

An Act

The following is the legislation which
was signed into law on June 2, 1981,
allowing for the creation of the
Oklahoma Municipal Power Authority



ENROLLED SENATE
BILL NO. 286

BY: SMITH (Finis) of the
SENATE

and

HOBSON and McCALEB of the
HOUSE

AN ACT RELATING TO CITIES AND TOWNS; AMENDING 62 O.S. 1971, SECTION 7.1, AS AMENDED BY SECTION 10, CHAPTER 46, O.S.L. 1973 AND SECTION 17, CHAPTER 46, O.S.L. 1973, AS LAST AMENDED BY SECTION 1, CHAPTER 145, O.S.L. 1980 (62 O.S. SUPP. 1980, SECTIONS 7.1 AND 7.2), 74 O.S. 1971, SECTIONS 118.9, AS LAST AMENDED BY SECTION 5, CHAPTER 325, O.S.L. 1980, 118.12, AS LAST AMENDED BY SECTION 8, CHAPTER 325, O.S.L. 1980 AND 85.12, AS LAST AMENDED BY SECTION 17, CHAPTER 345, O.S.L. 1980 (74 O.S. SUPP. 1980, SECTIONS 118.9, 118.12 AND 85.12); CREATING THE OKLAHOMA MUNICIPAL POWER AUTHORITY; PROVIDING A SHORT TITLE; STATING LEGISLATIVE FINDINGS AND NECESSITY; PROVIDING FOR THE ELECTION COMMITTEE, BOARD OF DIRECTORS AND BYLAWS OF THE AUTHORITY; DEFINING TERMS; PROVIDING FOR PROPERTY HELD BY THE AUTHORITY; STATING POWERS, RIGHTS AND PRIVILEGES OF THE AUTHORITY; PROVIDING PROCEDURE AND REQUIREMENTS FOR BONDS ISSUED BY THE AUTHORITY; PROVIDING PROCEDURE FOR DETERMINATION OF THE VALIDITY OF BONDS AND CONTRACTS OF THE AUTHORITY; GIVING AUTHORITY THE POWER OF EMINENT DOMAIN; DECLARING BONDS TO BE SECURITIES; CONFERRING CERTAIN POWERS ON CERTAIN ENTITIES; AUTHORIZING AUTHORITY TO CHARGE FOR SERVICES; EXEMPTING THE AUTHORITY FROM CORPORATION COMMISSION JURISDICTION; PROVIDING FOR CERTAIN CONTRACTS; REQUIRING FILING OF FINANCIAL STATEMENTS; PROVIDING FOR MEETINGS AND RECORDS OF THE AUTHORITY; PROVIDING FOR LIBERAL CONSTRUCTION OF ACT; DECLARING ACT TO BE SUPPLEMENTARY TO EXISTING LAW; DECLARING BONDS AND CONTRACTS TO BE IRREVOCABLE; STATING PERSONNEL OF THE AUTHORITY TO BE UNCLASSIFIED; REQUIRING CERTAIN CERTIFICATES FOR CERTAIN PURPOSES; EXEMPTING FUNDS OF THE AUTHORITY FROM CERTAIN DEPOSITORY REQUIREMENTS; EXEMPTING THE AUTHORITY FROM CERTAIN DATA PROCESSING REQUIREMENTS; EXEMPTING PURCHASES OF THE AUTHORITY FROM REQUIREMENTS OF THE CENTRAL PURCHASING ACT; ALLOWING THE AUTHORITY TO MAINTAIN DATA PROCESSING EQUIPMENT; PROVIDING SEVERABILITY; DIRECTING CODIFICATION; AND DECLARING AN EMERGENCY.

Correctly Enrolled: *John R. McLean*, Chairman, COMMITTEE ON ENGROSSED AND ENROLLED BILLS

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

SECTION 1. Short Title. This act shall be known and may be cited as the "Oklahoma Municipal Power Authority Act".

SECTION 2. Legislative Findings and Declaration of Necessity. It is declared that the provision of adequate, reliable and economic sources of electrical energy is in the public interest; that there is a need to establish a means by which municipalities and public trusts operating municipal electric systems may jointly plan, finance, own and operate facilities relating to electrical energy and acquire fuel and other supplies for the generation of electrical energy through the creation of a power authority in order to achieve economies and efficiencies not possible for municipalities and public trusts acting alone; that the joint planning, financing, ownership and operation of facilities relating to electrical energy, the acquisition of fuel and other supplies for the generation of electrical energy and the issuance of revenue bonds as provided herein is for a public use and serves a valid public purpose; and that the Legislature finds it necessary and proper to provide a method for municipalities and public trusts operating municipal electric systems to jointly plan, finance, develop, own or operate, either by themselves or with other public agencies, utilities or persons, facilities appropriate to the present and projected needs of such municipalities and public trusts for electrical energy. It is further declared that the intent of this act is to consider all methods for the generation of electrical energy and to provide such energy in the most economical manner available.

SECTION 3. Creation of the Authority. There is hereby created within the State of Oklahoma a power authority to be known as "Oklahoma Municipal Power Authority". Said Authority shall be, and is hereby declared to be a state governmental agency, body politic and corporate, with powers of government and with authority to exercise the rights, privileges and functions hereinafter specified.

Nothing in this act or in any other act or law contained, however, shall be construed as authorizing the Authority to levy or collect taxes or assessments, or to create any indebtedness payable out of the taxes or assessments, or in any manner to pledge the credit of the State of Oklahoma, or any subdivision thereof.

SECTION 4. Members. (a) (i) Election Committee. The Authority shall be governed by a Board of Directors consisting of seven members or such greater number, but in no event more than eleven members, as provided in the bylaws of the Authority as in effect from time to time. Members of the Board of Directors of the Authority shall be eligible to succeed themselves and shall be elected by the election committee as hereinafter provided in this section. On or before the 90th day following the effective date of this act, each of those eligible public agencies which shall have, prior to such 90th day, by proper resolution of its governing body or its public trust, declared its intention to participate, or to have any public trust operating its electric system participate, with the Authority in the development of power supply resources, shall designate one person as its representative on the election committee. All such resolutions of declaration of intention to participate with the Authority shall be filed with the Secretary of State and shall be presented to the election committee at its first meeting which shall be held in the office of the Municipal Electric Systems of Oklahoma at 11:00 a.m. on the first Tuesday following such 90th day. At such meeting the election committee shall organize and elect a chairman and such other officers as may be desirable in the determination of the election committee. The election committee shall then determine the sufficiency of the resolutions presented to it.

