

ENGROSSED SENATE AMENDMENT
TO
ENGROSSED HOUSE BILL NO. 1762

BY: PILGRIM of the HOUSE
and
SMITH of the SENATE

(DUPLICATE SECTIONS - AMENDING CERTAIN SECTIONS
IN TITLES 10, 21, 28, 30, 47, 62, 70 AND 74
WHICH ARE DUPLICATE SECTIONS)

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

AN ACT RELATING TO DUPLICATE SECTIONS; AMENDING 10
O.S. 1981, SECTION 1101, AS LAST AMENDED BY SECTION
1, CHAPTER 337, O.S.L. 1990 (10 O.S. SUPP. 1990,
SECTION 1101), WHICH RELATES TO DEFINITIONS;
MODIFYING AND ADDING CERTAIN DEFINITIONS; AMENDING
10 O.S. 1981, SECTION 1102, AS LAST AMENDED BY
SECTION 27 OF ENROLLED HOUSE BILL NO. 1761 OF THE
1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH
RELATES TO JURISDICTION OF DISTRICT COURT; ALLOWING
JURISDICTION TO BE RETAINED OVER CERTAIN CHILDREN
UNTIL CHILD REACHES CERTAIN AGE; AMENDING SECTION
5, CHAPTER 286, O.S.L. 1986, AS LAST AMENDED BY
SECTION 4, CHAPTER 337, O.S.L. 1990 (10 O.S. SUPP.
1990, SECTION 1135.1), RELATING TO CHILDREN IN NEED
OF TREATMENT; MODIFYING PROVISIONS RELATING TO
PLACEMENT OF CHILDREN IN NEED OF TREATMENT;
MODIFYING CERTAIN REVIEWS; MODIFYING PROCEDURES,

EXAMINATIONS, EVALUATION AND TREATMENT OF CHILDREN
IN NEED OF TREATMENT; PROHIBITING CERTAIN
INTERPRETATIONS OF PROVISIONS RELATING TO TREATMENT
OF CHILDREN IN NEED OF TREATMENT; AMENDING 11 O.S.
1981, SECTION 50-111.1, AS LAST AMENDED BY SECTION
8, CHAPTER 340, O.S.L. 1990 (11 O.S. SUPP. 1990,
SECTION 50-111.1), WHICH RELATES TO TERMINATION OF
SERVICE BEFORE RETIREMENT DATE; PROVIDING THAT
ACCUMULATED CONTRIBUTIONS PAID TO SYSTEM BY MEMBER
BE PAID TO MEMBER'S ESTATE UNDER CERTAIN
CONDITIONS; AMENDING 11 O.S. 1981, SECTION 50-112,
AS LAST AMENDED BY SECTION 12, CHAPTER 340, O.S.L.
1990 (11 O.S. SUPP. 1990, SECTION 50-112), WHICH
RELATES TO TRANSFER OF CREDITED SERVICE FROM OR TO
OTHER RETIREMENT SYSTEMS; DELETING LANGUAGE
RELATING TO CERTAIN POLICE OFFICERS; AMENDING 21
O.S. 1981, SECTION 858.1, AS AMENDED BY SECTION 6,
CHAPTER 272, O.S.L. 1990 (21 O.S. SUPP. 1990,
SECTION 858.1), WHICH RELATES TO CRIMES INVOLVING
CHILDREN; MODIFYING TERMINOLOGY; AMENDING 21 O.S.
1981, SECTION 858.2, AS AMENDED BY SECTION 7,
CHAPTER 272, O.S.L. 1990 (21 O.S. SUPP. 1990,
SECTION 858.2), WHICH RELATES TO CRIMES INVOLVING
CHILDREN; MODIFYING TERMINOLOGY; EXPANDING
PLACEMENT OF CERTAIN ADJUDICATED CHILDREN; AMENDING
22 O.S. 1981, SECTION 991a, AS LAST AMENDED BY
SECTION 3 OF ENROLLED HOUSE BILL NO. 1012 OF THE
1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH
RELATES TO SUSPENSION OF JUDGMENT AND SENTENCE;
ALLOWING COURT TO ORDER CONVICTED DEFENDANT TO
REPAY CERTAIN REWARD; REQUIRING THE COURT TO
CONSIDER CERTAIN CRITERIA IN DETERMINING WHETHER

DEFENDANT SHALL REPAY REWARD; REQUIRING COURT TO ASSESS REPAYMENT AGAINST DEFENDANT AS COST OF PROSECUTION; DEFINING TERMS; REQUIRING CERTAIN ORDER BE MADE IN CONJUNCTION WITH PROBATION; AMENDING SECTION 1, CHAPTER 150, O.S.L. 1988 (22 O.S. SUPP. 1990, SECTION 991a-4), AS AMENDED BY SECTION 1 OF ENROLLED SENATE BILL NO. 277 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO COMMUNITY SERVICE SENTENCING PROGRAM; CLARIFYING REFERENCE; AMENDING SECTION 47, CHAPTER 329, O.S.L. 1988, AS LAST AMENDED BY SECTION 33, CHAPTER 323, O.S.L. 1990 (30 O.S. SUPP. 1990, SECTION 3-110), WHICH RELATES TO NOTICE OF HEARING; CLARIFYING REFERENCE; CLARIFYING LANGUAGE; CLARIFYING AGENCY NAME; AMENDING 37 O.S. 1981, SECTION 537, AS LAST AMENDED BY SECTION 3 OF ENROLLED SENATE BILL NO. 12 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO ENUMERATED PROHIBITED ACTS; MODIFYING PROHIBITION AGAINST OFFERING OR FURNISHING CERTAIN INDUCEMENT AND PROVIDING EXCEPTION; AMENDING SECTION 4, CHAPTER 219, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 1-107.4), AS AMENDED BY SECTION 1 OF ENROLLED HOUSE BILL NO. 1576 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO CLASS D MOTOR VEHICLES; ALLOWING DEPARTMENT OF PUBLIC SAFETY TO INCLUDE CERTAIN VEHICLE WITHIN DEFINITION OF CLASS D MOTOR VEHICLE BY RULE UNDER CERTAIN CIRCUMSTANCES; AMENDING 47 O.S. 1981, SECTION 6-101, AS LAST AMENDED BY SECTION 46 OF ENROLLED SENATE BILL NO. 416 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO

ISSUANCE OF LICENSES; REQUIRING DEPARTMENT OF PUBLIC SAFETY TO ALLOW LICENSURE OF CERTAIN PERSONS TO OPERATE CERTAIN VEHICLES UNDER CERTAIN CIRCUMSTANCES BY RULE; AMENDING 47 O.S. 1981, SECTION 6-206, AS LAST AMENDED BY SECTION 5, CHAPTER 259, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 6-206), WHICH RELATES TO DRIVER'S LICENSES; MODIFYING REPORTING REQUIREMENTS OF CERTAIN COURTS CONCERNING CERTAIN OFFENSES; MODIFYING CONTENTS OF SUCH REPORTS; CLARIFYING LANGUAGE; AMENDING 47 O.S. 1981, SECTION 7-605, AS LAST AMENDED BY SECTION 3, CHAPTER 298, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 7-605), WHICH RELATES TO SECURITY VERIFICATION AND SUSPENSION OF LICENSE AND REGISTRATION; MODIFYING NOTICE REQUIREMENTS AND CERTAIN PROCEDURES; EXPANDING TIME LIMIT TO RELINQUISH CERTAIN SUSPENDED LICENSES AND REGISTRATIONS; AMENDING SECTION 13, CHAPTER 179, O.S.L. 1985 (47 O.S. SUPP. 1990, SECTION 1110), AS LAST AMENDED BY SECTION 134 OF ENROLLED SENATE BILL NO. 25 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO PERFECTION OF SECURITY INTEREST; MODIFYING TIME PERIOD IN WHICH RELEASE OF SECURITY INTEREST SHALL BE MAILED TO DEBTOR; REQUIRING ADDITIONAL COPY OF CERTAIN RELEASE BE MAILED TO CERTAIN PERSON; AMENDING 59 O.S. 1981, SECTION 858-201, AS LAST AMENDED BY SECTION 1 OF ENROLLED SENATE BILL NO. 316 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO THE OKLAHOMA REAL ESTATE COMMISSION; AUTHORIZING OKLAHOMA REAL ESTATE COMMISSION TO REGULATE PROVISIONAL SALES ASSOCIATES AFTER CERTAIN

DATE; AMENDING 60 O.S. 1981, SECTION 176, AS LAST AMENDED BY SECTION 32 OF ENROLLED HOUSE BILL NO. 1549 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO TRUSTS FOR BENEFIT OF STATE, COUNTY OR MUNICIPALITY; MODIFYING COMPETITIVE BID REQUIREMENTS; AMENDING 62 O.S. 1981, SECTION 7.1, AS LAST AMENDED BY SECTION 12, CHAPTER 337, O.S.L. 1990 (62 O.S. SUPP. 1990, SECTION 7.1), WHICH RELATES TO AGENCY CLEARING ACCOUNTS; MODIFYING DEPOSIT TIME OF CERTAIN RECEIPTS; AMENDING 62 O.S. 1981, SECTION 7.2, AS LAST AMENDED BY SECTION 1, CHAPTER 319, O.S.L. 1990 (62 O.S. SUPP. 1990, SECTION 7.2), WHICH RELATES TO THE SPECIAL AGENCY ACCOUNT BOARD; MODIFYING PURPOSES FOR WHICH THE BOARD MAY APPROVE SPECIAL AGENCY ACCOUNTS; AMENDING 62 O.S. 1981, SECTION 353, AS AMENDED BY SECTION 1 OF ENROLLED SENATE BILL NO. 460 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO MATURITY OF BONDS; PROVIDING CERTAIN CONDITION WHEN BOOK ENTRY SYSTEM IS UTILIZED; AMENDING SECTION 2, CHAPTER 162, O.S.L. 1984 (63 O.S. SUPP. 1990, SECTION 1-106.1), AS LAST AMENDED BY SECTION 1 OF ENROLLED HOUSE BILL NO. 1518 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO FEE SCHEDULE FOR CERTAIN LICENSES AND PERMITS; DISALLOWING LIMITATIONS ON FEES UNDER CERTAIN CIRCUMSTANCES; AMENDING 63 O.S. 1981, SECTION 2253, AS RENUMBERED BY SECTION 10, CHAPTER 217, O.S.L. 1990, AND AS AMENDED BY SECTION 2, CHAPTER 225, O.S.L. 1990 (63 O.S. SUPP. 1990, SECTION 1-2302), WHICH RELATES TO THE OKLAHOMA SOLID WASTE MANAGEMENT ACT; DEFINING

TERMS; AMENDING 68 O.S. 1981, SECTION 1356, AS LAST AMENDED BY SECTION 1 OF ENROLLED HOUSE BILL NO. 1030 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO SALES TAX EXEMPTIONS; EXEMPTING CERTAIN SALES FROM SALES TAX AND PROVIDING PROCEDURES AND PENALTIES; AMENDING 70 O.S. 1981, SECTION 14-108, AS LAST AMENDED BY SECTION 10 OF ENROLLED HOUSE BILL NO. 1239 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO AREA SCHOOL DISTRICTS; MODIFYING NAME OF CERTAIN TYPE OF SCHOOL DISTRICT; AMENDING 70 O.S. 1981, SECTION 17-105, AS LAST AMENDED BY SECTION 1, CHAPTER 7, O.S.L. 1990 (70 O.S. SUPP. 1990, SECTION 17-105), WHICH RELATES TO RETIREMENT; MODIFYING BASE OF CERTAIN ADDITIONAL PAYMENTS; AMENDING 70 O.S. 1981, SECTION 17-116.2, AS LAST AMENDED BY SECTION 3, CHAPTER 341, O.S.L. 1990 (70 O.S. SUPP. 1990, SECTION 17-116.2), WHICH RELATES TO RETIREMENT ALLOWANCE; DELETING PROVISION RELATING TO PAYMENT BY CERTAIN MEMBERS; ALLOWING CERTAIN PERSONS TO MAKE UP CERTAIN CONTRIBUTIONS UP TO CERTAIN TIME PERIOD; ALLOWING CERTAIN MEMBERS TO RECEIVE CERTAIN SERVICE UPON PAYMENT OF CERTAIN AMOUNT; ALLOWING CERTAIN MEMBERS TO PAY MEMBER CONTRIBUTIONS; AMENDING 74 O.S. 1981, SECTION 18c, AS LAST AMENDED BY SECTION 7, CHAPTER 294, O.S.L. 1985 (74 O.S. SUPP. 1990, SECTION 18c), WHICH RELATES TO EMPLOYMENT OF ATTORNEYS; MODIFYING EXCEPTION FOR AGENCIES TO EMPLOY ATTORNEYS; ADDING EXCEPTION TO AGENCIES WHICH ATTORNEY GENERAL SHALL DEFEND; ALLOWING CERTAIN OFFICERS, BOARDS, EMPLOYERS OR COMMISSIONS TO REQUEST THE ATTORNEY

GENERAL TO DEFEND CERTAIN ACTIONS; AMENDING SECTION 8, CHAPTER 203, O.S.L. 1987, AS LAST AMENDED BY SECTION 2, CHAPTER 270, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 18 1), WHICH RELATES TO THE OFFICE OF THE ATTORNEY GENERAL; EXPANDING LIST OF STATE AGENCIES FROM WHICH THE OFFICE OF THE ATTORNEY GENERAL MAY LEVY AND COLLECT FEES; AMENDING 74 O.S. 1981, SECTION 85.12, AS LAST AMENDED BY SECTION 4 OF ENROLLED SENATE BILL NO. 337 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO THE OKLAHOMA CENTRAL PURCHASING ACT; EXEMPTING CERTAIN CONTRACTS; AMENDING 74 O.S. 1981, SECTION 150.2, AS LAST AMENDED BY SECTION 2 OF ENROLLED SENATE BILL NO. 386 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO POWERS AND DUTIES OF THE OKLAHOMA STATE BUREAU OF INVESTIGATION; MODIFYING POWERS AND DUTIES OF OKLAHOMA STATE BUREAU OF INVESTIGATION; AMENDING 74 O.S. 1981, SECTION 902, AS LAST AMENDED BY SECTION 32, CHAPTER 340, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 902), WHICH RELATES TO DEFINITIONS RELATING TO THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM; MODIFYING DEFINITION; AMENDING 74 O.S. 1981, SECTION 917, AS LAST AMENDED BY SECTION 41, CHAPTER 340, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 917), WHICH RELATES TO TERMINATION OF EMPLOYMENT AND VESTED BENEFITS; ALLOWING CERTAIN PERSONS TO ELECT VESTED BENEFITS; AMENDING 74 O.S. 1981, SECTION 1303, AS LAST AMENDED BY SECTION 3 OF ENROLLED SENATE BILL NO. 546 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH RELATES TO DEFINITIONS RELATING TO THE STATE AND EDUCATION EMPLOYEES GROUP

INSURANCE BOARD; MODIFYING DEFINITION; AMENDING 74
O.S. 1981, SECTION 1306, AS LAST AMENDED BY SECTION
1 OF ENROLLED HOUSE BILL NO. 1569 OF THE 1ST
SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH
RELATES TO POWERS AND DUTIES OF THE STATE AND
EDUCATION EMPLOYEES GROUP INSURANCE BOARD;
MODIFYING POWERS AND DUTIES OF BOARD; CREATING
JOINT LIAISON COMMITTEE ON STATE AND EDUCATION
GROUP INSURANCE BENEFITS; STATING MEMBERSHIP AND
TERMS; REQUIRING COMMITTEE SERVE AS COMMITTEE OF
LEGISLATURE; PROVIDING BOARD NOT BE BOUND BY ANY
ACTION OF COMMITTEE; REPEALING SECTION 1, CHAPTER
302, O.S.L. 1990 (10 O.S. SUPP. 1990, SECTION
1101), WHICH IS A DUPLICATE SECTION RELATING TO
DEFINITIONS; SECTION 4, CHAPTER 238, O.S.L. 1990
(10 O.S. SUPP. 1990, SECTION 1104.1), WHICH IS A
DUPLICATE SECTION RELATING TO JUVENILE PROCEDURES;
SECTION 5, CHAPTER 238, O.S.L. 1990 (10 O.S. SUPP.
1990, SECTION 1107), WHICH IS A DUPLICATE SECTION
RELATING TO CHILDREN TAKEN INTO CUSTODY; SECTION 6,
CHAPTER 51, O.S.L. 1990 (10 O.S. SUPP. 1990,
SECTION 1120), WHICH IS A DUPLICATE SECTION
RELATING TO EXAMINATIONS OF CHILDREN; SECTION 11,
CHAPTER 302, O.S.L. 1990 (10 O.S. SUPP. 1990,
SECTION 1135.1), WHICH IS A DUPLICATE SECTION
RELATING TO CHILDREN IN NEED OF TREATMENT; SECTION
5, CHAPTER 337, O.S.L. 1990 (11 O.S. SUPP. 1990,
SECTION 50-112), WHICH IS DUPLICATE SECTION
RELATING TO ELIGIBILITY FOR MEMBERSHIP IN THE
OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM;
SECTION 6, CHAPTER 224, O.S.L. 1990 (21 O.S. SUPP.
1990, SECTION 858.1), WHICH IS A DUPLICATE SECTION

RELATING TO CRIMES INVOLVING CHILDREN; SECTION 7, CHAPTER 224, O.S.L. 1990 (21 O.S. SUPP. 1990, SECTION 858.2), WHICH IS A DUPLICATE SECTION RELATING TO CRIMES INVOLVING CERTAIN CHILDREN; SECTION 20, CHAPTER 51, O.S.L. 1990 (30 O.S. SUPP. 1990, SECTION 1-115), WHICH IS A DUPLICATE SECTION RELATING TO VENUE; SECTION 21, CHAPTER 51, O.S.L. 1990 (30 O.S. SUPP. 1990, SECTION 3-110), WHICH IS A DUPLICATE SECTION RELATING TO NOTICE OF HEARING; 47 O.S. 1981, SECTION 6-101, AS LAST AMENDED BY SECTION 1, CHAPTER 82, O.S.L. 1989 (47 O.S. SUPP. 1990, SECTION 6-101), WHICH IS A DUPLICATE SECTION RELATING TO COMMERCIAL CHAUFFEUR'S LICENSES; SECTION 24, CHAPTER 219, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 6-118), WHICH IS A DUPLICATE SECTION RELATING TO THE DRIVER'S LICENSE MEDICAL ADVISORY COMMITTEE; SECTION 34, CHAPTER 219, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 6-206), WHICH IS A DUPLICATE SECTION RELATING TO DRIVER'S LICENSES; SECTION 44, CHAPTER 219, O.S.L. 1990 (47 O.S. SUPP. 1990, SECTION 7-605), WHICH IS A DUPLICATE SECTION RELATING TO SECURITY VERIFICATION; SECTION 118, CHAPTER 264, O.S.L. 1990 (62 O.S. SUPP. 1990, SECTION 7.1), WHICH IS A DUPLICATE SECTION RELATING TO AGENCY CLEARING ACCOUNTS; SECTION 39, CHAPTER 258, O.S.L. 1990 (62 O.S. SUPP. 1990, SECTION 7.2), WHICH IS A DUPLICATE SECTION RELATING TO THE SPECIAL AGENCY ACCOUNT BOARD; SECTION 1, CHAPTER 217, O.S.L. 1990 (63 O.S. SUPP. 1990, SECTION 1-2302), WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA SOLID WASTE MANAGEMENT ACT; SECTION 2, CHAPTER 257, O.S.L. 1990 (70 O.S. SUPP. 1990,

SECTION 5-110), WHICH IS A DUPLICATE SECTION RELATING TO SCHOOL BOARD MEMBERS; SECTION 113, CHAPTER 2, O.S.L. SUPP. 1989 (70 O.S. SUPP. 1990, SECTION 17-105), WHICH IS A DUPLICATE SECTION RELATING TO THE TEACHERS' RETIREMENT SYSTEM; SECTION 29, CHAPTER 340, O.S.L. 1990, AS AMENDED BY SECTION 7, CHAPTER 334, O.S.L. 1990 (70 O.S. SUPP. 1990, SECTION 17-116.2), WHICH IS A DUPLICATE SECTION RELATING TO RETIREMENT CONTRIBUTION RATES AND BENEFITS; SECTION 5, CHAPTER 283, O.S.L. 1985 (74 O.S. SUPP. 1990, SECTION 18c), WHICH IS A DUPLICATE SECTION RELATING TO AUTHORITY OF BOARDS AND OFFICIALS TO EMPLOY ATTORNEYS; SECTION 3, CHAPTER 351, O.S.L. 1989 (74 O.S. SUPP. 1990, SECTION 500.18), WHICH IS A DUPLICATE SECTION RELATING TO TRAVEL BY STATE EMPLOYEES; SECTION 7, CHAPTER 264, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 18 1), WHICH IS A DUPLICATE SECTION RELATING TO THE OFFICE OF THE ATTORNEY GENERAL; SECTION 1, CHAPTER 324, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 902), WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM; SECTION 3, CHAPTER 324, O.S.L. 1990 (74 O.S. SUPP. 1990, SECTION 917), WHICH IS A DUPLICATE SECTION RELATING TO VESTED BENEFITS; SECTION 27, CHAPTER 208, O.S.L. 1987 (74 O.S. SUPP. 1990, SECTION 5017.1), WHICH IS A DUPLICATE SECTION RELATING TO ENFORCEMENT OF ENERGY CONSERVATION PROGRAMS; SECTION 18 OF ENROLLED HOUSE BILL NO. 1508 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE COUNTY SUPERINTENDENT OF SCHOOLS; SECTION 1

OF ENROLLED SENATE BILL NO. 85 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO EXEMPTIONS FROM THE OKLAHOMA CENTRAL PURCHASING ACT; SECTION 1 OF ENROLLED HOUSE BILL NO. 1082 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA SALES TAX CODE; SECTION 10 OF ENROLLED HOUSE BILL NO. 1254 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS DUPLICATE SECTION RELATING TO FEES FOR LICENSES AND PERMITS FOR ENVIRONMENTAL AND HEALTH SERVICES; SECTION 1 OF ENROLLED HOUSE BILL NO. 1436 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO A CERTAIN CLASS OF MOTOR VEHICLES; SECTION 1 OF ENROLLED SENATE BILL NO. 220 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO PUBLIC TRUSTS; SECTION 1 OF ENROLLED HOUSE BILL NO. 1106 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE STATE BOARD OF EXAMINERS OF PSYCHOLOGISTS; SECTION 36 OF ENROLLED SENATE BILL NO. 144 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE FLEXIBLE BENEFIT REVOLVING FUND; SECTION 1 OF ENROLLED HOUSE BILL NO. 1433 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA REAL ESTATE COMMISSION; SECTION 1 OF ENROLLED SENATE BILL NO. 154 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE OKLAHOMA VEHICLE LICENSE AND

REGISTRATION ACT; SECTION 1 OF ENROLLED SENATE BILL NO. 278 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO JURISDICTION OF COURTS OVER CHILDREN; SECTION 7 OF ENROLLED SENATE BILL NO. 546 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO POWERS AND DUTIES OF STATE AND EDUCATION EMPLOYEES GROUP BOARD; SECTION 1 OF ENROLLED SENATE BILL NO. 150 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO DEFINITIONS USED IN THE STATE AND EDUCATION EMPLOYEES GROUP INSURANCE ACT; SECTION 2 OF ENROLLED HOUSE BILL NO. 1576 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO DRIVERS LICENSES; SECTION 1 OF ENROLLED HOUSE BILL NO. 1017 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO SENTENCING POWERS OF THE COURT; SECTION 1 OF ENROLLED HOUSE BILL NO. 1453 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO THE COMMUNITY SERVICE SENTENCING PROGRAM; SECTION 1 OF ENROLLED HOUSE BILL NO. 1007 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO PROHIBITED ACTS PURSUANT TO THE OKLAHOMA ALCOHOLIC BEVERAGE CONTROL ACT; SECTION 3 OF ENROLLED SENATE BILL NO. 278 OF THE 1ST SESSION OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A DUPLICATE SECTION RELATING TO POWERS OF THE OKLAHOMA STATE BUREAU OF INVESTIGATION; SECTION 22 OF ENROLLED HOUSE BILL NO. 1549 OF THE 1ST SESSION

OF THE 43RD OKLAHOMA LEGISLATURE, WHICH IS A
DUPLICATE SECTION RELATING TO LOCAL GOVERNMENT
BONDS; AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 10 O.S. 1981, Section 1101, as last amended by Section 1, Chapter 337, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1101), is amended to read as follows:

Section 1101. When used in this title, unless the context otherwise requires:

1. "Child" means any person under eighteen (18) years of age, except for any person sixteen (16) or seventeen (17) years of age who is charged with any crime specified in subsection A of Section 1104.2 of this title, or who has been certified as an adult pursuant to Section 1112 of this title; provided that any person under eighteen (18) years of age who is not convicted after being charged with a crime pursuant to Section 1104.2 of this title, or who is not convicted after certification as an adult pursuant to Section 1112 of this title, shall continue to be subject to the jurisdiction of the juvenile court.

