

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 449

By: Alvord

AS INTRODUCED

An Act relating to counties; amending 68 O.S. 2021, Sections 3034.1 and 3034.2, which relate to county rainy day fund and capital reserve fund; modifying certain process for funding county rainy day fund; allowing for certain use of county rainy day fund for general budget; providing for certain line item in certain circumstance; updating statutory references; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 68 O.S. 2021, Section 3034.1, is amended to read as follows:

Section 3034.1. A. As used in ~~this act~~ Section 3034 et seq. of this title, a "rainy day fund" shall be a cash account ~~to pay for unforeseen future emergencies unforeseen circumstances~~ 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~~ appropriated from excess revenue collections from the previous fiscal year and enumerated as a budgeted item with a dedicated line

1 item identified in the chart of accounts and shall not be combined
2 with other expenses of the county. The transfer of appropriations
3 to the rainy day fund shall be conducted after the budget is
4 approved. The balance of the rainy day fund shall not be part of
5 the general budget within the estimate of needs but shall be
6 recorded on the estimate of needs as a special fund. ~~When the~~
7 ~~county has excess funds, the county may by resolution deposit the~~
8 ~~funds in the rainy day fund. However, after~~ After funds are so
9 transferred, they are not transferable back to the original source.
10 The rainy day fund may contain up to, but not more than, fifty
11 percent (50%) of the previous year's approved budget.

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

17 2. Up to ~~one-eighth (1/8)~~ one-quarter (1/4) of the balance of
18 the rainy day fund may be used ~~to supplement the county's current~~
19 ~~general budget if it is less than the previous year's budget as~~
20 revenue for the general budget if determined necessary by the
21 governing board. Revenue from the rainy day fund may be applied
22 during the original approved budget or mid-year with an amended
23 budget. The amount required must be clearly identified as a revenue
24 source within the budget, and the funds shall be transferred from

1 the rainy day fund to the general fund after the budget is approved
2 and certified.

3 3. ~~Up to one-eighth (1/8) of the balance of the rainy day fund~~
4 ~~may be used to supplement the current year's revenue when~~
5 ~~collections come in shorter than estimated and a revenue failure is~~
6 ~~declared by the board of county commissioners~~ ten percent (10%) of
7 the balance of the rainy day fund may be expended by resolution of
8 the board for exigent circumstances.

9 SECTION 2. AMENDATORY 68 O.S. 2021, Section 3034.2, is
10 amended to read as follows:

11 Section 3034.2. A. As used in ~~this act~~ Section 3034 et seq. of
12 this title, a "capital reserve fund" shall be a cash account, which
13 may be used to pay for long-term capital needs of the county. The
14 capital reserve fund shall be ~~funded~~ appropriated from the general
15 budget or other legal source. When funded from the general budget,
16 a dedicated line item shall be used to identify the expenditure in
17 the chart of accounts and not be combined with other expenses of the
18 county. The balance of the capital reserve fund shall not be part
19 of the general budget within the estimate of needs but shall be
20 recorded on the estimate of needs as a special fund. When the
21 county has excess ~~funds~~ money from other sources than the general
22 budget, the county may by resolution deposit the funds in the
23 capital reserve fund. However, after the funds are so transferred,
24 they are not transferable back to the original source.

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

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

8 SECTION 3. This act shall become effective July 1, 2025.

9 SECTION 4. It being immediately necessary for the preservation
10 of the public peace, health or safety, an emergency is hereby
11 declared to exist, by reason whereof this act shall take effect and
12 be in full force from and after its passage and approval.

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