STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2753

By: Wallace and Hilbert of the House

and

Thompson and Rader of the Senate

COMMITTEE SUBSTITUTE

An Act relating to Quartz Mountain; defining terms; transferring Quartz Mountain from the board of trustees for the Quartz Mountain Arts and Conference Center and Nature Park to the Oklahoma Tourism and Recreation Department; providing timeline and requirements for transfer; providing for the transfer of personnel and related benefits; declaring legislative intent; granting right to certain personnel to fill certain budgeted vacancies on certain date; prioritizing the filling of vacancies based on seniority; requiring execution of certain documents by certain date; authorizing the establishment of certain funds and accounts in the Office of Management and Enterprise Services; providing personnel certain options related to participation elections in various state pension systems; requiring the filing of certain election documents by certain date; clarifying the requirements for employee and employer contributions and the treatment of service credit under different election scenarios; providing for treatment in the absence of such election by certain date; clarifying state pension system participation for new hires after certain date; exempting the Department from certain tort claims arising or accruing prior to
certain date; providing for succession related to contractual rights, rents, obligations and responsibilities; providing for payment of certain debt service through certain methods; authorizing certain management service contracts; limiting certain management service contracts; requiring the execution of certain documents related to the transfer; providing transfer occur by operation of law in the absence of such executions; authorizing the continued enforcement of certain rules during certain period; repealing 70 O.S. 2011, Sections 4450, 4451, 4452, as amended by Section 640, Chapter 304, O.S.L. 2012 and 4452a (70 O.S. Supp. 2019, Section 4452), which relate to the Quartz Mountain Arts and Conference Center and Nature Park; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2229.1A of Title 74, unless there is created a duplication in numbering, reads as follows:

As used in Sections 1 and 2 of this act:

1. "Board" or "board of trustees" means the board of trustees for the Quartz Mountain Arts and Conference Center and Nature Park created in Section 4451 of Title 70 of the Oklahoma Statutes;

2. "Center" means the Quartz Mountain Arts and Conference Center and Nature Park;

3. "Commission" means the Oklahoma Tourism and Recreation Commission;
4. "Department" means the Oklahoma Tourism and Recreation Department;

5. "Quartz Mountain" means all properties held in fee title, lease or otherwise, including interests in land, real estate options or real estate contracts, held by or on behalf of the Oklahoma State Regents for Higher Education, that are known and designated as the Quartz Mountain Arts and Conference Center, Quartz Mountain Lodge, and Quartz Mountain State Park, including the golf course, the property known as Baldy Point, described as the N 1/2 of the NE 1/4 of Section 20, Township Five (5) North, Range Twenty (20) West of the Indian Meridian, and the SE 1/4 of the SE 1/4 of Section 17, Township Five (5) North, Range Twenty (20) West of the Indian Meridian, Greer County, Oklahoma, the property known as Devils Canyon, all buildings, improvements, appurtenances and associated lands, and all personal property including equipment, files, fixtures, furniture, and supplies that relate to the properties on the effective date of this section, as determined by an inventory on file as of the effective date of this section as required by law to be updated no later than October 1, 2020, by inventory jointly conducted by the Oklahoma State Regents for Higher Education and the Oklahoma Tourism and Recreation Department, and any similar personal property purchased or delivered for use at Quartz Mountain after the date of the inventory on file; and
6. "State Regents" means the Oklahoma State Regents for Higher Education.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2229.1B of Title 74, unless there is created a duplication in numbering, reads as follows:

A. Effective October 1, 2020, the properties defined as Quartz Mountain in Section 1 of this act are hereby transferred from the board of trustees for the Quartz Mountain Arts and Conference Center and Nature Park to the Oklahoma Tourism and Recreation Department.

B. All board of trustees personnel, in both the classified and unclassified service of the State Merit System of Personnel Administration, who are assigned as of October 1, 2020, to Quartz Mountain, including related liabilities for sick leave, annual leave, holidays, unemployment benefits and workers' compensation benefits accruing prior to October 1, 2020, to such personnel shall be transferred as of October 1, 2020, to the Department. It is the intent of the Legislature that, to the extent possible, the Department shall ensure that the employees retain pay and benefits, as much as possible, including longevity, dependent insurance benefits, seniority, rights and other privileges and benefits.

Notwithstanding the provisions of the Oklahoma Personnel Act, board employees assigned to Quartz Mountain on October 1, 2020, shall have the right on October 1, 2020, and not thereafter, to fill a budgeted vacancy in the classified service of the Parks Division in the
Department or to fill a budgeted vacancy in the unclassified service in the Golf or Resorts Divisions of the Department, if such employee is qualified. Additionally, filling of vacancies shall be based on seniority order with the State of Oklahoma.

C. Appropriate conveyances and other documents shall be executed by October 1, 2020, to effectuate the transfer of Quartz Mountain.