2. "Delinquent child" means a child who:

- a. has violated any federal or state law or municipal ordinance, except a traffic statute or traffic ordinance, or any lawful order of the court made pursuant to the provisions of Sections 1101 through 1506 of this title, or
- b. has habitually violated traffic laws or traffic ordinances.

3. "Child in need of supervision" means a child who:

- a. has repeatedly disobeyed reasonable and lawful commands or directives of his parent, legal guardian, or other custodian, or
- b. is willfully and voluntarily absent from his home without the consent of his parent, legal guardian, or other custodian for a substantial length of time or without intent to return, or
- c. is willfully and voluntarily absent from school for fifteen (15) or more days or parts of days within a semester or four (4) or more days or parts of days within a four-week period without a valid excuse as defined by the local school boards, if said child is subject to compulsory school attendance.

4. "Deprived child" means a child:

- a. who is for any reason destitute, homeless, or abandoned, or
- b. who does not have the proper parental care or guardianship or whose home is an unfit place for the child by reason of neglect, cruelty, or depravity on the part of his parents, legal guardian, or other person in whose care the child may be, or
- c. who is a child in need of special care and treatment because of his physical or mental condition including a child born in a condition of dependence on a controlled dangerous substance, and his parents, legal guardian, or other custodian is unable or willfully fails to provide said special care and treatment, or
- d. who is a handicapped child deprived of the nutrition necessary to sustain life or of the medical treatment necessary to remedy or relieve a life-threatening medical condition in order to cause or allow the death of said child if such nutrition or medical treatment

is generally provided to similarly situated nonhandicapped or handicapped children, provided that no medical treatment is necessary if, in the reasonable medical judgment of the attending physician, such treatment would be futile in saving the life of the child, or

e. who is, due to improper parental care and guardianship, absent from school for fifteen (15) or more days or parts of days within a semester or four (4) or more days or parts of days within a four-week period without a valid excuse as defined by the local school boards if said child is subject to compulsory school attendance, or

f. whose parent or legal custodian for good cause desires to be relieved of his custody.

No child who, in good faith, is being provided with treatment and care by spiritual means alone in accordance with the tenets and practice of a recognized church or religious denomination by a duly accredited practitioner thereof shall be considered, for that reason alone, to be a deprived child pursuant to any provision of Sections 1101 through 1506 of this title. The phrase dependent and neglected shall be deemed to mean deprived.

5. "Child in need of treatment" means ~~any~~ a child who ~~is afflicted with a substantial disorder of the emotional processes, thought, or cognition which grossly impairs judgment, behavior, capacity to recognize reality, or ability to meet the ordinary demands of life appropriate to~~ has a demonstrable mental illness and as a result of that mental illness:

a. can be expected within the near future to intentionally or unintentionally seriously physically injure himself or another person and has engaged in one or more recent overt acts or made significant

recent threats which substantially support that expectation, or

- b. is unable to attend to those of his basic needs that must be attended to in order for him to avoid serious harm in the near future and has demonstrated such inability by failing to attend to those basic needs in the recent past. A determination regarding the ability of the child to attend to his basic needs shall be based upon the age of the child and reasonable and appropriate expectation of the abilities of a child of such age to attend to said needs.

The term "child in need of treatment" shall not mean a child afflicted with epilepsy, ~~mental retardation~~ developmental disability, organic brain syndrome, physical handicaps, ~~or~~ brief periods of intoxication caused by such substances as alcohol or drugs or who is truant or sexually active unless the child also meets the criteria for a child in need of treatment pursuant to subparagraphs a or b of this paragraph.

6. "Handicapped child" means any child who has a physical or mental impairment which substantially limits one or more of the major life activities of the child or who is regarded as having such an impairment by a competent medical professional.

7. "Department" means the Department of Human Services.

8. "Adjudicatory hearing" means a hearing to determine whether the allegations of a petition pursuant to the provisions of Section 1103 of this title are supported by the evidence and whether a child should be adjudged to be a ward of the court.

9. "Dispositional hearing" means a hearing to determine the order of disposition which should be made with respect to a child adjudged to be a ward of the court.

10. "Preliminary inquiry" or "intake" means a mandatory, preadjudicatory interview of the child and, if available, his parents, legal guardian, or other custodian, which is performed by a duly authorized individual to determine whether a child comes within the purview of this chapter, whether other nonadjudicatory alternatives are available and appropriate, and if the filing of a petition is necessary.

11. "Facility" means a place, an institution, a building or part thereof, a set of buildings, or an area whether or not enclosing a building or set of buildings which is used for the lawful custody and treatment of juveniles and may be owned or operated by a public or private agency.

12. "Secure facility" means a facility which is designed and operated to ensure that all entrances and exits from the facility are subject to the exclusive control of the staff of the facility, whether or not the person being detained has freedom of movement within the perimeter of the facility, or a facility which relies on locked rooms and buildings, fences, or physical restraint in order to control behavior of its residents.

13. "Community-based" means a facility, program or service, or open group home or other suitable place located near the home or family of the child, and programs of community supervision and service which maintain community participation in their planning, operation, and evaluation. These programs may include but are not limited to medical, educational, vocational, social, and psychological guidance, training, counseling, alcoholism treatment, drug treatment, transitional living, independent living and other rehabilitative services.

14. "Day treatment" means a program which provides intensive services to children who reside in their own home, the home of a relative, or a foster home. Day treatment programs include

educational services and may be operated as a part of a residential facility.

15. "Group home" means a residential facility housing no more than twelve children with a program which emphasizes family-style living in a homelike environment. Said group home may also offer a program within the community to meet the specialized treatment needs of its residents.

16. "Transitional living program" means a residential program that may be attached to an existing facility or operated solely for the purpose of assisting children to develop the skills and abilities necessary for successful adult living. Said program may include but shall not be limited to reduced staff supervision, vocational training, educational services, employment and employment training, and other appropriate independent living skills training as a part of the transitional living program.

17. "Independent living program" means a program designed to assist a child to enhance skills and abilities necessary for successful adult living and may include but shall not be limited to minimal direct staff supervision and supportive services in making the arrangements necessary for an appropriate place of residence, completing an education, vocational training, obtaining employment or other similar services.

18. "Community residential center" means a residential facility for no more than twenty children which offers a range of services including personal and social services, and emphasizes normal group living, school attendance, securing employment, and general participation in the community.

19. "Institution" means a residential facility offering care and treatment for more than twenty residents. Said institution may:

- a. have a program which includes community participation and community-based services, or

- b. be a secure facility with a program exclusively designed for a particular category of resident.

20. "Mental health facility" means:

- a. a facility or program operated by the Department of Mental Health and Substance Abuse Services or a facility or program operated by a private agency which offers outpatient or residential care and treatment services to children in need of treatment including but not limited to public or private hospitals, institutions, or agencies, comprehensive mental health centers, clinics, satellites, day treatment facilities, halfway homes, and group homes. A facility which or a program that offers outpatient care and treatment services to children in need of treatment shall be certified by the Department of Mental Health and Substance Abuse Services. A facility which offers residential treatment services to children in need of treatment shall be licensed by the Department of Mental Health and Substance Abuse Services except that a facility accredited by the Joint Commission on Accreditation of Hospitals to provide care and treatment to children in need of treatment shall be deemed to meet rules and regulations promulgated by the Department of Mental Health and Substance Abuse Services for licensure, or
- b. a child guidance center operated by the Department of Health, or
- c. a facility or program operated by the State Department of Human Services and designated by the Department to be a mental health treatment center for children in the custody of the Department.

21. "Qualified mental health professional" means an individual having specific training and current experience in the mental health testing, examination, evaluation and diagnosis of children and adolescents and who:

- a. holds at least a master's degree in a mental health field and is employed by the Department of Mental Health and Substance Abuse Services, the State Department of Health, or the Department of Human Services as a provider of mental health services in an Office of Personnel Management employment classification of Psychological Assistant or above or Social Worker II or above, or
- b. has been awarded a current, valid Oklahoma license in a mental health field or permission to practice by a licensure board in a mental health field.

For the purpose of this paragraph, "mental health field" means medicine, psychology, counseling and guidance, applied behavioral studies, human relations or social work.

22. "Independent" means that the person or persons performing a mental health examination and submitting a report to the court pursuant to the provisions of this title has no financial interests in or other connections to or relationships with a facility in which the child will be placed for inpatient mental health services that would constitute a conflict of interest, and has signed an affidavit to that effect.

23. "Mental health examination" and "mental health evaluation" means an examination or evaluation of a child by a qualified mental health professional for the purpose of making a determination or preparing reports or recommendations as to whether, in the opinion of the qualified mental health professional:

- a. the child is a child in need of treatment and the least restrictive treatment necessary and appropriate for the child, or
- b. the child is not a child in need of treatment, and the mental health services, if any, necessary and appropriate for the child.

24. "Less restrictive alternative to inpatient mental health care and treatment" means and shall include but not be limited to: Outpatient counseling services, including services provided in the home of the child and which may be referred to as "home-based services"; day treatment or day hospitalization services; respite care; foster care; group home care that provides for the delivery of services specifically designed to meet the treatment needs of children in need of treatment; or some combination thereof.

25. "Prescreening mental health evaluation" means a face to face examination of a child by a qualified mental health professional to determine whether the child should be admitted to a hospital or inpatient mental health facility on an emergency psychiatric basis as provided by Section 1107 of this title.

~~21.~~ 26. "Training school" means an institution maintained by the state exclusively for the care, education, training, treatment, and rehabilitation of delinquent children.

~~22.~~ 27. "Rehabilitative facility" means a facility maintained by the state exclusively for the care, education, training, treatment, and rehabilitation of children in need of supervision.

~~23.~~ 28. "Treatment center" means a facility maintained by the state for the care, education, training, treatment, and rehabilitation of children who are in the custody of the Department and who have been found by the court to be in need of treatment.

SECTION 2. AMENDATORY 10 O.S. 1981, Section 1102, as last amended by Section 27 of Enrolled House Bill No. 1761 of the

1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1102. A. Upon the filing of a petition, or upon the assumption of custody pursuant to the provisions of Section 1107 of this title, the district court shall have jurisdiction of any child who is or is alleged to be delinquent, in need of supervision, in need of treatment, or deprived, who is found within the county; and of the parent, guardian or legal custodian of said child, regardless of where the parent, guardian or legal custodian is found. When jurisdiction shall have been obtained over a child who is or is alleged to be in need of supervision, a child in need of treatment, or a deprived child, such may be retained until the child becomes eighteen (18) years of age and when jurisdiction shall have been obtained over a child who is or is alleged to be a delinquent ~~child~~, jurisdiction may be retained until the child becomes nineteen (19) years of age. For the convenience of the parties and in the interest of justice, a proceeding under this chapter may be transferred to the district court in any other county.

B. The district court in which a petition is filed or the district court in which custody has been assumed pursuant to the provisions of Section 1107 of this title may retain jurisdiction of a delinquent child in such proceeding notwithstanding the fact that the child is subject to the jurisdiction of another district court within the state. Any adjudication and disposition made by the court in which said petition is filed shall control over prior orders in regard to the child.

C. The district court in which a petition is filed which alleges that a child is in need of supervision, in need of treatment, or is deprived can issue any temporary order or grant any interlocutory relief authorized by this chapter notwithstanding the fact that another district court within the state has jurisdiction

of the child or has jurisdiction to determine the custody or support of the child.

D. If the district court in which a petition is filed pursuant to either subsection B or subsection C of this section sustains the petition, the district court shall have the jurisdiction to make a final determination on the juvenile petition or to transfer the proceedings to a court having prior jurisdiction over the child. Where the other proceeding is pending in the same judicial district in which the juvenile petition is filed, the chief judge of the judicial district shall determine if the proceedings shall be consolidated and, if consolidated, which judge shall try the issues when the judges to whom the cases have been assigned are unable to agree on the procedure that should be followed.

E. A municipal court, if authorized by the governing body of the municipality, may enter into an agreement with the district court, pursuant to rules promulgated and adopted by the Oklahoma Supreme Court, to assume jurisdiction of cases involving children under eighteen (18) years of age charged with violating municipal ordinances relating to vandalism, shoplifting, trespassing, assault, battery, assault and battery, truancy, and public intoxication. A child under eighteen (18) years of age may be charged and prosecuted for violating such a municipal ordinance provided that the maximum fine which may be imposed shall not exceed the maximum fine authorized by law. When assessing punishment, the court also may require appropriate community service work, not to exceed twenty hours, in lieu of a fine if the product of multiplying the number of hours of community service work by the prevailing minimum wage does not result in a number which exceeds the maximum fine authorized by law, or restitution, or both community service work and restitution. In addition, the court may require the child to receive counseling or other community-based services, as necessary. If a child is prosecuted for an offense in a municipal court, the child shall not

be prosecuted for the offense in the district court. All municipal arrest and prosecution records for cases involving children under eighteen (18) years of age charged with violating municipal ordinances relating to vandalism, shoplifting, trespassing, assault, battery, assault and battery, truancy, or public intoxication shall be kept confidential and shall not be open to public inspection except by order of the court or as otherwise provided by Sections 9 through 14 of ~~this act~~ Enrolled House Bill No. 1761 of the 1st Session of the 43rd Oklahoma Legislature.

F. Funds generated from fines paid pursuant to an agreement between a municipal court and the district court shall be earmarked and used by the municipality to fund local programs which address problems of juvenile crime.

SECTION 3. AMENDATORY Section 5, Chapter 286, O.S.L. 1986, as last amended by Section 4, Chapter 337, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1135.1), is amended to read as follows:

Section 1135.1 A. The Department of Human Services may provide for the care of a child adjudicated to be a child in need of treatment who is in the custody of the Department:

1. in the home of the child, the home of a relative of the child, a foster home, a group home, a transitional living program, an independent living program or in any other community-based child care facility under the jurisdiction or licensure of the Department appropriate for the care of the child and shall provide for the outpatient care and treatment of the child; or

2. the Department may place a child in need of treatment and ~~authorized~~ found by the a court to be eligible to receive inpatient care and treatment as provided in Section 1116 of this title in a Department-operated treatment center or other public or private mental health facility. The Department may place such child with the Department of Mental Health and Substance Abuse Services upon the consent of the Commissioner of Mental Health and Substance Abuse

Services or his designee. The Department shall establish a system for the regular review by a qualified mental health professional, at intervals of not more than sixty (60) days, of the case of each child in need of treatment in the custody of the Department and receiving inpatient care and treatment to determine whether or not continued inpatient treatment is required and appropriate for the child. When such child no longer requires inpatient care and treatment in a mental health treatment facility, the Department shall place the child as provided in paragraph 1 of this subsection.

B. In providing for the outpatient care and the treatment of children in its custody who have been adjudicated in need of treatment, the Department of Human Services shall utilize to the maximum extent possible and appropriate the services available through:

1. the guidance centers operated by the State Department of Health; and

2. the Department of Mental Health and Substance Abuse Services; and

3. community-based private nonprofit agencies and organizations.

~~C. Whenever a child is adjudicated to be a child in need of treatment and placed in the custody of the Department and if at the time of such adjudication:~~

~~1. the child is not in the custody of the Department as a deprived child, a delinquent child or a child in need of supervision or through a protective order or similar order of the court entered for the purpose of authorizing the Department to provide for an examination or evaluation of the child by a qualified mental health professional to determine if a petition alleging the child to be a child in need of treatment is warranted; and~~

~~2. inpatient treatment is authorized by the court or the child is receiving inpatient mental health services at the time of or has~~

~~been receiving such services immediately prior to such adjudication, the Department shall arrange for an independent examination and evaluation of the child by a qualified mental health professional to determine whether or not inpatient care and treatment is appropriate for the mental health treatment needs of the child. Whenever the Department determines that inpatient care and treatment are not required for such child, the Department shall place the child as otherwise provided by this section~~ Nothing in this section shall be interpreted to require the Department to place a child found by a court to be eligible for inpatient mental health treatment in a mental health facility when the Department determines that such placement is inappropriate or unnecessary for the treatment needs of the child.

SECTION 4. AMENDATORY 11 O.S. 1981, Section 50-111.1, as last amended by Section 8, Chapter 340, O.S.L. 1990 (11 O.S. Supp. 1990, Section 50-111.1), is amended to read as follows:

Section 50-111.1 A. A member who terminates his service before normal retirement date, other than by death or disability shall, upon application filed with the State Board, be refunded from the Fund an amount equal to the accumulated contributions the member has made to the Fund, but excluding any interest or any amount contributed by the municipality or state. If an officer withdraws his accumulated contributions, such officer shall not have any recourse against the System for any type of additional benefits including, but not limited to, disability benefits. If a member has completed ten (10) years of credited service at the date of termination, the member may elect a vested benefit in lieu of receiving the member's accumulated contributions.

If the member who has completed ten (10) or more years of credited service elects the vested benefit, the member shall be entitled to a monthly retirement annuity commencing on the date the member reaches fifty (50) years of age or the date the member would

have had twenty (20) years of credited service had the member's employment continued uninterrupted, whichever is later. The annual amount of such retirement annuity shall be equal to two and one-half percent (2 1/2%) of final average salary multiplied by the number of years of credited service.

B. If a member who terminates employment and elects a vested benefit dies prior to being eligible to receive benefits, the member's beneficiary shall be entitled to the member's normal monthly accrued retirement benefits on the date the deceased member would have been eligible to receive the benefit. If the beneficiary is a surviving spouse and the beneficiary remarries, the benefits shall terminate.

C. Whenever a member has terminated or hereafter terminates covered employment and has withdrawn or hereafter withdraws the member's accumulated contributions and has rejoined or hereafter rejoins the System, the member, upon proper application and approval by the Board, may pay to the System the sum of the accumulated contributions the member has withdrawn or hereafter withdraws plus five percent (5%) annual interest from the date of withdrawal and shall receive the same benefits as if the member had never withdrawn the contributions; however, effective January 1, 1991, the rate of interest provided herein shall be ten percent (10%) per annum. Those members who at the time of termination of employment could not withdraw any of their accumulated contributions shall receive credited service for the time employed as an officer prior to any such termination upon proper application and approval by the Board. Any such application made pursuant to the provisions of this subsection shall be made prior to January 1, 1988, or within six (6) months of rejoining the System whichever occurs later. To receive credit for such service, all required contributions and interest shall be paid within ninety (90) days of Board approval of the application. The provisions of this subsection shall not apply to

any member who is receiving benefits from the System as of July 1, 1987.

D. If an active member dies and does not leave a beneficiary, the accumulated contributions made to the System by the member shall be paid to the estate of the member.

SECTION 5. AMENDATORY 11 O.S. 1981, Section 50-112, as last amended by Section 12, Chapter 340, O.S.L. 1990 (11 O.S. Supp. 1990, Section 50-112), is amended to read as follows:

Section 50-112. A. All persons employed as officers shall participate in the System upon employment with a police department of a participating municipality. Such persons shall be of good moral character, not addicted to the use of alcohol or drugs, free from deformities, mental or physical defects or conditions or disease that would interfere with the performance of regular police duties, and provided further that a person employed as a police officer first pass the requirements of a physical-medical examination pertaining to age, height, weight, sight, hearing, agility and other conditions the requirements of which are established by the State Board. A police officer shall be not less than twenty-one (21) nor more than forty-five (45) years of age when accepted for membership in the System. An officer shall be required to meet the requirements of this article at the time of employment with any participating municipality. The State Board shall have authority to deny or revoke membership of any person submitting false information in such person's membership application. The State Board shall have final authority in determining eligibility for membership in the System, pursuant to the provisions of this article.

B. The police chief of any participating municipality may be exempt from membership in the System or may become a member provided the requirements of this section are met at the time of employment.

~~C. Any person who is a police officer of a participating municipality as of July 1, 1990, and, because of age, has been denied membership in the System subsequent to January 1, 1981, may make application to the State Board, prior to January 1, 1991, for membership in the System. To be accepted for membership in the System, the person must have passed the initial physical-medical examination as required by subsection A of this section, and the State Board must receive an amount of money equal to the employee and employer contribution that the System would have received had the person been a member of the System for those years of service as a police officer since January 1, 1981, plus ten percent (10%) annual interest.~~

~~D. Any person employed as a municipal police officer in the State of Oklahoma as of July 1, 1990, who at the time of initial employment by a participating municipality was not eligible for membership in the Oklahoma Police Pension and Retirement System but who, on the effective date of this act, is a member of the System may receive service credit for those years of service that the person was not eligible for membership provided the member met the minimum age requirements for rendered years of service, and the amount of the employee and employer contributions which would have been required to be paid by the person and the employer of the person for those years of service being received are paid to the State Board plus ten percent (10%) annual interest. Years for which contributions are paid shall be considered years of service in the System. The option provided in this subsection shall be exercised prior to January 1, 1991.~~

SECTION 6. AMENDATORY 21 O.S. 1981, Section 858.1, as amended by Section 6, Chapter 272, O.S.L. 1990 (21 O.S. Supp. 1990, Section 858.1), is amended to read as follows:

Section 858.1 A. Any parent or other person who knowingly and willfully:

1. causes, aids, abets or encourages any minor to be in need of supervision, or ~~dependent and neglected~~ deprived; or

2. shall by any act or omission to act have caused, encouraged or contributed to the ~~dependency and neglect~~ deprivation, or the need of supervision of the minor, or to such minor becoming ~~dependent and neglected~~ deprived, or in need of supervision; shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined a sum not to exceed Five Hundred Dollars (\$500.00), or imprisonment in the county jail for a period not to exceed one (1) year, or by both such fine and imprisonment.

B. Upon a second or succeeding conviction for a violation of this section, the defendant shall be fined not more than One Thousand Dollars (\$1,000.00), or imprisoned in the county jail not to exceed one (1) year, or punished by both such fine and imprisonment.

SECTION 7. AMENDATORY 21 O.S. 1981, Section 858.2, as amended by Section 7, Chapter 272, O.S.L. 1990 (21 O.S. Supp. 1990, Section 858.2), is amended to read as follows:

Section 858.2 In all cases where a minor has been adjudged delinquent, in need of supervision or ~~dependent and neglected~~ deprived by a court of competent jurisdiction and such court by order for care or probation, has placed such minor in the care or on probation to the parent, legal guardian, ~~or~~ legal custodian of such minor, stepparent or other adult person living in the home, any parent, legal guardian or legal custodian of such minor who shall neglect, fail or refuse to give such minor proper parental care, or to comply with the order for care or probation shall be deemed guilty of a misdemeanor and upon conviction thereof shall, as applicable, be punished as provided in Section 856 or 858.1 of this title.

