S. 2011, Section 34.75, is amended to read as follows:

Section 34.75 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 ~~Department of Central Services~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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.

SECTION 398. AMENDATORY 62 O.S. 2011, Section 34.77, is amended to read as follows:

Section 34.77 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. Visual Services.

B. Prior to inclusion in this procedure, the State Department of Rehabilitation Services shall provide to the Director of the ~~Office of State Finance~~ 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 State Finance~~ 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.

SECTION 399. AMENDATORY 62 O.S. 2011, Section 34.78, is amended to read as follows:

Section 34.78 A. The Oklahoma State Regents for Higher Education and the Director of the ~~Office of State Finance~~ 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.

SECTION 400. AMENDATORY 62 O.S. 2011, Section 34.80, is amended to read as follows:

Section 34.80 A. All warrants, checks or orders issued by the State Treasurer against claims submitted through the ~~Office of State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services.

F. The Director of the ~~Office of State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services.

SECTION 401. AMENDATORY 62 O.S. 2011, Section 34.81, is amended to read as follows:

Section 34.81 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ 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.

SECTION 402. AMENDATORY 62 O.S. 2011, Section 34.82, is amended to read as follows:

Section 34.82 A. Disbursement information for all bonds and interest coupons redeemed by the State Treasurer shall be delivered to the Director of the ~~Office of State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services.

B. Such information shall be maintained as a permanent record in the ~~Office of State Finance~~ Office of Management and Enterprise Services.

C. The ~~Office of State Finance~~ 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.

SECTION 403. AMENDATORY 62 O.S. 2011, Section 34.83, is amended to read as follows:

Section 34.83 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 State Finance~~ 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 State Finance~~ 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 State Finance~~ Office of Management and Enterprise Services.

SECTION 404. AMENDATORY 62 O.S. 2011, Section 34.87, is amended to read as follows:

Section 34.87 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 ~~State Finance~~ 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.

SECTION 405. AMENDATORY 62 O.S. 2011, Section 34.90, is amended to read as follows:

Section 34.90 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 406. AMENDATORY 62 O.S. 2011, Section 34.91, is amended to read as follows:

Section 34.91 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 407. AMENDATORY 62 O.S. 2011, Section 34.92, is amended to read as follows:

Section 34.92 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 State Finance~~

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.

SECTION 408. AMENDATORY 62 O.S. 2011, Section 34.93, is amended to read as follows:

Section 34.93 A. ~~The Office of State Finance~~ 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.

SECTION 409. AMENDATORY 62 O.S. 2011, Section 34.94, is amended to read as follows:

Section 34.94 ~~The Office of State Finance~~ 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 State Finance~~ 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.

SECTION 410. AMENDATORY 62 O.S. 2011, Section 34.95, is amended to read as follows:

Section 34.95 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 State Finance~~ Office of Management and Enterprise Services pursuant to Section ~~41.29~~ 34.36 of Title ~~62~~ of the Oklahoma Statutes 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.

SECTION 411. AMENDATORY 62 O.S. 2011, Section 34.96, is amended to read as follows:

Section 34.96 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 State Finance~~ 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 zero-base budgeting techniques pursuant to the Oklahoma Program Performance Budgeting and Accountability Act. The committee in cooperation with the ~~Office of State Finance~~ 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.

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.

SECTION 412. AMENDATORY 62 O.S. 2011, Section 34.100, is amended to read as follows:

Section 34.100 ~~The Office of State Finance~~ 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.

SECTION 413. AMENDATORY 62 O.S. 2011, Section 35.3, is amended to read as follows:

Section 35.3 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. "Planned project" includes any major project or objective included in the operations plan submitted by the agency to the Information Services Division of the ~~Office of State Finance Office of Management and Enterprise Services~~ as required pursuant to Section 34.16 of ~~Title 62 of the Oklahoma Statutes~~ this title;

6. "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 ~~6~~ 35.6 of this ~~act~~ title, and
- b. the programs, services, software or processes specified in subsection B of Section ~~6~~ 35.6 of this ~~act~~ title; and

7. "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.

SECTION 414. AMENDATORY 62 O.S. 2011, Section 35.5, is amended to read as follows:

Section 35.5 A. 1. Not later than thirty (30) days after the effective date of this act, 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 ~~State Finance~~ the Office of Management and Enterprise Services shall make the final determination.