(ii) Election Committee Voting. For purposes of voting upon any matter which may properly come before the election committee, each representative shall have one vote unless otherwise provided in the bylaws of the Authority as in effect from time to time. The presence at any meeting of the election committee of representatives entitled

to cast a majority of the total votes to which the election committee shall be entitled shall, unless otherwise provided in the bylaws of the Authority as in effect from time to time, constitute a quorum of the election committee.

(iii) Bylaws of the Authority.

(A) The bylaws of the Authority shall be adopted by the election committee of the Authority by a majority vote of the election committee and may thereafter be amended at any time and from time to time in whole or in part by the election committee or by the Board of Directors by a majority of the total votes entitled to be cast at any properly called and constituted meeting thereof, provided, however, that any such amendment shall not violate the provisions of Section 19 hereof.

(B) The bylaws of the Authority shall provide the following:

- (1) the time, place, manner of calling, notice, quorum and voting provisions, and other procedural rules for regular and special meetings of the election committee of the Authority;
- (2) the time, place, manner of calling, notice, quorum and voting provisions, and other procedural rules for regular and special meetings of the Board of Directors of the Authority;
- (3) provisions for the number, election, term of office and removal of members of the Board of Directors and for filling vacancies on the Board of Directors;
- (4) the titles, duties and manner of election, removal and replacement of officers of the Authority;
- (5) provisions governing when the Authority may dissolve and the disposition of property of the Authority and the procedures to be followed in the

event of such a dissolution, provided, however, that any such dissolution shall not violate the provisions of Section 19 hereof; and

(6) such other rules for regulating the affairs of the Authority as the election committee or the Board of Directors may deem necessary or advisable.

(iv) Board of Directors. The initial members of the Board of Directors of the Authority shall be elected by the election committee of the Authority. Members of the Board of Directors of the Authority shall be residents of the State of Oklahoma. Members of the Board of Directors of the Authority may, but need not, be members of the election committee. Each member of the Board of Directors of the Authority shall hold office until the adjournment of the annual meeting of the Board of Directors held at, or nearest to, the expiration of his term of office as provided in the bylaws of the Authority and until his successor is elected.

(b) Additional Members of Election Committee. Each eligible public agency declaring its intention, by proper resolution of its governing body, to participate, or to have any public trust operating its electric system participate, with the Authority in the development of power supply resources after the 90th day following the effective date of this act shall promptly file such resolution with the Secretary of State and give written notice to the Authority of the adoption of such resolution and shall then designate one person as an additional member of the election committee whose term shall begin with the first meeting of the election committee which is held following the expiration of ten (10) days from the date of receipt of notice of the adoption of such resolution by the Authority. Members of the election committee shall serve at the pleasure of the governing body of the eligible public agency by which they were appointed.

SECTION 5. Definitions. As used in this act the following words shall have the following meanings unless the context clearly indicates otherwise:_____

(a) "Authority" shall mean the Oklahoma Municipal Power Authority hereby created and any successor or successors thereto. Any change in name or composition of the Authority shall in no way affect the vested rights of any person under the provisions of this act or impair the obligations of any contracts existing under this act._____

(b) "Board of Directors" shall mean the Board of Directors elected by the election committee as set forth in Section 4 of this act which shall exercise all the powers and manage and control all the affairs and property of the Authority unless otherwise specifically provided herein or in the bylaws of the Authority as in effect from time to time._____

(c) "Bonds" shall mean any revenue bonds, notes or other evidences of obligations of the Authority issued by the Authority under the provisions of this act, including, without limitation, bond anticipation notes and refunding bonds._____

(d) "Eligible public agency" shall mean any municipality, authority or other public body which owns, maintains or operates an electrical energy generation, transmission or distribution system within the State of Oklahoma on the date on which this act becomes law._____

(e) "Person" shall mean (i) any natural person; (ii) any eligible public agency as defined herein; (iii) any public trust as defined herein; (iv) the United States, any state, any municipality, political subdivision, municipal corporation, unit of local government, governmental unit or public corporation created by or pursuant to the laws of the United States or any state, or any board, corporation or other entity or body declared by the laws of the United States or any state to be a department, agency or instrumentality thereof; (v) any corporation, not for profit

corporation, firm, partnership, cooperative association, electric cooperative or business trust of any nature whatsoever organized and existing under the laws of the United States or any state; or (vi) any foreign country, any political subdivision or governmental unit of any foreign country or any corporation, not for profit corporation, firm, partnership, cooperative association, electric cooperative or business trust of any nature whatsoever organized and existing under the laws of any foreign country or of any political subdivision or governmental entity thereof._____

(f) "Project" shall mean any plant, works, system, facilities and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, located within or without the State of Oklahoma, used or useful in the generation, production, transmission, purchase, sale, exchange or inter-change of electrical energy and in the acquisition, extraction, processing, transportation or storage or of fuel of any kind for any such purposes or any interest in, or right to the use, services, output or capacity, of any such plant, works, system or facilities; provided, however, a project shall not include (i) any interest in any plant for the generation of electrical energy which is to be owned jointly with any investor-owned utility if such plant is not existing on May 10, 1981, or (ii) any interest in any nuclear powered generating plant. For purposes of this definition, a plant shall be considered to be existing if construction shall have been commenced at the plant site, if orders have been placed for major components of equipment or if the plant is to consist of an additional unit at the site of an already existing unit which will use in common any of the existing facilities at such site._____

(g) "Public trust" shall mean any public trust created and existing under the provisions of the Trusts for Furtherance of Public Functions Law, as provided by Sections 176 et seq. of Title 60 of the Oklahoma Statutes, and the Oklahoma Trust Act, as provided by Sections 175 et seq. of Title 60 of the Oklahoma Statutes, which has

as its beneficiary a municipality and which owns, maintains or operates an electrical energy generation, transmission or distribution system serving the residents and consumers of such municipality and existing on the date on which this act becomes law or created hereafter with an eligible public agency as the beneficiary.

SECTION 6. Public Property. It is hereby found, determined, and declared that the creation of the Authority and the carrying out of its corporate purposes are in all respects for the benefit of the people of this state and that the Authority is an institution of purely public charity performing an essential governmental function and all property of said Authority (including the Authority's interest in any property held jointly with any other person) is hereby declared and shall in all respects be considered to be public property and title to such property shall be held by the Authority only for the benefit of the public and the use of such property pursuant to the terms of this act shall be and is hereby declared to be for essential public and governmental purposes, that is, for the promotion of public general welfare in the matter of providing an adequate, dependable and economic electric power supply in an effort to better the general condition of the residents of the State of Oklahoma, and all of the property of and income, obligations and interest on all the bonds and notes of the Authority and the transfer thereof shall be and hereby are declared to be nontaxable for any and all purposes by the State of Oklahoma or any of its political subdivisions.