SECTION 8. AMENDATORY 22 O.S. 1981, Section 991a, as last amended by Section 3 of Enrolled House Bill No. 1012 of the 1st

Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 991a. A. Except as otherwise provided in the Elderly and Incapacitated Victims Protection Program, when a defendant is convicted of a crime and no death sentence is imposed, the court shall either:

1. suspend the execution of sentence in whole or in part, with or without probation. The court, in addition, may order the convicted defendant at the time of sentencing or at any time during the suspended sentence to do one or more of the following:

- a. To provide restitution to the victim according to a schedule of payments established by the sentencing court, together with interest upon any pecuniary sum at the rate of twelve percent (12%) per annum, if the defendant agrees to pay such restitution or, in the opinion of the court, if he is able to pay such restitution without imposing manifest hardship on the defendant or his immediate family and if the extent of the damage to the victim is determinable with reasonable certainty, or
- b. To reimburse any state agency for amounts paid by the state agency for hospital and medical expenses incurred by the victim or victims, as a result of the criminal act for which such person was convicted, which reimbursement shall be made directly to the state agency, with interest accruing thereon at the rate of twelve percent (12%) per annum, or
- c. To engage in a term of community service without compensation, according to a schedule consistent with the employment and family responsibilities of the person convicted, or

- d. To pay a reasonable sum into any trust fund, established pursuant to the provisions of Sections 176 through 180.4 of Title 60 of the Oklahoma Statutes, and which provides restitution payments by convicted defendants to victims of crimes committed within the State of Oklahoma wherein such victim has incurred a financial loss, or
- e. To confinement in the county jail for a period not to exceed six (6) months, or
- f. To reimburse the court fund for amounts paid to court-appointed attorneys for representing the defendant in the case in which he is being sentenced, or
- g. To repay the reward or part of the reward paid by a certified local crimestoppers program and the Oklahoma Reward System. In determining whether the defendant shall repay the reward or part of the reward, the court shall consider the ability of the defendant to make the payment, the financial hardship on the defendant to make the required payment, and the importance of the information to the prosecution of the defendant as provided by the arresting officer or the district attorney with due regard for the confidentiality of the records of the certified local crimestoppers program and the Oklahoma Reward System. The court shall assess this repayment against the defendant as a cost of prosecution. "Certified local crimestoppers program" means a crimestoppers program certified by the Office of the Attorney General pursuant to Section 991g of this title. The "Oklahoma General Reward System" means the reward program

established by Section 150.18 of Title 74 of the
Oklahoma Statutes.

However, any such order for restitution, community service, payment to a certified local crimestoppers program, payment to the Oklahoma Reward System, or confinement in the county jail, or a combination thereof, shall be made in conjunction with probation and shall be made a condition of the suspended sentence; or

2. impose a fine prescribed by law for the offense, with or without probation or commitment and with or without restitution or service as provided for in this section;

3. commit such person for confinement provided for by law with or without restitution as provided for in this section;

4. in the case of nonviolent felony offenses, sentence such person to the Community Service Sentencing Program created pursuant to Section 991a-4 of this title; or

5. in addition to the other sentencing powers of the court, in the case of a person convicted of operating or being in control of a motor vehicle while the person was under the influence of alcohol, other intoxicating substance, or a combination of alcohol or another intoxicating substance, or convicted of operating a motor vehicle while the ability of the person to operate such vehicle was impaired due to the consumption of alcohol, require such person:

- a. To participate in an alcohol and drug substance abuse course, pursuant to Sections 11-902.2 and 11-902.3 of Title 47 of the Oklahoma Statutes,
- b. To attend a victims impact panel program sponsored by the Highway Safety Division of the Oklahoma Department of Transportation, if such a program is offered in the county where the judgment is rendered, and to pay a fee, not to exceed Five Dollars (\$5.00), to the program to offset the cost of participation by the

defendant, if in the opinion of the court the defendant has the ability to pay such fee,

- c. To both participate in the alcohol and drug substance abuse course, pursuant to subparagraph a of this paragraph and attend a victims impact panel program, pursuant to subparagraph b of this paragraph; or

6. in addition to the other sentencing powers of the court, in the case of a person convicted of prostitution pursuant to Section 1029 of Title 21 of the Oklahoma Statutes, require such person to receive counseling for the behavior which may have caused such person to engage in prostitution activities. Such person may be required to receive counseling in areas including but not limited to alcohol and substance abuse, sexual behavior problems, or domestic abuse or child abuse problems.

B. When sentencing a person convicted of a crime, the court shall first consider a program of restitution for the victim, as well as imposition of a fine or incarceration of the offender. The provisions of paragraph 1 of subsection A of this section shall not apply to defendants being sentenced upon their third or subsequent to their third conviction of a felony.

C. Probation, for purposes of subsection A of this section, is a procedure by which a defendant found guilty of a crime is released by the court subject to conditions imposed by the court and subject to the supervision of the Department of Corrections. Such supervision shall be initiated upon an order of probation from the court, and shall not exceed two (2) years. However, such supervision may be extended for a period not to exceed the expiration of the maximum term or terms of the sentence upon a determination by the Division of Probation and Parole of the Department of Corrections that the best interests of the public and the releasee will be served by an extended period of supervision.

D. The Department of Corrections, or such other agency as the court may designate, shall be responsible for the monitoring and administration of the restitution and service programs provided for by subparagraphs a, c, and d of paragraph 1 of subsection A of this section, and shall ensure that restitution payments are forwarded to the victim and that service assignments are properly performed.

E. 1. The Division of Probation and Parole of the Department of Corrections is hereby authorized, subject to funds available through appropriation by the Legislature, to contract with counties for the administration of county Community Service Sentencing Programs.

2. Any offender eligible to participate in the Program pursuant to this act shall be eligible to participate in a county Program; provided, participation in county-funded Programs shall not be limited to offenders who would otherwise be sentenced to confinement with the Department of Corrections.

3. The Division shall establish criteria and specifications for contracts with counties for such Programs. A county may apply to the Division for a contract for a county-funded Program for a specific period of time. The Department shall be responsible for ensuring that any contracting county complies in full with specifications and requirements of the contract. The contract shall set appropriate compensation to the county for services to the Division.

4. The Division is hereby authorized to provide technical assistance to any county in establishing a Program, regardless of whether the county enters into a contract pursuant to this subsection. Technical assistance shall include appropriate staffing, development of community resources, sponsorship, supervision and any other requirements set forth in this act.

5. The Department shall annually make a report to the Governor, the President Pro Tempore of the Senate and the Speaker of the House

on the number of such Programs, the number of participating offenders, the success rates of each Program according to criteria established by the Department and the costs of each Program.

SECTION 9. AMENDATORY Section 1, Chapter 150, O.S.L. 1988 (22 O.S. Supp. 1990, Section 991a-4), as amended by Section 1 of Enrolled Senate Bill No. 277 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 991a-4. A. There is hereby created the "Community Service Sentencing Program". The purpose of the program shall be to provide an alternative to incarceration for nonviolent felony offenders who would normally be sentenced to incarceration in a state institution.

B. Any eligible offender may be sentenced, at the discretion of the judge, to a Community Service Sentencing Program pursuant to the provisions of this section. For purposes of this section, "eligible offender" shall mean any person who:

1. Is not participating in the Delayed Sentencing Program for Young Adults pursuant to the provisions of Section 996 ~~et seq.~~ through 996.3 of this title;

2. Has not previously been convicted of two or more felonies;

3. Has been convicted of a nonviolent felony offense which shall be defined as any felony offense except assault and battery with a dangerous weapon, aggravated assault and battery on a law officer, poisoning with intent to kill, shooting with intent to kill, assault with intent to kill, assault with intent to commit a felony, murder in the first degree, murder in the second degree, manslaughter in the first degree, manslaughter in the second degree, kidnapping, burglary in the first degree, kidnapping for extortion, maiming, robbery, child beating, wiring any equipment, vehicle, or structure with explosives, forcible sodomy, rape in the first degree or rape by instrumentation, lewd or indecent proposition or lewd or indecent act with a child under sixteen (16) years of age, use of a

firearm or offensive weapon to commit or attempt to commit a felony, pointing firearms, rioting or arson in the first degree;

4. Has properly completed and executed all necessary documents; and

5. Is not otherwise ineligible by law or court rule.

C. The Probation and Parole Division of the Department of Corrections shall administer the Program, except in counties with a population of five hundred fifty thousand (550,000) or more persons that operate an existing program. The Division shall conduct a presentence investigation pursuant to the provisions of Section 982 of this title if the court determines the offender is to be assigned to the Program. As part of such presentence investigation, the Division shall interview the offender and advise him of the requirements and conditions of the Program. The Division shall recommend an assignment of the offender to any one or combination of the following areas:

1. Community service, with or without compensation;

2. Education, vocational-technical education or literacy programs;

3. Substance abuse treatment programs;

4. Periodic testing for the presence of controlled substances;

5. Psychological counseling or psychiatric treatment;

6. Medical treatment;

7. Restitution, to be paid either to the victim of the offense or to the Crime Victims Compensation Revolving Fund created pursuant to the provisions of Section 142.17 of Title 21 of the Oklahoma Statutes;

8. Confinement in a county jail for a period not to exceed one (1) year, night or weekend incarceration pursuant to the provisions of Section 991a-2 of this title or incarceration by the Department of Corrections; provided, the Department of Corrections shall reimburse a county which does not receive payments from any other

source for the cost of the necessary expenses of such persons during periods of such incarceration in an amount not to exceed Twenty Dollars (\$20.00) per day and any county receiving such payments in an amount not to exceed Ten Dollars (\$10.00) per day. The Department shall reimburse the county for the actual cost paid for any emergency medical care for physical injury or illness of such persons if the county is required by law to provide such care for inmates in the jail. The reimbursements provided by this section shall not exceed the cost that would have accrued to the state for the feeding, care or medical care of the persons had they been incarcerated with the Department. Except as otherwise provided by law, all provisions of the Oklahoma Corrections Act of 1967, Section 501 et seq. of Title 57 of the Oklahoma Statutes, shall apply to such persons, including but not limited to any provisions requiring payment by such persons of the costs of incarceration; or

9. Probation or conditional probation.

D. The judge shall consider the criminal history of the offender, the nature of the offender's criminal conduct, the employment and family history of the offender and any other factors he deems relevant when sentencing persons to the Program. Following the presentence investigations and recommendation, the judge shall impose sentence. The judge may accept the recommendation, with or without modifications thereto, or may reject the recommendation and impose any sentence allowed by law.

E. The provisions of Sections 20, 58.3, 138, 138.1 and 224 of Title 57 of the Oklahoma Statutes and Section 615 of Title 69 of the Oklahoma Statutes and any other provisions of law relating to earned credits for certain acts or service shall not apply to persons participating in the Program. The judge may establish a schedule of earned credits as part of the sentence.

F. The Division shall establish a list of federal, state and local government agencies, community service agencies, educational

programs and other treatment programs willing to participate in the program to which offenders may be referred. The Division shall periodically contact agencies and programs to which offenders are assigned to determine if offenders have reported and performed satisfactorily. Any such agency or program shall immediately notify the Division if an offender fails to fulfill any requirement of the Program. The Division or the sentencing judge may require additional documentation of the offender's work performance.

G. The Division shall ensure that the sentencing judge and prosecuting attorney are notified in writing when an offender has successfully completed the assigned community service hours or other requirements of the Program or has failed to complete the requirements and provide any other relevant information required by the sentencing judge or prosecuting attorney.

H. The State of Oklahoma, all counties and municipalities of this state and all nonprofit or educational organizations or institutions participating in the Program are hereby immune from liability for torts committed by or against any offender participating in the Program to the extent specified in Sections 227 and 228 of Title 57 of the Oklahoma Statutes.

I. Any offender participating in the Program shall be advised of the provisions of this section and shall, in writing, acknowledge that he has been advised of and understands the provisions of the Program.

SECTION 10. AMENDATORY Section 47, Chapter 329, O.S.L. 1988, as last amended by Section 33, Chapter 323, O.S.L. 1990 (30 O.S. Supp. 1990, Section 3-110), is amended to read as follows:

Section 3-110. A. The court shall cause notice to be served of the time and place of the hearing on the petition requesting the appointment of a guardian for an incapacitated or partially incapacitated person on:

1. the subject of the proceeding; and

2. the following persons, other than the petitioner, who are known to the petitioner or whose existence and address can be ascertained by the petitioner with reasonably diligent efforts:

- a. the spouse, if any, of the subject of the proceeding,
- b. the attorney, if any, of the subject of the proceeding,
- c. all adult children of the subject of the proceeding,
- d. if there is no such adult child, the then living parent ~~of~~ or parents of the subject of the proceeding, or
- e. if there is no such parent, all adult brothers and sisters of the subject of the proceeding and all adult grandchildren of the subject of the proceeding;

3. in case no person listed in paragraph 2 of this subsection is given notice, notice shall be given to at least one and not more than three of the nearest adult relatives of the subject of the proceeding who are known to the petitioner or whose existence and address can be ascertained with reasonably diligent efforts;

4. if not the petitioner, any person or organization which, in the petition, is proposed to serve as guardian or limited guardian or, to the extent such nomination is known to the petitioner, who is nominated by will or other writing to serve as guardian or limited guardian;

5. to the extent known to the petitioner:

- a. the person or facility having care or custody of the subject of the proceeding, and
- b. the Department of Human Services or the Department of Mental Health and Substance Abuse Services, if said Departments are providing services to the subject of the proceeding;

6. as appropriate, the Veterans Administration pursuant to Section 126.8 of Title 72 of the Oklahoma Statutes; and

7. any other person as directed by the court.

B. A copy of the pleading which gave rise to the notice shall be attached to any notice served pursuant to this section.

C. Except for actions appointing a special guardian pursuant to Section 3-115 of this title:

1. Notice shall be served personally on the individual who is the subject of the proceeding at least ten (10) days before the time set for hearing. Such personal service may be made by the attorney for the petitioner, sheriff, or licensed process server. The person making such services shall make proper return thereof.

2. Notice to other persons entitled to notice of a hearing on the original petition requesting the appointment of a guardian shall be mailed by regular first-class mail at least ten (10) days before the time set for the hearing. Such service by mail may be made by the court clerk, deputy court clerk or attorney for the petitioner.

D. The notice to the subject of the proceeding shall set forth the date, time, place, and purpose of the hearing to which the notice refers. Such notice shall be substantially in the following form:

NOTICE OF HEARING

TO: _____

(Name of subject of proceeding)

Service Address _____

You are hereby notified that a petition has been filed alleging that you are an __ incapacitated, __ partially incapacitated person and are incapable of __ caring for yourself, __ managing your property. The petition requests that a __ guardian, __ limited guardian be appointed by the court to make decisions for you regarding __ yourself, __ your property. A copy of the petition is attached. The hearing on the petition will be held on

_____.

(date, time and place of the hearing)

At the hearing a () guardian, () limited guardian may be appointed for your () person, () property. The judge will explain to you the nature, purpose and effect of the proceedings.

You have the right to attend the hearing. You may confront and cross-examine all witnesses and present your own witnesses. You have the right to request that your hearing be closed to the public. You may request that an expert be appointed to examine you and if the judge believes that an examination is necessary, the judge will order an evaluation to be done.

You have the right to hire an attorney of your choice to represent you. If you do not have an attorney and you wish to be represented by an attorney at the hearing, the court will appoint one for you. You may request the appointment of an attorney orally or in writing prior to the hearing or at the hearing. If you are able, you will be required to pay the cost of an attorney appointed by the court.

SECTION 11. AMENDATORY 37 O.S. 1981, Section 537, as last amended by Section 3 of Enrolled Senate Bill No. 12 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 537. A. No person shall:

1. Knowingly sell, deliver, or furnish alcoholic beverages to any person under twenty-one (21) years of age;
2. Sell, deliver or knowingly furnish alcoholic beverages to an intoxicated person or to any person who has been adjudged insane or mentally deficient;
3. Open a retail container or consume alcoholic beverages on the premises of a retail package store;
4. Import into this state, except as provided for in the Oklahoma Alcoholic Beverage Control Act, any alcoholic beverages; provided, that nothing herein shall prohibit the importation or possession for personal use of not more than one (1) liter of

alcoholic beverages upon which the Oklahoma excise tax is delinquent;

5. Receive, possess, or use any alcoholic beverage in violation of the provisions of the Oklahoma Alcoholic Beverage Control Act;

6. Transport into, within, or through this state more than one (1) liter of alcoholic beverages upon which the Oklahoma excise tax has not been paid unless the person accompanying or in charge of the vehicle transporting same shall have in his possession a true copy of a bill of lading, invoice, manifest or other document particularly identifying the alcoholic beverages being transported and showing the name and address of the consignor and consignee;

7. Knowingly transport in any vehicle upon a public highway, street or alley any alcoholic beverage except in the original container which shall not have been opened and the seal upon which shall not have been broken and from which the original cap or cork shall not have been removed, unless the opened container be in the rear trunk or rear compartment, which shall include the spare tire compartment in a vehicle commonly known as a station wagon and panel truck, or any outside compartment which is not accessible to the driver or any other person in said vehicle while it is in motion;

8. Drink intoxicating liquor in public except on the premises of a licensee of the Alcoholic Beverage Laws Enforcement Commission who is authorized to sell or serve alcoholic beverages by the individual drink or be intoxicated in a public place. This provision shall be cumulative and in addition to existing law;

9. Forcibly resist lawful arrest, or by physical contact interfere with an investigation of any infringement of the Oklahoma Alcoholic Beverage Control Act or with any lawful search or seizure being made by an inspector or agent of the ABLE Commission, when such person knows or should know that such acts are being performed by a state, county, or municipal officer, inspector or agent of the ABLE Commission;

10. Manufacture, duplicate, counterfeit or in any way imitate any bottle club membership card required to be issued by the ABLE Commission without the permission of said Commission;

11. Consume or possess alcoholic beverages on the licensed premises of a bottle club unless such person possesses a valid membership card for that club issued by the club; or

12. Knowingly possess any bottle club membership card required to be issued by the ABLE Commission, which has been manufactured, counterfeited, imitated or in any way duplicated without the permission of said Commission.

B. No licensee of the ABLE Commission shall:

1. Receive, possess, or sell any alcoholic beverage except as authorized by the Oklahoma Alcoholic Beverage Control Act and by the license or permit which he holds;

2. Employ any person under the age of twenty-one (21) in the selling or handling of alcoholic beverages. Provided, that a mixed beverage, caterer, special event or bottle club licensee may employ servers who are eighteen (18) years of age or older, except in designated bar or lounge areas;

3. Give any alcoholic beverage as a prize, premium or consideration for any lottery, game of chance or skill or any type of competition;

4. Advertise or offer "happy hours" or any other means or inducements to stimulate the consumption of alcoholic beverages including:

- a. deliver more than two drinks to one person at one time;
- b. sell or offer to sell to any person or group of persons any drinks at a price less than the price regularly charged for such drinks during the same calendar week, except at private functions not open to the public;

- c. sell or offer to sell to any person an unlimited number of drinks during any set period of time for a fixed price, except at private functions not open to the public;
- d. sell or offer to sell drinks to any person or group of persons on any one day at prices less than those charged the general public on that day, except at private functions not open to the public;
- e. increase the volume of alcoholic beverages contained in a drink without increasing proportionately the price regularly charged for such drink during the same calendar week; or
- f. encourage or permit, on the licensed premises, any game or contest which involves drinking or the awarding of drinks as prizes.

Provided that the provisions of this paragraph shall not prohibit the advertising or offering of food or entertainment in licensed establishments;

5. Permit or allow any patron or person to exit the licensed premises with an open container of any alcoholic beverage. Provided, that this prohibition shall not be applicable to closed original containers of alcoholic beverages which are carried from the licensed premises of a bottle club by a patron, closed original wine containers removed from the premises of restaurants, hotels, and motels, or to closed original containers of alcoholic beverages transported to and from the place of business of a licensed caterer by the caterer or his employee; or

6. Serve or sell alcoholic beverages with an expired license issued by the ABLE Commission.

C. No package store licensee shall:

1. Purchase or receive any alcoholic beverage other than from a person holding a brewer, wholesaler or Class B wholesaler license issued pursuant to the Oklahoma Alcoholic Beverage Control Act;

2. Suffer or permit any retail container to be opened, or any alcoholic beverage to be consumed, on his licensed premises;

3. Sell, or keep package store premises open for the purpose of selling, any alcoholic beverages at any hour other than between the hours of 10:00 a.m. and 9:00 p.m. Monday through Saturday; provided, that no such sales shall be made, or package store premises be allowed to remain open for the purpose of making such sales, on the day of any General, Primary, Runoff Primary or Special Election while the polls are open whether on a national, state, county or city election or on New Year's Day, Memorial Day, the Fourth of July, Labor Day, Veterans Day, Thanksgiving Day or Christmas Day;

4. Operate a retail package store unless such store shall be located in a city or town having a population in excess of two hundred (200) according to the latest Federal Decennial Census;

5. Sell any alcoholic beverage on credit; provided that acceptance by a retail liquor store of a cash or debit card, or a nationally recognized credit card, in lieu of actual cash payment does not constitute the extension of credit; provided further, as used in this section:

- a. "cash or debit card" means any instrument or device whether known as a debit card or by any other name, issued with or without fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds from a consumer banking electronic facility,
- b. "nationally recognized credit card" means any instrument or device, whether known as a credit card, credit plate, charge plate or by any other name, issued with or without fee by an issuer for the use of

the cardholder in obtaining money, goods, services or anything else of value on credit which is accepted by over one hundred (100) merchants;

6. Offer or furnish any prize, premium, gift or similar inducement to a consumer in connection with the sale of alcoholic beverage, except that goods or merchandise included by the manufacturer in packaging with alcoholic beverages shall not be included in this prohibition, but no wholesaler or package store shall sell any alcoholic beverage prepackaged with other goods or merchandise at a price which is greater than the price at which the alcoholic beverage alone is sold;

7. Permit any person under twenty-one (21) years of age to enter into, remain within or loiter about the ~~premises of his~~ licensed premises; or

8. Pay for alcoholic beverages by a check or draft which is dishonored by the drawee when presented to such drawee for payment; and the ABLE Commission may cancel or suspend the license of any retailer who has given a check or draft, as maker or endorser, which is so dishonored upon presentation.

D. No wholesaler licensee shall:

1. Sell or deliver any amount of spirits or wines to any package store licensee on Saturday or Sunday; or

2. Sell or deliver any amount of spirits or wines to any package store licensee on New Year's Day, Memorial Day, the Fourth of July, Labor Day, Veterans Day, Thanksgiving Day or Christmas Day.

E. No mixed beverage licensee shall:

1. Purchase or receive any alcoholic beverage other than from a person holding a wholesaler or Class B wholesaler license issued pursuant to the Oklahoma Alcoholic Beverage Control Act;

2. Transport alcoholic beverages from the place of purchase to his licensed premises unless said licensee also holds a private carrier license issued by the ABLE Commission;

3. Use or allow the use of any mark or label on a container of alcoholic beverage which is kept for sale which does not clearly and precisely indicate the nature of the contents or which might deceive or conceal the nature, composition, quantity, age or quality of such beverage;

4. Keep or knowingly permit any alcoholic beverage to be kept, brought or consumed on his licensed premises which is not allowed to be sold or served upon such premises; or

5. Allow any person under twenty-one (21) years of age to enter into, remain within or loiter about the designated bar area of the licensed premises.

F. No bottle club licensee shall:

1. Use or allow the use of any mark or label on a container of alcoholic beverage which does not clearly and precisely indicate the nature of the contents or which might deceive or conceal the nature, composition, quantity, age or quality of any such beverage;

2. Act as an agent for any bottle club member and purchase any alcoholic beverage for said member;

3. Use or allow the use of any pool system of storage or purchase of alcoholic beverages;

4. Allow any person to enter or remain in the designated bar or lounge area of the club unless that person possesses a valid membership card for that club issued by the club;

5. Sell any alcoholic beverage;

6. Deliver or furnish to any club member any alcoholic beverage that does not belong to said member;

7. Serve alcoholic beverages to any person who does not possess a valid membership card for that club issued by the club;

8. Issue a membership card for the club to a person under twenty-one (21) years of age; or

9. Allow any person under twenty-one (21) years of age to enter into, remain within or loiter about the designated bar area of the licensed premises.