B. Not later than December 1, 2011, and not later than December 1 of each year thereafter, the Chief Information Officer shall modify the assessment required by subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ 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 State Finance~~ 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; and

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.

C. The information technology assets and positions identified in the assessment pursuant to subsection B of this section of appropriated state agencies shall be transferred to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services subject to the following provisions:

1. Information technology assets identified in the assessment pursuant to the provisions of paragraph 1 of subsection B of this section of appropriated state agencies shall be transferred

effective January 1, 2012. The costs of operation, maintenance, licensing and service of the assets shall remain the responsibility of the state agency from which they are transferred until July 1, 2012, unless otherwise agreed to by the state agency and the 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 State Finance~~ Office of Management and Enterprise Services; and

2. Information technology positions identified in the assessment pursuant to the provisions of paragraph 2 of subsection B of this section of appropriated state agencies shall be transferred effective February 1, 2012. Each state agency shall enter into an agreement with the Division not later than January 1, 2012, for the remainder of fiscal year 2012, specifying the terms of the transfers, including provisions for the Division to provide information technology services to the agency and for the agency to reimburse the Division for the cost of the services. If an agreement cannot be reached, the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall be authorized to negotiate the terms of the agreement, which shall then be entered into by the state agency and the Division.

D. 1. For modifications of the assessment required by subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title made in fiscal year 2013 and subsequent fiscal years, the Chief Information Officer shall identify:

- a. the amount of savings to the taxpayers of this state resulting from the provisions of the Information Technology Consolidation and Coordination Act, and
- b. 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.

2. The Chief Information Officer shall recommend changes to the Director of the ~~Office of State Finance~~ Office of Management and Enterprise Services and the Governor for inclusion in the next executive budget to be submitted to the Legislature.

E. For fiscal year 2013 and subsequent fiscal years, the Information Services Division shall provide information technology

services to each state agency for shared services at no cost to the agency. The Legislature shall appropriate sufficient funds to the ~~Office of State Finance~~ Office of Management and Enterprise Services for the Division to provide the services. The amount of appropriations shall not exceed the amount appropriated to other state agencies for such services prior to the effective date of this act.

F. The Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services shall succeed to any contractual rights, easement rights, lease 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.

SECTION 415. AMENDATORY 62 O.S. 2011, Section 35.6, is amended to read as follows:

Section 35.6 A. On July 1, 2011, 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 State Finance~~ Office of Management and Enterprise Services for all agency functions:

1. Data Service Center of the Divisions;
2. Networking services;
3. Communication or intercommunication systems;
4. Electronic mail systems; and
5. Data and network security systems.

B. On July 1, 2011, 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 State Finance~~ 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.

SECTION 416. AMENDATORY 62 O.S. 2011, Section 35.7, is amended to read as follows:

Section 35.7 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 State Finance~~ Office of Management and Enterprise Services shall make the final determination as to whether the exemption or extension will be granted.

SECTION 417. AMENDATORY 62 O.S. 2011, Section 35.8, is amended to read as follows:

Section 35.8 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, with the advice of the Oklahoma Integrated Justice Information Systems Steering Committee, shall consider and approve security protocols which shall be followed by the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services. The Board, in conjunction with the Committee, shall make recommendations to state officers and employees related to continuity of criminal justice information system security protocols.

B. Notwithstanding the provisions of Section ~~5~~ 35.5 of this ~~act~~ 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.

SECTION 418. AMENDATORY 62 O.S. 2011, Section 35.9, is amended to read as follows:

Section 35.9 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 State Finance~~ 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 development of the plan of action required in paragraph 2 of subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title;

2. After the plan of action is presented to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate as required in paragraph 3 of subsection D of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title, the status of implementation of the plan of action;

3. A list of information technology assets and positions transferred to the Information Services Division of the ~~Office of State Finance~~ Office of Management and Enterprise Services pursuant to the provisions of subsection C of Section ~~5~~ 35.5 of this ~~act~~ title;

4. The amount of net savings realized through the reallocation and consolidation of resources and personnel and a comparison to the standard of not less than fifteen percent (15%) of the overall statewide information technology and telecommunications expenditures made by all state agencies during the fiscal year ending June 30, 2009, as set forth in subsection G of Section 34.11.1 of ~~Title 62 of the Oklahoma Statutes~~ this title;

