

ENROLLED SENATE
BILL NO. 911

By: Taylor and Haney of the
Senate

and

Hamilton (James) and
Steidley of the House

An Act relating to officers, poor persons, public buildings, public health and safety and state government; amending 51 O.S. 1991, Section 154, which relates to the Governmental Tort Claims Act, 56 O.S. 1991, Sections 344, as amended by Section 25, Chapter 330, O.S.L. 1993 and renumbered by Section 31, Chapter 330, O.S.L. 1993, and 412.1 (63 O.S. Supp. 1993, Section 3222), which relate to the University Hospitals Authority and the Oklahoma Medical Center Marketing Revolving Fund, 61 O.S. 1991, Section 207.2, which relates to architects', engineers' and land surveyors' contracts with state agencies, Section 7, Chapter 330, O.S.L. 1993, Section 11, Chapter 330, O.S.L. 1993 (63 O.S. Supp. 1993, Sections 3207 and 3211), which relate to the University Hospitals Authority and Employees of the University Hospitals, 74 O.S. 1991, Sections 85.29, 110.1 as amended by Section 1, Chapter 72, O.S.L. 1992, 500.18, as amended by Section 2, Chapter 368, O.S.L. 1992, 805.2, 840.7a, as amended by Section 3, Chapter 367, O.S.L. 1992, 840.7b, 840.16b, as amended by Section 15, Chapter 367, O.S.L. 1992, 840.22A, as amended by Section 16, Chapter 367, O.S.L. 1992, 841.14, 3601, as last amended by Section 12, Chapter 327, O.S.L. 1993 and 7052 (74 O.S. Supp. 1993, Sections 110.1, 500.18, 840.7a, 840.16b, 840.22A and 3601), which relate to exclusions to the Oklahoma Central Purchasing Act, surety required for state officers, inventory of state agency equipment by Office of Public Affairs, exceptions to State Travel Reimbursement Act, state employees longevity pay plan, annual and sick leave, leave without pay, granting of raises, management of costs of human resources, reduction-in-force plans, layoffs and furloughs, and the number and compensation of employees for certain agencies, 63 O.S. 1991, Section 1-1965, as amended by Section 7, Chapter 139, O.S.L. 1992 and 1-1966, as amended by Section 8, Chapter 139, O.S.L. 1992 (63 O.S. Supp. 1993, Sections 1-1965 and 1-1966), which relate to applications for a license for a home care agency and penalties for violations of the Home Care Act; changing name of certain facility; modifying statutory reference;

changing name of revolving fund; expanding purposes for which certain funds may be expended; authorizing certain agency to provide meals to certain persons; expanding list of agencies allowed to contract with architects, engineers and land surveyors; modifying certain confidentiality requirements; imposing certain surety requirement; modifying duty of Office of Public Affairs to maintain certain inventory; expanding exceptions to the State Travel Reimbursement Act; modifying time requirement of certain personnel decision; exempting the University Hospitals Model Personnel System from longevity pay plan; exempting the University Hospitals Authority Model Personnel System from certain provisions regarding certain leave time; exempting employees of system from certain provisions regarding pay and raises; exempting University Hospitals Authority from certain provisions regarding a hiring freeze; exempting Authority from certain provisions regarding furloughs, reduction-in-force and layoffs; modifying limitation of full-time-equivalent employees for certain agencies; modifying membership of Authority; modifying and establishing fees for certain licenses; providing for deposit of certain funds; creating a revolving fund; repealing 63 O.S. 1991, Section 1-879.4, and Section 9, Chapter 347, O.S.L. 1992, as amended by Section 21, Chapter 332, O.S.L. 1993 (63 O.S. Supp. 1993, Section 1-123), which relate to the Oklahoma Alzheimer's Research Revolving Fund and the Oklahoma Health Care Information System Revolving Fund; providing for codification and recodification; and providing an effective date.

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

THE UNIVERSITY HOSPITALS AUTHORITY

SECTION 1. AMENDATORY 51 O.S. 1991, Section 154, is amended to read as follows:

Section 154. A. The total liability of the state and its political subdivisions on claims within the scope of this act, Section 151 et seq. of this title, arising out of an accident or occurrence happening after the effective date of this act, Section 151 et seq. of this title, shall not exceed:

1. Twenty-five Thousand Dollars (\$25,000.00) for any claim or to any claimant who has more than one claim for loss of property arising out of a single act, accident, or occurrence;

2. One Hundred Thousand Dollars (\$100,000.00) to any claimant for his claim for any other loss arising out of a single act, accident, or occurrence. Except however, the limits of said liability for the ~~Oklahoma Medical Center~~ University Hospitals and State Mental Health Hospitals operated by the Department of Mental Health and Substance Abuse Services for claims arising from medical negligence shall be Two Hundred Thousand Dollars (\$200,000.00). For claims arising from medical negligence by any licensed physician,

osteopathic physician or certified nurse-midwife rendering prenatal, delivery or infant care services from September 1, 1991, through June 30, 1996, pursuant to a contract authorized by subsection (b) of Section 1-106 of Title 63 of the Oklahoma Statutes and in conformity with the requirements of Section 3 of this act, the limits of said liability shall be Two Hundred Thousand Dollars (\$200,000.00); or

3. One Million Dollars (\$1,000,000.00) for any number of claims arising out of a single occurrence or accident.

B. No award for damages in an action or any claim against the state or a political subdivision shall include punitive or exemplary damages.

C. When the amount awarded to or settled upon multiple claimants exceeds the limitations of this section, any party may apply to the district court which has jurisdiction of the cause to apportion to each claimant his proper share of the total amount as limited herein. The share apportioned to each claimant shall be in the proportion that the ratio of the award or settlement made to him bears to the aggregate awards and settlements for all claims against the state or its political subdivisions arising out of the occurrence. When the amount of the aggregate losses presented by a single claimant exceeds the limits of paragraphs 1 or 2 of subsection A of this section, each person suffering a loss shall be entitled to his proportionate share.

D. The total liability of resident physicians and interns while participating in a graduate medical education program of the University of Oklahoma College of Medicine, its affiliated institutions and the Oklahoma College of Osteopathic Medicine and Surgery shall not exceed One Hundred Thousand Dollars (\$100,000.00).

E. The state or a political subdivision may petition the court that all parties and actions arising out of a single accident or occurrence shall be joined as provided by law, and upon order of the court the proceedings upon good cause shown shall be continued for a reasonable time or until such joinder has been completed. The state or political subdivision shall be allowed to interplead in any action which may impose on it any duty or liability pursuant to this act.

F. The liability of the state or political subdivision under this act shall be several from that of any other person or entity, and the state or political subdivision shall only be liable for that percentage of total damages that corresponds to its percentage of total negligence. Nothing in this section shall be construed as increasing the liability limits imposed on the state or political subdivision under this act.

SECTION 2. AMENDATORY 56 O.S. 1991, Section 344, as amended by Section 25, Chapter 330, O.S.L. 1993 and renumbered by Section 31, Chapter 330, O.S.L. 1993 (63 O.S. Supp. 1993, Section 3222) is amended to read as follows:

Section 3222. A. The University Hospitals Authority may regulate traffic and the parking of vehicles on property used by or for the University Hospitals Authority. Such regulations shall be in writing, and copies thereof, including amendments thereto, shall be filed in the office of the Secretary of State, and in the office of the city clerk of the City of Oklahoma City. The municipal court of the City of Oklahoma City shall have jurisdiction to hear and determine prosecutions for violations of such regulations, which may be prosecuted and shall be punishable as violations of ordinances of the City of Oklahoma City. The Authority may cause to be removed, and may enter into contracts for such purpose, any vehicle parked in violation of such regulations.

