

# An Act

ENROLLED SENATE  
BILL NO. 280

By: Quinn of the Senate

and

Humphrey, Boles, Gann and  
Lepak of the House

An Act relating to county budget process; allowing counties to establish certain funds; defining terms; establishing source of funds; providing parameters for when funds can be used; allowing for the Office of the State Auditor and Inspector to establish proper documentation; providing for codification; providing an effective date; and declaring an emergency.

SUBJECT: County budget processes

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3034 of Title 68, unless there is created a duplication in numbering, reads as follows:

This act shall permit counties with an excise board as per Section 3005.1 of Title 68 of the Oklahoma Statutes or budget board as per Section 1407 of Title 19 of the Oklahoma Statutes to establish a rainy day fund and capital reserve fund, such that each will be its own continuing fund carrying over its balance from year to year.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3034.1 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this act, a "rainy day fund" shall be a cash account to pay for unforeseen future emergencies or loss in revenue for the county budget. The rainy day fund shall be funded with surplus funds or monies receipted over and above the itemized estimate of needs for the general fund. Such transfers from the surplus funds shall occur at the time of the budget approval. The balance of the rainy day fund shall not be part of the general budget within the estimate of needs but shall be recorded on the estimate of needs as a special fund. When the county has excess funds, the county may by resolution deposit the funds in the rainy day fund. However, after funds are so transferred, they are not transferable back to the original source. The rainy day fund may contain up to, but not more than, fifty percent (50%) of the previous year's approved budget.

B. 1. Up to one-half (1/2) of the balance of the rainy day fund may be used for natural disasters that are declared such by the Governor, board of county commissioners or by the federal government. Such expenditures must be spent in accordance with Section 1500 et seq. of Title 19 of the Oklahoma Statutes.

2. Up to one-eighth (1/8) of the balance of the rainy day fund may be used to supplement the county's current general budget if it is less than the previous year's budget.

3. Up to one-eighth (1/8) of the balance of the rainy day fund may be used to supplement the current year's revenue when collections come in shorter than estimated and a revenue failure is declared by the board of county commissioners.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 3034.2 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this act, a "capital reserve fund" shall be a cash account, which may be used to pay for long-term capital needs of the county. The capital reserve fund shall be funded from the general budget or other legal source. The balance of the capital reserve fund shall not be part of the general budget within the estimate of needs but shall be recorded on the estimate of needs as a special fund. When the county has excess funds, the county may by resolution deposit the funds in the capital reserve fund. However,

after the funds are so transferred, they are not transferable back to the original source.

B. Expenditures may be made out of the capital reserve fund as needed and determined by the board of authority. Expenditures are limited to county facilities. Such expenditures must be spent in accordance with Section 1500 et seq. of Title 19 of the Oklahoma Statutes.

C. The Office of the State Auditor and Inspector may establish proper documents and procedures.

SECTION 4. This act shall become effective July 1, 2021.

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

Passed the Senate the 4th day of March, 2021.

\_\_\_\_\_  
Presiding Officer of the Senate

Passed the House of Representatives the 12th day of April, 2021.

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Presiding Officer of the House  
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_