5. A list of all state agencies which are not using the shared services as required in Section ~~6~~ 35.6 of this ~~act~~ title;

6. A list of all exemptions or extensions granted pursuant to the provisions of Section ~~7~~ 35.7 of this ~~act~~ title; and

7. Any other information as deemed appropriate by the Chief Information Officer.

SECTION 419. AMENDATORY 62 O.S. 2011, Section 41.5a-4, is amended to read as follows:

Section 41.5a-4 A. The Information Services Division of the ~~Office of State Finance~~ 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 ~~the Department of Central Services~~ 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 State Finance~~ 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 ~~Department of Central Services~~ 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 ~~Department of Central Services~~ 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 ~~Department of Central Services~~ 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 ~~Department of Central Services~~ Office of Management and Enterprise Services.

SECTION 420. AMENDATORY 62 O.S. 2011, Section 45.3, is amended to read as follows:

Section 45.3 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 State Finance~~ 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 State Finance~~ 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 ~~41.29~~ 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 State Finance~~ 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.

SECTION 421. AMENDATORY 62 O.S. 2011, Section 45.4, is amended to read as follows:

Section 45.4 The official forms which must be used in making those plans shall be approved or furnished by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 422. AMENDATORY 62 O.S. 2011, Section 45.5, is amended to read as follows:

Section 45.5 A. ~~The Office of State Finance~~ 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 ~~Personnel Management~~ Management and Enterprise Services is authorized to provide training or other services to state agencies pursuant to this act.

SECTION 423. AMENDATORY 62 O.S. 2011, Section 45.6, is amended to read as follows:

Section 45.6 ~~The Office of State Finance~~ 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.

SECTION 424. AMENDATORY 62 O.S. 2011, Section 46, as amended by Section 18 of Enrolled Senate Bill No. 1704 of the 2nd Session of the 53rd Oklahoma Legislature, is amended to read as follows:

Section 46. 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 state funds" means the disbursement of all state 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 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. No later than January 1, 2008, the ~~Office of State Finance~~ 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 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. No later than January 1, 2009, the website shall include search capabilities.

D. Effective January 1, 2011, the ~~Office of State Finance~~ 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 State Finance~~ 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. As soon as practicable after January 1, 2008, such website shall also include, but not be limited to:

1. For the expenditure of state 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 state 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 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. 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 the effective date of this act.

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 State Finance~~ 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. 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 State Finance~~ Office of Management and Enterprise Services such information as is necessary to accomplish the purposes of the Taxpayer Transparency Act.

J. 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.

K. Nothing in the Taxpayer Transparency Act shall require the disclosure of information which is required to be kept confidential by state or federal law.

L. 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 State Finance~~ Office of Management and Enterprise Services or any employee thereof for

disclosure of the information or for any error or omission in the disclosure.

M. 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.

N. 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.

SECTION 425. AMENDATORY 62 O.S. 2011, Section 46.1, is amended to read as follows:

Section 46.1 A. On July 1, 2005, or as soon thereafter as feasible, the ~~Office of State Finance~~ 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 State Finance~~ 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 ~~4~~ 48 of ~~Enrolled House Bill No. 1169 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature~~ 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 ~~4~~ 47 of ~~Enrolled Senate Bill No. 99 of the 2nd Extraordinary Session of the 50th Oklahoma Legislature~~ 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 of this act~~, 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 ~~Title 62 of the Oklahoma Statutes~~ this title;

10. The next Nine Hundred Thousand Dollars (\$900,000.00) to the Oklahoma Tax Commission Fund created pursuant to Section 221 of ~~Title 62 of the Oklahoma Statutes~~ 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 ~~Title 62 of the Oklahoma Statutes~~ 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.

SECTION 426. AMENDATORY 62 O.S. 2011, Section 46.3, is amended to read as follows:

Section 46.3 A. On July 1, 2007, or as soon thereafter as feasible, the ~~Office of State Finance~~ 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 2 561.4 of ~~this act~~ 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.

SECTION 427. AMENDATORY 62 O.S. 2011, Section 48, is amended to read as follows:

Section 48. 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 ~~State Finance~~ 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.