B. The Authority may appoint campus police officers and guards for buildings and grounds of the University Hospitals Authority in the same manner and with the same powers as campus police appointed by governing boards of state institutions for higher education under the provisions of ~~Sections 360.11 through 360.14~~ Section 360.15 et seq. of Title 74 of the Oklahoma Statutes, and who may prevent or stop improper conduct and trespass in and upon such buildings and grounds, and make arrests and prosecute any and all persons arrested for such improper conduct and trespassing. Employees of the Authority serving as police officers shall be certified as provided for in Section 3311 of Title 70 of the Oklahoma Statutes.

C. The Authority and the City of Oklahoma City may enter into a cooperative agreement to effectuate the provisions of this section.

SECTION 3. AMENDATORY 56 O.S. 1991, Section 412.1, is amended to read as follows:

Section 412.1 A. There is hereby created in the State Treasury a revolving fund for the ~~Oklahoma Medical Center~~ University Hospitals, to be designated the "~~Oklahoma Medical Center~~ University Hospitals Marketing Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the ~~Oklahoma Medical Center~~ University Hospitals pursuant to the provisions of this section. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the ~~Oklahoma Medical Center~~ University Hospitals for the purpose of marketing research and planning, public education, special events customary to the health care industry, advertising and promotion of special and general services provided or sponsored by the ~~Oklahoma Medical Center~~ University Hospitals and such other purposes specifically authorized by the Legislature. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

B. An amount equal to one-tenth of one percent (1/10 of 1%) of the total annual operating budget of the ~~Oklahoma Medical Center~~ University Hospitals and such other funds as may be specifically designated for deposit to the fund shall be deposited in the ~~Oklahoma Medical Center~~ University Hospitals Marketing Revolving Fund.

C. The ~~Medical Center~~ University Hospitals Marketing Revolving Fund shall be audited annually by the State Auditor and Inspector. The ~~Oklahoma Medical Center~~ University Hospitals shall reimburse the State Auditor and Inspector from the ~~Medical Center~~ University Hospitals Marketing Revolving Fund for any expenses incurred in auditing said fund.

SECTION 4. AMENDATORY 61 O.S. 1991, Section 207.2, is amended to read as follows:

Section 207.2 A. Effective December 31, 1987, except as provided by subsection B of this section, no state agency shall have contracts, or make contracts with private individuals, or have employed, or employ any persons engaged in the practice of architecture, engineering or land surveying for the purpose of performing any construction upon any real property belonging to the agency or to the state, or upon any real property of which this state will assume possession or ownership by contract, option to purchase agreement, lease, or otherwise. The term "practice of architecture" shall be defined as those activities of an architect as provided for in Section 45.3 of Title 59 of the Oklahoma Statutes. The terms "practice of engineering" or the "practice of land surveying" shall be defined as such terms are defined by Section 475.2 of Title 59 of the Oklahoma Statutes.

- B. The provisions of this section shall not apply to:
1. The Department of Human Services;
 2. The Department of Tourism and Recreation;
 3. The Department of Health insofar as the monitoring of permitted health care facility construction for licensing purposes;
 4. The Oklahoma Historical Society insofar as the monitoring of historical site preservation and authenticity;
 5. The Office of Public Affairs;
 6. The State Department of Education and the common schools subject to its jurisdiction;
 7. The Department of Transportation;
 8. The Oklahoma State System of Higher Education; ~~and~~
 9. The Military Department of the State of Oklahoma; and
 10. The University Hospitals.

SECTION 5. AMENDATORY Section 7, Chapter 330, O.S.L. 1993 (63 O.S. Supp. 1993, Section 3207), is amended to read as follows:

Section 3207. A. There is hereby created the University Hospitals Authority, an agency of the State of Oklahoma, a body corporate and politic, with powers of government and with the authority to exercise the rights, privileges and functions as specified in the University Hospitals Authority Act. The University Hospitals Authority is an agency of the State of Oklahoma covered by the Governmental Tort Claims Act.

B. The Authority shall consist of six (6) members as follows:

1. One member shall be appointed by the Governor, with the advice and consent of the Senate;
2. One member shall be appointed by the President Pro Tempore of the Senate;
3. One member shall be appointed by the Speaker of the House of Representatives;
4. One member shall be the Director for Human Services or the director of the successor organization responsible for Medicaid, or his or her designee;
5. One member shall be the Provost of the University of Oklahoma Health Sciences Center; and
6. The Chief Executive Officer of the University Hospitals who shall be an ex officio, nonvoting member.

C. All members shall be appointed by June 1, 1993. Of the members of the Authority initially appointed, the member appointed by the President Pro Tempore of the Senate shall serve a term of one (1) year; the member appointed by the Speaker of the House of Representatives shall serve a term of two (2) years; and the member appointed by the Governor shall serve a term of three (3) years. Successors shall be appointed for terms of three (3) years.

D. Each member of the Authority, prior to appointment, shall be a resident of the state and a qualified elector.

E. Members shall be removable only for cause by the appointing authority. Any vacancy occurring on the Authority shall be filled by the original appointing authority.

F. The members of the Authority shall serve without compensation but may be reimbursed for all actual and necessary travel expenses incurred in performance of their duties in accordance with the provisions of the State Travel Reimbursement Act, Section 500.1 et seq. of Title 74 of the Oklahoma Statutes.

G. All members of the Authority and administrative personnel of the Authority shall be subject to the provisions of the Oklahoma Ethics Commission Act, Section 4200 et seq. of Title 74 of the Oklahoma Statutes.

H. A quorum of the Authority shall be three (3) voting members. Members shall elect a chair and vice chair for the Authority from among its members. The chair must be an appointed member of the Authority.

I. The Authority shall be subject to the Open Meeting Act, Section 301 et seq. of Title 25 of the Oklahoma Statutes, and the Open Records Act, Section 24A.1 et seq. of Title 51 of the Oklahoma Statutes, except as otherwise provided by this act. Any information submitted to or compiled by the Authority except for budgetary information related to appropriations or the appropriations process with respect to the marketing plans, financial statements, trade secrets, research concepts, methods or products, or any other proprietary information of the Authority, persons, firms, associations, partnerships, agencies, corporations, institutions of higher education, nonprofit research institutions or other entities shall be confidential, except to the extent that the person or entity which provided such information or which is the subject of such information consents to disclosure. Executive sessions may be held to discuss such materials if deemed necessary by the Authority.

SECTION 6. AMENDATORY 74 O.S. 1991, Section 85.29, is amended to read as follows:

Section 85.29 The amount of surety required for each state officer or employee pursuant to Sections 85.26 through 85.31 of this title is as follows:

DEPARTMENT	AMOUNT OF BOND
Office of the State Treasurer	\$300,000.00
Office of Public Affairs	100,000.00
Insurance Commission	100,000.00
Office of the State Auditor and Inspector	50,000.00
Office of State Finance	50,000.00
Bank Commissioner	50,000.00
State Insurance Fund Commissioner	50,000.00
Commissioners of the Land Office	50,000.00
Oklahoma Securities Commission	50,000.00
Oklahoma Tax Commission	50,000.00
Department of Human Services	50,000.00
Oklahoma Public Employees Retirement System	50,000.00
Oklahoma Corporation Commission	50,000.00
State Board of Education	50,000.00
Finance Division	150,000.00
All Others	25,000.00
Department of Transportation	25,000.00

Boards of Regents of Oklahoma Universities and Colleges	50,000.00
Office of Attorney General	10,000.00
<u>The University Hospitals</u>	<u>50,000.00</u>
All Other State Departments, Agencies, Institutions, Commissions, Authorities, and other bodies of state government	10,000.00

Provided, however, that nothing in the Oklahoma Central Purchasing Act shall prohibit any head of a department, institution, agency, commission, authority or other body of state government from requiring the Central Purchasing Division to purchase increased amounts of blanket bond coverage for his employees up to a total maximum coverage of Fifty Thousand Dollars (\$50,000.00) when the listed amount is deemed inadequate. The cost of increased coverage shall be borne by the department, institution, agency, commission, authority or other body of state government requesting the increased coverage.