SECTION 7. Powers, Rights and Privileges of Authority. (a) The Authority shall have and is hereby authorized to exercise all powers, rights and privileges enumerated in this section. Such powers, rights and privileges shall be exercised by its Board of Directors unless otherwise specifically provided herein or by the bylaws of the Authority as in effect from time to time.

(b) The Authority may plan, finance, acquire, construct, reconstruct, own, lease, operate, maintain, repair, improve, extend or otherwise participate, individually or jointly with other persons, in one or more projects, proposed, existing or under construction, and may act as agent, or designate one or more persons, whether or not participating in a project, to act as its agent, in connection with the planning, financing, acquisition, construction, reconstruction, ownership, lease, operation, maintenance, repair, extension or improvement of the project.

(c) The Authority may investigate the desirability of and necessity for additional sources and supplies of electrical energy and fuel and other supplies of any kind for such purpose, and make studies, surveys and estimates as may be necessary to determine the feasibility and cost thereof.

(d) The Authority may cooperate with other persons in the development of sources and supplies of electrical energy and fuel and other supplies of any kind for such purposes, and give assistance with personnel and equipment in any project.

(e) The Authority may apply to any person for consents, authorizations or approvals required for any project within its powers and take all actions necessary to comply with the conditions thereof.

(f) The Authority may perform any act authorized by this act through, or by means of, its officers, agents or employees or by contract with any person, including, without limitation, the employment of engineers, architects, attorneys, appraisers, financial advisors and such other consultants and employees as may be required in the judgment of the Board of Directors, and fix and pay their compensation from funds available to the Authority therefor.

(g) The Authority may acquire, hold, use and dispose of income, revenues, funds and money.

(h) The Authority may, individually or jointly with other persons, acquire, own, hire, use, operate and dispose of personal property and any interest therein.

(i) The Authority may, individually or jointly with other persons, acquire, own, use, lease as lessor or lessee, operate and dispose of real property and interests in real property, including projects existing, proposed or under construction, and make improvements thereon.

(j) The Authority may grant the use by franchise, lease or otherwise and make charges for the use of any property or facility owned or controlled by it.

(k) The Authority may borrow money and issue negotiable bonds, secured or unsecured, in accordance with this act.

(l) The Authority may invest money of the Authority not required for immediate use, including proceeds from the sale of any bonds.

(m) The Authority may exercise the power of eminent domain in accordance with the provisions of Section 10.

(n) The Authority may determine the location and character of, and all other matters in connection with, any and all projects it is authorized to acquire, hold, establish, effectuate, operate or control.

(o) The Authority may contract with any person for the planning, development, construction, operation, sale or lease as lessor or lessee of any project or for any interest therein, on such terms and for such period of time as its Board of Directors shall determine.

(p) The Authority may contract with any eligible public agency, any public trust, or any other person for the sale of power and energy, transmission services, power supply development services or other services within or without the State of Oklahoma on such terms and conditions as the Board of Directors shall approve. Any such contract may be for the sale of output and services of a particular project or may be for output and services generally without regard to a specific project and may be for the supply of a specific quantity

of output or a percentage of the output of a specific project or other specific facility or may be based on the requirements of the purchaser or may be on such other terms and conditions as the Board of Directors deems appropriate.

(q) The Authority may enter into any contract or agreement necessary, appropriate or incidental to the effectuation of its lawful purposes and the exercise of the powers granted by this act, including, without limitation, contracts or agreements for the purchase, sale, exchange, interchange, wheeling, pooling, transmission or storage of electric power and energy, and fuel and other supplies of any kind for any such purposes, within and without the State of Oklahoma, in such amounts as it shall determine to be necessary and appropriate to make the most effective use of its powers and to meet its responsibilities, on such terms and for such period of time as the Board of Directors determines.

(r) In any case in which the Authority participates in a project as a joint owner with one or more persons, the Authority may enter into an agreement or agreements with respect to such project with the other person or persons participating therein, and any such agreement may contain such terms, conditions and provisions consistent with the provisions of the act as the parties thereto shall deem to be in their best interest. Any such agreement may include, but need not be limited to, provisions defining what constitutes a default thereunder and providing for the rights and remedies of the parties thereto upon the occurrence of such a default deemed appropriate by the Board of Directors including, to the extent deemed appropriate, the acquisition by nondefaulting parties of all or any part of the defaulting party's interest; provisions setting forth such restraints on alienation of the interests of the parties in the project as the Board of Directors deems appropriate; provisions for the construction, operation and maintenance of such electric generation or transmission facility by any one or more of the parties to such agreement which party or parties shall be designated in or pursuant

to such agreement as agent or parties thereto or by such other means as may be determined by the parties thereto; and provisions for a method or methods of determining and allocating, among or between the parties, costs of construction, operation, maintenance, renewals, replacements, improvements and disposals with respect to such project. In exercising its power to participate in a project as a joint owner with one or more persons, the Authority may not loan its credit to any person which is a joint owner of such project; provided, however, the appropriate allocations of the costs of construction, operation, maintenance, renewals, replacements, improvements and disposals with respect to such project between the Authority and such persons shall not be a loan of credit by the Authority to such persons. In carrying out its functions and activities as such agent with respect to construction, operation and maintenance of a project, such agent shall be governed by the laws and regulations applicable to such agent as a separate legal entity and not by any laws or regulations which may be applicable to any of the other participating parties. Notwithstanding anything contained in any other law to the contrary, pursuant to the terms of any such agreement, the Authority may delegate its powers and duties with respect to the construction, operation and maintenance of such project to the person acting as agent; and all actions taken by such agent in accordance with the provisions of such agreement may be made binding upon the Authority without further action or approval by the Authority.

(s) The Authority may procure insurance against any losses in connection with its property, operations or assets in such amounts and from such insurers as it deems desirable, or may self-insure against such losses.

(t) The Authority may contract for and accept any gifts, grants or loans of funds or property or financial or other aid in any form from any person, and may comply, subject to the provisions of this act, with the terms and conditions thereof.

(u) The Authority may adopt a corporate seal and may sue or be sued.

(v) The Authority may exercise all other powers not inconsistent with the Constitution of the State of Oklahoma or the United States Constitution, which powers may be reasonably necessary or appropriate for or incidental to effectuate its authorized purposes or to the exercise of any of the powers enumerated in this act.

