

1 ENGROSSED SENATE AMENDMENT
TO

2 ENGROSSED HOUSE
BILL NO. 3692

By: Wallace of the House

3
4 and

Garvin of the Senate

5
6
7 [property - trusts for public functions - bidding
8 requirements - effective date]
9

10

11 AMENDMENT NO. 1. Page 1, strike the stricken title, enacting clause
and entire bill and insert

12

13 "An Act relating to public trusts; amending 60 O.S.
14 2021, Section 178, which relates to trustees;
15 authorizing compensation and expense reimbursement
for certain trustees; defining term; making language
gender neutral; updating references; and providing an
effective date.

16

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

18 SECTION 1. AMENDATORY 60 O.S. 2021, Section 178, is
19 amended to read as follows:

20 A. The instrument or will creating such trust may provide for
21 the appointment, succession, powers, duties, term, manner of removal
22 and compensation of the trustee or trustees subject to the
23 provisions of subsections C and E of this section, and in all such
24 respects the terms of said instrument or will shall be controlling.

1 Trustees, of public trusts who are ~~public officers,~~ elected
2 officials shall serve without compensation, but may be reimbursed
3 for actual expenses incurred in the performance of their duties as
4 trustees. Trustees of public trusts operating a hospital who are
5 not elected officials may receive reasonable compensation and
6 reimbursement for actual expenses related to the performance of
7 their duties as trustees. For purposes of this section, reasonable
8 compensation shall not exceed a stipend per meeting equal to the
9 regional average for compensation of members of other governmental
10 or nonprofit boards. If the said instrument or will makes no
11 provisions in regard to any of the foregoing, then the general laws
12 of the state shall control as to such omission or omissions. Every
13 person hereafter becoming a trustee of a public trust first shall
14 take the oath of office required of an elected public officer and
15 every officer and employee who handles funds of a public trust shall
16 furnish a good and sufficient fidelity bond in an amount and with
17 surety as may be specified and approved by the persons constituting
18 a majority of each of the governing bodies of the beneficiaries of
19 the trust, such bond to be in a surety company authorized to
20 transact surety business in the State of Oklahoma but in no event
21 shall any bond be required of a trustee. The cost of ~~said~~ the bond
22 shall be paid from funds of the trust authority. The oaths of
23 office shall be administered by any person authorized to administer
24 oaths in the State of Oklahoma, and shall be filed with the

1 Secretary of State in trusts wherein the State of Oklahoma is the
2 beneficiary; in the office of the county clerk in a trust wherein
3 any county is beneficiary; and in the office of the clerk of the
4 municipality in a trust wherein any municipality is the beneficiary.

5 B. Unless otherwise specified in another state law authorizing
6 the creation of a state-beneficiary public trust, any public trust
7 that hereafter names the State of Oklahoma as the beneficiary shall
8 have five (5) trustees appointed by the Governor of the State of
9 Oklahoma with the advice and consent of the Senate. The terms of
10 the trustees shall be as follows: of the trustees first appointed,
11 one member shall be appointed for a term of one (1) year; one member
12 shall be appointed for a term of two (2) years; one member shall be
13 appointed for a term of three (3) years; one member shall be
14 appointed for a term of four (4) years; and one member shall be
15 appointed for a term of five (5) years. At the expiration of the
16 term of each member and of each succeeding member, the Governor
17 shall appoint a successor who shall serve for a term of five (5)
18 years. Whenever a vacancy on such trust shall occur by death,
19 resignation or otherwise, the Governor shall fill the same by
20 appointment and the appointee shall hold office during the unexpired
21 term. Each member shall hold office until his or her successor has
22 been appointed and qualified.

23 C. Any instrument or will creating a trust which is not within
24 the scope of subsection B of this section shall provide for the

1 appointment of a minimum of three trustees, their succession,
2 powers, duties, term, manner of removal and compensation subject to
3 the provisions of subsection E of this section, and in all such
4 respects the terms of ~~said~~ the instrument or will shall be
5 controlling. If the instrument or will makes no provision in regard
6 to any of the foregoing, then the general laws of the state shall
7 control as to the omissions.

