

**SENATE FLOOR VERSION**

February 17, 2025

SENATE BILL NO. 283

By: Rader

An Act relating to The Oklahoma State System of Higher Education; amending 62 O.S. 2021, Section 34.53, which relates to the Oklahoma State Finance Act; updating statutory reference; amending 70 O.S. 2021, Section 3206.6a, which relates to the master lease program; expanding annual transaction limit to include certain refunded projects; updating statutory language; and providing an effective date.

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

SECTION 1. AMENDATORY 62 O.S. 2021, Section 34.53, is amended to read as follows:

Section 34.53. A. 1. The Oklahoma State System of Higher Education, established by Article XIII-A of the Oklahoma Constitution, shall operate an allotment system similar to the procedure set out in the Oklahoma State Finance Act for other agencies of the state except that the Oklahoma State Regents for Higher Education shall be substituted for the Director of the Office of Management and Enterprise Services in connection with approving allotment requests of the constituent institutions comprising The Oklahoma State System of Higher Education.

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

5       3. The Board of Regents shall allocate to each institution  
6 under its control from the consolidated, or lump sum appropriation  
7 made by the Legislature, an amount sufficient to meet the needs and  
8 functions of each institution for the entire year.

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

16      B. The Oklahoma State Regents for Higher Education may reduce  
17 the allocation of funds which could otherwise be made to an  
18 institution within The Oklahoma State System of Higher Education in  
19 order to make payments for leases within the lease financing program  
20 authorized by Section 3206.5 3206.6a of Title 70 of the Oklahoma  
21 Statutes.

22      C. 1. The Regents, with the approval of the Director of the  
23 Office of Management and Enterprise Services, may allot money to any  
24 constituent institution to set up and operate a petty cash fund at

1 | said such institution. Such petty cash fund shall be reimbursed  
2 | upon the filing of claims showing the purposes for which the funds  
3 | were expended.

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

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

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

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

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

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

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

19       2. The accounting classification is sufficient to reflect the  
20 purpose for which expenditures are to be made and that such  
21 classification is in accordance with the budget classifications  
22 adopted by the Director of the Office of Management and Enterprise  
23 Services and the Regents, which shall conform as nearly as possible

1 to the account classification recommended by the National Committee  
2 on Standard Reports for Institutions of Higher Education; and

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

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

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

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

20       4. The State Regents and the Director of the Office of  
21 Management and Enterprise Services shall approve any request from  
22 the administrative head of a constituent institution for amendment  
23 of the approved schedule of positions and salaries, or transfers  
24 between items, so long as the currently approved allotment for such

1 purposes is not exceeded. Each such amendment shall be filed with  
2 the Office of Management and Enterprise Services, in such detail as  
3 may be required, prior to the date on which the first payroll or  
4 other disbursement affected by such amendment or transfer is  
5 submitted for payment.

6 G. 1. In the event that the realization of estimated revenues  
7 at any time during the fiscal year indicates that the total revenue  
8 for that fiscal year to any state fund will be insufficient at the  
9 end of the fiscal year to meet the total appropriations from that  
10 fund, the Director of the Office of Management and Enterprise  
11 Services shall notify the Oklahoma State Regents for Higher  
12 Education as to the amount of reduction necessary against the  
13 consolidated, or lump sum appropriations, made to the Regents.

14 2. The Regents, in making itemized allotments during the fiscal  
15 year, may reserve an amount sufficient to meet a reasonable failure  
16 of revenue until receipt of notice from the Director of the Office  
17 of Management and Enterprise Services that the realization of  
18 estimated revenues indicates that the total appropriation may be  
19 allotted for expenditure. Upon receipt of notice from the Director  
20 of the Office of Management and Enterprise Services of a necessary  
21 reduction in the consolidated, or lump sum appropriation, to meet a  
22 failure in revenue, the Oklahoma State Regents for Higher Education  
23 shall immediately take action to control the approval of subsequent  
24 allotment requests sufficient to make the aggregate reduction in

1 allotments of all constituent institutions under their control equal  
2 the amount of reduction ordered against the lump sum appropriation  
3 made by the Legislature. Such reductions against the lump sum  
4 appropriation shall not exceed the percentage reduction ordered  
5 against other agencies of the state in accordance with Section 23,  
6 of Article 10, X of the Oklahoma Constitution.

7 SECTION 2. AMENDATORY 70 O.S. 2021, Section 3206.6a, is  
8 amended to read as follows:

9 Section 3206.6a. A. The Oklahoma State Regents for Higher  
10 Education may finance acquisition of or improvements to, or  
11 refinance or restructure outstanding obligations for real property  
12 pursuant to the master lease program. The funds used by the Regents  
13 for the purposes authorized by this section shall be available for  
14 lease transactions having a term that is no more than the useful  
15 life of any real property or improvements acquired by institutions  
16 pursuant to the provisions of this section, and in no event, more  
17 than thirty (30) years.

18 B. After May 24, 2005, any bonds issued pursuant to this  
19 section shall be subject to the approval of the Legislature as  
20 provided by this subsection. The Oklahoma State Regents for Higher  
21 Education shall submit an itemized list of the proposed projects and  
22 the terms of the financing to the Governor, the Speaker of the House  
23 of Representatives, the President Pro Tempore of the ~~State~~ Senate  
24 and all members of the Legislature within the first seven (7)

1 legislative days of an annual legislative session and prior to the  
2 time any such obligations are sold. The submission to such elected  
3 officials shall occur upon the same date for purposes of computing  
4 the time within which action must be taken as further prescribed by  
5 this subsection. The Legislature shall have a period of forty-five  
6 (45) calendar days from the date on which the information is  
7 submitted to pass a concurrent resolution disapproving all or part  
8 of the proposed issuance. If the Legislature does not disapprove  
9 the proposed issuance by concurrent resolution by the end of the  
10 forty-fifth day following the date upon which the proposed issuance  
11 is submitted, the proposed issuance shall be deemed to have been  
12 approved by the Legislature.

13       C. The amount of transactions financed in a calendar year  
14 through the real property master lease program authorized by this  
15 section shall not exceed the combined total of:

16           1. The submission described in subsection B of this section, or  
17 portion thereof, approved by the Legislature;

18           2. Any issuance for additional proposed individual projects  
19 submitted by institutions under the coordination of the Oklahoma  
20 State Regents for Higher Education and approved by the Legislature;  
21 and

22           3. Any projects approved by the Legislature in a prior calendar  
23 year for which no financing action was taken in the prior calendar  
24 year; and

1       4. Any projects refunded from a previous issuance.

2       SECTION 3. This act shall become effective November 1, 2025.

3       COMMITTEE REPORT BY: COMMITTEE ON REVENUE AND TAXATION  
4       February 17, 2025 - DO PASS

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