(w) Notwithstanding any other provision herein seemingly to the contrary, the Authority may not sell output (i) at retail to the ultimate consumers thereof, (ii) to any municipality which does not qualify as an eligible public agency under the definition set forth in Section 5(d) of this act, or (iii) to any trust created and existing under the provisions of the Local Industrial Development Act, as provided by Sections 651 et seq. of Title 62 of the Oklahoma Statutes, or the Trusts for Furtherance of Public Functions Law, as provided by Sections 176 et seq. of Title 60 of the Oklahoma Statutes, which does not qualify as a public trust under the definition set forth in Section 5(g) of this act.

SECTION 8. Issuance of Bonds. (a) Purposes. The Authority may from time to time issue its bonds in such principal amounts as the Authority shall deem necessary to provide sufficient funds to carry out any of its corporate purposes and powers, including, without limitation, the acquisition, construction or termination of any project to be owned or leased, as lessor or lessee, by the Authority or the acquisition of any interest therein or any right to the products or services thereof, the funding or refunding of the principal of, redemption premium, if any, and interest on, any bonds issued by it whether or not such bonds or interest to be funded or refunded have or have not become due, the payment of engineering, legal and other expenses, together with interest subsequent to the estimated date of completion of the project for such period of time as the Board of Directors determines appropriate, the establishment or increase of reserves to secure or to pay such bonds or interest

thereon, the providing of working capital and the payment of, and the establishment or increase of reserves for, all other costs or expenses of the Authority incident to and necessary or convenient to carry out its corporate purposes and powers.

(b) Security for Bonds. Every issue of bonds of the Authority shall be payable out of the revenues or funds of the Authority, subject to any agreements with the holders of particular bonds pledging any particular revenues or funds. The Authority may issue such types of bonds as it may determine, including bonds as to which the principal and interest are payable exclusively from the revenues from one or more projects, or from an interest therein or a right to the products and services thereof, or from one or more revenue producing contracts made by the Authority with any person, or its revenues generally. Any such bonds may be additionally secured by a pledge or assignment of any revenue producing contracts made by the Authority with any person or of any grant, subsidy or contribution from any person or a pledge of any income or revenues, funds or monies of the Authority from any source whatsoever.

(c) Negotiability. All bonds of the Authority shall have all the qualities of negotiable instruments under the laws of the State of Oklahoma.

(d) Bond Provisions. Bonds of the Authority shall be authorized by a resolution of the Board of Directors adopted by a majority of the members of the Board of Directors then in office and may be issued under such bond resolution or under a trust indenture or other security agreement, in one or more series, and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates which may be fixed or may change at such time or times and in accordance with such formula or method of determination, be in such form, either coupon or registered, carry such conversion, registration, and exchange privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment at such place or places within or without the State of Oklahoma, be subject

to such terms of redemption with or without premium, and contain or be subject to such other terms as the bond resolution, trust indenture or other security agreement may provide, and shall not be restricted by the provisions of any other law limiting the amounts, maturities, interest rates or other terms of obligations of eligible public agencies or private persons. The bonds shall be sold, in such manner as the Board of Directors of the Authority shall determine, at public or private sale. The Board of Directors may also authorize bonds to be issued and sold from time to time and delegate to such officer or agent of the Authority as the Board of Directors shall select, the power to determine the time and manner (public or private) of sale, the maturities and rate or rates of interest (which may be fixed or may vary at such time or times and in accordance with a specified formula or method of determination), and such other terms and conditions, as may be deemed appropriate by the officer or agent of the Authority designated by the Board of Directors; provided, however, that the amounts and maturities of and interest rate or rates on such bonds shall be within the limits prescribed by the Board of Directors in its resolution delegating such officer or agent the power to authorize the sale and issuance of such bonds.

(e) Execution of Bonds. Bonds of the Authority may be issued and delivered notwithstanding that one or more of the officers executing them shall have ceased to hold office at the time the bonds are actually delivered.

(f) Temporary Bonds. Pending preparation of definitive bonds the Authority may issue temporary bonds which shall be exchanged for the definitive bonds.

(g) Consents. Bonds of the Authority may be issued under the provisions of this act without obtaining the consent of any department, division, commission, board, bureau or agency of the State of Oklahoma and without any other proceeding or the happening of any other condition or occurrence except as specifically required by this act.

(h) Official Statement, Prospectus or Offering Document; Filing. At least five (5) business days prior to the delivery of and payment for any bonds, there shall be filed with the Secretary of State a preliminary copy of the official statement, prospectus or other offering document pertaining to the issuance; prior to the expiration of fifteen (15) business days following said delivery of and payment therefor, there shall be filed with the Secretary of State and the Oklahoma Securities Commission a copy, in final form, of said official statement, prospectus or other offering document. If no official statement, prospectus or other offering document is used in connection with the sale of such bonds in lieu thereof there shall be filed a copy of the draft and final proceedings of the Authority authorizing the sale and issuance of such bonds.

(i) Resolution Constitutes a Contract. The bond resolution, trust indenture or other security agreement under which any bonds are issued shall constitute a contract with the holders of the bonds and may contain provisions, among others, prescribing:

- (i) the terms and provisions of the bonds;
- (ii) the pledge of and the grant of a security interest in any personal property and all or any part of the revenue from any project or any revenue producing contract made by the Authority with any person to secure the payment of bonds, subject to any agreements with the holders of bonds which might then exist;
- (iii) the custody, collection, securing, investment, and payment of any revenues, assets, money, funds or property with respect to which the Authority may have any rights or interest;
- (iv) the rates or charges for electrical energy or other services rendered by the Authority, the amount to be raised by the rates or charges, and the use and disposition of any or all revenue;

- (v) the creation of reserves or sinking funds and the regulation and disposition thereof;
- (vi) the purposes to which the proceeds from the sale of any bonds then or thereafter to be issued may be applied, and the pledge or revenues to secure the payment of the bonds;
- (vii) the limitations on the issuance of any additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds;
- (viii) the rank or priority of any bonds with respect to any lien or security;
- (ix) the creation of special funds or monies to be held in trust or otherwise for operational expenses, payment or redemption of bonds, reserves or other purposes, and the use and disposition of monies held in such funds;
- (x) the procedure by which the terms of any contract with or for the benefit of the holders of bonds may be amended or revised, the amount of bonds the holders of which must consent thereto, and the manner in which consent may be given;
- (xi) the definition of the acts or omissions to act which shall constitute a default in the duties of the Authority to holders of its bonds, and the rights and remedies of the holders in the event of default, including, if the Authority so determines, the right to accelerate the due date of the bonds or the right to appoint a receiver or receivers of the property or revenues subject to the lien of the bond resolution, trust indenture or other security agreement;
- (xii) any other or additional agreements with or for the benefit of the holders of bonds or any covenants or