8 D. Meetings of trustees of all public trusts shall be open to
9 the public to the same extent as is required by law for other public
10 boards and commissions. Such meetings shall also be open to the
11 press and any such equipment deemed necessary by the press to record
12 or report the activities of the meetings. In such trusts wherein
13 the State of Oklahoma is the beneficiary, a written notice of
14 trustees' meetings shall be filed with the office of the Secretary
15 of State at least three (3) days prior to the meeting date. Records
16 of the trust and minutes of the trust meetings of any public trust
17 shall be written and kept in a place, the location of which shall be
18 recorded in the office of the county clerk of each county, wherein
19 the trust instrument shall be recorded. Such records and minutes
20 shall be available for inspection by any person during regular
21 business hours. Every trust created under ~~Sections~~ Section 176 et
22 seq. of this title shall file a monthly report of all expenditures
23 of bond proceeds with the governing body of each beneficiary and
24 with the Governor, the Speaker of the House of Representatives and

1 the President Pro Tempore of the Senate in the case of a public
2 trust having the State of Oklahoma as beneficiary.

3 E. Trustees of any public trust may be removed from office for
4 cause, including incompetency, neglect of duty, or malfeasance in
5 office, by a district court having jurisdiction. In the case of
6 persons appointed by the Governor, such persons shall be appointed
7 for terms not in excess of five (5) years, and shall be subject to
8 removal for cause. In the event of removal of a trustee under this
9 subsection, a successor trustee shall be appointed as provided in
10 the trust instrument. Provided, however, in the event a trustee is
11 so removed who is also a member of the governing board of a
12 municipal beneficiary, the successor trustee shall be appointed by
13 the judge of the court wherein the removal occurred; ~~said the~~ the
14 successor trustee shall serve only until the removed trustee ceases
15 to serve as a member of the governing board of the municipal
16 beneficiary and his or her successor on ~~said the~~ the board has
17 qualified.

18 F. The provisions of this section shall be inapplicable to any
19 public trust created and existing prior to July 1, 1988, if the
20 instrument or will creating such public trust shall have been held
21 to be a valid and binding agreement in an opinion of the Supreme
22 Court of the State of Oklahoma; and nothing in this section shall
23 impair or be deemed to impair the trust indenture or existing or
24 future obligations of such public trust.

1 ENGROSSED HOUSE
2 BILL NO. 3692

By: Wallace of the House
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6 [property - trusts for public functions - bidding
7 requirements - effective date]
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11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 3. AMENDATORY 60 O.S. 2021, Section 176, is
13 amended to read as follows:

14 Section 176. A. Express trusts may be created to issue
15 obligations, enter into financing arrangements including, but not
16 limited to, lease-leaseback, sale-leaseback, interest rate swaps and
17 other similar transactions and to provide funds for the furtherance
18 and accomplishment of any authorized and proper public function or
19 purpose of the state or of any county or municipality or any and all
20 combinations thereof, in real or personal property, or either or
21 both, or in any estate or interest in either or both, with the
22 state, or any county or municipality or any and all combinations
23 thereof, as the beneficiary thereof by:
24

1 1. The express approval of the Legislature and the Governor if
2 the State of Oklahoma is the beneficiary;

3 2. The express approval of two-thirds (2/3) of the membership
4 of the governing body of the beneficiary if a county is a
5 beneficiary;

6 3. The express approval of two-thirds (2/3) of the membership
7 of the governing body of the beneficiary if a municipality is a
8 beneficiary; or

9 4. The express approval of two-thirds (2/3) of the membership
10 of the governing body of each beneficiary in the event a trust has
11 more than one beneficiary; provided, that no funds of a beneficiary
12 derived from sources other than the trust property, or the operation
13 thereof, shall be charged with or expended for the execution of the
14 trust, except by express action of the legislative authority of the
15 beneficiary prior to the charging or expending of the funds. The
16 officers or any other governmental agencies or authorities having
17 the custody, management or control of any property, real or personal
18 or mixed, of the beneficiary of the trust, or of a proposed trust,
19 which property shall be needful for the execution of the trust
20 purposes, are authorized and empowered to lease the property for
21 those purposes, after the acceptance of the beneficial interest
22 therein by the beneficiary as hereinafter provided.