SECTION 7. AMENDATORY 74 O.S. 1991, Section 110.1, as amended by Section 1, Chapter 72, O.S.L. 1992 (74 O.S. Supp. 1993, Section 110.1), is amended to read as follows:

Section 110.1 A. The Office of Public Affairs shall maintain a current inventory of all equipment owned by state departments, boards, commissions, institutions, or agencies of the state except equipment used in medical education and research costing less than One Hundred Dollars (\$100.00).

B. Except for the institutions comprising The Oklahoma State System of Higher Education, and the University Hospitals, the Office of Public Affairs inventory shall consist of machinery, implements, tools, furniture, livestock, vehicles, and other apparatus that may be used repeatedly without material impairment of its physical condition and which has a calculable period of service and a value of over One Hundred Dollars (\$100.00).

C. For the institutions comprising The Oklahoma State System of Higher Education and the University Hospitals, the Office of Public Affairs inventory shall consist of machinery, implements, tools, furniture, livestock, vehicles and other apparatus that may be used repeatedly without material impairment of its physical condition and has a calculable period of service and a value of over Five Hundred Dollars (\$500.00).

D. The Office of Public Affairs shall cause all such articles to be properly coded, tagged, or marked in such a manner that they may be readily identified as property of the State of Oklahoma and that statistical records may be maintained thereof. All state departments, boards, commissions, institutions, or agencies of the State of Oklahoma will make available to the Office of Public Affairs, support personnel to check inventories.

SECTION 8. AMENDATORY 74 O.S. 1991, Section 500.18, as amended by Section 2, Chapter 368, O.S.L. 1992 (74 O.S. Supp. 1993, Section 500.18), is amended to read as follows:

Section 500.18 A. Except for members of the Legislature, the Governor and the Lieutenant Governor, provisions of Sections 500.1 through 500.18 of this title shall be mandatory as to all officials and employees of all departments, boards, commissions and institutions of the state, regardless of the provisions of any other act of the Legislature, except as provided by this section. The

enactment of any measure in the future providing for travel reimbursement of state officers and employees on the basis of "actual and necessary" expenses or in any other manner inconsistent with Sections 500.1 through 500.18 of this title shall be deemed to provide for reimbursement in accordance with Sections 500.1 through 500.18 of this title unless a contrary intent is explicitly expressed in this section. Sections 500.1 through 500.18 of this title shall not apply, however, to travel reimbursements made by political subdivisions of this state, except as otherwise provided by law.

B. The agencies listed below are authorized certain exceptions and/or exemptions to the provisions of Sections 500.1 through 500.18 of this title to the extent specified:

1. State Department of Agriculture:

The actual and reasonable expenses of travel and subsistence in pursuing and developing markets for Oklahoma agricultural products incurred by the Commissioner, Deputy Commissioner and such employees designated by the State Board of Agriculture within the marketing development programs of the Department of Agriculture shall be reimbursed to the employee incurring such expenses. Reimbursement of such expenses shall be in accordance with rules and regulations adopted by the Board. Such expenses claimed shall, prior to reimbursement, be reviewed by the Board at each regular meeting and individually approved or disapproved.

2. Wheat Utilization, Research and Market Development Commission:

The actual and reasonable expenses of travel, lodging and subsistence in pursuing and developing markets for Oklahoma wheat and wheat products incurred by the Commission, staff and such persons authorized by the Commission shall be reimbursed to the person incurring such expenses. Expenses of wheat trade officials on wheat trade missions from foreign countries and from other states can be reimbursed to the person previously authorized by the Commission to incur the expense. No actual and reasonable expenses shall be paid except for time spent working with wheat trade officials on wheat trade missions. Reimbursement of such expenses shall be made in accordance with rules and regulations adopted by the Commission. Such expenses claimed shall, prior to reimbursement, be reviewed by the Commission at each regular meeting and individually approved or disapproved.

3. Department of Public Safety:

Not more than seven personnel assigned by the Commissioner for executive security shall be allowed their actual and necessary traveling expenses, upon claims approved by the Commissioner, when traveling with the Governor or at his request.

4. Department of Corrections:

The Department of Corrections shall be exempt from limitations of reimbursement for rented automobiles, as set forth in Section 500.5 of Title 74 of the Oklahoma Statutes, when such rental is by a Correctional Officer or Transportation Officer for the limited purpose of transporting inmates. Reimbursement for such expense shall be on the basis of actual cost.

5. Oklahoma Tourism and Recreation Department:

Authorization is provided the Oklahoma Tourism and Recreation Commission and Department staff who promote in-state and out-of-state business to Oklahoma's state-operated parks and lodges and the tourism and recreation industry, the actual and necessary expense of travel, subsistence and entertainment for this purpose. Authorization is also provided the Director of the Oklahoma Tourism and Recreation Department to reimburse the Publisher of Oklahoma

Today magazine and its staff for expenses for meals and other entertainment in order to gain advertising and promotion for Oklahoma Today magazine. Reimbursement of all actual and necessary expenses shall be in accordance with rules and regulations adopted by the Commission on Tourism and Recreation.

6. Oklahoma Department of Commerce:

- a. The actual and necessary expenses incurred by the Director and other employees of the Department authorized by the Director for the purpose of business recruitment shall be reimbursed to such employee. Reimbursement of such expenses shall be in accordance with rules and regulations adopted by the Director of the Oklahoma Department of Commerce. Such expenses claimed shall prior to reimbursement be reviewed by the Director and individually approved or disapproved.
- b. The Department, at the discretion of the Director, may charter aircraft for the purposes of carrying out its duties and responsibilities related to business recruitment and to implement the duties of the Director. The cost of such charter shall be exempt from the provisions of Section 500.6 of this title. Claims filed with the Office of State Finance shall bear the following certification:
The best interests of the citizens of Oklahoma were better served in that conventional ground transportation was not practical or feasible for this trip, aircraft from the Department of Public Safety was not available for this trip, and no other claim has been or will be filed as a payment for the cost of transportation in connection with this trip herein claimed.

7. Office of Public Affairs:

The actual expenses of travel and subsistence incurred by the Director, Assistant Director and any employee approved by the Director of the Office of Public Affairs outside the state in recruiting and evaluating professional money managers for the state's pension funds shall be reimbursed to the employee incurring such expenses. Reimbursement for lodging expenses shall be supported by three telephone bids from hotels within a reasonable distance of the activity for which the travel was approved.

8. Oklahoma Futures:

The actual and necessary expenses incurred by the members of Oklahoma Futures in the performance of their duties shall be reimbursed to the members incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with rules and regulations adopted by Oklahoma Futures.