<p>Correctly Enrolled: <i>John R. McLane</i></p> <p>Chairman, COMMITTEE ON ENGROSSED AND ENROLLED BILLS</p>	<p>restrictions necessary or desirable to safeguard the interest of the holders;_____</p>
	<p>(xiii) the custody of its properties or investments, the safekeeping thereof, the insurance to be carried thereon, and the use and disposition of insurance proceeds;_____</p>
	<p>(xiv) the vesting in a trustee or trustees, within or without the State of Oklahoma, of such properties, rights, powers and duties in trust as the Authority may determine; or the limiting or abrogating of the rights of the holders of any bonds to appoint a trustee, or the limiting of the rights, powers and duties of such trustee; or_____</p>
	<p>(xv) the appointment of and the establishment of the duties and obligations of any paying agent or other fiduciary within or without the State of Oklahoma._____</p>
	<p>(j) Any pledge of revenues, securities, contract rights or other personal property made by the Authority pursuant to this act shall be valid and binding from the date the pledge is made. The revenues, securities, contract rights or other personal property so pledged and then held or thereafter received by the Authority or any fiduciary shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority without regard to whether such parties have notice thereof. The bond resolution, trust indenture, security agreement or other instrument by which a pledge is created need not be filed or recorded in any manner._____</p> <p>(k) Neither the officials, the directors, nor the members of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof. The Authority</p> <p>ENR. S. B. NO. 286 Page 18</p>

<p>Correctly Enrolled: <i>John R. McLane</i></p> <p>Chairman, COMMITTEE ON ENGROSSED AND ENROLLED BILLS</p>	<p>shall have power to indemnify and to purchase and maintain insurance on behalf of any director, officer, employee, or agent of the Authority, in connection with any threatened, pending, or completed action, suit or proceeding._____</p>
	<p>(l) The Authority shall have power to purchase out of any funds available therefor, bonds, and to hold, pledge, cancel or retire the bonds and coupons prior to maturity, subject to and in accordance with any agreements with the holders._____</p>
	<p>(m) The principal of, premium, if any, and interest upon any bonds issued by the Authority shall be payable solely from the revenues or funds pledged or available for their payment as authorized in this act. Each bond shall contain a statement that it constitutes an obligation of the Authority, that the principal thereof, premium, if any, and interest thereon are payable solely from revenues or funds of the Authority and that neither the State of Oklahoma nor any political subdivision thereof, nor any eligible public agency or public trust which has contracted with the Authority, is obligated to pay the principal of, premium, if any, or interest on the bonds and that neither the faith and credit nor the taxing power of the State of Oklahoma or any such political subdivision thereof or of any such eligible public agency or public trust is pledged to the payment of the principal of, premium, if any, or the interest on the bonds._____</p>
	<p><u>SECTION 9.</u> Judicial Determination by Supreme Court of Validity of Bonds, Contracts and Other Acts--Notice. The Authority is authorized in its discretion to file an application with the Supreme Court of Oklahoma for approval by said court of any bonds to be issued under this act, or to file a petition for a judgment determining the validity of any proposed contract or action arising from the exercise of any of the powers, rights, privileges and functions conferred upon the Authority, eligible public agencies or public trusts under this act; and exclusive original jurisdiction is hereby conferred upon the Supreme Court to hear and determine each</p> <p>ENR. S. B. NO. 286 Page 19</p>

such application or petition. It shall be the duty of the court to give such applications and petitions precedence over the other civil business of the court except habeas corpus proceedings, and to consider and pass upon the applications and petitions and any protests which may be filed thereto as speedily as possible. Notice of the hearing on each application and petition shall be given by a notice published in a newspaper of general circulation in the state that on a day named the Authority will ask the court to hear its application and approve the bonds, or hear its petition and enter a declaratory judgment. Such notice shall inform property owners, taxpayers, ratepayers, citizens and all persons having or claiming any right, title or interest in such matter or properties or funds to be affected by the issuance of such bonds, or proposed contract or action, or affected in any way thereby, that they may file protests against the issuance of the bonds, the validity of the contracts or action, or the declaratory judgment, and be present at the hearings and contest the legality thereof. Such notice shall be published one time not less than ten (10) days prior to the date named for the hearing and the hearing may be adjourned from time to time in the discretion of the court. If the court shall be satisfied that the bonds have been properly authorized in accordance with this act and that, when issued, they will constitute valid obligations in accordance with their terms, the court shall render its written opinion approving the bonds, and shall, upon application of the Authority, also issue an order permanently enjoining all persons described in the aforesaid notice from thereafter instituting any action or proceeding contesting the validity of such bonds, or of the rates, fees or charges authorized to be charged for the payment thereof, or the pledge of revenues, monies, securities, contract rights or other personal property to secure such payment, and shall fix the time within which a petition for rehearing may be filed. If the court shall be satisfied that the proposed contract or action is in accordance with this act, the court shall enter a judgment

approving and declaring such contract or action to be valid, and shall, upon application of the Authority, also issue an order permanently enjoining all persons described in the aforesaid notice from thereafter instituting any action or proceeding contesting the validity of such contract or action, and shall fix the time within which the petition for rehearing may be filed. The decision of the court shall be a judicial determination of the validity of the bonds, shall be conclusive as to the Authority, its officers and agents, and thereafter the bonds so approved and the revenues, monies, securities, contract rights or other personal property pledged to their payments shall be incontestable in any court in the State of Oklahoma, and any declaratory judgment on any contract or action of the Authority, any eligible public agency or any public trust entered pursuant to this section shall have the force and effect of a final judgment or decree.

SECTION 10. Eminent Domain. Except as otherwise provided by this act, the Authority may acquire all real or personal property that it deems necessary for carrying out the purposes of this act, whether in fee simple absolute or a lesser interest, by condemnation and the exercise of the power of eminent domain in the manner and by like proceedings as provided by general law with respect to condemnation. The Authority shall never have power of eminent domain with respect to any real or personal property or interest therein at the time owned or leased by any person as part of a system, whether existing, under construction or being planned, or facilities for the generation, transmission, production or distribution of electrical power. The authority of the Authority to acquire real or personal property by condemnation or the exercise of the power of eminent domain shall be a continuing power, and no exercise thereof shall exhaust it.