SECTION 428. AMENDATORY 62 O.S. 2011, Section 48.2, is amended to read as follows:

Section 48.2 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; 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 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 State Finance~~ 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.

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 the July 1 date of the sixth fiscal year after the first fiscal year for which any funds are deposited to, appropriated to, apportioned to or otherwise transferred to the Oklahoma Quick Action Closing Fund.

SECTION 429. AMENDATORY 62 O.S. 2011, Section 49, is amended to read as follows:

Section 49. On or before November 1 of each year, the ~~Office of State Finance~~ Office of Management and Enterprise Services shall develop and publish a multi-year trend analysis of the state's budget outlook. 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.

SECTION 430. AMENDATORY 62 O.S. 2011, Section 57.39, is amended to read as follows:

Section 57.39 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 ~~Public Affairs~~ 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 ~~Public Affairs~~ 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.

SECTION 431. AMENDATORY 62 O.S. 2011, Section 57.69, is amended to read as follows:

Section 57.69 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 ~~Public Affairs~~ 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 ~~Public Affairs~~ 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.

SECTION 432. AMENDATORY 62 O.S. 2011, Section 57.89, is amended to read as follows:

Section 57.89 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 ~~Public Affairs~~ 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 ~~Public Affairs~~ 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.

SECTION 433. AMENDATORY 62 O.S. 2011, Section 57.109, is amended to read as follows:

Section 57.109 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 ~~Public Affairs~~ 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 ~~Public Affairs~~ 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.

SECTION 434. AMENDATORY 62 O.S. 2011, Section 57.189, is amended to read as follows:

Section 57.189 The Director of ~~Public Affairs~~ 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.

SECTION 435. AMENDATORY 62 O.S. 2011, Section 57.303, as amended by Section 5 of Enrolled Senate Bill 1111 of the 2nd Session of the 53rd Oklahoma Legislature, is amended to read as follows:

Section 57.303. 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.	<del>Office of State Finance</del> <u>Office of Management and Enterprise Services</u> 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.

SECTION 436. AMENDATORY 62 O.S. 2011, Section 57.306, is amended to read as follows:

Section 57.306 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 State Finance~~ 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.

SECTION 437. AMENDATORY 62 O.S. 2011, Section 71.1, is amended to read as follows:

Section 71.1 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 ~~State Finance~~ 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 ~~State Finance~~ 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 State Finance~~ 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 Legislative Service Bureau shall provide the administrative support required by the Commission. The Commission shall be staffed by the Legislative Service Bureau 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 ~~Sections~~ Section 89.7 and 89.10 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 ~~Sections~~ Section 89.7 and 89.10 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 State Finance~~ 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.

SECTION 438. AMENDATORY 62 O.S. 2011, Section 71.2, is amended to read as follows:

Section 71.2 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 ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 439. AMENDATORY 62 O.S. 2011, Section 89.2, is amended to read as follows:

Section 89.2 A. The State Treasurer is directed to invest the maximum amount of funds under control of the State Treasurer consistent with good business practices; provided that the Treasurer shall keep eighty percent (80%) or more of the money under control of the State Treasurer invested during each fiscal year based on the average daily balances during the fiscal year. 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 ~~State Finance~~ 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.

SECTION 440. AMENDATORY 62 O.S. 2011, Section 89.5, is amended to read as follows:

Section 89.5 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 ~~State Finance~~ 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.

SECTION 441. AMENDATORY 62 O.S. 2011, Section 90, is amended to read as follows:

Section 90. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 442. AMENDATORY 62 O.S. 2011, Section 90.8, is amended to read as follows:

Section 90.8 There is hereby created in the State Treasury a revolving fund for the Commissioner of Agriculture 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 Commissioner 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 Commissioner 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 443. AMENDATORY 62 O.S. 2011, Section 139.45, is amended to read as follows:

Section 139.45 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 ~~State Budget~~ 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.

SECTION 444. AMENDATORY 62 O.S. 2011, Section 139.48, is amended to read as follows:

Section 139.48 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 ~~State Finance~~ 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.

SECTION 445. AMENDATORY 62 O.S. 2011, Section 139.49, is amended to read as follows:

Section 139.49 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 ~~State Finance~~ the Office of Management and Enterprise Services, the Secretary of State, the State Treasurer, and the State Auditor and Inspector.