9. Oklahoma Development Finance Authority:

The actual and necessary expenses incurred by the members and employees of the Oklahoma Development Finance Authority in the performance of their duties shall be reimbursed to the person incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with the bylaws of the Authority.

10. Oklahoma Center for the Advancement of Science and Technology:

The actual and necessary expenses incurred by the members and employees of the Oklahoma Center for the Advancement of Science and Technology in the performance of their duties shall be reimbursed to the person incurring such expenses. Reimbursement of all actual and necessary expenses shall be in accordance with the bylaws of the Center.

11. Center for International Trade Development:

The actual and necessary expenses of travel, lodging and subsistence incurred by the Director and authorized employees of the Center for International Trade Development for performance of their duties for the purpose of business recruitment and assistance shall be reimbursed to the person incurring such expenses. Reimbursement of such expenses shall be in accordance with the rules and regulations adopted by the Director of the Center for International Trade Development. Such expenses claimed shall be reviewed and individually approved or disapproved, prior to reimbursement, first by the Director, and finally by either the Vice President, Business and Finance of Oklahoma State University or the President of Oklahoma State University.

12. Oklahoma State Bureau of Investigation:

The actual and necessary expenses incurred by the Director and other employees of the Bureau authorized by the Director as a result of conducting investigations shall be reimbursed to each such employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules and regulations adopted by the Director of the Oklahoma State Bureau of Investigation. Prior to reimbursement, expenses claimed shall be reviewed by the Director and individually approved or disapproved.

13. Department of Human Services:

- a. The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Division in the performance of their duties for the purpose of representing the Department of Human Services or any of its officials, employees, institutions or hospitals at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee incurring such expenses. Such expenses claimed shall be approved by the General Counsel and the Director of Human Services prior to reimbursement.
- b. The Department, at the discretion of the Director, may charter aircraft when determined by the Director such charter would be more practical or less expensive than normal modes of transportation and when aircraft of the Department of Public Safety are unavailable. The costs of such charter shall be exempt from the provisions of Section 500.6 of this title.

14. Oklahoma State Bureau of Narcotics and Dangerous Drugs Control:

The actual and necessary expenses incurred by the Director and other employees of the Bureau authorized by the Director as a result of conducting investigations shall be reimbursed to each such employee incurring the expenses. Reimbursement of the expenses shall be in accordance with rules and regulations adopted by the Director of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control. Prior to reimbursement, expenses claimed shall be reviewed by the Director and individually approved or disapproved.

15. University Hospitals:

The actual and necessary expenses of travel, lodging and subsistence incurred by employees of the Legal Office in the performance of their duties for the purpose of representing the University Hospitals or any of its officials, employees, institutions or hospitals at any proceeding, including depositions, held before any court, administrative body or representative thereof, shall be reimbursed to the employee incurring such expenses. Such expenses claimed shall be approved by the Chief

Executive Officer of the University Hospitals or by the University Hospitals Authority.

C. The agencies listed in subsection B of this section shall be required to report annually the actual expenses excepted or exempted from Sections 500.1 through 500.18 of this title to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives. The report shall be submitted no later than the first day of September following the end of each fiscal year.

SECTION 9. AMENDATORY Section 11, Chapter 330, O.S.L. 1993 (63 O.S. Supp. 1993, Section 3211), is amended to read as follows:

Section 3211. A. Employees of the University Hospitals who are in the classified service of the State Merit System of Personnel Administration on June 30, 1993, shall be transferred to the University Hospitals Authority without change or loss of pay, seniority, rights, privileges or benefits.

B. Employees of the University Hospitals who are in the unclassified service of the State Merit System of Personnel Administration on June 30, 1993, shall be transferred to the Authority without change or loss of pay, seniority, rights, privileges or benefits.

C. ~~Within one (1) year from the effective date of transfer~~ By January 1, 1995, all employees of the Authority shall be required to elect whether to remain in their present classification pursuant to the Oklahoma Personnel Act, Section 840.1 et seq. of Title 74 of the Oklahoma Statutes, or transfer to the ~~personnel system~~ University Hospitals Authority Model Personnel System established pursuant to subsection E of this section.

D. All new employees hired by the University Hospitals or the Authority and all positions vacated by classified employees of the University Hospitals and/or the Authority after June 30, 1993, shall be in the personnel system established pursuant to subsection E of this section.

E. The Authority shall develop, maintain or revise unclassified personnel systems, classes or procedures which are necessary for accommodating or responding to its human resource needs. Such authority includes recruitment, position classifications, qualifications, selection criteria, search and selection procedures, use of consultants, salaries, benefits, retirement plans, leave benefits and personnel administration. Such systems, classes or procedures shall require consultation with the Administrator of the Office of Personnel Management.

SECTION 10. AMENDATORY 74 O.S. 1991, Section 805.2, is amended to read as follows:

Section 805.2 A. A longevity pay plan is hereby adopted. This plan applies to all state classified, unclassified, and exempt employees, excluding members of boards and commissions, institutions under the administrative authority of the State Regents for Higher Education, employees of public school districts, and elected officials.

B. The Oklahoma Conservation Commission is hereby authorized to establish a longevity pay program for employees of the conservation districts employed under Section 1501-419 of Title 82 of the Oklahoma Statutes. Such longevity pay program shall be consistent with the longevity pay program for state employees authorized under this title and payments shall be made in a manner consistent with procedures for reimbursement to conservation districts.

C. To be eligible for longevity pay, employees must have been continuously employed in the classified or unclassified service of

the state for a minimum of two (2) years in full-time status or in part-time status working more than one thousand (1,000) hours a year.

For purposes of this section, a break in service of thirty (30) calendar days or less shall not be considered an interruption of continuous service; a break in service of more than thirty (30) calendar days shall mark an end to continuous service. The legislative session employees who have worked for two (2) years or more in part-time status and are eligible for state retirement benefits, but do not receive other longevity payments, shall be eligible and shall be considered to have been continuously employed for purposes of calculating longevity payments, notwithstanding the provisions of subsection E of this section.

D. (1) Longevity pay for the first twenty (20) years of service shall be determined pursuant to the following schedule:

Years of Service	Annual Longevity Payment
At least 2 years but less than 4 years	\$250.00
At least 4 years but less than 6 years	\$426.00
At least 6 years but less than 8 years	\$626.00
At least 8 years but less than 10 years	\$850.00
At least 10 years but less than 12 years	\$1,062.00
At least 12 years but less than 14 years	\$1,250.00
At least 14 years but less than 16 years	\$1,500.00
At least 16 years but less than 18 years	\$1,688.00
At least 18 years but less than 20 years	\$1,900.00
At least 20 years	\$2,000.00

(2) For each additional two (2) years of service after the first twenty (20) years an additional Two Hundred Dollars (\$200.00) shall be added to the amount stated above for twenty (20) years of service.

The total amount of the annual longevity payment made to an employee by any and all state agencies in any year shall not exceed the amount shown on the table corresponding to that employee's years of service with the state. Further, no employee shall receive duplicating longevity payments for the same periods of service with any and all agencies.

E. To determine years of service, cumulative periods of full-time employment or part-time employment working more than one hundred fifty (150) hours per month with the state excluding service as specified in subsection A of this section are applicable. Part-

time employment, working one hundred fifty (150) hours per month or less for the state, excluding service as specified in subsection A of this section, shall be counted only if:

1. The period of employment was continuous for at least five (5) months; and

2. The person worked more than two-fifths (2/5) time.

Other employment shall not be counted as service for purposes of longevity payments. Further, no period of employment with the state, whether with one or more than one agency, shall be counted as more than full-time service.