D. The Department may establish appropriate funds and accounts, including a revolving fund in the Office of Management and Enterprise Services for servicing the fiscal operations of the Center. Such funds and accounts shall be subject to the direct supervision, management and control of the Department.

E. 1. An employee transferred pursuant to the provisions of this act who is a member of the Teachers' Retirement System of Oklahoma or the Oklahoma Law Enforcement Retirement System may elect to remain a member of the applicable system or may elect to become a member of the Oklahoma Public Employees Retirement System. The employee shall file an election on a form prescribed for that purpose with the applicable system not later than November 1, 2020.

2. If an employee files an election to remain in the Teachers' Retirement System of Oklahoma or the Oklahoma Law Enforcement Retirement System, the Department shall pay the required employer contributions applicable to the participating employers pursuant to Section 17-108.1 of Title 70 of the Oklahoma Statutes or Section 2-
304 of Title 47 of the Oklahoma Statutes. The employee shall continue to pay employee contributions as required by law.

3. If the employee fails to file an election by November 1, 2020, the employee shall become a member of the Oklahoma Public Employees Retirement System.

4. Employees who become members of the Oklahoma Public Employees Retirement System shall acquire service credit in the Oklahoma Public Employees Retirement System pursuant to the provisions of Section 901 et seq. of Title 74 of the Oklahoma Statutes, and service credit accrued during the time the employee was a member of the Teachers' Retirement System of Oklahoma may be transferred to the Oklahoma Public Employees Retirement System pursuant to the provisions of Section 913 of Title 74 of the Oklahoma Statutes. For service performed by the employee, if the member fails to make the election required by paragraph 3 of this subsection, the Department shall make required contributions pursuant to Section 920 of Title 74 of the Oklahoma Statutes and the employee shall make required contributions imposed pursuant to Section 919.1 of Title 74 of the Oklahoma Statutes. The Department and the employees shall be subject to all requirements of the provisions of Section 901 et seq. of Title 74 of the Oklahoma Statutes governing the Oklahoma Public Employees Retirement System.

5. Any employee who is employed by the Department after October 1, 2020, and who is otherwise eligible for membership in the
Oklahoma Public Employees Retirement System or the Oklahoma Law Enforcement Retirement System shall be enrolled during employment by the board of trustees in the Oklahoma Public Employees Retirement System or the Oklahoma Law Enforcement Retirement System, as appropriate.

F. The Department shall not be responsible for any claims arising under The Governmental Tort Claims Act accrued prior to October 1, 2020, claims arising from any other actions accrued prior to October 1, 2020, or tort claims arising prior to October 1, 2020, for which no claim has accrued upon the date of transfer. The Department shall not be responsible for any claims arising out of construction begun before October 1, 2020, at Quartz Mountain.

G. 1. The Department shall succeed to any contractual rights and responsibilities the board of trustees has incurred on behalf of Quartz Mountain, including but not limited to:

   a. any responsibilities for payment of rents or other obligations, including but not limited to all debt service, arising under a lease or sublease pursuant to the Oklahoma State Regents for Higher Education master lease program which shall be provided to the Oklahoma State Regents for Higher Education through direct legislative appropriation or in a cash payment from the Oklahoma Department of Tourism and Recreation on
or before October 1, 2020, not to exceed Five Hundred Eight Thousand Thirty-one Dollars ($508,031.00), and

b. any responsibilities related to contractual agreements with nonprofit organizations that operate a fine arts institute for high school students and a continuing education program for higher education faculty, elementary and secondary education teachers and commercial artists,

except as provided in subsection F of this section.

2. The Department may enter into one or more contracts for management services of the Center. The duties and benefits arising under any contract for management services of any part of Quartz Mountain entered into by the board of trustees that is in effect on October 1, 2020, shall be assigned to the Department. The contract may be renewable at the option of the Department but not to exceed a cumulative period of fifty (50) years.

3. The board of trustees shall execute all necessary documents to memorialize the assignment to the Department all rights, responsibilities, and obligations under any and all contracts the Board has entered into relating to operation of any part of Quartz Mountain, including the golf course, as provided in this section. The Department shall execute any documents necessary to memorialize acceptance of such assignment. In the absence of memorializing
documents or conveyances, the transfers including all the
assignments shall occur by operation of law.

H. The rules of the board of trustees relating to the operation
of Quartz Mountain, such as traffic, fees, and other like matters,
that are in effect on October 1, 2020, shall be enforceable by the
board until the Department establishes rules or until July 1, 2021,
whichever occurs earlier.

SECTION 3. REPEALER 70 O.S. 2011, Sections 4450, 4451,
4452, as amended by Section 640, Chapter 304, O.S.L. 2012 and 4452a
(70 O.S. Supp. 2019, Section 4452) is hereby repealed.

SECTION 4. Section 3 of this act shall become effective October
1, 2020.