23 B. Any trust created pursuant to the provisions of this
24 section, in whole or in part, may engage in activities outside of

1 the geographic boundaries of its beneficiary, so long as the
2 activity provides a benefit to a large class of the public within
3 the beneficiary's geographic area or lessens the burdens of
4 government of the beneficiary and which does not solely provide a
5 benefit by generating administrative fees.

6 C. A municipality may convey title to real property which is
7 used for an airport to the trustees of an industrial development
8 authority trust whose beneficiary is the municipality. The
9 industrial development authority trust must already have the
10 custody, management or control of the real property. The conveyance
11 must be approved by a majority of the governing body of the
12 municipality. A conveyance pursuant to this section may be made
13 only for the sole purpose of allowing the authority to sell the
14 property for fair market value when the property is to be used for
15 industrial development purposes. Conveyances made pursuant to this
16 subsection shall be made subject to any existing reversionary
17 interest or other restrictions burdening the property and subject to
18 any reversionary interest or other restriction considered prudent by
19 the municipality.

20 D. The trustees of a public trust having the State of Oklahoma
21 as beneficiary shall make and adopt bylaws for the due and orderly
22 administration and regulation of the affairs of the public trust.
23 All bylaws of a public trust having the State of Oklahoma as
24 beneficiary shall be submitted in writing to the Governor of the

1 State of Oklahoma. The Governor must approve the proposed bylaws
2 before they take effect.

3 E. No public trust in which the State of Oklahoma is the
4 beneficiary may be amended without a two-thirds (2/3) vote of
5 approval of the trustees of the trust; provided, that any amendment
6 is subject to the approval of the Governor of the State of Oklahoma.
7 Any amendments shall be sent to the Governor within fifteen (15)
8 days of their adoption.

9 F. No trust in which a county or municipality is the
10 beneficiary shall hereafter create an indebtedness or obligation
11 until the indebtedness or obligation has been approved by a two-
12 thirds (2/3) vote of the governing body of the beneficiary. In the
13 event a trust has more than one beneficiary, as authorized by this
14 section, the trust shall not incur an indebtedness or obligation
15 until the indebtedness or obligation has been approved by a two-
16 thirds (2/3) vote of the governing body of two-thirds (2/3) of the
17 beneficiaries of the trust. Provided, however, a municipality with
18 a governing body consisting of fewer than seven (7) members shall be
19 required to approve the creation of an indebtedness or obligation
20 under this subsection by a three-fifths (3/5) vote of the governing
21 body.

22 G. All bonds described in subsection F of this section, after
23 December 1, 1976, except bonds sold to the federal government or any
24 agency thereof or to any agency of the State of Oklahoma, shall be

1 awarded to the lowest and best bidder based upon open competitive
2 public offering, advertised at least once a week for two (2)
3 successive weeks in a newspaper of general circulation in the county
4 where the principal office of the trust is located prior to the date
5 on which bids are received and opened; provided, competitive bidding
6 may be waived on bond issues with the approval of three-fourths
7 (3/4) of the trustees, unless the trust has fewer than four
8 trustees, in which case a two-thirds (2/3) approval shall be
9 required, and a three-fourths (3/4) vote of the governing body of
10 the beneficiary, unless the beneficiary is a county in which case a
11 two-thirds (2/3) vote of the members of the governing body shall be
12 required, or three-fourths (3/4) vote of the governing bodies of
13 each of the beneficiaries of the trust, unless one of the
14 beneficiaries is a county in which case a two-thirds (2/3) vote of
15 the members of the governing body of such county shall be required.
16 No bonds shall be sold for less than par value, except upon approval
17 of three-fourths (3/4) of the trustees, unless the beneficiary is a
18 county in which case a two-thirds (2/3) vote of the members of the
19 governing body shall be required. In no event shall bonds be sold
20 for less than sixty-five percent (65%) of par value; provided,
21 however, in no event shall the original purchaser from the issuer of
22 any bonds issued by any public trust for any purpose receive
23 directly or indirectly any fees, compensation or other remuneration
24 in excess of four percent (4%) of the price paid for the bonds by