F. Years of service under the administrative authority of the State Regents for Higher Education or the administrative authority of the Department of Vocational and Technical Education of any employee who is now employed in a job classification which is eligible for longevity pay shall be included in years of service for purposes of determining longevity pay.

G. Years of service shall be certified through the current employing agency by the appointing authority on a form approved by the Office of Personnel Management. Said form shall be filed with the Office of Personnel Management by the current employing agency within sixty (60) calendar days before an employee becomes eligible for longevity payments and thereafter whenever the employee's anniversary date is changed.

H. Eligible employees, in full-time status or in part-time status working more than one hundred fifty (150) hours per month, shall receive one (1) lump-sum annual payment, in the amount provided on the preceding schedule, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. Eligible part-time employees who work one hundred fifty (150) hours per month or less shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during the month following the anniversary date of the employee's most recent enter-on-duty day with the state. To receive longevity pay an employee must be in pay status on or after his or her anniversary date.

Eligible employees who would not otherwise receive annual longevity payments because their employment includes regular periods of leave without pay in excess of thirty (30) calendar days shall receive one (1) lump-sum annual payment, based on the formula in subsection L of this section, during:

1. The month of August if the employee is in pay status on July 1; or

2. During the month following the employee's first return to duty that fiscal year if the employee is not in pay status on July 1.

Employees terminated as a result of a reduction in force or retiring from state employment shall receive upon said termination or retirement the proportionate share of any longevity payment which may have accrued as of the date of termination or retirement. Provided further that, the proportionate share of any longevity payment which may have accrued as of the date of death of an employee shall be made to the surviving spouse of the employee or if there is no surviving spouse to the estate of the employee.

I. Periods of leave without pay taken in accordance with Section 840.7b of this title shall be counted as service. Other periods of nonpaid leave status in excess of thirty (30) calendar days shall not mark a break in service; however, they shall:

1. Not be used in calculating total months of service for longevity pay purposes; and

2. Extend the anniversary date for longevity pay by the total period of time on nonpaid leave status except as provided in subsection H of this section for employees whose conditions of employment include regular periods of leave without pay.

J. Employees currently receiving longevity pay who work for the judicial branch of state government or who work for the Department of Vocational and Technical Education shall not be eligible for the longevity pay plan provided for in this section.

K. A break in service with the state in excess of thirty (30) days but which does not exceed two (2) years which was caused by a reduction in force shall be treated as if it were a period of nonpaid leave status as provided for in subsection I of this section for the purpose of calculating total months of service for longevity pay. This subsection shall only apply to state employees laid off after June 30, 1982.

L. Eligible part-time employees working less than one hundred fifty (150) hours per month and other eligible employees with regular annual periods of leave without pay of more than thirty (30) calendar days will receive a prorated share of the "Annual Longevity Payment" authorized in subsection D of this section. The prorated amount of payment will be based on actual hours worked in the immediately preceding twelve (12) months.

M. An employee shall not be entitled to retroactive longevity payments as a result of amendments to this section unless specifically authorized by law.

N. The Administrator of the Office of Personnel Management is authorized to promulgate such Longevity Pay Plan Rules as he or she finds necessary to carry out the provisions of this section.

O. The University Hospitals Authority Model Personnel System shall be exempt from the provisions of this section.

SECTION 11. AMENDATORY 74 O.S. 1991, Section 840.7a, as amended by Section 3, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1993, Section 840.7a), is amended to read as follows:

Section 840.7a The Administrator of the Office of Personnel Management shall promulgate such emergency and permanent rules regarding annual leave and sick leave as are necessary to assist the state and its agencies in the equitable implementation of the State Disability Insurance Program. Such rules shall be so designed as to provide for coordination between leave accrual, leave accumulation, leave use, and eligibility for disability insurance coverage, such disability insurance coverage to be determined by the State Employees Group Health, Dental and Life Insurance Board.

The Office of Personnel Management, in adopting new rules, amending rules and repealing rules, shall ensure that the following provisions are incorporated:

1. Eligible employees who enter on duty or who are reinstated after a break in service shall receive leave benefits in accordance with the schedule outlined below. Leave will be accrued on a monthly basis and prorated, as appropriate, for less than full-time service.

2.	ACCRUAL RATES	ACCUMULATION LIMITS
	Years of <u>Services</u>	Annual <u>Leave</u>
		Sick <u>Leave</u>
		Annual <u>Leave</u>
Persons employed 0-5 yrs =	15 day/yr	15 days
5-20 yrs =	18 day/yr	30 days
over 20 yrs =	20 day/yr	per year 60 days
		60 days

All accrued annual leave and all leave eligibility under O.A.C. 530:10-15-11(b) (5) which is in excess of annual leave limits shall not be reduced or eliminated as a result of these rule changes.

3. Employees entering on duty in eligible status and eligible employees reinstated or reemployed following a break in service on or after July 1, 1985, shall accrue annual and sick leave in accordance with the provisions of paragraph 2 of this section on and after the effective date of this act, Section 840.1 et seq. of this title, but shall not be entitled to any additional leave for the period between July 1, 1985, and the effective date of this act as a result of the provisions of this act.

4. Temporary employees and other limited term employees are ineligible to accrue, use, or be paid for sick leave and annual leave. Such employees shall be eligible for paid holiday leave at the discretion of the appointing authority.

5. This act is not intended to mandate the amendment of any rule of the Office of Personnel Management except as provided herein.

6. The University Hospitals Authority Model Personnel System shall be exempt from the provisions of this section.

SECTION 12. AMENDATORY 74 O.S. 1991, Section 840.7b, is amended to read as follows:

Section 840.7b A. If a state employee, whether in the classified, unclassified or exempt service, is absent because of an illness or injury arising out of and sustained in the course of his or her employment with the state, and for which workers' compensation benefits have been filed, the employing agency shall place the employee on leave without pay if the employee so requests; provided, leave without pay pursuant to this section shall not for any purpose be considered a break in service.

B. An employee who sustains an illness or injury arising out of and sustained in the course of employment with the State of Oklahoma shall not be required to use either accumulated sick or annual leave during such period prior to being placed on leave without pay pursuant to this section.

C. An employee placed on leave without pay pursuant to the provisions of this section shall continue receiving insurance coverage paid by the agency during the leave without pay.

D. An employee on leave without pay pursuant to the provisions of this section shall have the right to be returned to his or her original position in accordance with rules promulgated by the Office of Personnel Management. If it is found necessary for the good of the state to fill the position during the period the employee is on leave without pay the employee filling the position shall vacate the position upon the return of the employee on leave without pay, subject to layoff, transfer or demotion rights earned under the Oklahoma Personnel Act, Section 840.1 et seq. of Title 74 of the Oklahoma Statutes and rules of the Office of Personnel Management. The right to return to the original position shall expire one (1) year from the date of the start of leave without pay. If the employee has not returned to the original position of the employee or some other position within the agency within one (1) year from the date of the start of leave without pay, the employee may be separated in accordance with the Oklahoma Personnel Act and rules of the Office of Personnel Management.

E. An employee on leave without pay pursuant to the provisions of this section shall provide a medical statement as to his or her ability to perform the duties of the position to the appointing authority at least every three (3) months.

