

1 STATE OF OKLAHOMA

2 1st Session of the 58th Legislature (2021)

3 SENATE BILL 280

By: Quinn

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5
6 AS INTRODUCED

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

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

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

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

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

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

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

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

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

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

11 A. As used in this act, a "capital reserve fund" shall be a
12 cash account, which may be used to pay for long-term capital needs
13 of the county without utilizing the bonding authority of the county.
14 The capital reserve fund shall be funded from the general budget or
15 other legal source. The balance of the capital reserve fund shall
16 not be part of the general budget within the estimate of needs but
17 shall be recorded on the estimate of needs as a special fund. When
18 the county has excess funds, the county may by resolution deposit
19 the funds in the capital reserve fund. However, after the funds are
20 so transferred, they are not transferable back to the original
21 source.

22 B. Expenditures may be made out of the capital reserve fund as
23 needed and determined by the board of authority. Expenditures are
24 limited to county facilities. Such expenditures must be spent in
25

1 accordance with Section 1500 et seq. of Title 19 of the Oklahoma
2 Statutes.

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

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

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

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