1 the purchaser of the bonds from the original purchaser; and further
2 provided, that the average coupon rate thereon shall in no event
3 exceed fourteen percent (14%) per annum. No public trust shall sell
4 bonds for less than ninety-six percent (96%) of par value until the
5 public trust has received from the underwriter or financial advisor
6 or, in the absence of an underwriter or financial advisor, the
7 initial purchaser of the bonds, an estimated alternative financing
8 structure or structures showing the estimated total interest and
9 principal cost of each alternative. At least one alternative
10 financing structure shall include bonds sold to the public at par.
11 Any estimates shall be considered a public record of the public
12 trust. Bonds, notes or other evidences of indebtedness issued by
13 any public trust shall be eligible for purchase by any state banking
14 association or corporation subject to such limitations as to
15 investment quality as may be imposed by regulations, rules or
16 rulings of the State Banking Commissioner.

17 H. Public trusts created pursuant to this section shall file
18 annually, with their respective beneficiaries, copies of financial
19 documents and reports sufficient to demonstrate the fiscal activity
20 of such trust, including, but not limited to, budgets, financial
21 reports, bond indentures and audits. Amendments to the adopted
22 budget shall be approved by the trustees of the public trust and
23 recorded as such in the official minutes of such trust.

24

1 I. ~~Contracts for construction, labor, equipment, material or~~
2 ~~repairs in excess of Fifty Thousand Dollars (\$50,000.00) shall be~~
3 ~~awarded by public trusts to the lowest and best competitive bidder,~~
4 ~~pursuant to public invitation to bid, which shall be published in~~
5 ~~the manner provided in subsection G of this section; the~~
6 ~~advertisements shall appear in the county where the work, or the~~
7 ~~major part of it, is to be done, or the equipment or materials are~~
8 ~~to be delivered, or the services are to be rendered; provided,~~
9 ~~however, should~~ The following bidding requirements shall apply to
10 public trusts:

11 1. Construction contracts entered into by a public trust, when
12 required, shall be administered, advertised, and awarded pursuant to
13 the Public Competitive Bidding Act of 1974;

14 2. Operational contracts entered into by public trusts for
15 labor or equipment in excess of Two Hundred Fifty Thousand Dollars
16 (\$250,000.00) shall be awarded by public trusts to the lowest
17 responsible bidder, pursuant to a bid, which shall be published in
18 the manner consistent with the bid solicitation requirements imposed
19 on state agencies under the Oklahoma Central Purchasing Act;

20 3. Any construction contract issued under this section by a
21 public trust may provide for a local bid preference of not more than
22 five percent (5%) of the bid price if the public trust governing
23 body determines that there is an economic benefit to the local area
24 or economy. Provided, however, the local bidder or contractor must

1 agree to perform the contract for the same price and terms as the
2 bid proposed by the nonlocal bidder or contractor. Any bid
3 preference granted hereunder must be in accordance with an
4 established policy adopted by the governing body of the trust to
5 clearly demonstrate the economic benefit to the local area or
6 economy. No local bid preference shall be granted unless the local
7 bidding entity is the second lowest qualified bid on the contract.
8 The bid specifications shall clearly state that the bid is subject
9 to a local bidder preference law. For purposes of this section,
10 "local bid" means the bidding person is authorized to transact
11 business in this state and maintains a bona fide establishment for
12 transacting such business within this state. This provision does
13 not apply to any construction contract for which federal funds are
14 available for expenditure when its provisions may be in conflict
15 with federal law or regulation;