F. If the employee becomes medically able with reasonable accommodation to perform the duties of his or her original position, the employee shall be returned to such position. If the employee is unable to perform the duties of the original position with reasonable accommodation, but is medically able with reasonable accommodation to perform the duties of any other position within the agency for which the employee is qualified, and appointment to such other position does not constitute a promotion, the employee shall have first preference for any such position which becomes vacant within the agency, notwithstanding any other preference provisions of the Oklahoma Personnel Act or of other laws of the State of Oklahoma. An employee accepting another position pursuant to this subsection shall not forfeit his or her right to be returned to the original position within twelve (12) months after the start of leave without pay pursuant to the provisions of subsection D of this section.

G. An ill or injured employee shall be eligible to participate in the Disability Insurance Program established pursuant to the provisions of Section 1331 et seq. of Title 74 of the Oklahoma Statutes in accordance with rules promulgated by the State Employees Group Insurance Board.

H. All benefits, rights, and obligations contained in this section shall continue during the time the employee remains on leave without pay status, for a continuous period not to exceed twelve (12) months. However, if a workers' compensation claim based on such illness or injury is denied during the twelve-month period, all benefits, rights and obligations conferred upon an employee pursuant to this section shall cease and be discontinued immediately.

I. A classified employee who is separated pursuant to subsection D of this section shall be eligible for reinstatement to employment with any state agency for twelve (12) months after the date of separation whether in the classified or unclassified service in accordance with rules adopted by the Administrator of the Office of Personnel Management provided the employee is qualified for the position to which reinstated. An unclassified employee who is separated pursuant to subsection D of this section shall be eligible for reinstatement to unclassified employment with any state agency for twelve (12) months after the date of separation in accordance with rules promulgated by the Administrator of the Office of Personnel Management provided the employee is qualified for the position to which reinstated. Nothing in this subsection shall be construed to compel or require any agency of the state to reinstate a former employee who is separated pursuant to subsection D of this section. Further, nothing in this subsection shall be construed as limiting or reducing a former employee's eligibility for reinstatement pursuant to other general reinstatement or reemployment provisions in rules promulgated by the Administrator.

J. The University Hospitals Authority Model Personnel System shall be exempt from the provisions of this section.

SECTION 13. AMENDATORY 74 O.S. 1991, Section 840.16b, as amended by Section 15, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1993, Section 840.16b), is amended to read as follows:

Section 840.16b A. Unless otherwise provided by the Oklahoma Constitution, language in law which authorizes the setting or fixing of compensation, pay or salary of state officers and employees shall not be construed to authorize any agency, board, commission, department, institution, bureau, executive officer or other entity of the executive branch of state government to award, grant, give, authorize, or promise any officer or employee of the State of Oklahoma a raise except as herein provided. The term "raise"

includes, but is not limited to, increases in pay, wages and salaries, commonly known as "merit increases", "performance pay increases", "salary adjustments", and "step increases". Such raises are prohibited unless authorized by the Legislature and by Merit System of Personnel Administration Rules promulgated by the Administrator. This prohibition applies to all classified, unclassified and exempt officers and employees in the executive branch of state government, excluding institutions under the administrative authority of the State Regents for Higher Education, and all employees in the University Hospitals Authority Model Personnel System created pursuant to Section 3211 of Title 63.

B. However, nothing in this section shall be construed to prohibit the following actions if the action is made in good faith and not for the purpose of circumventing subsection A of this section, and if the appointing authority certifies that the action can be implemented for the current fiscal year and the subsequent fiscal year without the need for additional funding to increase the personal services budget of the agency, and if the appointing authority clearly explains in the Agency Pay Plan filed in accordance with Section 23 of this act or in a separately filed plan how the agency will absorb within the personal services budget any increased costs for these actions in the current fiscal year and in the next fiscal year:

1. Salary advancements on promotion or direct reclassification to a job classification with a higher grade;
2. Salary adjustments resulting from a grade change for a class adopted by the Office of Personnel Management;
3. Increases in longevity payments pursuant to Section 805.2 of this title;
4. Payment of overtime, special entrance rates, pay differentials; or
5. Payment of wages, salaries, or rates of pay established and mandated by law.

C. Provided however, any reclassification for one of the purposes provided in subsection B of this section that would require additional funding by the Legislature shall not be implemented without approval of the Legislature.

SECTION 14. AMENDATORY 74 O.S. 1991, Section 840.22A, as amended by Section 16, Chapter 367, O.S.L. 1992 (74 O.S. Supp. 1993, Section 840.22A), is amended to read as follows:

Section 840.22A A. The intent of the Legislature is to increase individual agency skill and accountability in managing the costs associated with personnel and in applying controls that will enhance the ability of the State of Oklahoma to manage the overall costs of human resources as efficiently as possible, while continuing to maintain fairness to employees.

B. All agencies, boards, and commissions shall report all reallocation decisions for both classified and unclassified positions and all adjustments to pay grades or salary assignments for classes in the unclassified service to the Office of Personnel Management on a quarterly basis. The Office of Personnel Management shall submit the quarterly reports to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives, along with an analysis of statewide reallocation decisions.

C. All agencies, boards, and commissions shall report to the Office of Personnel Management on a quarterly basis all transactions in both the classified and unclassified service involving the establishment of new positions that have not been authorized specifically by legislative action. The Office of Personnel

Management shall forward the quarterly reports to the Governor, President Pro Tempore of the Senate, and Speaker of the House of Representatives, accompanied by an analysis of agency decisions concerning such positions.

D. As a further control on human resource costs, the Governor may declare a financial emergency or implement a freeze in hiring, by declaring this section to be in effect, provided, however, the University Hospitals Authority, including all hospitals or other institutions operated by the University Hospitals Authority, shall not be subject to the provisions of this subsection. During such periods, no audits of classified positions or reallocation of unclassified positions shall be initiated or conducted at the request of an agency except at the direction of the Governor. The provisions of the Oklahoma Personnel Act relating to agency-requested audits may be suspended during such periods to the extent that they are in conflict with this section. Provided, an audit at the request of an employee who files a classification grievance shall be conducted during such periods in accordance with the provisions of Section 840.22 of this title.

E. The Office of Personnel Management shall establish due dates and specify the format for reports required by this section. Agencies that do not respond by the due dates shall be identified in a special section of the quarterly analysis reports forwarded to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives.

F. The provisions of this section shall not be construed to suspend the responsibility of any agency to ensure that the duties and responsibilities assigned to an employee are consistent with the current classification of the employee.

SECTION 15. AMENDATORY 74 O.S. 1991, Section 841.14, is amended to read as follows:

Section 841.14 A. Whenever the number of positions and employees in any state agency is reduced, the appointing authority shall, subject to the approval of the Administrator of the Office of Personnel Management, provide a plan for such reduction-in-force within the agency. Such plan and subsequent personnel transactions shall be in compliance with rules adopted by the Administrator. The appointing authority shall post in each office of the agency a copy of the proposed reduction-in-force plan five (5) days prior to the submission of the proposed plan to the Administrator. Such plan shall provide for the appointing authority to determine the specific position or positions to be abolished within specified units, divisions, facilities, agency-wide or any parts thereof. It shall also provide for retention of employees based on classification and type of appointment. It shall require the separation of probationary and other limited term unclassified/exempt and classified employees in classes affected by a reduction-in-force prior to the separation or displacement of any permanent classified employee in an affected class. The plan shall additionally provide for retention of permanent classified employees in classes affected by the reduction-in-force based upon consideration of length of service. The plans for agencies having both classified and unclassified/exempt positions in affected classes shall provide that the percentage of occupied classified positions abolished as compared to the total number of occupied classified positions in the affected class shall not exceed the percentage of occupied unclassified/exempt positions abolished as compared to the total number of occupied unclassified/exempt positions in the affected class.