SECTION 11. Legal Investments. The bonds herein authorized are hereby made securities in which all public officers and bodies of this state and all political subdivisions, all insurance companies

and associations, and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of the state may properly and legally invest funds including capital in their control or belonging to them. The bonds are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this state and all political subdivisions for any purpose for which deposit of bonds or other obligations of this state is now or may hereafter be authorized.

SECTION 12. Powers of Eligible Public Agencies and Public Trusts.

(a) In order to accomplish the purposes of this act, any eligible public agency, subject to the restrictions of Article 10, Sections 17, 26 and 27 of the Constitution of the State of Oklahoma, or any public trust may enter into and carry out contracts and agreements for the purchase from the Authority of power and energy, transmission services, power supply development services and other services.

- (i) Each such contract and agreement shall be for such period and shall contain such other terms, conditions and provisions, not inconsistent with the provisions of this act, as the Board of Directors of the Authority shall approve, including, without limitation, provisions whereby the eligible public agency or public trust is obligated to pay for the products and services of the Authority without set-off or counterclaim and irrespective of whether such products or services are furnished, made available or delivered to the eligible

public agency or public trust or whether any project contemplated by any such contract and agreement is completed, operable or operating, and notwithstanding suspension, interruption, interference, reduction or curtailment of the products and services of such project.

- (ii) Each such contract and agreement may be pledged by the Authority to secure its obligations and may provide that if one or more eligible public agencies or public trusts defaults in the payment of its obligations under such contract and agreement, the remaining eligible public agencies and public trusts having such contracts and agreements shall be required to pay for and shall be entitled proportionately to use or otherwise dispose of the products and services which were to be purchased by the defaulting eligible public agency or public trust.
- (iii) Each such contract and agreement shall be a limited obligation of an eligible public agency or public trust payable from and may be secured by a pledge of, and lien and charge upon, all or any part of the revenues derived or to be derived from the ownership and operation of its electric or other integrated utility system as and, if so provided in such contract or agreement, shall be an expense of operation and maintenance thereof, and shall not constitute an indebtedness of such eligible public agency or public trust for the purpose of any statutory limitation.
- (iv) Nothing in this act shall be construed to preclude an eligible public agency or public trust from appropriating and using taxes and other revenues received in any year to make payments due or to comply with covenants to be performed during that year under

any contract or agreement entered into as contemplated in this act.

(b) Any such contract or agreement may include provisions for the sale of output and services of a particular project or for output and services generally without regard to a specific project and for the supply of a specific quantity of output or a percentage of the output of a specific project or other specific facilities or for the supply of output based upon the requirements of the purchaser and on such other terms and conditions as the Board of Directors and the contracting or agreeing party deem appropriate.

(c) In the event of any failure or refusal on the part of the eligible public agency or public trust to perform punctually any covenant or obligation contained in any such contract, the Authority may enforce performance by any legal or equitable process, including specific performance.

SECTION 13. Rents, Rates and Other Charges; Corporation Commission Exemption. The Authority may establish, levy and collect or may authorize, by contract, franchise, lease or otherwise, the establishment, levying and collection of rents, rates and other charges for the products and services afforded by the Authority or by or in connection with any project which it may construct, acquire, own, operate or control or with respect to which it may have any interest or any right to the products and services thereof as it may deem necessary, proper, desirable or reasonable. Rents, rates and other charges shall be at least sufficient to meet the operation, maintenance and other expenses thereof, including reasonable reserves, interest and principal payments, including payments into one or more sinking funds for the retirement of principal, to comply with all terms and provisions of the bond resolution, trust indenture or other security agreement relating to the bonds issued in connection with any project, to accumulate any excess income which may be required by the purchasers of such bonds or may be dictated by the requirements of such bond resolution, trust indenture or security

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agreement for achieving ready marketability of and low interest on such bonds and to generate funds sufficient to fulfill the terms of any other contracts or agreements made by the Authority. The Authority may pledge its rates, rents and other revenue, or any part thereof, as security for the repayment, with interest and premium, if any, of any monies borrowed by it or advanced to it for any of its authorized purposes and as security for the payment of amounts due and owing by it under any contract.

The Authority shall be exempt in any and all respects from the jurisdiction or control of the Oklahoma Corporation Commission. Nothing herein shall be construed as depriving the State of Oklahoma of its power to regulate and control fees and/or charges to be collected for the use of any products and services afforded by the Authority, provided, that the State of Oklahoma does hereby pledge to and agree with the purchasers and successive holders of the bonds issued hereunder that the state will not limit or alter the power hereby vested in the Authority to establish, levy and collect such rents, rates and other charges as will produce revenue sufficient to meet the operation, maintenance and other expenses set forth in the preceding paragraph of this Section 13, or in any way to impair the rights or remedies of the holders of the bonds, or of any person in their behalf, until the bonds, together with the interest thereon, with interest on unpaid installments of interest and all costs and expenses in connection with any action or proceedings by or on behalf of the bondholders and all other obligations of the Authority in connection with such bonds are fully met and discharged.

SECTION 14. Acquisition and Construction Contracts. The Authority shall be subject to the provisions of the Public Competitive Bidding Act, as provided by Sections 101 et seq. of Title 61 of the Oklahoma Statutes, provided, however, where the Authority is purchasing an undivided interest in a project that is being constructed or operated by another person, the initial purchase of such interest by the Authority and any contracts entered into by such

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person while acting as agent for the Authority in connection with such project shall not be subject to the provisions of such act.

SECTION 15. Financial Statements; Filing. Within ninety (90) days following the closing of each fiscal year, the Authority shall cause to be prepared certified financial statements which shall be filed with the State Auditor and Inspector within sixty (60) days of preparation.

SECTION 16. Meetings and Records. All meetings of the Authority shall be subject to the provisions of the Oklahoma Open Meeting Act, as provided by Sections 301 et seq. of Title 25 of the Oklahoma Statutes. All records of the Authority shall be subject to the provisions of Section 24 of Title 51 of the Oklahoma Statutes.

SECTION 17. Construction. This act and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein; provided however, nothing in this act shall be construed to authorize the Authority to loan its credit to any investor-owned utility nor to acquire or subsidize any nuclear powered generating plant.

SECTION 18. Powers Declared Supplementary. The provisions of this act shall be regarded as supplementary and additional to and cumulative of powers conferred by other laws and shall not be regarded as being in derogation of any powers now existing.