G. No special event or caterer licensee shall:

1. Purchase or receive any alcoholic beverage other than from a person holding a wholesaler or Class B wholesaler license issued pursuant to the provisions of the Oklahoma Alcoholic Beverage Control Act; or

2. Transport alcoholic beverages from the place of purchase to his licensed premises unless said licensee also holds a private carrier license issued by the ABLE Commission.

H. No person operating a cafe, restaurant, club, or any place of recreation shall permit any person to be drunk or intoxicated in said place of business.

SECTION 12. AMENDATORY Section 4, Chapter 219, O.S.L. 1990 (47 O.S. Supp. 1990, Section 1-107.4), as amended by Section 1 of Enrolled House Bill No. 1576 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1-107.4 A. Any motor vehicle or combination of vehicles, regardless of weight, which:

1. Is marked and used as a firefighting vehicle;

2. Is designed and used solely as a recreational vehicle;

3. Is a single or combination vehicle with a gross combined weight rating of less than twenty-six thousand one (26,001) pounds; or

4. Is a single or combination farm vehicle with a gross combined weight rating of more than twenty-six thousand one (26,001) pounds if:

a. it is entitled to be registered with a farm tag and has a farm tag attached thereto, and

b. it is controlled and operated by a farmer, his family or his employees, and

- c. it is used to transport either agricultural products, farm machinery, farm supplies or any combination of those materials to or from a farm, and
- d. it is not used in the operations of a common or contract motor carrier, and
- e. it is used within one hundred fifty (150) air miles of the person's farm or as otherwise provided by federal law.

B. The Department of Public Safety shall provide by rule promulgated pursuant to the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, that, in addition to the requirements specified in paragraph 4 of subsection A of this section, a motor vehicle or combination of vehicles operated by persons engaged in custom farming operations or persons operating farm retail outlets or such person's employees, and used within one hundred fifty (150) air miles of the temporary base of operations of a person engaged in custom farming operations, shall be considered to be a Class D motor vehicle if the inclusion of such vehicle within the definition of a Class D motor vehicle will not result in the loss of federal funds to the State of Oklahoma pursuant to federal law or regulation.

C. In addition to vehicles described in subsection A of this section, the Department of Public Safety may provide by rule promulgated in accordance with the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, that any motor vehicle or combination of vehicles regardless of weight, which is marked and used as a county or municipal vehicle, may be included within the definition of a Class D motor vehicle if such inclusion will not result in the loss of federal funds to the State of Oklahoma pursuant to federal law or regulation.

D. Provided, further, a Class D Motor Vehicle shall not include any vehicle which is:

1. Designed to carry sixteen or more passengers, including the driver; or

2. Required to be placarded for hazardous materials under 49 C.F.R., Part 172, subpart F; provided, the Department of Public Safety shall provide by rule promulgated pursuant to the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, that a farm vehicle or a vehicle being operated by a person operating a farm retail outlet or such person's employee, which is required to be placarded for hazardous materials under 49 C.F.R., Part 172, subpart F, shall be considered to be a Class D motor vehicle if the inclusion of such vehicle within the definition of a Class D motor vehicle will not result in the loss of federal funds to the State of Oklahoma pursuant to federal law or regulation.

SECTION 13. AMENDATORY 47 O.S. 1981, Section 6-101, as last amended by Section 46 of Enrolled Senate Bill No. 416 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 6-101. A. No person, except those hereinafter expressly exempted in Section 6-102 of this title, shall operate any motor vehicle upon a highway in this state unless such person has a valid Oklahoma license for the class of vehicle being operated under the provisions of this title. No person shall be permitted to possess more than one valid license at any time.

B. 1. No person shall operate a Class A commercial motor vehicle unless such person is eighteen (18) years of age or older and holds a valid Class A commercial license. Any person holding a valid Class A commercial license shall be permitted to operate motor vehicles in Classes A, B, C and D, except as provided for in paragraph 4 of this subsection;

2. No person shall operate a Class B commercial motor vehicle unless such person is eighteen (18) years of age or older and holds

a valid Class B commercial license. Any person holding a valid Class B commercial license shall be permitted to operate motor vehicles in Classes B, C and D, except as provided for in paragraph 4 of this subsection;

3. No person shall operate a Class C commercial motor vehicle unless such person is eighteen (18) years of age or older and holds a valid Class C commercial license. Any person holding a valid Class C commercial license shall be permitted to operate motor vehicles in Classes C and D, except as provided for in paragraph 4 of this subsection;

4. No person under twenty-one (21) years of age shall be licensed to operate any motor vehicle which is required to be placarded for hazardous materials pursuant to 49 C.F.R., Part 172, subpart F; provided, the Department of Public Safety shall provide by rule promulgated pursuant to the Administrative Procedures Act, Section 250 et seq. of Title 75 of the Oklahoma Statutes, that a person under twenty-one (21) years of age may be licensed to operate:

a. a farm vehicle, or

b. if such person is the operator of or employed by the operator of a farm retail outlet, any vehicle,

which is required to be placarded for hazardous materials pursuant to 49 C.F.R., Part 172, subpart F, if such licensure will not result in the loss of federal funds to the State of Oklahoma pursuant to federal law or regulation; and

5. No person shall operate a Class D motor vehicle unless such person is sixteen (16) years of age or older and holds a valid Class D license, except as provided for in Section 6-105 of this title. Any person holding a valid Class D license shall be permitted to operate motor vehicles in Class D only.

C. No person shall operate a motorcycle, motor-driven cycle or a motorized bicycle without first having obtained a Class A, B, C or D license with a motorcycle endorsement.

D. Any person issued a classified driver's license pursuant to this section may exercise the privilege thereby granted upon all streets and highways in this state.

E. Except as otherwise may be provided for by law, any new applicant for an original classified license shall be required to successfully complete a written examination, vision examination and driving examination for a motorcycle as prescribed by the Department of Public Safety to be eligible for a motorcycle endorsement thereon.

F. Except as otherwise may be provided for by law, any holder of an Oklahoma commercial chauffeur, chauffeur or operator driver's license which is eligible for renewal who applies for a Class A, B, C or D license shall be required to successfully complete a written examination, vision examination and driving examination for a motorcycle as prescribed by the Department to be eligible for a motorcycle endorsement thereon; provided, however, the Department may waive all such examinations upon being furnished satisfactory proof that the applicant has regularly operated a motorcycle, motor-driven cycle or motorized bicycle for a minimum of two (2) years immediately preceding the application.

G. Any person eighteen (18) years of age or older may apply for a restricted Class A, B or C license. The Department, after the applicant has passed all parts of the examination for and has been issued a Class D license and has successfully passed all parts of the examination for a Class A, B or C license other than the driving test, may issue to the applicant a restricted driver's license which shall entitle the applicant having such license in his immediate possession to operate a Class A, B or C commercial motor vehicle upon the public highways solely for the purpose of behind-the-wheel

training while accompanied by a licensed driver twenty-one (21) years of age or older holding a valid license for the class of vehicle being driven including any and all required endorsements.

This restricted driver's license shall be issued for the same period as all other licenses; provided, such restricted license may be suspended, revoked, canceled or denied at the discretion of the Department for violation of the restrictions, for failing to give the required or correct information on the application or for violation of any traffic laws of this state pertaining to the operation of a motor vehicle. Except as otherwise provided, the holder of such restricted license who has been issued such restricted license for a minimum of thirty (30) days may have the restriction requiring an accompanying driver removed by satisfactorily completing a driver's examination; provided, the removal of such restriction shall not authorize the operation of a Class A, B or C commercial motor vehicle if such operation is otherwise prohibited by law. The Department shall cause such examination to be conducted not more than three times during the first six (6) months after date of issuance of said restricted license and not more than one time every three (3) months thereafter upon request of the holder thereof.

H. The fee charged for a successful examination shall be assessed in accordance with the following schedule:

| | |
|----------------------------|---------|
| Class A Commercial License | \$25.00 |
| Class B Commercial License | \$15.00 |
| Class C Commercial License | \$15.00 |
| Class D License | \$ 4.00 |
| Motorcycle Examination | \$ 4.00 |

Notwithstanding the provisions of Section 1104 of this title, all monies collected from such examination fees charged for Class A, B and C Commercial Licenses pursuant to the provisions of this

subsection shall be deposited in the General Revenue Fund of this state.

I. The fee charged for an examination other than a successful examination shall be Four Dollars (\$4.00) for any license classification. Notwithstanding the provisions of Section 1104 of this title, all monies collected from such examination fees pursuant to the provisions of this subsection shall be deposited in the General Revenue Fund of this state.

J. In addition to any fee charged for a successful examination pursuant to the provisions of subsection H of this section, the fee charged for the issuance or renewal of an Oklahoma license shall be in accordance with the following schedule:

| | |
|----------------------------|---------|
| Class A Commercial License | \$35.00 |
| Class B Commercial License | \$35.00 |
| Class C Commercial License | \$25.00 |
| Class D License | \$15.00 |

K. All original and renewal classified licenses shall expire four (4) years from the last day of the month in which the license was issued.

L. Any person sixty-two (62) years of age or older during the calendar year of issuance or renewal of a Class D license or motorcycle endorsement shall be charged the following prorated fee:

| | |
|--------|---------|
| Age 62 | \$11.25 |
| Age 63 | \$ 7.50 |
| Age 64 | \$ 3.75 |
| Age 65 | -0- |

M. The Oklahoma Department of Public Safety and the Oklahoma Tax Commission are authorized to promulgate rules and regulations for the issuance and for the renewal of driver's licenses authorized to be issued pursuant to the provisions of Sections 6-101 through 6-309 of this title. Applications for such licenses shall be handled by the motor license agents, provided that the Department of Public

Safety is authorized to assume these duties in any county of this state. Except for driver's licenses issued pursuant to subsection K of this section, each motor license agent accepting applications for such drivers' licenses shall receive Two Dollars (\$2.00) to be deducted from the total collected for each license or renewal application accepted. The two-dollar fee received by the motor license agent shall be used for operating expenses. The Oklahoma Tax Commission is hereby authorized to reimburse, from funds available to that agency, each motor license agent issuing a license pursuant to subsection K of this section, an amount not to exceed One Dollar (\$1.00) for each license so issued. The Oklahoma Tax Commission shall develop procedures for claims for such reimbursement.

N. Notwithstanding the provisions of Section 1104 of this title and subsection L of this section and except as provided in subsection H of this section, the first Sixty Thousand Dollars (\$60,000.00) of all monies collected pursuant to this section shall be paid by the Oklahoma Tax Commission to the State Treasurer to be deposited each fiscal year under the provisions of this section to the credit of the Department of Public Safety Revolving Fund for the purpose of the Department of Public Safety Share the Road Program as that program pertains to the operation of commercial vehicles in this state with a gross vehicle weight rating of twenty-six thousand one (26,001) or more pounds. The next Five Hundred Thousand Dollars (\$500,000.00) of monies collected pursuant to this section shall be paid by the Oklahoma Tax Commission to the State Treasurer to be deposited each fiscal year under the provisions of this section to the credit of the Department of Public Safety Revolving Fund for the purpose of the Statewide Law Enforcement Communications System. All other monies collected in excess of Five Hundred Sixty Thousand Dollars (\$560,000.00) each fiscal year shall be apportioned as

provided in Section 1104 of this title, except as provided in subsection L of this section.

O. The Commissioner of the Department of Public Safety is authorized to employ such additional personnel as shall be necessary to administer the provisions of Sections 6-101 through 6-309 of this title.

SECTION 14. AMENDATORY 47 O.S. 1981, Section 6-206, as last amended by Section 5, Chapter 259, O.S.L. 1990 (47 O.S. Supp. 1990, Section 6-206), is amended to read as follows:

Section 6-206. ~~(a)~~ A. Whenever any person is convicted or pleads guilty in any court having jurisdiction over offenses committed under this act, Section 1-101 et seq. of this title, or any other act ~~of this state~~ or municipal ordinance or act or ordinance of another state regulating the operation of motor vehicles on highways ~~of this state,~~ such court shall make immediate report to the Department of Public Safety setting forth the name of the offender, the number of the ~~operator's or chauffeur's~~ driver's license and the penalty imposed. Said report shall be ~~certified~~ submitted by the judge or the clerk of the court upon forms furnished or approved by the Department.

~~(b)~~ B. The Department, upon receipt of said report or upon receipt of a report of a conviction in another state relating to the operation of a motor vehicle, may in its discretion suspend the driver's license of such person for such period of time as in its judgment is justified from the records of such conviction together with the records and reports on file in the Department, subject to the limitations provided in Section 6-208 of this title. Any action taken by the Department shall be in addition to the penalty imposed by the court.

~~(c)~~ C. Following receipt of a notice of any nonpayment of fine and costs for a moving traffic violation with a recommendation of suspension of driving privileges of a defendant from any court

within this state, as provided for in Section 983 of Title 22 of the Oklahoma Statutes, the Department shall suspend the driver's license or driving privilege of the named person after giving notice as provided in Section 2-116 of this title. Such suspension shall remain in effect until the Department receives proof of payment of the total amount of fine and costs or a release by the court and receives a reinstatement fee as provided for in Section 6-212 of this title. Upon reinstatement after suspension for nonpayment of fine and costs for a moving traffic violation the Department may remove such record of suspension from the person's driving record and retain an internal record for audit purposes.

~~(d)~~ D. Any person whose driver's license is so suspended under the provisions of this section shall have the right of appeal, as provided in Section 6-211 of this title.

SECTION 15. AMENDATORY 47 O.S. 1981, Section 7-605, as last amended by Section 3, Chapter 298, O.S.L. 1990 (47 O.S. Supp. 1990, Section 7-605), is amended to read as follows:

Section 7-605. A. Every owner or operator of a motor vehicle registered in this state who operates the vehicle or permits it to be operated in this state when no security exists as required by Section 7-601 of this title, or, until July 1, 1991, any owner who fails to provide proof of security pursuant to the provisions of Section 7-603.1 of this title, or any person who receives a deferred sentence, forfeits a bond or is convicted in any state or municipal court for failure to carry a security verification form, shall be subject to suspension of the driver's license and registrations of any motor vehicle not covered by security. Such suspension shall remain in effect until payment of a reinstatement fee of One Hundred Dollars (\$100.00), and proof of security is furnished through filing of a certificate of insurance with the Department which complies with the requirements of Section 7-321 of this title. The certificate of insurance shall be kept on file with the Department

for three (3) years. Suspension under this section shall be effective ~~immediately~~ upon ~~receipt by~~ the Department ~~of~~ giving notice pursuant to Section 2-116 of this title that the owner or operator is without security and ~~the Department shall provide~~ ~~written notice thereof to the owner or operator within a reasonable~~ ~~time~~. Any person failing to voluntarily relinquish the suspended license or registration to the Department within ~~thirty (30)~~ sixty (60) days of receipt of said notice shall pay a fee of Fifty Dollars (\$50.00) in addition to the One Hundred Dollar (\$100.00) reinstatement fee. If a person furnishes proof to the satisfaction of the Department that security was in effect at the time of the alleged offense, the Department shall vacate the suspension order and shall not require the filing of a certificate of insurance nor either of the above fees.

B. The Department may rely upon an abstract which indicates a charge and the imposition of a deferred sentence pending compliance with the Compulsory Insurance Law, Section 7-600 et seq. of this title, or an abstract of conviction or a notice of bond forfeiture from any court of competent jurisdiction, which indicates that the person was either convicted, or failed to appear upon a charge of failure to carry a security verification form or the lack of security, indicated by "No Security Form", "No Insurance" or other such term indicating lack of security. The Department may continue to rely on such abstract or notice unless proof is submitted from the issuing court clerk which indicates that the abstract or notice was issued in error, or was not related to a violation of the Compulsory Insurance Law or a security verification form as required by Chapter 7 of this title or by municipal ordinance.

SECTION 16. AMENDATORY Section 13, Chapter 179, O.S.L. 1985 (47 O.S. Supp. 1990, Section 1110), as last amended by Section 134 of Enrolled Senate Bill No. 25 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1110. A. 1. Except for a security interest in vehicles held by a dealer for sale or lease, as defined in Section 1-112 of this title and a vehicle being registered in this state which was previously registered in another state and which title contains the name of a secured party on the face of the other state certificate or title, a security interest, as defined in Section 1-201 of Title 12A of the Oklahoma Statutes, in a vehicle as to which a certificate of title may be properly issued by the Oklahoma Tax Commission shall be perfected only when a lien entry form prescribed by the Commission, and the existing certificate of title, if any, or application for a certificate of title and manufacturer's certificate of origin containing the name and address of the secured party and the date of the security agreement and the required fee are delivered to the Commission or to a motor license agent. For the purposes of this section, the term "vehicle" shall not include special mobilized machinery, machinery used in highway construction or road material construction and rubber-tired road construction vehicles including rubber-tired cranes. The filing and duration of perfection of a security interest, pursuant to the provisions of Title 12A of the Oklahoma Statutes, including, but not limited to, Section 9-302 of Title 12A of the Oklahoma Statutes, shall not be applicable to perfection of security interests in vehicles as to which a certificate of title may be properly issued by the Commission, except as to vehicles held by a dealer for sale or lease and except as provided in subsection D of this section. In all other respects Title 12A of the Oklahoma Statutes shall be applicable to such security interests in vehicles as to which a certificate of title may be properly issued by the Commission.

2. Whenever a person creates a security interest in a vehicle, such person shall surrender to the secured party the certificate of title or the signed application for a new certificate of title, on the form prescribed by the Commission, and the manufacturer's

certificate of origin. The secured party shall deliver the lien entry form and the required lien filing fee within fifteen (15) days as provided hereafter with certificate of title or the application for certificate of title and the manufacturer's certificate of origin to the Commission or to a motor license agent. If the lien entry form, the lien filing fee and the certificate of title or application for certificate of title and the manufacturer's certificate of origin are delivered to the Commission or to a motor license agent within fifteen (15) days after the date of the lien entry form, perfection of the security interest shall begin from the date of the execution of the lien entry form, but, otherwise, perfection of the security interest shall begin from the date of the delivery to the Commission or to a motor license agent.

3. a. For each security interest recorded on a certificate of title, or manufacturer's certificate of origin, such person shall pay a fee of Ten Dollars (\$10.00), which shall be in addition to other fees provided for in Section 1101 et seq. of this title. Upon the receipt of the lien entry form and the required fees with either the certificate of title or an application for certificate of title and manufacturer's certificate of origin, a motor license agent shall, by placement of a clearly distinguishing mark, record the date and number shown in a conspicuous place, on each of these instruments. Of the ten-dollar fee, the motor license agent shall retain Two Dollars (\$2.00) for recording the security interest lien.
- b. It shall be unlawful for any person to solicit, accept or receive any gratuity or compensation for acting as a messenger and for acting as the agent or representative of another person in applying for the recording of a security interest or for the

registration of a motor vehicle and obtaining the license plates or for the issuance of a certificate of title therefor unless the Commission has appointed and approved said person to perform such acts; and before acting as a messenger, any such person shall furnish to the Commission a surety bond in such amount as the Commission shall determine appropriate.

4. The certificate of title or the application for certificate of title and manufacturer's certificate of origin with the record of the date of receipt clearly marked thereon shall be returned to the debtor together with a notice that the debtor is required to register and pay all additional fees and taxes due within thirty (30) days from the date of purchase of said vehicle.

5. Any person creating a security interest in a vehicle that has been previously registered in the debtor's name and on which all taxes due the state have been paid shall surrender the certificate of ownership to the secured party. The secured party shall have the duty to record the security interest as provided in this section and shall, at the same time, obtain a new certificate of title which shall show the secured interest on the face of such certificate of title.

6. The lien entry form with the date and assigned number thereof clearly marked thereon shall be returned to the secured party. If the lien entry form is received and authenticated, as herein provided, by a motor license agent, such agent shall make a report thereof to the Commission upon the forms and in the manner as may be prescribed by the Commission.

7. The Commission shall have the duty to record the lien upon the face of the certificate of title issued at the time of registering and paying all fees and taxes due on such vehicle.

B. 1. A secured party shall, within ~~fifteen (15)~~ seven (7) business days after the satisfaction of such security interest,

furnish directly or by mail a release of a security interest to the Commission and mail a copy thereof to the last-known address of the debtor. If the security interest has been satisfied by payment from a licensed used motor vehicle dealer to whom the motor vehicle has been transferred, the secured party shall also, within seven (7) business days after such satisfaction, mail an additional copy of the release to such dealer. If the secured party fails to furnish such release as herein required, the secured party shall be liable to the debtor for a penalty of One Hundred Dollars (\$100.00) and, in addition, any loss caused to the debtor by such failure.

2. Upon release of a security interest the owner may obtain a new certificate of title omitting reference to the security interest, by submitting to the Commission or to a motor license agent:

- a. a release signed by the secured party, an application for new certificate of title and the proper fees, or
- b. by submitting to the Commission or the motor license agent an affidavit, supported by such documentation as the Commission may require, by the owner on a form prescribed by the Commission stating that the security interest has been satisfied and stating the reasons why a release cannot be obtained, an application for a new certificate of title and the proper fees.

Upon receiving such affidavit that the security interest has been satisfied, the Commission shall issue a new certificate of title eliminating the satisfied security interest and the name and address of the secured parties who have been paid and satisfied.

The words "security interest" when used in this act do not include liens dependent upon possession.

C. The Commission shall file and index certificates of title so that at all times it will be possible to trace a certificate of title to the vehicle designated therein, identify the lien entry

form, and the names and addresses of secured parties, or their assignees, so that all or any part of such information may be made readily available to those who make legitimate inquiry of the Commission as to the existence or nonexistence of security interest in the vehicle.

D. Any security interest in a vehicle properly perfected prior to July 1, 1979, may be continued as to its effectiveness or duration as provided by subsection (3) of Section 9-401 and subsection (3) of Section 9-403 of Title 12A of the Oklahoma Statutes, or may be terminated, assigned or released as provided by Sections 9-404, 9-405 and 9-406 of Title 12A of the Oklahoma Statutes, as fully as if this section had not been enacted, or, at the option of the secured party, may also be perfected under this section, and, if so perfected, the time of perfection under this section shall be the date said security interest was originally perfected under the prior law. Upon request of the secured party, the debtor or any other holder of the certificate of title shall surrender said certificate of title to the secured party and shall do such other acts as may be required to perfect said security interest under this section.

E. The priority of a valid security interest in a manufactured home, including without limitation a mobile home or sectional home, perfected pursuant to this section, shall not be affected by reason of the manufactured home becoming a fixture or otherwise being permanently attached to real property after the date of perfection of the security interest. A security interest in a manufactured home perfected pursuant to this section shall have priority over a conflicting interest of a mortgagee or other lien encumbrancer, or the owner of the real property upon which the manufactured home became affixed or otherwise permanently attached. The holder of the security interest in the manufactured home, upon default, may remove the manufactured home from such real property. The holder of the

security interest in the manufactured home shall reimburse the owner of the real property who is not the debtor and who has not otherwise agreed to access the real property for the cost of repair of any physical injury to the real property, but shall not be liable for any diminution in value to the real property caused by the removal of the manufactured home, trespass, or any other damages caused by such removal. The debtor shall notify the holder of the security interest in the manufactured home of the street address, if any, and the legal description of the real property upon which the manufactured home is affixed or otherwise permanently attached and shall sign such other documents, including any appropriate mortgage, as may reasonably be requested by the holder of such security interest.

F. In the case of motor vehicles or trailers, notwithstanding any other provision of law, a transaction does not create a sale or security interest merely because it provides that the rental price is permitted or required to be adjusted under the agreement either upward or downward by reference to the amount realized upon sale or other disposition of the motor vehicle or trailer.

SECTION 17. AMENDATORY 59 O.S. 1981, Section 858-201, as last amended by Section 1 of Enrolled Senate Bill No. 316 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 858-201. There is hereby re-created, to continue until July 1, 1997, in accordance with the provisions of the Oklahoma Sunset Law, the Oklahoma Real Estate Commission, which shall consist of seven (7) members. The Commission shall be the sole governmental entity, state, county or municipal, which shall have the authority to regulate and issue licenses to real estate brokers ~~and~~, real estate sales associates and, on and after July 1, 1993, provisional sales associates, in the State of Oklahoma. All members of the Commission shall be citizens of the United States and shall have

been residents of the State of Oklahoma for at least three (3) years prior to their appointment, and five members shall be licensed real estate brokers and shall have had at least five (5) years' active experience as real estate brokers prior to their appointment, one member shall be a lay person not in the real estate business, and one member shall be a representative of a school of real estate located within the State of Oklahoma and approved by the Commission. Provided however, that no more than two members shall be appointed from the same congressional district according to the latest congressional redistricting act.