The Administrator of the Office of Personnel Management shall review the agency plan and shall reject any plan which is not in substantial compliance with this section and the rules promulgated hereunder.

B. The appointing authority may limit displacement of employees at the time of a reduction-in-force if such limitation is based upon reasonable, written, articulated criteria. If displacement is limited, the appointing authority shall take action to avoid or minimize any adverse impact on minorities or women.

C. Permanent classified employees removed from a class by an agency under the provisions of this section shall be recalled by the agency to the class from which removed in inverse order of removal before the agency may appoint other persons to the class, from the employment register, by internal action or from Priority Reemployment Consideration Rosters as provided in subsection D of this section. Upon declination of an offer of reappointment to the class from which removed or eighteen (18) months after the date of removal from the class, whichever is first, this right to be recalled shall expire.

D. The names of probationary and permanent employees, and regular exempt and unclassified full-time employees with over six (6) months continuous service who have been separated as a result of an officially conducted reduction-in-force or the abolition of a state agency, board or commission or any part thereof, who apply and meet all requirements for state jobs in the classified service shall be placed on Priority Reemployment Consideration Rosters in accordance with their individual final earned ratings for a maximum of eighteen (18) months after the date of separation. Before any vacant position is filled by any person eligible for initial appointment from the employment register, persons on the Priority Reemployment Consideration Rosters shall be given priority consideration for reemployment by any state agency within eighteen (18) months after the date of the reduction-in-force. Upon declination of an offer of reemployment to a class having the same or higher grade than that class from which removed, or eighteen (18) months after the date of separation, whichever is first, this priority consideration for reemployment shall expire.

E. If an institution, facility, or agency of this state is scheduled to be closed or abolished as a result of legislation or a court order, the employees of the institution, facility, or agency who would be eligible for Priority Reemployment Consideration after their separation in accordance with subsection D of this section, may apply and, if qualified and eligible, shall be accorded Priority Reemployment Consideration not to exceed twelve (12) months before the scheduled date of separation.

F. When the Legislature is not in session, the Contingency Review Board may, upon the request of the Governor, direct agencies, boards and commissions to reduce the number of employees working for said agency, board or commission whenever it is deemed necessary and proper. Such reduction shall be made pursuant to reduction-in-force plans as provided in this section.

G. State employees separated as a result of a reduction-in-force or as a consequence of the abolition of a state agency, board or commission or any part thereof shall be given the option of being placed on leave without pay status and may retain their membership in the State Employees Group Health, Dental and Life Insurance program for a period of time consistent with applicable rules and regulations. Each affected employee electing to retain his or her insurance membership shall be responsible for payment of all premiums on the insurance.

H. 1. When the Legislature is not in session, the Contingency Review Board may, upon the request of the Governor, direct and require mandatory furloughs for all state employees whenever it is deemed necessary and proper. The Contingency Review Board shall specify the effective dates for furloughs and shall note any exceptions to state employees affected by same. All classified, unclassified, exempt or nonmerit employees, including those employees of agencies or offices established by statute or the Constitution, shall be affected by such actions.

2. Mandatory furlough means the involuntary temporary reduction of work hours or the placement of an employee on involuntary leave without pay. Rules governing leave regulations, longevity pay and participation in the State Employees Group Health, Dental and Life Insurance program shall not be affected by mandatory furloughs. Furlough, as provided for in this section or by rules adopted by the Administrator of the Office of Personnel Management, shall not be appealable under the provisions of the Oklahoma Personnel Act.

3. Notwithstanding existing laws or provisions to the contrary, members of state boards and commissions shall not receive per diem expenses during periods of mandatory furlough. The Contingency Review Board shall additionally call upon elected officials, members of the judiciary, and other public officers whose salary or emoluments cannot be altered during current terms of office, to voluntarily donate to the General Revenue Fund any portion of their salary which would otherwise have been affected by a mandatory furlough.

I. All agencies, boards and commissions directed by the Contingency Review Board to terminate or furlough employees, shall report the cumulative cost savings achieved by the reductions-in-force or furloughs to the Governor, President Pro Tempore of the Senate and Speaker of the House of Representatives on a quarterly basis for one (1) year following the effective date of the action.

J. Provided, however, the University Hospitals Authority, including all hospitals or other institutions operated by the University Hospitals Authority, shall not be subject to the provisions of this section.

SECTION 16. AMENDATORY 74 O.S. 1991, Section 3601, as last amended by Section 12, Chapter 327, O.S.L. 1993 (74 O.S. Supp. 1993, Section 3601), is amended to read as follows:

Section 3601. A. For purposes of Sections 3601 through 3603 of this title, the term employee means a full-time employee or any number of part-time employees whose combined weekly hours of employment equal those of a full-time employee, but shall not include temporary employees working on a seasonal basis between May 1 and October 31.

B. The maximum number of full-time-equivalent employees for each of the following agencies, boards, commissions, departments, or programs shall not exceed the numbers specified in this section during the fiscal year ending June 30, 1994, except as may be authorized pursuant to the provisions of Section 3603 of this title. The salary of the chief executive officer for each of the following agencies, boards, commissions, departments, or programs shall not exceed the amount specified, per annum, payable monthly, for the fiscal year ending June 30, 1994.

MAXIMUM NUMBER OF FULL-TIME-EQUIVALENT EMPLOYEES	MAXIMUM ANNUAL SALARY FOR CHIEF EXECUTIVE OFFICER
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State Insurance Fund	591	\$80,661.00
Oklahoma Employment Security Commission	1150	\$74,991.00
Public Accountancy Board	8	\$49,552.00
Board of Governors of Licensed Architects and Landscape Architects	4	\$37,191.00
Board of Chiropractic Examiners	2	\$25,000.00
Cosmetology Board	16	\$28,699.00
Board of Governors of Registered Dentists	5	\$32,794.00
Embalmers and Funeral Directors Board	5	\$30,629.00
Professional Engineers and Land Surveyors Board	7	\$36,788.00
Oklahoma State Board of Medical Licensure and Supervision	27	\$44,171.00
Oklahoma Motor Vehicle Commission	4	\$46,011.00
Oklahoma Board of Nurse Registration and Nursing Education	17	\$51,524.00
Nursing Homes Board	4	\$39,291.00
Optometry Board	1	
Board of Osteopathic Examiners	4	\$44,100.00
Oklahoma Peanut Commission	2	\$41,386.00
State Board of Pharmacy	8	\$53,991.00
Podiatry Board	1	
Psychologists Board	2	\$29,400.00
Real Estate Commission	26	\$45,591.00
Speech Pathology and Audiology Board	1	\$8,064.00
Oklahoma Used Motor Vehicle and Parts Commission	10	\$41,601.00

Board of Veterinary Medical Examiners	4	\$27,500.00
Oklahoma Wheat Commission	7	\$46,011.00
Firefighters Pension and Retirement System	10	\$56,721.00
Police Pension and Retirement System	7	\$56,721.00
Oklahoma Teachers' Retirement System	40	\$64,470.00
Oklahoma Public Employees Retirement System	44	\$64,911.00
Student Loan Authority	45	\$90,741.00
Oklahoma Industrial Finance Authority/Oklahoma Development Finance Authority	15	\$87,178.00
State and Education Employees Group Insurance Board	165	\$85,491.00
Oklahoma Capital Investment Board	4	\$70,000.00
Social Workers Board	1	\$28,700.00
State Employees Benefit Council	13	\$68,291.00
Grand River Dam Authority	524	\$88,158.00
Oklahoma Medical Center	3,336	\$100,368.00

C. The duties and compensation of employees, not otherwise prescribed by law, necessary to perform the duties imposed upon the Oklahoma Public Employees Retirement System Board of Trustees by law shall be set by the said Board of Trustees. All offices, positions and personnel of the Oklahoma Public Employees Retirement System shall be classified and subject to the provisions of the Merit System of Personnel Administration as provided in the Oklahoma Personnel Act, Section 840.1 et seq. of this title, except for those offices, positions and personnel comprising the exempt unclassified service authorized in Sections 840.8 and 840.10 of this title; and except for one (1) other position.