16 4. Should the trustee or the trustees find that an immediate
17 emergency exists, ~~which findings shall be entered in the journal of~~
18 ~~the trust proceedings,~~ by reason of which an immediate outlay of
19 trust funds in an amount exceeding ~~Seventy-five Thousand Dollars~~
20 ~~(\$75,000.00)~~ the emergency threshold provided in the Public
21 Competitive Bidding Act of 1974 for construction contracts, or Two
22 Hundred Fifty Thousand Dollars (\$250,000.00) for other contracts
23 subject to this section is necessary in order to avoid loss of life,
24 substantial damage to property or damage to the public peace or

1 safety, then the contracts may be made and entered into without
2 public notice or competitive bids; provided that the provisions of
3 this subsection shall not apply to contracts of industrial and
4 cultural trusts. Findings of an emergency shall be entered in the
5 journal or minutes of the trust proceedings;

6 5. Notwithstanding the provisions of this subsection, equipment
7 ~~or materials~~ or labor may be purchased by a public trust directly
8 from any contract ~~duly~~ awarded by this state or any state agency
9 under the Oklahoma Central Purchasing Act, or from any contract ~~duly~~
10 awarded or approved by a governmental entity which is the
11 beneficiary of the public trust.

12 ~~Furthermore, any construction contract issued under this section~~
13 ~~may provide for a local bid preference of not more than five percent~~
14 ~~(5%) of the bid price if the public trust governing body determines~~
15 ~~that there is an economic benefit to the local area or economy.~~
16 ~~Provided, however, the local bidder or contractor must agree to~~
17 ~~perform the contract for the same price and terms as the bid~~
18 ~~proposed by the nonlocal bidder or contractor. Any bid preference~~
19 ~~granted hereunder must be in accordance with an established policy~~
20 ~~adopted by the governing body of the trust to clearly demonstrate~~
21 ~~the economic benefit to the local area or economy. Provided,~~
22 ~~further, no local bid preference shall be granted unless the local~~
23 ~~bidding entity is the second lowest qualified bid on the contract.~~
24 ~~The bid specifications shall clearly state that the bid is subject~~

1 ~~to a local bidder preference law. For purposes of this section,~~
2 ~~"local bid" means the bidding person is authorized to transact~~
3 ~~business in this state and maintains a bona fide establishment for~~
4 ~~transacting such business within this state. This provision does~~
5 ~~not apply to any construction contract for which federal funds are~~
6 ~~available for expenditure when its provisions may be in conflict~~
7 ~~with federal law or regulation.;~~

8 6. A public trust may enter into sole source contracts for the
9 purchase of equipment, labor, or both. For each sole source
10 acquisition, the public trust shall retain a certification signed by
11 the trustee or trustees listing the supplier's name, address, and
12 contact information; affirming that the supplier is the only
13 business entity qualified to provide the required equipment or
14 labor, or is the only supplier able to provide the brand satisfying
15 the contract requirements, and specifying the reasons for its unique
16 qualifications; and giving a brief description of all efforts made
17 to verify that there is only one source for the required equipment
18 or labor; and

19 7. A public trust may enter into a cooperative purchasing
20 agreement for the purchase of equipment or labor if economically
21 justified by way of savings, material economic value, or both. The
22 public trust shall consider the economic justification for using a
23 cooperative purchasing agreement before entering into the
24 cooperative purchasing agreement. Economic justification may be

1 demonstrated by a comparison of current cooperative pricing to
2 information obtained from a request for information publicized by a
3 public trust.

4 J. As used in this section:

5 1. "Equipment" means an item or product and includes all
6 personal property used or consumed by a public trust that typically
7 will last and be used multiple times over a period of more than
8 twelve (12) months;

9 2. "Labor" means activity which is primarily accomplished
10 through the use of physical or mechanical movement to produce a
11 given result; and

12 3. "Sole source" means an acquisition which, by specification,
13 restricts the acquisition to one supplier.