SECTION 18. AMENDATORY 60 O.S. 1981, Section 176, as last amended by Section 32 of Enrolled House Bill No. 1549 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 176. (a) Express trusts may be created to issue obligations and to provide funds for the furtherance and accomplishment of any authorized and proper public function or purpose of the state or of any county or municipality or any combinations thereof, in real or personal property, or either or both, or in any estate or interest in either or both, with the state, or any county or municipality or any combinations thereof, as the beneficiary thereof by the: (1) express approval of the Legislature and the Governor if the State of Oklahoma is the beneficiary; (2) express approval of two-thirds (2/3) of the membership of the governing body of the beneficiary if a county is a beneficiary; (3) express approval of two-thirds (2/3) of the membership of the governing body of the beneficiary if a municipality is a beneficiary. Provided, that no funds of said beneficiary derived from sources other than the trust property, or the operation thereof, shall be charged with or expended for the execution of said trust, except by express action of the legislative authority of the beneficiary prior to the charging or expending of

the funds. The officers or any other governmental agencies or authorities having the custody, management or control of any property, real or personal or both, of the beneficiary of such trust, or of such a proposed trust, which property shall be needful for the execution of the trust purposes, are authorized and empowered to lease such property for said purposes, after the acceptance of the beneficial interest therein by the beneficiary as hereinafter provided.

(b) A municipality may convey title to real property which is used for an airport to the trustees of an industrial development authority trust whose beneficiary is the municipality. Said industrial development authority trust must already have the custody, management or control of such real property. Such conveyance must be approved by a majority of the governing body of the municipality. A conveyance pursuant to this section may be made only for the sole purpose of allowing such authority to sell the property for fair market value when the property is to be used for industrial development purposes. Conveyances made pursuant to this subsection shall be made subject to any existing reversionary interest or other restrictions burdening the property and subject to any reversionary interest or other restriction considered prudent by the municipality.

(c) The trustees of a public trust having the State of Oklahoma as beneficiary shall make and adopt bylaws for the due and orderly administration and regulation of the affairs of the public trust. All bylaws of a public trust having the State of Oklahoma as beneficiary shall be submitted in writing to the Governor of the State of Oklahoma. The Governor must approve the proposed bylaws before they take effect.

(d) No public trust in which the State of Oklahoma is the beneficiary may be amended without a two-thirds (2/3) vote of approval of the trustees of such trust. Provided, that any such

amendment is subject to the approval of the Governor of the State of Oklahoma. Such amendments shall be sent to the Governor within fifteen (15) days of their adoption.

(e) No trust in which a county or municipality is the beneficiary shall hereafter create an indebtedness or obligation until such indebtedness or obligation has been approved by a two-thirds (2/3) vote of the governing body of said beneficiary. In the event a trust has more than one beneficiary, as authorized by this section, such trust shall not incur an indebtedness or obligation until such indebtedness or obligation has been approved by a two-thirds (2/3) vote of the governing body of two-thirds (2/3) of the beneficiaries of said trust.

(f) All bonds described in subsection (e) of this section, after the effective date of this act, except bonds sold to the federal government or any agency thereof or to any agency of the State of Oklahoma, shall be awarded to the lowest and best bidder based upon open competitive public offering, advertised at least once a week for two (2) successive weeks in a newspaper of general circulation in the county where the principal office of the trust is located prior to the date on which bids are received and opened, except, on bond issues with the approval of three-fourths (3/4) of the trustees, and a three-fourths (3/4) vote of the governing body of the beneficiary, or three-fourths (3/4) vote of the governing bodies of each of the beneficiaries of said trust as the case may be, competitive bidding may be waived. No bonds shall be sold for less than par value, except upon approval of three-fourths (3/4) of the trustees. In no event shall bonds be sold for less than sixty-five percent (65%) of par value. Provided, however, in no event shall the original purchaser from the issuer of any bonds issued by any public trust for any purpose receive directly or indirectly any fees, compensation or other remuneration in excess of four percent (4%) of the price paid for such bonds by the purchaser of such bonds

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

(g) Public trusts created pursuant to this section shall comply with annual budget provisions applicable to the beneficiary of such trust. A copy of such budget shall be submitted to the beneficiary.

(h) Contracts for construction, labor, equipment, material or repairs in excess of ~~Two Thousand Dollars (\$2,000.00)~~ Seven Thousand Five Hundred Dollars (\$7,500.00) shall be awarded by public trusts to the lowest and best competitive bidder, pursuant to public invitation to bid, which shall be published in the manner provided in the preceding section hereof; such advertisements shall appear in the county where the work, or the major part of it, is to be done, or the equipment or materials are to be delivered, or the services are to be rendered. Provided, however, should the trustee or the trustees find that an immediate emergency exists, which findings shall be entered in the journal of the trust proceedings, by reason of which an immediate outlay of trust funds in an amount exceeding ~~Two Thousand Dollars (\$2,000.00)~~ Seven Thousand Five Hundred Dollars

(\$7,500.00) is necessary in order to avoid loss of life, substantial damage to property, or damage to the public peace or safety, then such contracts may be made and entered into without public notice or competitive bids; provided that the provisions of this subsection shall not apply to contracts of industrial and cultural trusts.

(i) Any public trust created pursuant to the provisions of this section shall have the power to acquire lands by use of eminent domain in the same manner and according to the procedures provided for in Sections 51 through 65 of Title 66 of the Oklahoma Statutes. Any exercise of the power of eminent domain by a public trust pursuant to the provisions of this section shall be limited to the furtherance of public purpose projects involving revenue-producing utility projects of which the public trust retains ownership; provided, for public trusts in which the State of Oklahoma is the beneficiary the exercise of the power of eminent domain may also be used for public purpose projects involving air transportation. Revenue-producing utility projects shall be limited to projects for the transportation, delivery, treatment or furnishing of water for domestic purposes or for power, including, but not limited to the construction of lakes, pipelines and water treatment plants. Any public trust formed pursuant to this section which has a county as its beneficiary shall have the power to acquire, by use of eminent domain, any lands located either inside such county, or contiguous to such county pursuant to the limitations imposed pursuant to this section.

(j) Provisions of this section shall not apply to entities created under Sections 1324.1 through 1324.26, of Title 82 of the Oklahoma Statutes.

SECTION 19. AMENDATORY 62 O.S. 1981, Section 7.1, as last amended by Section 12, Chapter 337, O.S.L. 1990 (62 O.S. Supp. 1990, 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 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. All such monies collected pursuant to this section shall be deposited as follows in the agency clearing account or agency special account established therefor:

1. Receipts of One Hundred Dollars (\$100.00) or more shall be deposited on the ~~date of receipt~~ same banking day as received.

2. Receipts of less than One Hundred Dollars (\$100.00) may be held until accumulated receipts equal One Hundred Dollars (\$100.00) or for five (5) business days, whichever occurs first, and shall then be deposited no later than the next business day.

a. Each state agency that has custody of receipts of less than One Hundred Dollars (\$100.00) shall provide adequate safekeeping of such receipts,

b. No disbursements shall be made from such receipts prior to this deposit, and

c. All checks received must be restrictively endorsed immediately upon receipt.

D. 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; and the person issuing the check, draft, order or voucher shall be charged a fee of Twenty-five Dollars (\$25.00) to cover the costs of processing each returned check; provided, such charge shall not be made unless efforts have been made to present such check, draft, order or voucher for payment a second time. Unless otherwise provided by law, such fee shall be deposited to the revolving fund of the state agency to which the check, draft, order or voucher was issued. If no revolving fund exists for the state agency, then such fee shall be deposited to the General Revenue Fund. 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.

E. 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 and district offices under the control of the Corporation Commission 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 Five Hundred Dollars (\$500.00) for state parks and lodges under the control of the Oklahoma Tourism and Recreation Department, or One Hundred Dollars (\$100.00) for district offices under the control of the Corporation Commission, whichever first occurs.

F. Funds and revenues of the Oklahoma Municipal Power Authority, the Grand River Dam Authority, the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority are exempt from the requirements of this section.

G. Monies used for investment purposes by the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the Oklahoma State Regents for Higher Education and the State and Education Employees Group Insurance Board are exempt from the requirements of this section, and shall be placed with the respective custodian bank or trust company.

SECTION 20. AMENDATORY 62 O.S. 1981, Section 7.2, as last amended by Section 1, Chapter 319, O.S.L. 1990 (62 O.S. Supp. 1990, Section 7.2), is amended to read as follows:

Section 7.2 A. There is hereby re-created, to continue until July 1, 1996, in accordance with the provisions of the Oklahoma

Sunset Law, Section 3901 et seq. of Title 74 of the Oklahoma Statutes, a Special Agency Account Board, to consist of the Director of State Finance, the State Treasurer and the Director of the Legislative Service Bureau. 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, Section 41.1 et seq. 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 money 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 receive no money, 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;

9. Funds used by the Oklahoma Tax Commission to pay for the filing of liens with the Federal Aviation Administration;

10. 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; ~~and~~

11. Payment of liability claims against the state; and

12. Activities of the various Armory Boards of the Oklahoma Military Department to receive and dispense funds derived by the Armory Boards pursuant to Sections 232.6 and 232.7 of Title 44 of the Oklahoma Statutes.

D. The State Treasurer is authorized to accept deposit of money made directly to agency special accounts approved by the Board. All money 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 money 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 by law. 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. Money deposited in agency special accounts shall be disbursed on vouchers issued by the state agency concerned to accomplish the purpose for which the money was intended.

G. Funds and revenues of the Grand River Dam Authority are exempt from the requirements of this section.

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

I. Monies used for investment purposes by the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, the Oklahoma Public Employees Retirement System, the Teachers' Retirement System of Oklahoma, the State Insurance Fund, the State and Education Employees Group Insurance Board and the Oklahoma State Regents for Higher Education for its Endowment Trust Fund are exempt from the requirements of this section, and shall be placed with the respective custodian bank or trust company.

SECTION 21. AMENDATORY 62 O.S. 1981, Section 353, as amended by Section 1 of Enrolled Senate Bill No. 460 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 353. A. Except as provided for in subsection B of this section, whenever any municipal corporation or political subdivision of the State of Oklahoma shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354 of this title shall be made to mature in equal annual installments, beginning not less than two (2) nor more than five (5) years after their date, except that the first maturing installment may be for such sum, not more than one installment and the last maturing installment may be for such sum not more than two installments, as will complete the full issue of such bonds notwithstanding the necessity of varying the amount thereof to complete the same.

B. 1. On and after the effective date of this act, whenever any municipal corporation or political subdivision of the State of Oklahoma shall vote any bonds or issue any funding or refunding bonds, such bonds, or combined issue of bonds referred to in Section 354 of this title, may be made to mature pursuant to a schedule of annual installments which allows the bonds to be structured with level debt service payments. Such bonds shall mature beginning not less than two (2) years nor more than five (5) years after their date.

2. For purposes of this subsection:

- a. "level debt service" means that net total annual or fiscal debt service, except for short or stub periods, must be approximately equal for every annual or fiscal period, provided that all net annual or fiscal payments must be within a dollar amount range not to exceed twice the stated denomination of the bonds, and
- b. "short or stub periods" means the period preceding the beginning of full amortization of principal and payment of interest.

C. The denomination of bonds issued pursuant to the provisions of this section shall be One Hundred Dollars (\$100.00) or multiples thereof, not exceeding One Hundred Thousand Dollars (\$100,000.00) except the first numbered bond may be for such odd amount as will complete the full issue of said bonds. Provided, when a book entry system is utilized, the issuer may issue and deliver one bond only, for the entire principal amount, to the book entry agent.

SECTION 22. AMENDATORY Section 2, Chapter 162, O.S.L. 1984 (63 O.S. Supp. 1990, Section 1-106.1), as last amended by Section 1 of Enrolled House Bill No. 1518 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1-106.1 A. The State Board of Health may establish a system of fees to be charged for environmental and other health services and for services rendered to members of the public in the issuance and renewal of licenses and permits by the State Commissioner of Health and the State Department of Health. This provision is subject to the following limitations:

1. The Board must follow the procedures required by Sections 301 through 325 of Title 75 of the Oklahoma Statutes for adoption of rules and regulations in establishing or amending any such schedule of fees; and

2. The Board shall charge fees only within the following ranges, except as may be otherwise specified in this section.

For license or permit issuance: \$50.00 to \$2,000.00

For license or permit renewal: \$10.00 to \$500.00

For environmental health services: \$25.00 to \$250.00

provided further, that any facility exempt from the requirement to obtain a permit based on date of construction or start-up may be assessed an annual permit renewal fee equivalent.

B. The Board's authority to establish such a fee schedule shall extend to all programs administered by the State Commissioner of Health and the State Department of Health, regardless of whether the

statutes creating such programs are codified in the Oklahoma Public Health Code.

C. The Board shall base its schedule of licensing or permitting fees upon the reasonable costs of review and inspection services rendered in connection with each license and permit program, but shall be within the ranges specified in subsection A of this section, except as may be otherwise specified in this section. The Department shall establish a system of training for all personnel who render review and inspection services in order to assure uniform statewide application of rules and regulations and the Board shall also base the fee on reasonable costs associated with the training of those personnel. Such fees shall not be used in the operation of local health departments whose personnel do not participate fully in applicable State Department of Health training and standardization programs.

D. The Board may exempt by rule and regulation any class of licensee or permittee or any class of facility or activity to be licensed or permitted from the requirements of the fee schedule if the Board determines that the creation of such a schedule for any such class would work an unreasonable economic hardship.

E. All statutory fees now in effect for issuance and renewal of any license or permit administered by the State Commissioner of Health and the State Department of Health shall remain in effect until such time as the Board acts to implement new fee schedules pursuant to the provisions of this act.

F. Unless a longer duration is specified for certain permits by the rules and regulations of the Board, licenses and permits issued by the Commissioner of Health shall be for a one-year period.

G. 1. Notwithstanding the above limits, the State Board of Health may establish an annual fee for public water supply system regulatory services based on the size and type of the system and the resultant regulatory cost of the services to the state. Such annual

fee shall not result in an increase of more than thirty cents (\$0.30) per month per residential user of the public water supply systems per year. A public water supply system operated by or on behalf of a municipality or a rural water district may submit tests of such system performed by a laboratory certified pursuant to this section in lieu of tests performed by the State Department of Health pursuant to any regulatory requirement of state or federal law. The portion of the annual fee applicable to laboratory tests performed by a certified laboratory shall be deducted from the annual fee in the annual bill.

2. The State Board of Health may assess an annual minimum fee charged for:

- a. purchase water systems, Fifty Dollars (\$50.00),
- b. ground water systems, Seventy-five Dollars (\$75.00),
and
- c. surface water systems, One Hundred Fifty Dollars (\$150.00).

3. Any state funds appropriated for public water supply system regulatory services shall be used to offset the increased costs of regulatory services to the smaller public water supply systems with a population of up to two thousand (2,000) people.

H. The Oklahoma State Board of Health shall adopt standards for certification of privately and publicly owned laboratories for performance of analyses of water and wastewater for public water supply systems. The Board may adopt standards of the United States Environmental Protection Agency by reference but in any case laboratories meeting such standards shall be certified.

I. The State Health Department shall use the standards adopted by the Board for purposes of certifying laboratories for performance of water and wastewater analyses for public water supply systems. The Department shall adopt procedures for examining and certifying laboratories for compliance with the standards. The Department

shall certify those laboratories that meet the standards set by the Board.

J. The Department shall accept, for purposes of compliance monitoring and analysis, the water and wastewater analyses of those laboratories which it certifies pursuant to the standards set by the Board.

K. The Department may suspend or revoke the certification of any laboratory which does not continue to comply with the standards after receiving certification from the Department. The owner and all employees of any laboratory which seeks certification pursuant to this section shall be subject to the enforcement provisions of Sections 1-1701 and 1-1701.1A through 1-1701.1B of this code, including but not limited to the sanctions and punishments provided for giving false information in an application for certification. Any owner or employee of a certified laboratory who knowingly makes any false statement, representation or certification to a client or to the Department or who knowingly renders inaccurate any monitoring device or method shall, upon conviction, be guilty of a misdemeanor, and shall be subject to a fine of not more than Five Thousand Dollars (\$5,000.00) for each violation.

L. The limitations of paragraph 2 of subsection A of this section shall not apply to the issuance or renewal of permits by the Commissioner or Department pursuant to the National Pollutant Discharge Elimination System of the Federal Water Pollution Control Act, provided that fees assessed pursuant to the National Pollutant Discharge Elimination System of the Federal Water Pollution Control Act shall not exceed the cost incurred by the state for performing the regulatory services or Three Hundred Thousand Dollars (\$300,000.00) per year averaged over a five-year period.

SECTION 23. AMENDATORY 63 O.S. 1981, Section 2253, as renumbered by Section 10, Chapter 217, O.S.L. 1990, and as amended

by Section 2, Chapter 225, O.S.L. 1990 (63 O.S. Supp. 1990, Section 1-2302), is amended to read as follows:

Section 1-2302. As used in ~~this act~~ the Oklahoma Solid Waste Management Act, unless the context otherwise requires:

(1) "Board" means the State Board of Health;

(2) "Department" means the State Department of Health;

(3) "Person" means any individual, corporation, company, firm, partnership, association, trust, state agency, government instrumentality or agency, institution, county, any incorporated city or town or municipal authority or trust in which any governmental entity is a beneficiary, venture, or other legal entity however organized;

(4) "Solid waste" means all putrescible and nonputrescible refuse in solid or semisolid form including, but not limited to, garbage, rubbish, ashes or incinerator residue, street refuse, dead animals, demolition wastes, construction wastes, solid or semisolid commercial and industrial wastes including explosives, biomedical wastes, chemical wastes, herbicide and pesticide wastes. Scrap materials which are source separated for collection and processing as industrial raw materials shall not be considered solid waste for the purposes of this act, except when contained in the waste collected by or in behalf of a solid waste management system;

(5) "Disposal site" means any place, including a transfer station, or any other place at which solid waste is dumped, abandoned, or accepted or disposed of by incineration, land filling, composting, shredding, compaction, baling or any other method or by processing by pyrolysis, resource recovery or any other method, technique or process designed to change the physical, chemical or biological character or composition of any solid waste so as to render such waste safe or nonhazardous, amenable to transport, recovery or storage or reduced in volume. A disposal site shall not include a manufacturing facility which processes scrap materials

which have been separated for collection and processing as industrial raw materials;

(6) "Solid waste management system" means the system that may be developed for the purpose of collection and disposal of solid waste by any person engaging in such process as a business or by any municipality, authority, trust, county or by any combination thereof at one or more disposal sites; ~~and~~

(7) "Dwelling" means a permanently-constructed, habitable structure designed and constructed for full-time occupancy in all weather conditions, which is not readily mobile and shall include but not be limited to a manufactured home as such term is defined by paragraph 11 of Section 1102 of Title 47 of the Oklahoma Statutes;

(8) "Integrated solid waste management plan" means a plan that provides for the integrated management of all solid waste within the planning unit and embodies sound principles of solid waste management, natural resources conservation, energy production, and employment-creating opportunities;

(9) "Recycling" means to reuse a material that would otherwise be disposed of as waste, with or without reprocessing;

(10) "Solid waste planning unit" means any county or any part thereof, incorporated city or town, or municipal authority or trust in which any governmental entity is a beneficiary, venture, or other legal entity however organized, which the State Department of Health determines to be capable of planning and implementing an integrated solid waste management program; and

(11) "Waste reduction" means to reduce the volume of waste requiring disposal.

SECTION 24. AMENDATORY 68 O.S. 1981, Section 1356, as last amended by Section 1 of Enrolled House Bill No. 1030 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1356. Exemptions - Governmental and nonprofit entities.

There are hereby specifically exempted from the tax levied by this article:

(A) Sale of tangible personal property or services to the United States government or to the State of Oklahoma, any political subdivision of this state or any agency of a political subdivision of this state; provided, all sales to contractors in connection with the performance of any contract with the United States government, State of Oklahoma or any of its political subdivisions shall not be exempted from the tax levied by this article, except as hereinafter provided;

(B) Sales of property to agents appointed by or under contract with agencies or instrumentalities of the United States government if ownership and possession of such property transfers immediately to the United States government;

(C) Sales made directly by county, district or state fair authorities of this state, upon the premises of the fair authority, for the sole benefit of the fair authority;

(D) Sale of food in cafeterias or lunch rooms of elementary schools, high schools, colleges or universities which are operated primarily for teachers and pupils and are not operated primarily for the public or for profit;

(E) Dues paid to fraternal, religious, civic, charitable or educational societies or organizations by regular members thereof, provided, such societies or organizations operate under what is commonly termed the lodge plan or system, and provided such societies or organizations do not operate for a profit which inures to the benefit of any individual member or members thereof to the exclusion of other members and dues paid monthly or annually to privately owned scientific and educational libraries by members sharing the use of services rendered by such libraries with students interested in the study of geology, petroleum engineering or related subjects;

(F) Sale of tangible personal property or services to or by churches, except sales made in the course of business for profit or savings, competing with other persons engaged in the same or a similar business;

(G) The amount of proceeds received from the sale of admission tickets which is separately stated on the ticket of admission for the repayment of money borrowed by any accredited state-supported college or university for the purpose of constructing or enlarging any facility to be used for the staging of an athletic event, a theatrical production, or any other form of entertainment, edification or cultural cultivation to which entry is gained with a paid admission ticket. Such facilities include, but are not limited to, athletic fields, athletic stadiums, field houses, amphitheaters and theaters. To be eligible for this sales tax exemption, the amount separately stated on the admission ticket shall be a surcharge which is imposed, collected and used for the sole purpose of servicing or aiding in the servicing of debt incurred by the college or university to effect the capital improvements hereinbefore described;

(H) Sales of tangible personal property or services to the Council Organizations or similar state supervisory organizations of the Boy Scouts of America, Girl Scouts of U.S.A. and the Campfire Girls shall be exempt from sales tax;

(I) Sale of tangible personal property or services to any county, municipality, rural water district, public school district, the institutions of the Oklahoma system of higher education and the Grand River Dam Authority, or to any person with whom any of the above-named subdivisions or agencies of this state has duly entered into a public contract pursuant to law, necessary for carrying out such public contract or to any subcontractor to such a public contract. Any person making purchases on behalf of such subdivision or agency of this state shall certify, in writing, on the copy of

the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such subdivision or agency of this state and set out the name of such public subdivision or agency. Any person who wrongfully or erroneously certifies that purchases are for any of the above-named subdivisions or agencies of this state or who otherwise violates this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days or both;

(J) Sales of tangible personal property or services to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from taxation pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, including materials, supplies, and equipment used in the construction and improvement of buildings and other structures owned by said institutions and operated for educational purposes.

Any person, firm, agency or entity making purchases on behalf of any institution, agency or subdivision in this state, shall certify in writing, on the copy of the invoice or sales ticket the nature of the purchases, and violation of this act shall be a misdemeanor as set forth in paragraph (I) of this section;

(K) Tuition and educational fees paid to private institutions of higher education and private elementary and secondary institutions of education accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs or accredited as defined by the Oklahoma State Regents for Higher Education which are exempt from

taxation pursuant to the provisions of Section 501(c) (3) of the Internal Revenue Code;

(L) Sales of tangible personal property made by:

1. A public school;
2. A private school offering instruction for grade levels kindergarten through twelfth grade;
3. A public school district;
4. A public or private school board;
5. A public or private school student group or organization;
6. A parent-teacher association or organization; or
7. Public or private school personnel for purposes of raising funds for the benefit of a public or private school, public school district, public or private school board or public or private school student group or organization.