SECTION 19. Irrevocable Contract. While any of the bonds issued by the Authority shall remain outstanding or while the Authority has any undischarged duties or obligations under any contract or agreement, including obligations to any joint owner of any project, the powers, duties or existence of the Authority or of its officers, employees or agents shall not be diminished, impaired or affected in any manner which will affect adversely the interest and right of the owners of such bonds or the persons to whom such duties or obligations are owed under such contracts or agreements. The provisions of this act shall be for the benefit of the state, the Authority, every owner of the Authority's bonds and every other

person to whom the Authority owes a duty or is obligated by contract or agreement and, upon and after the issuance of bonds under the provisions of this act, shall constitute an irrevocable contract by the state with the owners of such bonds and the other persons to whom the Authority owes a duty or is obligated by such contracts or agreements.

SECTION 20. In addition to those officers and positions in the unclassified service of the state as now provided by law, all personnel of the Authority shall be included in the unclassified service of the state.

SECTION 21. 62 O.S. 1971, Section 7.1, as amended by Section 10, Chapter 46, O.S.L. 1973 (62 O.S. Supp. 1980, Section 7.1), is amended to read as follows:

Section 7.1 A. There is hereby created in the official depository in the State Treasury an agency clearing account for each state officer, department, board, commission, institution or agency of the state, hereinafter referred to collectively as state agencies.

B. It shall be the duty of each state agency, officer or employee, to deposit daily in the agency clearing account, or agency special account, established under Section 7.2 of this title, all monies of every kind, including, but not limited to:

1. Tax revenues;
2. Receipts from licenses, examinations, per diem and all other reimbursements, fees, permits, fines, forfeitures and penalties; and
3. Income from money and property, grants and contracts, refunds, receipts, reimbursements, judgments, sales of materials and services of employees, and nonrevenue receipts, received by a state agency, officer or employee by reason of the existence of and/or operation of a state agency.

C. The State Treasurer is authorized to accept deposits directly to State Treasury funds, consisting of cash, bank drafts, bank cashier's checks, federal treasury checks and other forms of remittance which are uniformly honored for payment.

All checks, drafts, orders and vouchers so deposited shall be credited and cleared at par and should payment be refused on any such check, draft, order or voucher, or should the same prove otherwise worthless, the amount thereof shall be charged by the State Treasurer against the account or fund theretofore credited with the same; provided, further, that the State Treasurer shall not accept for deposit to any agency clearing account, or any agency special account, created pursuant to the provisions of Section 7.2 of this title, any warrant, check, order or voucher drawn against any state fund or account in favor of any individual or other person except the state officer, department, institution or agency for which account or fund the deposit is made, or a bona fide student enrolled at any of the state institutions of higher learning when such warrant, check, order or voucher is endorsed to the institution as payment of any fees or other accounts due such institution.

D. At least once each month each state agency shall transfer monies deposited in agency clearing accounts to the various funds or accounts, subdivisions of the state, or functions as may be provided by statute and no money shall ever be disbursed from the agency clearing account for any other purpose, except in refund of erroneous or excessive collections and credits. Provided, however, that state parks and lodges under the control of the Oklahoma Tourism and Recreation Department shall be permitted to make deposit of receipts on a monthly basis, provided that such receipts must be deposited within the month received or when such receipts equal or exceed One Hundred Dollars (\$100.00), whichever first occurs.

E. Funds and revenues of the Oklahoma Municipal Power Authority are exempt from the requirements of this section.

SECTION 22. Section 17, Chapter 46, O.S.L. 1973, as last amended by Section 1, Chapter 145, O.S.L. 1980 (62 O.S. Supp. 1980, Section 7.2), is amended to read as follows:

Section 7.2 A. There is hereby recreated, to continue until July 1, 1984, in accordance with the provisions of the Oklahoma

Sunset Law, a Special Agency Account Board, to consist of the Director of State Finance, the State Treasurer and the Director of the Legislative Fiscal Office. The Board shall have the authority to approve the establishment of agency special accounts in the official depository of the State Treasury. In the case of institutions of higher education, the Special Agency Account Board acting in conjunction with the Oklahoma State Regents for Higher Education shall establish special agency accounts as appropriate which shall be consistent with provisions of the Oklahoma Budget Law of 1947 beginning at Section 41.1 of this title as it relates to institutions in The Oklahoma State System of Higher Education.

B. The Board, created by this section, shall adopt procedures including application forms, justification and other pertinent information as to the basis for a state agency application for the establishment of agency special accounts.

C. The Board may approve agency special accounts for monies received by state agencies for the following purposes:

1. Benefit programs for individuals, including, but not limited to, unemployment compensation, workers' compensation and state retirement programs;

2. Revenues produced by activities or facilities ancillary to the operation of a state agency, which receives no monies, directly or indirectly, from or through that state agency, including, but not limited to, revenues from the sales of food at retail level, sales at canteens, sales at student unions, sales at student bookstores, receipts from athletic programs and receipts from housing. Provided, however, that a state institution of higher learning may purchase necessary equipment and instructional supplies and office supplies from a student bookstore, or, subject to authorization by the Oklahoma State Regents for Higher Education, may rent building space for institutional use in a building operated by an organization or entity whose existence is ancillary to the operation of a state agency, and whose cost was financed in whole or in part with revenue

type bonds; provided, further, that the cost of such office supplies or space rental shall not exceed the cost of similar supplies or rentals available commercially;_____

3. Gifts, devises and bequests with an agency as beneficiary, unless otherwise provided by statute;_____

4. Evidence funds for law enforcement agencies;_____

5. Student loan funds and scholarship funds;_____

6. Funds held in escrow;_____

7. Land Commission funds;_____

8. Funds for which the state agency acts as custodian, including, but not limited to, fees from employee earnings approved by the governing board of the agency, funds of student organizations including student activity fees collected by an educational institution as a separate item in enrollment procedures, professional organizations, patients and inmates; and_____

9. Temporary accounts for funds arising from new or amended legislation not otherwise provided for in statute or for other emergency situations. Such accounts are to be utilized only pending legislative action directing custody of such funds._____

D. The State Treasurer is authorized to accept deposit of monies directly to agency special accounts approved by the Board. All monies received by a state agency, as described in Section 7.1 of this title, shall be deposited in State Treasury funds or accounts and no monies shall be deposited in banks or other depositories unless the said bank accounts are maintained by the State Treasurer or are for the deposit of authorized petty cash funds._____

E. The balances in agency bank accounts or depository accounts, as of July 1, 1973, shall be transferred to agency clearing accounts or agency special accounts created in this act. However, a sufficient balance to fund outstanding checks and vouchers, if any, shall be retained in said bank or depository accounts for a period of one (1) year. A list of all outstanding checks or vouchers for each

bank or depository account so abolished shall be furnished to the State Treasurer by the state agency as of July 1, 1973._____