SECTION 446. AMENDATORY 62 O.S. 2011, Section 155, is amended to read as follows:

Section 155. 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. ~~The State Board of Barber Examiners~~ Advisory Board;

3. ~~The State Board of Examiners in the Basic Sciences;~~

4. ~~Oklahoma State Board of Embalmers and Funeral Directors~~ Board;

~~Oklahoma State~~ 4. Board of Podiatry Podiatric Medical Examiners;

~~6.~~ 5. Board of Chiropractic Examiners;

~~7. State Board of Electrology;~~

~~8.~~ 6. State Board of Registration for Foresters;

~~9.~~ 7. State Board of Medical Licensure and Supervision;

~~10.~~ 8. Oklahoma Board of Nurse Registration and Nursing Education;

~~11.~~ 9. State Board of Osteopathy Osteopathic Examiners;

~~12. Oklahoma~~ 10. State Board of Pharmacy;

~~13.~~ 11. State Board of Registration for Licensed Social Workers;

~~14. Department of Registration for Professional Sanitarians;~~

~~15.~~ 12. Oklahoma Motor Vehicle Commission;

~~16.~~ 13. Oklahoma Peanut Commission;

~~17. Pork Utilization, Research and Market Development Commission;~~

~~18. 14.~~ Oklahoma Real Estate Commission;

~~19. 15.~~ Santa Claus Commission; and

~~20. 16.~~ Wheat Utilization, Research and Market Development 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 said 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 ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 447. AMENDATORY 62 O.S. 2011, Section 156, is amended to read as follows:

Section 156. 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 ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 448. AMENDATORY 62 O.S. 2011, Section 157, is amended to read as follows:

Section 157. There is hereby created in the State Treasury a revolving fund for the Will Rogers Memorial Commission to be designated "The Will Rogers Memorial Commission Revolving Fund." The fund shall consist of monies received by the Will Rogers Memorial Commission 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 Will Rogers Memorial Commission. Expenditures from said fund shall be made pursuant to the laws of this state and the statutes relating to the said Commission, 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 said Commission and approved for payment by the Director of ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 449. AMENDATORY 62 O.S. 2011, Section 158, is amended to read as follows:

Section 158. 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 ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 450. AMENDATORY 62 O.S. 2011, Section 159, is amended to read as follows:

Section 159. 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 ~~State Finance~~ the Office of Management and Enterprise Services.

SECTION 451. AMENDATORY 62 O.S. 2011, Section 159.1, is amended to read as follows:

Section 159.1 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 452. AMENDATORY 62 O.S. 2011, Section 159.2, is amended to read as follows:

Section 159.2 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 453. AMENDATORY 62 O.S. 2011, Section 160.1, is amended to read as follows:

Section 160.1 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 454. AMENDATORY 62 O.S. 2011, Section 160.2, is amended to read as follows:

Section 160.2 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 ~~2~~ 302-5 and 402-3 of this act 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 455. AMENDATORY 62 O.S. 2011, Section 166d, is amended to read as follows:

Section 166d. 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 Public Affairs~~ 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.

SECTION 456. AMENDATORY 62 O.S. 2011, Section 178, is amended to read as follows:

Section 178. 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 Public Affairs~~ 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.

SECTION 457. AMENDATORY 62 O.S. 2011, Section 193, is amended to read as follows:

Section 193. 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 ~~2~~ 2817.2 of ~~this act~~ 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 State Finance~~ 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 ~~2~~ 2817.2 of ~~this act~~ Title 68 of the Oklahoma Statutes.

SECTION 458. AMENDATORY 62 O.S. 2011, Section 195, is amended to read as follows:

Section 195. 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 ~~State Finance~~ 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 ~~State Finance~~ 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 ~~State Finance~~, 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 ~~State Finance~~ 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 ~~Oklahoma~~ 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 ~~State Finance~~ 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 ~~State Finance~~ 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 ~~Department of Central Services~~ 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 ~~State Finance~~ and the Director of the ~~Department of Central Services~~ are 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 ~~State Finance~~ 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 ~~State Finance~~ 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 ~~State Finance~~ 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 ~~State Finance~~ the Office of Management and Enterprise Services shall prescribe all forms, systems, and procedures for administering the fund.