The exemption provided by this subsection for sales made by a public or private school shall be limited to those public or private schools accredited by the State Department of Education or registered by the State Board of Education for purposes of participating in federal programs. Sale of tangible personal property in this paragraph shall include sale of admission tickets and concessions at athletic events;

(M) The first Seventy-five Thousand Dollars (\$75,000.00) each year from sale of tickets and concessions at athletic events by each organization exempt from taxation pursuant to the provisions of Section 501(c) (4) of the Internal Revenue Code; ~~and~~

(N) Items or services which are subsequently given away by the Oklahoma Department of Tourism and Recreation as promotional items pursuant to Section 1834 of Title 74 of the Oklahoma Statutes; and

(O) Sales of tangible personal property or services to fire departments organized pursuant to Section 592 of Title 18 of the Oklahoma Statutes which items are to be used for the purposes of the fire department. Any person making purchases on behalf of any such

fire department shall certify, in writing, on the copy of the invoice or sales ticket to be retained by the vendor that the purchases are made for and on behalf of such fire department and set out the name of such fire department. Any person who wrongfully or erroneously certifies that the purchases are for any such fire department or who otherwise violates the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be fined an amount equal to double the amount of sales tax involved or incarcerated for not more than sixty (60) days, or both.

SECTION 25. AMENDATORY 70 O.S. 1981, Section 14-108, as last amended by Section 10 of Enrolled House Bill No. 1239 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 14-108. A. The State Board of Vocational and Technical Education shall prescribe criteria and procedures for establishing area vocational-technical school districts and the government thereof, as provided by Section 9B, Article X, Oklahoma Constitution, and such districts so established shall be operated in accordance with rules and regulations of the State Board of Vocational and Technical Education, except as otherwise provided in this title.

B. An area vocational-technical school district shall be a body corporate and shall possess the usual powers of a corporation for public purposes. Its official name shall be designated by the State Board of Vocational and Technical Education, in which name it may sue and be sued, and be capable of contracting and being contracted with, and holding real and personal estate. Its governing board shall be a board of education consisting of not less than five (5) nor more than seven (7) members elected in a manner prescribed by the State Board of Vocational and Technical Education. Such board of education shall have the same powers and duties that boards of education of independent school districts have. It may require

nonresident students to pay reasonable tuition fees, which may be paid for a student by the independent or ~~dependent~~ elementary school district in which the student resides.

C. An election to vote on the question of making a levy of not to exceed five (5) mills on the dollar valuation of the taxable property in an area school district under the provisions of subsection A, Section 9B, Article X, Oklahoma Constitution, shall be called by the board of education and conducted by the county election board of such district in the same manner that elections for emergency levies in school districts under the provisions of Section 9(d), Article X, Oklahoma Constitution, are called and conducted. When such levy is approved by a majority of the electors of the area school district voting on the question at such election, the levy shall be made each fiscal year thereafter until repealed by a majority of the electors of the district voting on the question at an election called for such purpose. An election to vote on the question of making a local incentive levy of not to exceed five (5) mills on the dollar valuation of the taxable property in an area school district under the provisions of subsection B of Section 9B of Article X of the Oklahoma Constitution, may be called by the board of education; and elections on a levy for a building fund for an area school district under the provisions of Section 10, Article X, Oklahoma Constitution, shall be called by the board of education of such district and conducted by the county election board in the same manner that elections for similar levies are called and conducted in independent school districts.

D. Annual estimates of needs of area school districts shall be made and approved in the same manner that those of independent school districts are made and approved. Provided, that the State Board of Vocational and Technical Education shall prescribe a list of appropriation accounts by which the funds of area school districts shall be budgeted, accounted for and expended. Any such

estimate of needs may include an estimate of federal funds as probable income from sources other than ad valorem tax of the district and other than any excise or other tax assessed by legislative enactment and distributed in lieu of ad valorem taxes. If an area school district lies in more than one county, the district's estimate of needs shall be filed with and approved by the county excise board of the county designated by the school district board of education.

E. Territory may be annexed to or detached from an area school district, in accordance with rules and regulations prescribed by the State Board of Vocational and Technical Education. If the State Board of Vocational and Technical Education requires the submission of a petition in order for an election to be called for the purpose of annexation or deannexation of territory to an area school district, such petition shall not be required to bear a number of school district electors' signatures which exceed fifty percent (50%) of the number of school district electors who voted in the last school board election in the territory proposed to be annexed or deannexed. Provided, the period of time from which the petition is initiated to its time of filing with the State Board shall not exceed ninety (90) days.

F. Schools of area school districts shall be subject to classification, inspection and accreditation by the State Board of Education.

G. The area vocational and technical school board of education may designate a county treasurer to serve as treasurer of the school district or may appoint an independent treasurer.

H. Within four (4) years after the creation of an area school district, such area school district may, at its discretion, permit a teacher to transfer any or all accrued benefits upon employment including credit for years of service in the previous school district by the area school district, if the teacher at the time of

hiring is employed as a teacher by an independent or ~~dependent~~ elementary school district which is all or partly within the boundaries of the area school district or is employed as a teacher in a skills center within the boundaries of the area school district.

I. For the 1991-92 school year the formula used to distribute state equalization funds to area vocational-technical schools shall be the same formula that was used to distribute equalization funds in the 1989-90 school year. Provided, for the 1991-92 school year any area vocational-technical school given special designation by the State Board of Vocational and Technical Education prior to January 1, 1990, for funding purposes due to location, partially or entirely, within the boundary of a college area vocational-technical district shall receive state vocational-technical program formula and equalization formula funding. Provided, such designated district's participation in equalization formula funding shall be limited to funds used in the state equalization formula program for the 1991-92 school year above the level of funds used in the 1989-90 school year.

SECTION 26. AMENDATORY 70 O.S. 1981, Section 17-105, as last amended by Section 1, Chapter 7, O.S.L. 1990 (70 O.S. Supp. 1990, Section 17-105), is amended to read as follows:

Section 17-105. (1) (a) Any member who has attained age fifty-five (55) or who has completed thirty (30) years of creditable service, as defined in Section 17-101 of this title, or whose age and number of years of creditable service total eighty (80) may be retired upon filing a written application for such retirement. The application shall be filed on the form provided by the Board of Trustees for this purpose, not less than thirty (30) days nor more than ninety (90) days before the date of retirement.

(b) An individual who becomes a member of the Teachers' Retirement System after July 1, 1967, shall be employed by the

public schools, state colleges or universities of Oklahoma for a minimum of ten (10) years and be a contributing member of the Teachers' Retirement System of Oklahoma for a minimum of ten (10) years to qualify for monthly retirement benefits from the Teachers' Retirement System of Oklahoma. Provided, however, any individual who was a contributing member of the system for a minimum of ten (10) years and withdrew such individual's accumulated contributions upon termination of employment may repay to the system such contributions with interest as determined by the Board for the purpose of receiving monthly retirement benefits from the system. All repayments made as provided for in this subsection shall be made prior to September 1, 1986.

(c) Any member with ten (10) or more years of Oklahoma teaching service and whose accumulated contributions during such period have not been withdrawn shall be given an indefinite extension of membership beginning with the sixth year following his last contributing membership and shall become eligible to apply for retirement and be retired upon attaining age fifty-five (55).

(d) Members currently teaching in the public schools of Oklahoma past the fiscal year during which age seventy (70) was attained and who have not retired shall be granted the privilege of making up the five percent (5%) contributions, plus interest, for the years taught after age seventy (70). Such member shall be given an indefinite extension of membership and be eligible to retire upon the filing of proper application for retirement as hereinbefore provided.

(2) An unclassified optional member who has retired or who retires at sixty-two (62) years of age or older or whose retirement is because of disability shall have his minimum retirement benefits calculated on an average salary of Five Thousand Three Hundred Fifty Dollars (\$5,350.00) or, if a larger monthly allowance would result,

an amount arrived at pursuant to application of the formula prescribed herein.

(3) No member shall receive a lesser retirement benefit than he would have received under the law in effect at the time he retired. Any individual under the Teachers' Retirement System, who through error in stating the title of the position which he held, may, at the discretion of the Board of Trustees, be changed from the nonclassified optional group to the classified group for the purpose of calculating retirement benefits.

Any individual regardless of residence, who has a minimum of ten (10) years of teaching in Oklahoma schools prior to July 1, 1943, or who taught in Oklahoma schools prior to 1934 and thereafter taught a minimum of ten (10) years and who does not qualify under the present retirement system, or who has a minimum of thirty (30) years of teaching in Oklahoma schools and has reached seventy (70) years of age prior to July 1, 1984, and is not otherwise eligible to receive any benefits from the retirement system shall receive a minimum of One Hundred Fifty Dollars (\$150.00) per month in retirement benefits from the Teachers' Retirement System of Oklahoma plus any general increase in benefits for annuitants as may be provided hereafter by the Legislature. Each individual must apply to the Teachers' Retirement System for such benefit and provide evidence to the Teachers' Retirement System that the service was actually rendered. The surviving spouse of any person who made application for the benefit provided for by this paragraph during his lifetime but did not receive said benefit may submit an application to the system for payment of said benefit for those months during the lifetime of the deceased person that he was eligible for but did not receive the benefit. Upon approval of the application by the Board of Trustees, the benefit shall be paid to the surviving spouse in one lump sum.

(4) The value of each year of prior service is the total monthly retirement benefit divided by the number of years of creditable service.

(5) Upon application of a member who is actively engaged in teaching in Oklahoma or his employer, any member who has been a contributing member for ten (10) years may be retired by the Board of Trustees not less than thirty (30) days nor more than ninety (90) days subsequent to the execution and filing thereof, on a disability retirement allowance, provided the Medical Board of the Teachers' Retirement System after medical examination of such member by a duly qualified physician shall certify that such member is mentally or physically incapacitated for further performance of duty, that such incapacity is likely to be permanent, and that such member should be retired.

(6) (a) A member who at the time of retirement is in the judgment of the Medical Board of the Teachers' Retirement System permanently physically or mentally incapacitated to teach school shall receive a minimum monthly retirement payment for life or until such time as the member may be found to be recovered to the point where he may return to teaching. Any member retired before the effective date of this act shall be eligible to receive the monthly retirement allowance herein provided, but such payment shall not begin until the first payment due him after the effective date of this act, and shall not be retroactive. The Board of Trustees is empowered to make such rules and regulations as it considers proper to preserve equity in retirements under this provision.

(b) A member who has qualified for retirement benefits under disability retirement shall have the total monthly payment deducted from his accumulated contributions plus interest earned and any money remaining in the member's account after the above deductions at the death of the member shall be paid in a lump sum to the beneficiary or to the estate of the member. Provided, if the

deceased disabled member had thirty (30) years or more of creditable service and the death occurred after June 30, 1981, and death occurred prior to the disabled member receiving twelve monthly retirement payments, a surviving spouse may elect to receive the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 Plan of Retirement provided for in subsection (8) of this section in lieu of the death benefit provided for in this subsection and in subsection (12) of this section.

(c) Once each year the Board of Trustees may require any disabled annuitant who has not yet attained the age of sixty (60) years to undergo a medical examination, such examination to be made at the place of residence for said disabled annuitant or other place mutually agreed upon by a physician or physicians designated by the Board of Trustees. Should any disabled annuitant who has not yet attained the age of sixty (60) years refuse to submit to at least one medical examination in any such year by a physician or physicians designated by the Board of Trustees his allowance may be discontinued until he submits to such examination.

(d) Should the Medical Board report and certify to the Board of Trustees that such disabled annuitant is engaged in or is able to engage in a gainful occupation paying more than the difference between his retirement allowance and the average final compensation, and should the Board of Trustees concur in such report then the amount of his pension shall be reduced to an amount which, together with his retirement allowance and that amount earnable by him, shall equal the amount of his average final compensation. Should his earning capacity be later increased, the amount of his pension may be further modified, provided the new pension shall not exceed that amount of the pension originally granted nor an amount, which when added to the amount earnable by the member, together with his annuity, equals the amount of his average final compensation.

(e) Should a disabled annuitant be restored to active service, his disability retirement allowance shall cease and he shall again become a member of the Teachers' Retirement System and shall make regular contributions as required under this article. The unused portion of his accumulated contributions shall be reestablished to his credit in the Teachers' Savings Fund. Any such prior service certificates on the basis of which his service was computed at the time of his retirement shall be restored to full force and effect.

(7) Should a member before retirement under this act make application for withdrawal duly filed with the Board of Trustees and approved by it, not earlier than four (4) months after the date of termination of such service as a teacher, the contribution standing to the credit of his individual account in the Teachers' Savings Fund shall be paid to him or, in the event of his death before retirement, shall be paid to such person or persons as he shall have nominated by written designation, duly executed and filed with the Board of Trustees; provided, however, if there be no designated beneficiary surviving upon such death, such contributions shall be paid to his administrators, executors, or assigns, together with interest as hereinafter provided. In lieu of a lump-sum settlement at the death of the member, the amount of money the member has on deposit in the Teachers' Savings Fund and the money the member has on deposit in the Teachers' Deposit Fund may be paid in monthly payments to a designated beneficiary, who must be the spouse, under the Maximum or Option 1 Plan of Retirement providing the monthly payment shall be not less than Twenty-five Dollars (\$25.00) per month. The monthly payment shall be the actuarial equivalent of the amount becoming due at the member's death based on the sex of the spouse and the age the spouse has attained at the last birthday prior to the member's death. Provided further, if there be no designated beneficiary surviving upon such death, and the contributions standing to the credit of such member do not exceed

Two Hundred Dollars (\$200.00), no part of such contributions shall be subject to the payment of any expense of the last illness or funeral of the deceased member or any expense of administration of the estate of such deceased and the Board of Trustees, upon satisfactory proof of the death of such member and of the name or names of the person or persons who would be entitled to receive such contributions under the laws of descent and distribution of the state, may authorize the payment of accumulated contributions to such person or persons. A member terminating his membership by withdrawal shall have the interest computed at a rate of interest determined by the Board of Trustees and paid to him subject to the following schedule:

(a) If termination occurs within seven (7) years from the date membership began, no part of such interest accumulations shall be paid.

(b) With at least seven (7) but less than sixteen (16) years of membership, fifty percent (50%) of such interest accumulations shall be paid.

(c) With at least sixteen (16) but less than twenty-one (21) years of membership, sixty percent (60%) of such interest accumulations shall be paid.

(d) With at least twenty-one (21) but less than twenty-six (26) years of membership, seventy-five percent (75%) of such interest accumulations shall be paid.

(e) With at least twenty-six (26) years of membership, ninety percent (90%) of such interest accumulations shall be paid.

In case of death of an active member, the interest shall be calculated and restored to the member's account and paid to his beneficiary.

(8) (a) In lieu of his retirement allowance payable throughout life for such an amount as determined under this section, the member may select a retirement allowance for a reduced amount payable under

any of the following options the present value of which is the actuarial equivalent thereof.

(b) A member may select the option under which he desires to retire at the end of the school year in which he attains age seventy (70) and said option shall be binding and cannot be changed. Provided further that if a member retires before age seventy (70), no election of an option shall be effective in case an annuitant dies before the first payment due under such option has been received.

(c) The first payment of any benefit selected shall be made on the first day of the month following approval of the retirement by the Board of Trustees.

Option 1. If he dies before he has received in annuity payments the present value of his annuity as it was at the time of his retirement, the balance shall be paid to his legal representatives or to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement; or

Option 2. A member takes a reduced retirement allowance for life. Upon the death of the member the payments shall continue to the member's designated beneficiary, who must be a spouse, for the life of the beneficiary. The written designation of the beneficiary, who must be a spouse, must be duly acknowledged and filed with the Board of Trustees at the time of the member's retirement; or

Option 3. A member receives a reduced retirement allowance for life. Upon the death of the member one-half (1/2) of the retirement allowance paid the member shall be continued throughout the life of the designated beneficiary, who must be a spouse. A written designation of a beneficiary must be duly acknowledged and filed with the Board of Trustees at the time of the member's retirement; or

Option 4. Some other benefit or benefits shall be paid either to the member or to such person or persons as he shall nominate, provided such other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent actuarial value to his retirement allowance and shall be approved by the Board of Trustees; or

Option 5. A member receives a reduced retirement allowance for life. If the member dies within twenty-five (25) years from the date of commencement of the retirement payments, such payments shall be continued to the beneficiary of the member during the balance of the twenty-five-year period. The written designation of the beneficiary, who must be a spouse, shall be duly acknowledged and filed with the Board of Trustees at the time of the member's retirement.

(9) The governing board of any "public school", as that term is defined in Section 17-101 of this title, is hereby authorized and empowered to pay additional retirement allowances or compensation to any person who was in the employ of such public school for not less than ten (10) school years preceding the date of his retirement. Payments so made shall be a proper charge against the current appropriation or appropriations of any such public school for salaries for the fiscal year in which such payments are made. Such payments shall be made in regular monthly installments in such amounts as the governing board of any such public school, in its judgment, shall determine to be reasonable and appropriate in view of the length and type of service rendered by any such person to such public school by which such person was employed at the time of retirement. All such additional payments shall be uniform, based upon the length of ~~tenure~~ service and the type of services performed, to persons formerly employed by such public school who have retired or been retired in accordance with the provisions of this act.

The governing board of any such public school may adopt rules and regulations of general application outlining the terms and conditions under which such additional retirement benefits shall be paid, and all decisions of such board shall be final.

(10) In addition to the teachers' retirement herein provided, teachers may voluntarily avail themselves of the Federal Social Security Program upon a district basis.

(11) Upon the death of an in-service member, the system shall pay to the designated beneficiary of the member or, if there is no designated beneficiary or if the designated beneficiary predeceases the member, to the estate of the member, the sum of Eighteen Thousand Dollars (\$18,000.00) as a death benefit. Provided, if the deceased member had ten (10) years or more of creditable service and the death occurred after February 1, 1985, a surviving spouse may elect to receive the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 plan of retirement in lieu of the death benefit provided for in this subsection. Provided further, if the death occurred after June 1, 1987, and the surviving spouse elects to receive the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 plan of retirement, the retirement benefit shall be determined using the average annual salary of the deceased member during any three (3) of the last five (5) years of participating service, but not to exceed Forty Thousand Dollars (\$40,000.00).

(12) Upon the death of an annuitant who has contributed to the system, the retirement system shall pay to the designated beneficiary of the annuitant or, if there is no designated beneficiary or if the designated beneficiary predeceases the annuitant, to the estate of the annuitant, the sum of Four Thousand Dollars (\$4,000.00) as a death benefit.

SECTION 27. AMENDATORY 70 O.S. 1981, Section 17-116.2, as last amended by Section 3, Chapter 341, O.S.L. 1990 (70 O.S. Supp. 1990, Section 17-116.2), is amended to read as follows:

Section 17-116.2 A. Beginning July 1, 1987, a member who retires on or after the member's normal retirement age or whose retirement is because of disability shall receive an annual allowance for life, payable monthly, in an amount equal to two percent (2%) of the member's highest three-year average salary upon which member contributions were made, multiplied by the number of the member's years of creditable service.

A classified member who retired prior to July 1, 1986, shall have his retirement allowance calculated on a minimum average salary of Eleven Thousand Five Hundred Dollars (\$11,500.00) or on his current minimum average salary plus Two Thousand Dollars (\$2,000.00), whichever is greater. Beginning July 1, ~~1988~~ 1990, a classified member who retired prior to July 1, ~~1987~~ 1989, shall have the member's retirement allowance calculated on the member's current minimum average salary plus ~~One Thousand Dollars (\$1,000.00)~~ Nine Hundred Fifty Dollars (\$950.00). An unclassified member who retired prior to July 1, 1986, shall have his retirement allowance calculated on a minimum average salary of Nine Thousand Five Hundred Dollars (\$9,500.00) or on his current minimum average salary plus One Thousand Dollars (\$1,000.00), whichever is greater. Beginning July 1, ~~1988~~ 1990, an unclassified member who retired prior to July 1, ~~1987~~ 1989, shall have the member's retirement allowance calculated on the member's current minimum average salary plus ~~One Thousand Dollars (\$1,000.00)~~ Four Hundred Seventy-five Dollars (\$475.00). No retirement benefit payments shall be made retroactively.

Except for those members retiring because of a disability, the retirement allowance shall be subject to adjustment for those

members retiring before normal retirement age in accordance with the actuarial equivalent factors adopted by the Board of Trustees.

B. Except as otherwise provided for in this subsection, the amount contributed by each member to the retirement system shall be:

1. beginning July 1, 1988 through June 30, 1989, five percent (5%) of the regular annual compensation of such member not in excess of the maximum compensation level;

2. beginning July 1, 1989 through June 30, 1990, five and one-half percent (5 1/2%) of the regular annual compensation of such member not in excess of the maximum compensation level; and

3. beginning July 1, 1990, six percent (6%) of the regular annual compensation of such member not in excess of the maximum compensation level.

C. The maximum compensation level shall be Twenty-five Thousand Dollars (\$25,000.00). An active member of the System may elect to have a maximum compensation level of Forty Thousand Dollars (\$40,000.00). Such an election shall be made in writing and filed with the System. Members whose salaries are in excess of Twenty-five Thousand Dollars (\$25,000.00) on the effective date of this act shall file the election with the System prior to January 1, 1988. Members whose salaries exceed Twenty-five Thousand Dollars (\$25,000.00) after the effective date of this act shall file the election when the salary exceeds Twenty-five Thousand Dollars (\$25,000.00). If a member makes such an election, the member shall contribute the amount specified in paragraphs 1 through 3 of subsection B of this section of the regular annual compensation of such member not in excess of Twenty-five Thousand Dollars (\$25,000.00) and:

1. beginning July 1, 1988 through June 30, 1989, ten percent (10%) of the regular annual compensation of such member that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and is not in excess of Forty Thousand Dollars (\$40,000.00);

2. beginning July 1, 1989 through June 30, 1990, ten and one-half percent (10 1/2%) of the regular annual compensation of such member that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and is not in excess of Forty Thousand Dollars (\$40,000.00); and

3. beginning July 1, 1990, eleven percent (11%) of the regular annual compensation of such member that is in excess of Twenty-five Thousand Dollars (\$25,000.00) and is not in excess of Forty Thousand Dollars (\$40,000.00). Except as provided in subsection D of this section, any such election shall be irrevocable.

D. 1. Any member, who at the time the member was eligible to make an election to increase the maximum compensation level of the member, failed to make an election or chose not to increase the maximum compensation level of the member to Forty Thousand Dollars (\$40,000.00), may elect to increase the maximum compensation level of the member if the election is made within three (3) years of the member's initial opportunity to make the election. To make the change, the member shall complete a new form and file with the Board of Trustees, the form and a payment equaling the difference between the amount contributed at the twenty-five-thousand-dollar level and the appropriate contribution on compensation in excess of Twenty-five Thousand Dollars (\$25,000.00) up to a maximum of Forty Thousand Dollars (\$40,000.00). The required payment shall include any contribution required by the employing school district.

2. Any member, who at the time the member was eligible to make an election to increase the maximum compensation level of the member chose to increase the compensation level of the member to Forty Thousand Dollars (\$40,000.00), may elect to decrease the maximum compensation level of the member to Twenty-five Thousand Dollars (\$25,000.00) if the election is made within three (3) years of the initial election to increase the maximum compensation level. To make the change, the member shall complete a new form and file with

the Board of Trustees the form and a request for a refund of contributions made by the member in excess of the contribution required on a maximum compensation level of Twenty-five Thousand Dollars (\$25,000.00).

3. Any changes made pursuant to this subsection shall be irrevocable.

E. 1. An individual who withdrew from the Teachers' Retirement System and whose salary was in excess of Seven Thousand Eight Hundred Dollars (\$7,800.00) and had elected to contribute only on Seven Thousand Eight Hundred Dollars (\$7,800.00) before his withdrawal shall contribute on the earning ceiling as provided for in this section on his reentry into membership in the Teachers' Retirement System.