D. Temporary employees of the Oklahoma Used Motor Vehicle and Parts Commission between the dates of November 1 and January 31 annually shall not be counted toward the maximum number of full-time-equivalent employees provided for in this section.

SECTION 17. AMENDATORY 74 O.S. 1991, Section 7052, is amended to read as follows:

Section 7052. A. There is hereby created a body corporate and politic to be known as the "Medical Technology and Research Authority of Oklahoma", and by that name the Authority may sue and be sued, and plead and be impleaded. The Authority is hereby constituted an agency of the state, and the exercise by the

Authority of the powers conferred by this act shall be deemed to be essential governmental functions of the state with all the attributes thereof. Provided, however, the Authority is authorized to carry liability insurance to the extent authorized by the Authority, and in addition thereto it shall be subject to the workers' compensation laws of the State of Oklahoma the same as a private employer.

B. The Authority shall consist of two (2) ex officio members and six (6) appointed members. Each ex officio member and each appointed member shall have one (1) vote for purposes of conducting the business of the Authority. One ex officio member shall be the President of the University of Oklahoma, or the designee of the same. One ex officio member shall be the ~~Director of the Department of Human Services~~ Chief Executive Officer of the University Hospitals, or the designee of same. The six appointed members shall serve overlapping terms and shall be chosen as follows: two (2) members shall be appointed by the Governor; one member shall be appointed by the Speaker of the House of Representatives; one member shall be appointed by the President Pro Tempore of the Senate; one member shall be appointed by the President of the University of Oklahoma; and one member shall be appointed by the Director of the Department of Human Services. The appointed members shall be residents of the state, and shall have been qualified electors therein for a period of at least one (1) year preceding their appointment. Appointed members initially appointed shall continue in office for terms of from three (3) to seven (7) years, respectively, from the date of their appointment, and thereafter until their respective successors shall be duly appointed and qualified, with the term of each initially appointed member to be designated by the Governor at the time of the appointment, with one member to be appointed to a three-year term, one member to be appointed to a four-year term, one member to be appointed to a five-year term, one member to be appointed to a six-year term, and two (2) members to be appointed to a seven-year term; but their successors shall each be appointed for a term of seven (7) years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. At the expiration of any term, the person holding such office shall continue to serve until such person's duly appointed successor shall be appointed and qualified. Any member of the Authority shall be eligible for reappointment, and no member shall be removed from office except for good cause shown.

C. The Authority shall elect one of its members as chairman and another as vice-chairman, and also shall elect a secretary, treasurer and such other officers as the Authority may deem appropriate. A majority of the members of the Authority (exclusive of vacancies) shall constitute a quorum and the vote of a majority of the members (exclusive of vacancies) shall be necessary for any action taken by the Authority. No vacancy in the membership of the Authority shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority.

D. Before the issuance of any improvement revenue bonds under the provisions of this act, each member of the Authority shall execute a surety bond in the penal sum of Twenty-five Thousand Dollars (\$25,000.00) and the secretary and treasurer shall execute a surety bond in the penal sum of One Hundred Thousand Dollars (\$100,000.00), each such surety bond to be conditioned upon the faithful performance of the duties of his or her office, to be executed by a surety company authorized to transact business in the State of Oklahoma as surety, and to be filed in the office of the Secretary of State.

E. The members of the Authority shall not be entitled to compensation for their services, but each member shall be reimbursed for actual expenses necessarily incurred in the performance of duties on behalf of the Authority, provided that members of the Authority shall be compensated for their travel expenses pursuant to the State Travel Reimbursement Act. All expenses incurred in carrying out the provisions of this act shall be payable solely from funds provided under the authority of this act and no liability or obligation shall be incurred by the Authority hereunder beyond the extent to which monies shall have been provided under the authority of this act.

STATE DEPARTMENT OF HEALTH

SECTION 18. AMENDATORY 63 O.S. 1991, Section 1-1965, as amended by Section 7, Chapter 139, O.S.L. 1992 (63 O.S. Supp. 1993, Section 1-1965), is amended to read as follows:

Section 1-1965. An application for a license, or renewal thereof, to establish or operate a home care agency shall be accompanied by a nonrefundable licensing fee ~~in an amount not exceeding Fifty Dollars (\$50.00)~~ of Five Hundred Dollars (\$500.00). An application for license, or renewal thereof, to establish or operate a home care agency branch office shall be accompanied by a nonrefundable licensing fee of Twenty-five Dollars (\$25.00). Upon payment of the required licensing fee, an initial license may be issued for not less than six (6) months nor more than eighteen (18) months from the date of issuance ~~and may be renewed annually thereafter for a fee not to exceed Fifty Dollars (\$50.00)~~. Funds collected pursuant to this section shall be deposited in the Home Health Care Revolving Fund created in Section 20 of this act.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1-1971 of Title 63, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the State Department of Health, to be designated as the "Home Health Care Revolving Fund". Said fund shall be a continuing fund not subject to fiscal year limitations. The fund shall consist of all monies collected pursuant to the provisions of Section 1-1965 and Section 1-1966 of Title 63 of the Oklahoma Statutes. All monies accruing to said fund are hereby appropriated and shall be budgeted and expended by the State Department of Health for licensure and regulation of home care agencies and branch offices. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of State Finance for approval and payment.

SECTION 20. AMENDATORY 63 O.S. 1991, Section 1-1966, as amended by Section 8, Chapter 139, O.S.L. 1992 (63 O.S. Supp. 1993, Section 1-1966), is amended to read as follows:

Section 1-1966. Any home care agency or home health aide covered by the Home Care Act that has been determined by the State Department of Health to have violated any provision of the Home Care Act or any rule promulgated thereto may be liable for an administrative penalty of not more than One Hundred Dollars (\$100.00) per violation for each day on which a violation occurs or continues. The maximum administrative penalty shall not exceed Ten Thousand Dollars (\$10,000.00) for any related series of violations. Funds collected pursuant to this section shall be deposited in the Home Health Care Revolving Fund created in Section 20 of this act.

SECTION 21. RECODIFICATION 56 O.S. 1991, Section 412.1, as amended by Section 3 of this act, shall be recodified as Section 3221.1 of Title 63 of the Oklahoma Statutes, unless there is created a duplication in numbering.

SECTION 22. REPEALER 63 O.S. 1991, Section 1-879.4, is hereby repealed.

SECTION 23. REPEALER Section 9, Chapter 347, O.S.L. 1992, as amended by Section 21, Chapter 332, O.S.L. 1993 (63 O.S. 1993, Section 1-123, is hereby repealed.

SECTION 24. This act shall become effective September 1, 1994.
Passed the Senate the 20th day of May, 1994.

President of the Senate

Passed the House of Representatives the 20th day of May, 1994.

Speaker of the House of Representatives