SECTION 459. AMENDATORY 62 O.S. 2011, Section 221, is amended to read as follows:

Section 221. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 460. AMENDATORY 62 O.S. 2011, Section 275.8, is amended to read as follows:

Section 275.8 All state bonds, bond interest coupons and duplicates of receipts redeemed by the State Treasurer and delivered to the Director of ~~State Finance~~ the Office of Management and Enterprise Services as provided by Section ~~41-19~~ 34.80 of this title shall be delivered by the Director of ~~State Finance~~ 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.

SECTION 461. AMENDATORY 62 O.S. 2011, Section 275.9, is amended to read as follows:

Section 275.9 ~~Claims and/or payrolls filed with the Director of State Finance~~ the Office of Management and Enterprise Services shall be maintained by said officer in accordance with the provisions of Sections ~~564 305~~ through ~~576 317~~ of Title ~~74 67~~ of the Oklahoma Statutes.

SECTION 462. AMENDATORY 62 O.S. 2011, Section 276.1, is amended to read as follows:

Section 276.1 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 463. AMENDATORY 62 O.S. 2011, Section 276.3, is amended to read as follows:

Section 276.3 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 ~~subsections~~ subsection (9) and (10) 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 464. AMENDATORY 62 O.S. 2011, Section 276.4, is amended to read as follows:

Section 276.4 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 State Finance~~ Office of Management and Enterprise Services.

SECTION 465. AMENDATORY 62 O.S. 2011, Section 555, is amended to read as follows:

Section 555. 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 ~~State Finance~~ 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~~ 34.81 of ~~Title 74 of the Oklahoma Statutes~~ this title.

SECTION 466. AMENDATORY 62 O.S. 2011, Section 695.8a, is amended to read as follows:

Section 695.8a There is hereby created in the State Treasury a revolving fund for the Office of the State Bond Advisor, 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 Bond Advisor 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 467. AMENDATORY 62 O.S. 2011, Section 695.11A, is amended to read as follows:

Section 695.11A 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 ~~State Finance~~ 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.

SECTION 468. AMENDATORY 62 O.S. 2011, Section 891.15, is amended to read as follows:

Section 891.15 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 ~~42~~ 891.12 of this ~~act~~ title. 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 ~~State Finance~~ the Office of Management and Enterprise Services for approval and payment.

SECTION 469. AMENDATORY 62 O.S. 2011, Section 901, as amended by Section 1 of Enrolled House Bill No. 2262 of the 2nd Session of the 53rd Oklahoma Legislature, is amended to read as follows:

Section 901. A. 1. There is hereby created a Long-Range Capital Planning Commission to advise and assist the Legislature in providing for capital facilities in this state. The Commission shall consist of twelve (12) members as follows:

- a. four members appointed by the President Pro Tempore of the Senate to serve at his pleasure. Of these

appointees two shall be members of the Senate and two shall be from the public at large,

- b. four members appointed by the Speaker of the House of Representatives to serve at his pleasure. Of these appointees two shall be members of the House of Representatives and two shall be from the public at large,
- c. four members shall be appointed by the Governor to serve at his pleasure. These appointees shall be from the public at large.

2. A chairman of the Commission shall be elected from its membership. Seven members of the Commission shall constitute a quorum. Members of the Commission shall serve without compensation, but all public members shall be entitled to reimbursement, pursuant to the State Travel Reimbursement Act, for expenses incurred in the performance of their duties.

3. Initial appointments to the Commission shall be made within thirty (30) days of the effective date of this act.

B. The Commission shall have the authority to promulgate rules and regulations necessary to implement the provisions of this act.

C. The Oklahoma State Bond Advisor shall provide staffing for the Commission and other such assistance as the Commission may require.

D. 1. The Commission shall prepare each year a state capital plan for addressing state, regional and local public capital facility needs for the next ensuing five (5) years. The Oklahoma State Regents for Higher Education and each state governmental entity as defined in Section 695.3 of Title 62 of the Oklahoma Statutes shall cooperate with the Commission in the preparation of the state plan. By October 1, 1992, each state governmental entity shall submit a copy of its complete inventory and a need list. Beginning December 1, 1993, the plan shall be submitted to the Governor, Speaker of the House of Representatives and President Pro Tempore of the Senate no later than December 1 of each year.

- 2. a. The capital plan should supplement and integrate, not replace, existing capital planning processes at the state, regional or local level. The plan shall