F. Monies deposited in agency special accounts shall be disbursed on vouchers issued by the state agency concerned to accomplish the purpose for which the monies were intended._____

G. Funds and revenues of the Oklahoma Municipal Power Authority are exempt from the requirements of this section._____

SECTION 23. 74 O.S. 1971, Section 118.9, as last amended by Section 5, Chapter 325, O.S.L. 1980 (74 O.S. Supp. 1980, Section 118.9), is amended to read as follows:_____

Section 118.9 The Department of Human Services and the Oklahoma Employment Security Commission data processing centers as listed in Section 118.12 of this title are exempt from the provisions of this act, except as to the provisions of Section 118.13 of this title, only if at least fifty-one percent (51%) of those agencies' total data processing center costs are reimbursed or paid for by federal agencies annually. The Oklahoma Tax Commission and the Oklahoma Municipal Power Authority are exempt from all provisions of this act except as to the provisions of Section 118.13 of this title. Total data processing cost for the purpose of this section shall mean the cost of data processing equipment, peripheral devices whether or not connected to such equipment, supporting unit record equipment and the personnel cost, including indirect costs such as retirement and so forth, of those employees who are required to plan, manage and execute the utilization of such equipment. Such exempt agencies shall notify the Director of the Division of their intention to acquire data processing equipment at the time any such equipment is ordered or scheduled for delivery, whichever shall first occur. Such exempt agencies shall also notify the Director of plans for replacement or disposition of such equipment._____

SECTION 24. 74 O.S. 1971, Section 118.12, as last amended by Section 8, Chapter 325, O.S.L. 1980 (74 O.S. Supp. 1980, Section 118.12), is amended to read as follows:_____

Section 118.12 After April 30, 1975, no state agency except the following shall be authorized to maintain an electronic data processing equipment installation:_____

1. Department of Human Services;_____
2. Commission on Criminal and Traffic Law Enforcement;_____
3. Oklahoma Employment Security Commission;_____
4. State Treasurer;_____
5. State Department of Education and State Department of Vocational and Technical Education;_____
6. Division of Data Processing Planning;_____
7. Institutions within The Oklahoma State System of Higher Education;_____
8. Legislative branch of government;_____
9. Judicial branch of government;_____
10. Oklahoma Tax Commission;_____
11. Department of Public Health;_____
12. State Budget Offices; and_____
13. Oklahoma Municipal Power Authority._____

All other currently installed electronic data processing equipment shall become the property of the Department and shall be disposed of or utilized as directed by the Division. All data stored in all computer systems is the property of the State of Oklahoma. The Director shall implement an orderly and reasonable transition as required by this act which shall be accomplished by July 1, 1980. The Division shall be responsible for coordinating the matching of agencies requiring utilization of data processing equipment with agencies which have suitable nonutilized data processing capabilities, and all employees of agencies which provide data processing equipment or services to another agency may perform those duties as necessary for the processing and programming of records and shall be subject to any restrictions of confidentiality or privileged information imposed by any statute pertaining to that information or those documents being processed or programmed and those employees

shall be subject to any penalty provisions for violation of the applicable statute; except where provided by agreement, regulation or statute of the federal government or any of its agencies, where such agreement, regulation or statute has been approved as an exception by the appropriate state agency._____

SECTION 25. 74 O.S. 1971, Section 85.12, as last amended by Section 17, Chapter 345, O.S.L. 1980 (74 O.S. Supp. 1980, Section 85.12), is amended to read as follows:_____

Section 85.12 The provisions of this act shall not be construed to affect any law relating to fiscal or accounting procedure except such as may be directly in conflict herewith; and all claims, warrants and bonds shall be examined, inspected and approved as now provided by law._____

The following acquisitions shall not be included within the purview of this act:_____

1. Food and other products produced by state institutions and agencies._____
2. Contracts for construction of new buildings and for the repair, maintenance or modernization of old buildings by state educational institutions included within The Oklahoma State System of Higher Education._____
3. The printing or duplication of publications or forms of whatsoever kind or character by state agencies, which service is performed upon their own equipment, by their own employees._____
4. Acquisitions by The Oklahoma State System of Higher Education on any institution or entity comprising the same insofar as such acquisitions relate to textbooks, laboratory supplies, instructional materials and specialized laboratory equipment._____
5. Transportation Commission contractual services or right-of-way purchases. Contracts for the maintenance or construction of roads or highways, bridges or underpasses, or any other highway structures pursuant to bids let by the Transportation Commission._____

6. Utility services where rates therefor are regulated by a state or federal regulatory commission, or by city ordinance or by an Indian Tribal Council for use by the Department of Corrections only.

7. Purchases by Oklahoma Memorial Hospital of laboratory supplies, medical supplies, pharmaceuticals and human organs, in an emergency situation, are authorized. The Board of Trustees shall develop criteria for verification of the emergency involved and procedures for carrying out the provisions hereof.

8. Contracts for custom harvesting by the Department of Corrections for the Department or its institutions.

9. Acquisitions of aircraft by agencies authorized by the Legislature to purchase aircraft.

10. Purchases by the Oklahoma Municipal Power Authority. Notwithstanding the exclusions provided herein, any agency or common schools of Oklahoma, any municipality of the state and county officers may, unless the contract with the state specifies otherwise, avail themselves of the provisions of the Oklahoma Central Purchasing contracts and the services of the Purchasing Director. Provided further, however, that any subdivision of government of the state may designate the office of Oklahoma Central Purchasing as its agent for the purchase or procurement of any item or service contracted or available to the state.

SECTION 26. Partial Invalidity. If any provision of this act or the application thereof to any person or circumstance shall be held to be invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SECTION 27. Sections 1 through 20 of this act shall be codified in the Oklahoma Statutes as Sections 24-101 through 24-120 of Title 11, unless there is created a duplication in numbering.

SECTION 28. It being immediately necessary for the preservation of the public peace, health and 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 21st day of May, 1981.

Mike Combs
President of the Senate

Passed the House of Representatives the 27th day of May, 1981.

Mikerough
Speaker Pro Tempore of the House of Representatives

OFFICE OF THE GOVERNOR
Received by the Governor this 28th
day of May, 19 81
at 2:30 o'clock P M.

By: *Dale P. Winslow*

Approved by the Governor of the State of Oklahoma the 2nd day of June, 19 81, at 4:40 o'clock P M.

Bert S. Smith
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE
Received by the Secretary of State this 3rd
day of June, 19 81,
at 10:00 o'clock A M.
By: *James B. Edmonson*