2. An individual who elected to contribute on a maximum of Seven Thousand Eight Hundred Dollars (\$7,800.00) per annum shall, beginning July 1, 1979, contribute on his earning ceiling as provided for in this section.

3. Any member who elected to contribute on Seven Thousand Eight Hundred Dollars (\$7,800.00) prior to January 1, 1978, and whose salary was more than Seven Thousand Eight Hundred Dollars (\$7,800.00) during the school years 1974-75 through 1978-79 may elect to make back contributions to the retirement system by paying the five percent (5%) contributions on the difference between Seven Thousand Eight Hundred Dollars (\$7,800.00) and the actual salary of the member, not to exceed Ten Thousand Dollars (\$10,000.00) for each applicable school year, plus interest as determined by the Board of Trustees. No retirement benefit payments shall be made retroactively.

F. Each employer shall cause to be deducted from the salary of each member on each and every payroll of such employer for each and every payroll period, the proper percentage of his earnable compensation as provided for in subsection B of this section.

1. Deductions shall begin with the first payroll period of the school year. In determining the amount earnable by a member in a payroll period, the Board of Trustees shall consider the rate of annual compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and it may omit deductions from compensation for any period less than a full period, and to facilitate the making of deductions, it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one percent (1/10 of 1%) of the annual compensation upon the basis of which such deduction is to be made.

~~Any~~ Prior to January 1, 1991, any active contributing member who joined the System subsequent to July 1, 1943, may pay the normal cost, which shall mean the single sum which would have been paid under existing statutes at the time the service was performed, plus interest, for years of teaching service in Oklahoma from the date of establishment of the System in 1943 to date of membership, in a lump sum, or in installments equal to establishing one (1) year of creditable service. ~~Those members who have paid an actuarially determined cost which is greater than such normal cost may have the difference refunded upon making proper written application to the Teachers' Retirement System.~~ Effective January 1, 1991, any active contributing member who joined the System subsequent to July 1, 1943, may pay the amount determined by the Board of Trustees pursuant to Section 30 of this act for years of teaching service in Oklahoma from the date of establishment of the System in 1943 to date of membership, in a lump sum, or in installments equal to establishing one (1) year of creditable service. For purposes of this option, teaching service in Oklahoma shall include the teaching of vocational agricultural courses within Oklahoma for the federal government. Years for which contributions are paid shall count as membership service under this plan. A member may receive credit for not more than five (5) years of teaching service rendered in the

public schools, American Military Dependent Schools or state colleges or state universities outside this state by paying his contributions, plus interest, and membership fees to the retirement system, subject to the regulations of the Board of Trustees, providing he is not receiving and is not eligible to receive retirement credit or benefits from said service in any other public retirement system of this state or any other state subject to the following provisions:

- a. The member is required to have two (2) years of employed service teaching earned in Oklahoma for each year of out-of-state, noncovered in-state or military membership credit granted.
- b. ~~The~~ Prior to January 1, 1991, the out-of-state or noncovered in-state payment shall be the normal cost, which means the single sum which would have been paid under existing law at the time the service was performed, plus interest, on the basis of what his annual salary would have been in Oklahoma or out of state, whichever is greater, had he been employed as a teacher. Effective January 1, 1991, the out-of-state noncovered in-state payment shall be the amount determined by the Board of Trustees pursuant to Section 30 of this act.

2. In addition to the deductions hereinabove provided for, any member who becomes a member of the Armed Forces of the United States of America during any period of national emergency, including World War II, the Korean conflict, the Vietnam conflict or others as may be determined by the Board of Trustees, or whose entrance into or training for the teaching profession was interrupted by his entrance into the Armed Forces, and who was or shall have become a member of the Teachers' Retirement System shall be granted the privilege of making up his five percent (5%) contributions as provided for in

this section until January 1, 1991, for not to exceed five (5) years of service in the Armed Forces by electing to pay said contributions on the basis of the rate of pay in his contract as a teacher at the time his service in the Armed Forces commenced or in the case of a teacher who was not teaching prior to entering the Armed Forces, on the basis of the salary of the first year of teaching after being honorably discharged from the Armed Forces. Effective January 1, 1991, the member will receive such service upon payment of the amount determined by the Board of Trustees pursuant to Section 30 of Enrolled Senate Bill No. 810 of the 2nd Session of the 42nd Oklahoma Legislature. Such contributions shall be credited in the regular manner, and the period for which said contributions were paid shall be counted as creditable years of service and allocated to the period during which the military service was rendered, except that the period for which contributions were paid must have been continuous and shall be credited in the aggregate, regardless of fiscal year limitations.

G. The total creditable service of a member who retires or terminates employment and elects a vested benefit shall include not to exceed one hundred twenty (120) days of unused sick leave accumulated subsequent to August 1, 1959, ~~during the member's membership with the Teachers' Retirement System. Such credit shall be added in terms of whole months.~~ Twenty (20) days of unused sick leave shall equal one (1) month for purposes of creditable service credit. This paragraph shall apply to members retiring or vesting on or after the effective date of this act and shall not be retroactive.

H. ~~Any~~ Prior to January 1, 1991, any member who shall be absent from the teaching service because of election to the State Legislature or appointment to the executive branch in an education-related capacity shall be allowed to retain his membership in the Teachers' Retirement System upon payment of the five percent

(5%) contribution as provided for in this section and his service credits shall continue to be accumulated during such absence.

Effective January 1, 1991, any member who shall be absent from the teaching service because of election to the State Legislature or appointment to the executive branch in an education-related capacity shall be allowed to retain membership in the Retirement System upon payment of the amount determined by the Board of Trustees pursuant to Section 30 of this act and his service credit shall continue to be accumulated during such absence.

I. ~~Any~~ Prior to January 1, 1991, any member who shall be absent from the teaching service because of election or appointment as a local, state or national education association officer shall be allowed to retain his membership in the Teachers' Retirement System upon payment of the five percent (5%) contribution as provided for in this section and his service credits shall continue to be accumulated during such absence. Effective January 1, 1991, any member who shall be absent from the teaching service because of election or appointment as a local, state or national education association officer shall be allowed to retain his membership to the Retirement System upon payment of the amount determined by the Board of Trustees pursuant to Section 30 of this act and his service credits shall continue to be accumulated during such absence.

Provided, however, any one such absence shall not exceed eight (8) continuous years.

J. A member may receive credit for those years of credited service accumulated by the member while a member of the Oklahoma Firefighters Pension and Retirement System, the Oklahoma Police Pension and Retirement System, the Uniform Retirement System for Justices and Judges, the Oklahoma Law Enforcement Retirement System, or the Oklahoma Public Employees Retirement System, if the member is not receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system. A member

also may receive credit for those years of service with the Oklahoma Department of Wildlife or with an employer that is a participating employer within one of the state retirement systems specifically referred to in this section when at the time of such service by the member the employer was not such a participating employer, if the member is not receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system.

To receive the service credit provided in this subsection, ~~the member shall pay a five percent (5%) contribution and interest of not to exceed five percent (5%) as may be required by the Board of Trustees for each year of service transferred pursuant to this subsection; provided, however,~~ effective January 1, 1990, the member shall pay a ten percent (10%) contribution and interest of not to exceed ten percent (10%), as determined by the Board of Trustees and effective January 1, 1991, the member shall pay the amount

determined by the Board of Trustees pursuant to Section 30 of this act. A member may receive credit for those years of credited

service while employed by a sub-state planning district, if the member is not receiving or eligible to receive retirement credit or benefits from said service in any other public retirement system.

To receive the service credit, the member must be continuously employed by an employer with responsibility and authority for public education since September 1, 1986, and the member must pay a ten percent (10%) contribution and interest of not to exceed ten percent (10%), as determined by the Board of Trustees.

K. Any member whose regular annual compensation was not determined as provided for by law may pay the ~~five percent (5%) member contribution required pursuant to subsection B of this section~~ on such amount not included in the member's regular annual compensation and receive credit for such amount in the calculation of the member's benefit.

L. Any active member who elected during the 1978-79 school year to pay the difference between five percent (5%) on actual salary not exceeding Ten Thousand Dollars (\$10,000.00) and six percent (6%) on actual salary not exceeding Fifteen Thousand Dollars (\$15,000.00) shall receive credit for one (1) year of credited service upon receipt and approval of a proper request by the Board of Trustees.

M. Any person who has never been a member of the System but who may have been eligible to become a member of the System may receive credit for those years of service during which the person may have been eligible to join the System, upon payment of the five percent (5%) contribution, plus interest, to the System if salary was greater than Two Thousand Dollars (\$2,000.00). The option provided for in this subsection shall be exercised before December 1, 1987.

N. Effective July 1, 1988, any member who is employed by the Governor, the State Senate, the House of Representatives or the Legislative Service Bureau shall be allowed to elect to retain membership in the Retirement System upon payment of the accrued and current member contributions as provided in subsection B of this section. Such contributions may be paid on behalf of the member by the employing entity. Upon payment of such contributions, service credits shall continue to be accumulated during such employment. Accrued contributions shall be paid to the Retirement System by August 1, 1989. Current contributions shall be paid to the Retirement System by the tenth of the following month beginning with the month of July 1989.

SECTION 28. AMENDATORY 74 O.S. 1981, Section 18c, as last amended by Section 7, Chapter 294, O.S.L. 1985 (74 O.S. Supp. 1990, Section 18c), is amended to read as follows:

Section 18c. Subject to the exceptions hereinafter set out, no state officer, board or commission, except the Corporation Commission, the Board of Managers of the State Insurance Fund, the Oklahoma Tax Commission, the Commissioners of the Land Office, the

Oklahoma Public Welfare Commission also known as the Commission for Human Services, the Board of Corrections, the Department of Public Safety, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic Beverage Laws Enforcement Commission, the Transportation Commission and the Office of Public Affairs, shall have authority to employ or appoint attorneys to advise or represent said officer, board or commission, in any matter, and all the legal duties of such officer, board or commission shall devolve upon and are hereby vested in the Attorney General; provided that the Governor shall have authority to employ special counsel to protect the rights or interest of the state as provided in Section 6 of this title; and provided further, that liquidation agents of banks shall have the authority to employ local counsel, with the consent of the Bank Commissioner and the Attorney General and the approval of the district court. At the request of any state officer, board or commission, except the Corporation Commission, the Board of Managers of the State Insurance Fund, Oklahoma Tax Commission and the Commissioners of the Land Office, the Grand River Dam Authority, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic Beverage Laws Enforcement Commission and the Interstate Oil and Gas Compact Commission, the Attorney General shall defend any action in which they may be sued in their official capacity, and at their request the Attorney General shall have authority to institute suits in the name of the State of Oklahoma on their relation, provided after investigation he is convinced there is sufficient legal merit to justify the action. Provided however, any officer, board, or commission which has the authority to employ or appoint attorneys may request that the Attorney General defend any action arising pursuant to the provisions of the Governmental Tort Claims Act. Provided further, that nothing in this section shall be construed to repeal or affect the provisions of the statutes of this state pertaining to attorneys and legal advisors of the several

commissions and departments of state last hereinabove mentioned, and all acts and parts of acts pertaining thereto shall be and remain in full force and effect.

SECTION 29. AMENDATORY Section 8, Chapter 203, O.S.L. 1987, as last amended by Section 2, Chapter 270, O.S.L. 1990 (74 O.S. Supp. 1990, Section 18 1), is amended to read as follows:

Section 18 1. The Office of the Attorney General may levy and collect a reasonable fee from the Department of Consumer Credit, the Office of Personnel Management, the Teachers' Retirement System of Oklahoma, the Oklahoma Public Employees Retirement System, the Oklahoma Development Finance Authority, the Oklahoma Industrial Finance Authority, the Oklahoma Student Loan Authority, the Department of Mental Health and Substance Abuse Services, the Board of Regents of Oklahoma Colleges, the Oklahoma State Regents for Higher Education, and the Oklahoma Tourism and Recreation Department for the purpose of providing legal services requested by such entities. All fees collected in accordance with the provisions of this section shall be deposited in the Attorney General's Revolving Fund created pursuant to Section 20 of this title.

SECTION 30. AMENDATORY 74 O.S. 1981, Section 85.12, as last amended by Section 4 of Enrolled Senate Bill No. 337 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 85.12 A. The provisions of this section 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.

B. The following acquisitions shall not be included within the purview of the Oklahoma Central Purchasing Act, Section 85.1 et seq. of this title:

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. Department of Transportation and Transportation Commission contractual services or right-of-way purchases. Contracts awarded pursuant to bids let by the Transportation Commission for the maintenance or construction of streets, roads, highways, bridges, or underpasses, or any other transportation facilities under the control of the Department of Transportation, the acquisitions of equipment or materials accruing to the Department of Transportation required in Federal-Aid contracts, and contracts for public service type announcements initiated by the Department of Transportation. Contractual services as used herein shall not include advertising or public relations services;

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 of products by Oklahoma Medical Center. The Commission for Human Services shall develop standards for the purchase of products and may elect to utilize Central Purchasing when appropriate. Such standards shall foster economy, short

response time, and include appropriate safeguards to assure appropriate competition and economical and efficient purchasing;

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

9. Contracts with private prison contractors which are subject to the contracting procedures of Section 561 of Title 57 of the Oklahoma Statutes;

10. Acquisitions of aircraft by agencies authorized by the Legislature to purchase aircraft;

11. Purchases by the Oklahoma Municipal Power Authority;

12. Grand River Dam Authority;

13. Purchases by rural water, sewer, gas or solid waste management districts created pursuant to Section 1324.1 et seq. of Title 82 of the Oklahoma Statutes;

14. Purchases by the Oklahoma Ordnance Works Authority or Midwestern Oklahoma Development Authority, except that the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority shall remain subject to the provisions of Section 85.32 of this title;

15. Contracts entered into by the Oklahoma Industrial Finance Authority for the services of an appraiser or for acquisition of insurance when it is determined by its Board of Directors that an emergency exists and for the services of legal counsel when approved by the Attorney General;

16. Contracts entered into by the State Department of Education for the purpose of implementing the provisions of Section 6-156 of Title 70 of the Oklahoma Statutes;

~~16.~~ 17. Expenditure of monies appropriated to the State Board of Education for the purpose of Local, State-supported Programs and State-supported Programs except monies appropriated for the Administrative and Support Functions of the State Department of Education;

~~17.~~ 18. Contracts entered into by the State Department of Vocational and Technical Education for the development, revision or updating of vocational curriculum materials;

~~18.~~ 19. Contracts entered into by the Oklahoma Center for the Advancement of Science and Technology for professional services;

~~19.~~ 20. Contracts entered into by the Oklahoma Department of Commerce pursuant to the provisions of Sections 8 through 13 of this act;

~~19.~~ 21. Purchases made by the Oklahoma Historical Society from monies used to administer the White Hair Memorial;

~~20.~~ 22. Purchases of products available to an agency through a General Services Administration contract or other federal contract if the item is on current state contract and the terms of such contract are more favorable to the agency than the terms of a state contract for the same products as determined by the State Purchasing Director; and

~~21.~~ 23. Purchases amounting to less than that requiring competitive bid pursuant to Section 85.4 of this title.

C. Notwithstanding the exclusions provided herein, any agency or common schools of Oklahoma, any municipality of the state, any rural fire protection district 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 and any rural fire protection district 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.

D. Further, notwithstanding the exclusions provided herein, the purchasing policies and procedures of the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority shall be subject to approval by the Director of the Office of Public Affairs,

and said Director shall make periodic audits of the purchasing policies and procedures of the Oklahoma Ordnance Works Authority and the Midwestern Oklahoma Development Authority to assure that said purchasing policies and procedures, as approved by him, are being followed.

SECTION 31. AMENDATORY 74 O.S. 1981, Section 150.2, as last amended by Section 2 of Enrolled Senate Bill No. 386 of the 1st Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 150.2 The Oklahoma State Bureau of Investigation shall have the power and duty to:

1. maintain scientific laboratories to assist all law enforcement agencies in the discovery and detection of criminal activity; and
2. maintain fingerprint and other identification files including DNA profiles; and
3. establish, coordinate and maintain the automated fingerprinting identification system and the deoxyribonucleic acid (DNA) laboratory; and
4. operate teletype, mobile and fixed radio or other communications systems; and
5. conduct schools and training programs for the agents, peace officers, and technicians of this state charged with the enforcement of law and order and the investigation and detection of crime; and
6. assist the Director of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Chief Medical Examiner, and all law enforcement officers and district attorneys when such assistance is requested, in accordance with the policy determined by the Commission; and
7. investigate and detect criminal activity when directed to do so by the Governor; and

8. investigate, detect, institute and maintain actions involving vehicle theft pursuant to Section 150.7 of this title or oil, gas or oil field equipment theft pursuant to Sections 152.2 through 152.9 of this title; and

9. investigate any criminal threat made to the physical safety of elected or appointed officials of this state or any political subdivision of the state, and provide security to foreign elected or appointed officials while they are in this state on official business.

SECTION 32. AMENDATORY 74 O.S. 1981, Section 902, as last amended by Section 32, Chapter 340, O.S.L. 1990 (74 O.S. Supp. 1990, Section 902), is amended to read as follows:

Section 902. As used in this act:

(1) "System" means the Oklahoma Public Employees Retirement System as established by this act and as it may hereafter be amended;

(2) "Accumulated contributions" means the sum of all contributions by a member to the System which shall be credited to the member's account;

(3) "Act" means Sections 901 to 932, inclusive, of this title;

(4) "Actuarial equivalent" means a deferred income benefit of equal value to the accumulated deposits or benefits when computed upon the basis of the actuarial tables in use by the System;

(5) "Actuarial tables" means the actuarial tables approved and in use by the Board at any given time;

(6) "Actuary" means the actuary or firm of actuaries employed by the Board at any given time;

(7) "Agent" means the individual designated by each participating employer through whom System transactions and communication shall be directed;

(8) "Beneficiary" means any person named by a member to receive any benefits as provided for by this act. If there is no

beneficiary living at time of member employee's death, his estate shall be the beneficiary;

(9) "Board" means the Oklahoma Public Employees Retirement System Board of Trustees;

(10) "Compensation" means all salary and wages, including amounts deferred under deferred compensation agreements entered into between a member and a participating employer, but exclusive of payment for overtime, payable to a member of the System for personal services performed for a participating employer, including maintenance, or any allowance in lieu thereof provided a member as a part of compensation but shall not include compensation or reimbursement for traveling, or moving expenses, or except as otherwise provided in this paragraph, any compensation in excess of Twenty-five Thousand Dollars (\$25,000.00) per annum which shall be the maximum compensation level. An active member of the System may elect to have a maximum compensation level of Forty Thousand Dollars (\$40,000.00) per annum. Such an election shall be made in writing and filed with the System. Any member, who at the time the member was eligible to make an election to increase the member's maximum compensation level failed to make an election or chose not to increase the maximum compensation level of the member to Forty Thousand Dollars (\$40,000.00), may elect to increase the member's maximum compensation level if the election is made within three (3) years of the member's initial opportunity to make the election. Any such member making the election shall pay to the System the amount of contribution the member would have paid had the member made the election on January 1, 1988. Any member, who at the time the member was eligible to make an election to increase the member's maximum compensation level chose to increase the compensation level of the member to Forty Thousand Dollars (\$40,000.00), may elect to decrease the member's maximum compensation level to Twenty-five Thousand Dollars (\$25,000.00) if the election is made within three (3) years

of the initial election to increase the maximum compensation level. Upon the receipt of the election to reduce the maximum compensation level, the Board shall pay to the member the contribution made by the member in excess of the contribution required on a maximum compensation level of Twenty-five Thousand Dollars (\$25,000.00) within sixty (60) days of said election. Members whose salaries exceed Twenty-five Thousand Dollars (\$25,000.00) after the effective date of this act shall file the election when the salary exceeds Twenty-five Thousand Dollars (\$25,000.00). Any such election by a member shall be irrevocable. Salary shall include any amount of elective salary reduction under Section 457 of the Internal Revenue Code of 1986 and any amount of non-elective salary reduction under Section 414(h) of the Internal Revenue Code of 1986;

(11) "Credited service" means the sum of participating service, prior service and elected service;

(12) "Dependent" means a parent, child, or spouse of a member who is dependent upon the member for at least one-half (1/2) of his support;

(13) "Effective date" means the date upon which the System becomes effective by operation of law;

(14) "Eligible employer" means the state and any county, county hospital, city or town, conservation districts, and any public or private trust in which a county, city or town participates and is the primary beneficiary is to be an eligible employer for the purpose of this act only, whose employees are covered by Social Security and are not covered by or eligible for another retirement plan authorized under the laws of this state which is in operation on the initial entry date. Emergency medical service districts may join the System upon proper application to the Board. Provided affiliation by a county hospital shall be in the form of a resolution adopted by the board of control.

- (a) If a class or several classes of employees of any above-defined employers are covered by Social Security and are not covered by or eligible for and will not become eligible for another retirement plan authorized under the laws of this state, which is in operation on the effective date, such employer shall be deemed an eligible employer, but only with respect to that class or those classes of employees as defined in this section.
- (b) A class or several classes of employees who are covered by Social Security and are not covered by or eligible for and will not become eligible for another retirement plan authorized under the laws of this state, which is in operation on the effective date, and when the qualifications for employment in such class or classes are set by state law; and when such class or classes of employees are employed by county or municipal government pursuant to such qualifications; and when the services provided by such employees are of such nature that they qualify for matching by or contributions from state or federal funds administered by an agency of state government which qualifies as a participating employer, then the agency of state government administering the state or federal funds shall be deemed an eligible employer, but only with respect to that class or those classes of employees as defined in this subsection; provided, that the required contributions to the retirement plan may be withheld from the contributions of state or federal funds administered by the state agency and transmitted to the System on the same basis as the employee and employer contributions are transmitted

for the direct employees of the state agency. The retirement or eligibility for retirement under the provisions of law providing pensions for service as a volunteer fire fighter shall not render any person ineligible for participation in the benefits provided for in this act. An employee of any public or private trust in which a county, city or town participates and is the primary beneficiary shall be deemed to be an eligible employee for the purpose of this act only;

(15) "Employee" means any officer or employee of a participating employer, whose employment is not seasonal or temporary and whose employment requires at least one thousand (1,000) hours of work per year and whose salary or wage is equal to the hourly rate of the monthly minimum wage for state employees as provided in Section 284 of this title. For those eligible employers outlined in Section 910 of this title, the rate shall be equal to the hourly rate of the monthly minimum wage for that employer. Each employer, whose minimum wage is less than the state's minimum wage, shall inform the System of the minimum wage for that employer. This notification shall be by resolution of the governing body.

- (a) Any employee of the county superintendent or the county extension agents who is not currently participating in the Teachers' Retirement System shall be a member of this System.
- (b) Eligibility shall not include any employee who is a contributing member of the United States Civil Service Retirement System.
- (c) It shall be mandatory for an officer, appointee or employee of the office of district attorney to become a member of this System if he is not currently participating in a county retirement system. Provided further, that if an officer, appointee or employee of

the office of district attorney is currently participating in such county retirement system, he is ineligible for this System as long as he is eligible for such county retirement system. Any eligible officer, appointee or employee of the office of district attorney shall be given credit for prior service as defined in this section. The provisions outlined in Section 917 of this title shall apply to those employees who have previously withdrawn their contributions.