14 K. Any public trust created pursuant to the provisions of this
15 section shall have the power to acquire lands by use of eminent
16 domain in the same manner and according to the procedures provided
17 for in Sections 51 through 65 of Title 66 of the Oklahoma Statutes.
18 Any exercise of the power of eminent domain by a public trust
19 pursuant to the provisions of this section shall be limited to the
20 furtherance of public purpose projects involving revenue-producing
21 utility projects of which the public trust retains ownership;
22 provided, for public trusts in which the State of Oklahoma is the
23 beneficiary the exercise of the power of eminent domain may also be
24 used for public purpose projects involving air transportation.

1 Revenue-producing utility projects shall be limited to projects for
2 the transportation, delivery, treatment or furnishing of water for
3 domestic purposes or for power, including, but not limited to, the
4 construction of lakes, pipelines and water treatment plants or for
5 projects for rail transportation. Any public trust formed pursuant
6 to this section which has a county as its beneficiary shall have the
7 power to acquire, by use of eminent domain, any lands located either
8 inside the county, or contiguous to the county pursuant to the
9 limitations imposed pursuant to this section.

10 ~~K.~~ L. Provisions of this section shall not apply to entities
11 created under Sections 1324.1 through 1324.26 of Title 82 of the
12 Oklahoma Statutes.

13 ~~L.~~ M. Any trust created under Section 176 et seq. of this
14 title, in whole or in part, to operate, administer or oversee any
15 county jail facility shall consist of not less than five members and
16 include a county commissioner and the county sheriff, or their
17 designee, and one member appointed by each of the county
18 commissioners. The appointed members shall not be elected
19 officials.

20 SECTION 4. AMENDATORY 60 O.S. 2021, Section 178, is
21 amended to read as follows:

22 Section 178. A. The instrument or will creating such trust may
23 provide for the appointment, succession, powers, duties, term,
24 manner of removal and compensation of the trustee or trustees

1 subject to the provisions of subsections C and E of this section,
2 and in all such respects the terms of ~~said~~ the instrument or will
3 shall be controlling. ~~Trustees, who are public officers,~~ Elected
4 officials, who also serve as trustees, shall serve without
5 compensation, but may be reimbursed for actual expenses incurred in
6 the performance of their duties as trustees. Trustees who are not
7 elected officials may receive reasonable compensation and may be
8 reimbursed for actual expenses related to the performance of their
9 duties as trustees. For purposes of this section, reasonable
10 compensation shall not exceed a stipend per meeting equal to the
11 regional average for compensation of members of other governmental
12 or nonprofit boards and shall be approved by the beneficiary of the
13 public trust. If the ~~said~~ instrument or will makes no provisions in
14 regard to any of the foregoing, then the general laws of the state
15 shall control as to such omission or omissions. Every person
16 hereafter becoming a trustee of a public trust first shall take the
17 oath of office required of an elected public officer and every
18 officer and employee who handles funds of a public trust shall
19 furnish a good and sufficient fidelity bond in an amount and with
20 surety as may be specified and approved by the persons constituting
21 a majority of each of the governing bodies of the beneficiaries of
22 the trust, such bond to be in a surety company authorized to
23 transact surety business in the State of Oklahoma but in no event
24 shall any bond be required of a trustee. The cost of ~~said~~ the bond

1 shall be paid from funds of the trust authority. The oaths of
2 office shall be administered by any person authorized to administer
3 oaths in the State of Oklahoma, and shall be filed with the
4 Secretary of State in trusts wherein the State of Oklahoma is the
5 beneficiary; in the office of the county clerk in a trust wherein
6 any county is beneficiary; and in the office of the clerk of the
7 municipality in a trust wherein any municipality is the beneficiary.

8 B. Unless otherwise specified in another state law authorizing
9 the creation of a state-beneficiary public trust, any public trust
10 that hereafter names the State of Oklahoma as the beneficiary shall
11 have five (5) trustees appointed by the Governor of the State of
12 Oklahoma with the advice and consent of the Senate. The terms of
13 the trustees shall be as follows: of the trustees first appointed,
14 one member shall be appointed for a term of one (1) year; one member
15 shall be appointed for a term of two (2) years; one member shall be
16 appointed for a term of three (3) years; one member shall be
17 appointed for a term of four (4) years; and one member shall be
18 appointed for a term of five (5) years. At the expiration of the
19 term of each member and of each succeeding member, the Governor
20 shall appoint a successor who shall serve for a term of five (5)
21 years. Whenever a vacancy on such trust shall occur by death,
22 resignation or otherwise, the Governor shall fill the same by
23 appointment and the appointee shall hold office during the unexpired
24

1 term. Each member shall hold office until his or her successor has
2 been appointed and qualified.

3 C. Any instrument or will creating a trust which is not within
4 the scope of subsection B of this section shall provide for the
5 appointment of a minimum of three trustees, their succession,
6 powers, duties, term, manner of removal and compensation subject to
7 the provisions of subsection E of this section, and in all such
8 respects the terms of ~~said~~ the instrument or will shall be
9 controlling. If the instrument or will makes no provision in regard
10 to any of the foregoing, then the general laws of the state shall
11 control as to the omissions.

12 D. Meetings of trustees of all public trusts shall be open to
13 the public to the same extent as is required by law for other public
14 boards and commissions. Such meetings shall also be open to the
15 press and any such equipment deemed necessary by the press to record
16 or report the activities of the meetings. In such trusts wherein
17 the State of Oklahoma is the beneficiary, a written notice of
18 trustees' meetings shall be filed with the office of the Secretary
19 of State at least three (3) days prior to the meeting date. Records
20 of the trust and minutes of the trust meetings of any public trust
21 shall be written and kept in a place, the location of which shall be
22 recorded in the office of the county clerk of each county, wherein
23 the trust instrument shall be recorded. Such records and minutes
24 shall be available for inspection by any person during regular

1 business hours. Every trust created under ~~Sections~~ Section 176 et
2 seq. of this title shall file a monthly report of all expenditures
3 of bond proceeds with the governing body of each beneficiary and
4 with the Governor, the Speaker of the House of Representatives and
5 the President Pro Tempore of the Senate in the case of a public
6 trust having the State of Oklahoma as beneficiary.

7 E. Trustees of any public trust may be removed from office for
8 cause, including incompetency, neglect of duty, or malfeasance in
9 office, by a district court having jurisdiction. In the case of
10 persons appointed by the Governor, such persons shall be appointed
11 for terms not in excess of five (5) years, and shall be subject to
12 removal for cause. In the event of removal of a trustee under this
13 subsection, a successor trustee shall be appointed as provided in
14 the trust instrument. Provided, however, in the event a trustee is
15 so removed who is also a member of the governing board of a
16 municipal beneficiary, the successor trustee shall be appointed by
17 the judge of the court wherein the removal occurred; ~~said the~~ the
18 successor trustee shall serve only until the removed trustee ceases
19 to serve as a member of the governing board of the municipal
20 beneficiary and his or her successor on ~~said the~~ the board has
21 qualified.

22 F. The provisions of this section shall be inapplicable to any
23 public trust created and existing prior to July 1, 1988, if the
24 instrument or will creating such public trust shall have been held

1 to be a valid and binding agreement in an opinion of the Supreme
2 Court of the State of Oklahoma; and nothing in this section shall
3 impair or be deemed to impair the trust indenture or existing or
4 future obligations of such public trust.

5 SECTION 5. This act shall become effective November 1, 2022.

6 Passed the House of Representatives the 15th day of March, 2022.

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Presiding Officer of the House
of Representatives

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Passed the Senate the ___ day of _____, 2022.

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Presiding Officer of the Senate

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