- (d) Eligibility shall also not include any officer or employee of the Oklahoma Employment Security Commission, except for those officers and employees of the Commission electing to transfer to this System pursuant to the provisions of Section 910.1 of this title or any other class of officers or employees specifically exempted by the laws of this state, unless there be a consolidation as provided by Section 912 of this title. Employees of the Oklahoma Employment Security Commission who are ineligible for enrollment in the Employment Security Commission Retirement Plan, that was in effect on January 1, 1964, shall become members of this System.
- (e) Any employee employed by the State Senate or House of Representatives for the full duration of a regular legislative session shall be eligible for membership in the System regardless of classification as a temporary employee and may participate in the System during the regular legislative session at the option of the employee. For purposes of this subsection, the determination of whether an employee is employed for the full duration of a regular legislative session

shall be made by the State Senate if such employee is employed by the State Senate, or by the House of Representatives if such employee is employed by the House of Representatives. Once such an employee makes a choice to participate or not, the choice shall be binding for all future legislative sessions during which the employee is employed. Notwithstanding the previous sentence, any employee, who is eligible for membership in the System because of the provisions of this subsection and who was employed by the State Senate or House of Representatives after January 1, 1989, may file an election, in a manner specified by the Board, to participate as a member of the System prior to September 1, 1989. Each regular legislative session during which a legislative employee participates full time shall be counted as six (6) months of full-time participating service. Notwithstanding the provisions of this paragraph, a temporary legislative session employee who elected to become a member of the System may withdraw from the System effective the day said employee elected to participate in the System upon written request to the Board. Any such request must be received by the Board prior to October 1, 1990. All employee contributions made by the temporary legislative session employee shall be returned to the employee without interest within four (4) months of receipt of the written request;

(16) "Entry date" means the date as of which an eligible employer joins the System. The first entry date pursuant to this act shall be January 1, 1964;

(17) "Executive Director" means the managing officer of the System employed by the Board under this act;

(18) "Final average compensation" means the average annual salary, including amounts deferred under deferred compensation agreements entered into between a member and a participating employer, up to, but not exceeding the allowable amounts defined in subsection (10) of this section received during any three (3) of the last five (5) years of participating service immediately preceding retirement or termination of employment, or, if participating service is less than three (3) years, the average annual compensation up to but not exceeding the allowable amounts defined in subsection (10) of this section paid to the member during the full period of participating service. Provided, no member shall retire with a final average salary in excess of Twenty-five Thousand Dollars (\$25,000.00) unless the member has made the required election and has paid the required contributions on such salary in excess of Twenty-five Thousand Dollars (\$25,000.00);

(19) "Fiscal year" means the period commencing July 1 of any year and ending June 30 of the next year;

(20) "Fund" means the Oklahoma Public Employees Retirement Fund as created by this act;

(21) "Leave of absence" means a period of absence from employment without pay, authorized and approved by the employer and acknowledged to the Board, and which after the effective date does not exceed two (2) years;

(22) "Member" means an eligible employee or elected official who is in the System and is making the required employee or elected official contributions, or any former employee or elected official who shall have made the required contributions to the System and shall have not received a refund or withdrawal;

(23) "Military service" means service in the Armed Forces of the United States in time of war or national emergency, as defined

in Section 67.13a of Title 72, from which the member was honorably discharged;

(24) "Normal retirement date" means the date on which a member may retire with full retirement benefits as provided in this act, such date being whichever occurs first:

- (a) the first day of the month coinciding with or following a member's sixty-second birthday; ~~or~~
- (b) for any person who became a member prior to July 1, 1991, the first day of the month coinciding with or following the date at which the sum of a member's age and number of years of credited service total eighty (80); or

(c) in addition to subparagraphs (a) and (b) of this paragraph, the first day of the month coinciding with or following a member's fiftieth birthday if the member has at least twenty (20) years of full-time-equivalent employment as a correctional or probation and parole officer with the Department of Corrections and at the time of retirement, the member was a correctional or probation and parole officer with the Department of Corrections;

(25) "Participating employer" means an eligible employer who has agreed to make contributions to the System on behalf of its employees;

(26) "Participating service" means the period of employment after the entry date for which credit is granted a member;

(27) "Prior service" means the period of employment of a member by an eligible employer prior to his entry date for which credit is granted a member under this act;

(28) "Retirant" means a member who has retired under the System;

(29) "Retirement benefit" means a monthly income with benefits accruing from the first day of the month coinciding with or following retirement and ending on the last day of the month in which death occurs or the actuarial equivalent thereof paid in such manner as specified by the member pursuant to this act or as otherwise allowed to be paid at the discretion of the Board;

(30) "Social Security" means the old-age survivors and disability section of the Federal Social Security Act;

(31) "Total disability" means a physical or mental disability accepted for disability benefits by the Federal Social Security System;

(32) "Service-connected disability benefits" means military service benefits which are for a service-connected disability rated at twenty percent (20%) or more by the Veterans Administration or the Armed Forces of the United States;

(33) "Elected official" means a person elected to a state office in the legislative or executive branch of state government or, except for the county superintendent of schools, a person elected to a county office for a definite number of years and shall include an individual who is appointed to fill the unexpired term of an elected state official;

(34) "Elected service" means the period of service as an elected official; and

(35) "Limitation year" means the year used in applying the limitations of Section 415 of the Internal Revenue Code of 1986, which year shall be the calendar year.

SECTION 33. AMENDATORY 74 O.S. 1981, Section 917, as last amended by Section 41, Chapter 340, O.S.L. 1990 (74 O.S. Supp. 1990, Section 917), is amended to read as follows:

Section 917. (1) Upon termination of employment with a participating employer, not followed by employment with such participating employer, or another participating employer, within

four (4) calendar months, the member shall be paid an amount equal to his accumulated contributions upon the filing of the proper application with the System.

(2) If such member has completed eight (8) years of credited service at date of termination or if the member has completed twenty (20) years of full-time-equivalent employment as a correctional officer or probation and parole officer with the Department of Corrections and is such an officer at the time of election of a vested benefit or if the member is a legislative session employee of the Legislature, four (4) years of credited service at date of termination, he may elect a vested benefit in lieu of receiving his accumulated contributions. The amount of the vested benefit shall commence at the normal retirement date and shall be paid monthly during the lifetime of the retirant with the last payment made on the last day of the month in which death occurs.

(3) Upon death before the normal or early retirement date of a member who has elected a vested benefit, his accumulated contributions shall be paid to his beneficiary unless the spouse of the deceased member is the beneficiary and elects monthly benefits as provided for in Section 918 of this title.

(4) Upon death after the normal or early retirement date of a retirant who elected a vested benefit without an option, the excess, if any, of his accumulated contributions over the sum of all payments of the vested benefit made to date of death shall be paid to his beneficiary.

(5) If a former employee, who meets the eligibility requirements for membership, returns to employment after the expiration of four (4) calendar months following the termination of his employment and the employee has withdrawn his accumulated contributions, he may pay to the System the sum of the accumulated contributions he has withdrawn plus interest of not to exceed five percent (5%), as determined by the Board, and shall receive the same benefits as if

he had never withdrawn his contributions; provided, however, effective January 1, 1990, the rate of interest provided herein shall not exceed ten percent (10%), as determined by the Board. No member shall be permitted to take advantage of the payback for restoration of creditable service more than one time. If a member, who has elected a vested benefit, or a reemployed member, who has not withdrawn the member's contributions, again becomes an employee of a participating employer, the period of absence shall not be counted as a break in service; however, the period of absence shall not be credited.

(6) Prior to January 1, 1991, members, who at the time of employment were ineligible for membership into the System due to their age, shall receive benefits for the period of ineligibility if the employer and employee contributions are paid the System for that ineligible period. No interest shall be paid on a payback of this type. However, effective January 1, 1991, to receive benefits, the member shall pay the amount determined by the Board pursuant to Section ~~39~~ 913.5 of this ~~act~~ title.

(7) When any error in calculation or participation coverage to a prior or current employee exists, it shall be the responsibility of the participating employer which made the error to pay the contribution and any interest charges or other costs levied against the employee.

(8) Upon application to the Board and payment of the employer and employee contributions as determined by the Board and interest of not to exceed five percent (5%) as required by the Board, a member of the System may receive service credit for those years of service that the member was eligible to receive service credit from the Teachers' Retirement System of Oklahoma; provided, however, effective January 1, 1990, the rate of interest provided herein shall not exceed ten percent (10%), as determined by the Board, and effective January 1, 1991, to receive the service credit, the member

shall pay the amount determined by the Board pursuant to Section ~~39~~
913.5 of this ~~act~~ title. Any application for service credit
pursuant to the provisions of this subsection shall be filed with
the Board prior to October 1, 1987.

SECTION 34. AMENDATORY 74 O.S. 1981, Section 1303, as
last amended by Section 3 of Enrolled Senate Bill No. 546 of the 1st
Session of the 43rd Oklahoma Legislature, is amended to read as
follows:

Section 1303. For the purposes of and as used in this act:

(a) "Board" means the State and Education Employees Group
Insurance Board as created by this act;

(b) "Employee" means those state employees, education employees
and other eligible employees participating in the State and
Education Employees Group Insurance Act;

(c) "Education Employee" means those employees other than
adjunct professors employed by a state institution of higher
education, in the service of an education entity who are members or
are or will be eligible to become members of the Teachers'
Retirement System of Oklahoma and who receive compensation for such
service after the education entity begins to participate in the
State and Education Employees Group Insurance Act and visiting
faculty who are not eligible for membership in the Teachers'
Retirement System of Oklahoma;

(d) "Adjunct Professor" means a person employed by an
institution of higher education who is attached in a subordinate or
temporary capacity to the faculty or staff, and who is contracted to
instruct in a given specific discipline;

(e) "Visiting Faculty" means a person employed by an
institution of higher education who is not eligible for academic
rank or tenure, other than an adjunct professor, and who is
contracted to instruct in a given specific discipline generally not
to exceed one (1) academic year;

(f) "Education Entity" means a school district, an area vocational-technical school district, an institution comprising The Oklahoma State System of Higher Education or the office of the county superintendent of schools;

(g) "State Employee" means and includes each officer or employee in the service of the State of Oklahoma who, after January 1, 1966, received his compensation for service rendered to the State of Oklahoma on a warrant issued pursuant to a payroll certified by a department or by an elected or duly appointed officer of the state or who receives payment for the performance of personal services on a warrant issued pursuant to a payroll certified by a department and drawn by the State Treasurer against appropriations made by the Legislature from any state fund or against trust funds held by the State Treasurer, who is employed in a position normally requiring actual performance of duty during not less than one thousand (1,000) hours per year, and whose employment is not seasonal or temporary, except that a person elected by popular vote will be considered an employee during his tenure in office. Provided however, that employees who are otherwise eligible who are on approved leave without pay shall be eligible to continue coverage during such leave not to exceed twenty-four (24) months, as provided in the Merit Rules for Employment published by the Office of Personnel Management, from the date the employee goes on such leave provided the employee pays the full premiums due or persons who are drawing disability benefits under Section 1331 et seq. of this title or meet each and every requirement of the State Employees Disability Program shall be eligible to continue coverage provided the person pays the full premiums due;

(h) "Carrier" means the State of Oklahoma or a state designated Health Maintenance Organization (HMO). Such HMO shall be a federally qualified Health Maintenance Organization under 42 U.S.C., Section 300e et seq.;

(i) "Health Insurance Plan" means a self-insured plan by the State of Oklahoma for the purpose of paying the cost of hospital and medical care up to the maximum coverage provided by said plan or prepaid medical plan(s) offered to employees as an alternative to the state-administered plan by federally qualified HMOs which have contracted with the state;

(j) "Life Insurance Plan" means a self-insured plan for the purpose of paying death and dismemberment benefits up to the maximum coverage provided by said plan;

(k) "Dental Insurance Plan" means a self-insured plan by the State of Oklahoma for the purpose of paying the cost of dental care up to the maximum coverage provided by said plan;

(l) "Other insurance" means any type of coverage other than basic hospital and medical benefits, major medical benefits, comprehensive benefits, life insurance benefits or dental insurance benefits, which the Board may be directed to offer;

(m) "Dependent" means an employee's spouse and any unmarried child (1) under the age of nineteen (19) years, regardless of residence, providing that the employee is primarily responsible for their support, including (a) an adopted child and (b) a stepchild or child who lives with the employee in a regular parent-child relationship, or (2) under the age of twenty-three (23) and who is dependent upon the employee for support who is enrolled as a full-time student at an accredited secondary school, college, university or institution of higher learning accredited by the State Department of Education, State Board of Vocational and Technical Education, State Regents for Higher Education or the Oklahoma Board of Private Schools, and (3) regardless of age who is incapable of self-support because of mental or physical incapacity that existed prior to his reaching the age of nineteen (19) years;

(n) "Comprehensive benefits" means benefits which reimburse the expense of hospital room and board, other hospital services, certain

out-patient expenses, maternity benefits, surgical expense, including obstetrical care, in-hospital medical care expense, diagnostic radiological and laboratory benefits, physicians' services provided by house and office calls, treatments administered in physicians' office, prescription drugs, psychiatric services, Christian Science practitioners' services, Christian Science nurses' services, optometric medical services for injury or illness of the eye, home health care, home nursing service, hospice care and such other benefits as may be determined by the Board. Such benefits shall be provided on a copayment or coinsurance basis, the insured to pay a proportion of the cost of such benefits, and may be subject to a deductible that applies to all or part of the benefits as determined by the Board; and

(o) "Life insurance coverage" shall include a maximum amount of basic life insurance or benefit with or without a double indemnity provision and an amount of accidental death and dismemberment insurance or benefit per employee other than education employees to be provided by the State of Oklahoma, and the employee other than an education employee shall have the option to purchase additional life insurance or benefits on his life up to the amount provided by the plan. Such basic life insurance benefits, with or without double indemnity, and accidental death and dismemberment benefits shall not exclude coverage for death or dismemberment resulting from war, insurrection or riot. The Board may also extend dependent life insurance in an amount to be determined by the Board to each insured employee other than an education employee who elects to insure his eligible dependents. Premiums for the dependent life insurance shall be paid wholly by the employee other than an education employee.

SECTION 35. AMENDATORY 74 O.S. 1981, Section 1306, as last amended by Section 1 of Enrolled House Bill No. 1569 of the 1st

Session of the 43rd Oklahoma Legislature, is amended to read as follows:

Section 1306. (1) The State and Education Employees Group Insurance Board shall administer and manage the ~~Group Insurance Plans~~ group insurance plans and the flexible benefits plan and, subject to the provisions of the State and Education Employees Group Insurance Act, Section 1301 et seq. and the State Employees Flexible Benefits Act, Section 1341 et seq. of this title, shall have the following powers and duties:

(a) The preparation of specifications for such insurance plans as the Board may be directed to offer;

(b) The authority and duty to request bids through the Purchasing Division of the Office of Public Affairs, for a contract to be the claims administrator for all or any part of such insurance and benefit plans as the Board may be directed to offer;

(c) The determination of the methods of claims administration under such insurance and benefit plans as the Board may be directed to offer;

(d) The determination of the eligibility of employees and their dependents to participate in each of the Group Insurance Plans and in such other insurance and benefit plans as the Board may be directed to offer and the eligibility of employees other than education employees to participate in the Life Insurance Plan provided that evidence of insurability shall not be a requirement in determining an employee's initial eligibility;

(e) The determination of the amount of employee payroll deductions and the responsibility of establishing the procedure by which such deduction shall be made;

(f) The establishment of a grievance procedure by which a three-member grievance panel shall act as an appeals body for complaints by insured employees regarding the allowance and payment of claims, eligibility, and other matters. Except for grievances

settled to the satisfaction of both parties prior to a hearing, any person who requests in writing a hearing before the grievance panel shall receive a hearing before the panel. The grievance procedure provided by this paragraph shall be the exclusive remedy available to insured employees having complaints against the insurer. Such grievance procedure shall be subject to the Oklahoma Administrative Procedures Act, Sections 301 through 325 of Title 75 of the Oklahoma Statutes including provisions thereof for review of agency decisions by the district court. The grievance panel shall schedule a hearing regarding the allowance and payment of claims, eligibility and other matters within sixty (60) days from the date the grievance panel receives a written request for a hearing unless the panel orders a continuance for good cause shown. Upon written request by the insured employee to the grievance panel and received not less than ten (10) days before the hearing date, the grievance panel shall cause a full stenographic record of the proceedings to be made by a competent court reporter at the insured employee's expense;

(g) The continuing study of the operation of such insurance and benefit plans as the Board may be directed to offer including such matters as gross and net costs, administrative costs, benefits, utilization of benefits, and claims administration;

(h) The administration of the Health, Dental and Life Insurance Reserve Fund or Funds, the Flexible Benefits Revolving Fund and the Education Employees Group Insurance Reserve Fund;

(i) The auditing of the claims paid pursuant to the provisions of the State and Education Employees Group Insurance Act, the State Employees Flexible Benefits Act and the State Employees Disability Program Act;

(j) (1) To select and contract with federally qualified Health Maintenance Organizations under the provisions of 42 U.S.C., Section 300e et seq. for consideration by employees as an alternative to the state self-insured health plan, and to transfer to the HMOs such

funds as may be approved for an employee electing HMO alternative services.

(2) HMO contracts shall provide for a risk adjustment factor for adverse selection, that may occur as determined by the Board, based on generally accepted actuarial principles;

(k) To assess and collect reasonable fees from such contracted and federally qualified HMOs to offset the costs of administration;

(l) To contract for re-insurance, catastrophic insurance, or any other type of insurance deemed necessary by the Board;

(m) The Board, pursuant to the provisions of Sections 301 through 325 of Title 75 of the Oklahoma Statutes, shall adopt such rules and regulations consistent with the provisions of the State and Education Employees Group Insurance Act as it deems necessary to carry out its statutory duties and responsibilities;

(n) The Board shall contract for claims administration services with a private insurance carrier or a company experienced in claims administration of any insurance that the Board may be directed to offer. No contract for claims administration services shall be made unless such contract has been offered for bids through the Purchasing Division of the Office of Public Affairs. By July 1, 1991, the Board shall contract with a private insurance carrier or other experienced claims administrator to process claims with software that is normally used for its customers;

(o) The Board shall contract for utilization review services with a company experienced in utilization review, data base evaluation, market research, and planning and performance of the health insurance plan;

(p) The Board shall approve the amount of employee premiums and dependent premiums for such insurance plans as the Board shall be directed to offer for each fiscal year no later than December 1 of the previous fiscal year. The Board shall submit notice of the amount of employee premiums and dependent premiums along with an

actuarial projection of the upcoming fiscal year's enrollment, employee contributions, employer contributions, investment earnings, paid claims, internal expenses, external expenses and changes in liabilities to the Director of the Office of State Finance and the Director of the Legislative Services Bureau no later than December 1 of the previous fiscal year. The actuarial projection shall include and disclose an estimate of the future trend of medical costs, the impact from HMO enrollment, antiselection, changes in law, and other contingencies that could impact the financial status of the plan;

(q) The Board shall establish a prescription drug card ~~program~~ network for the fiscal year beginning July 1, 1990;

(r) The Board shall have the authority to intercept monies owing to plan participants from other state agencies, when those participants in turn, owe money to the Board. The Board shall be required to adopt rules and regulations ensuring the participants due process of law;

(s) The Board is authorized to make available to eligible employees supplemental health care benefit plans to include but not be limited to long-term care, deductible reduction plans and employee co-payment reinsurance. Premiums for said plans shall be actuarially based and the cost for such supplemental plans shall be paid by the employee; and

(t) There is hereby created as a joint committee of the State Legislature, the Joint Liaison Committee on State and Education Employees Group Insurance Benefits, which Joint Committee shall consist of three members of the Senate to be appointed by the President Pro Tempore thereof and three members of the House of Representatives to be appointed by the Speaker thereof. The Chairman and Vice Chairman of the Joint Committee shall be appointed from the membership thereof by the President Pro Tempore of the Senate and the Speaker of the House of Representatives, respectively, one of whom shall be a member of the Senate and the

other shall be a member of the House of Representatives. At the beginning of the first regular session of each Legislature, starting in 1991, the Chairman shall be from the Senate; thereafter the chairmanship shall alternate every two (2) years between the Senate and the House of Representatives.

The Joint Liaison Committee on State and Education Employees Group Insurance Benefits shall function as a committee of the State Legislature when the Legislature is in session and when the Legislature is not in session. Each appointed member of said committee shall serve until his or her successor is appointed.

The Joint Liaison Committee on State and Education Employees Group Insurance Benefit shall serve as a liaison with the State and Education Employees Group Insurance Board regarding advice, guidance, policy, management, operations, plans, programs and fiscal needs of said Board. Said Board shall not be bound by any action of the Joint Committee.

SECTION 36. REPEALER Section 1, Chapter 302, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1101), Section 4, Chapter 238, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1104.1), Section 5, Chapter 238, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1107), Section 6, Chapter 51, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1120), Section 11, Chapter 302, O.S.L. 1990 (10 O.S. Supp. 1990, Section 1135.1), Section 6, Chapter 224, O.S.L. 1990 (21 O.S. Supp. 1990, Section 858.1), Section 7, Chapter 224, O.S.L. 1990 (21 O.S. Supp. 1990, Section 858.2), Section 20, Chapter 51, O.S.L. 1990 (30 O.S. Supp. 1990, Section 1-115), Section 21, Chapter 51, O.S.L. 1990 (30 O.S. Supp. 1990, Section 3-110), Section 24, Chapter 219, O.S.L. 1990 (47 O.S. Supp. 1990, Section 6-118), Section 34, Chapter 219, O.S.L. 1990 (47 O.S. Supp. 1990, Section 6-206), Section 44, Chapter 219, O.S.L. 1990 (47 O.S. Supp. 1990, Section 7-605), Section 118, Chapter 264, O.S.L. 1990 (62 O.S. Supp. 1990, Section 7.1), Section 39, Chapter 258, O.S.L. 1990 (62 O.S. Supp. 1990, Section 7.2),

Section 2, Chapter 257, O.S.L. 1990 (70 O.S. Supp. 1990, Section 5-110), Section 7, Chapter 264, O.S.L. 1990 (74 O.S. Supp. 1990, Section 18 1), are hereby repealed.

SECTION 37. REPEALER Section 1 of Enrolled House Bill No. 1082 of the 1st Session of the 43rd Oklahoma Legislature, Section 10 of Enrolled House Bill No. 1254 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1436 of the 1st Session of the 43rd Oklahoma Legislature, Section 1, Chapter 217, O.S.L. 1990 (63 O.S. Supp. 1990, Section 1-2302), Section 5, Chapter 283, O.S.L. 1985 (74 O.S. Supp. 1990, Section 18c), Section 36 of Enrolled Senate Bill No. 144 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1433 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled Senate Bill No. 154 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1017 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1453 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1007 of the 1st Session of the 43rd Oklahoma Legislature, Section 3 of Enrolled Senate Bill No. 278 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled House Bill No. 1106 of the 1st Session of the 43rd Oklahoma Legislature, Section 27, Chapter 208, O.S.L. 1987 (74 O.S. Supp. 1990, Section 5017.1), Section 3, Chapter 351, O.S.L. 1989 (74 O.S. Supp. 1990, Section 500.18), Section 18 of Enrolled House Bill No. 1508 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled Senate Bill No. 278 of the 1st Session of the 43rd Oklahoma Legislature, Section 7 of Enrolled Senate Bill No. 546 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled Senate Bill No. 150 of the 1st Session of the 43rd Oklahoma Legislature, Section 2 of Enrolled House Bill No. 1576 of the 1st Session of the 43rd Oklahoma Legislature, Section 1 of Enrolled Senate Bill No. 85 of the 1st

Session of the 43rd Oklahoma Legislature, Section 4, Chapter 143, O.S.L. 1990 (11 O.S. Supp. 1990, Section 50-111.1), Section 5, Chapter 337, O.S.L. 1990 (11 O.S. Supp. 1990, Section 50-112), Section 113, Chapter 2, O.S.L. Supp. 1989 (70 O.S. Supp. 1990, Section 17-105), Section 29, Chapter 340, O.S.L. 1990, as amended by Section 7, Chapter 334, O.S.L. 1990 (70 O.S. Supp. 1990, Section 17-116.2), Section 1, Chapter 324, O.S.L. 1990 (74 O.S. Supp. 1990, Section 902), Section 3, Chapter 324, O.S.L. 1990 (74 O.S. Supp. 1990, Section 917), Section 1 of Enrolled Senate Bill No. 220 of the 1st Session of the 43rd Oklahoma Legislature and Section 22 of Enrolled House Bill No. 1549 of the 1st Session of the 43rd Oklahoma Legislature, are hereby repealed.

SECTION 38. 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 31st day of May, 1991.

President of the Senate

Passed the House of Representatives the ____ day of _____, 1991.

Speaker of the House of Representatives