

1 ENGROSSED SENATE
2 BILL NO. 1830

By: Williamson and Lerblance of
the Senate

3 and

4 Duncan of the House
5
6

7 An Act relating to duplicate sections; amending,
8 merging, consolidating, and repealing multiple
9 versions of statutes; amending 2 O.S. 2001, Section
10 9-204.1, as renumbered by Section 25, Chapter 292,
11 O.S.L. 2005, and as amended by Section 1, Chapter 64,
12 O.S.L. 2007 (2 O.S. Supp. 2007, Section 20-6);
13 repealing 2 O.S. 2001, Section 9-204.1, as renumbered
14 by Section 25, Chapter 292, O.S.L. 2005, and as
15 amended by Section 6, Chapter 31, O.S.L. 2007 (2 O.S.
16 Supp. 2007, Section 20-6); amending Section 14,
17 Chapter 58, O.S.L. 2003, as last amended by Section
18 1, Chapter 336, O.S.L. 2007 (3A O.S. Supp. 2007,
19 Section 713); repealing Section 14, Chapter 58,
20 O.S.L. 2003, as last amended by Section 3, Chapter
21 355, O.S.L. 2007 (3A O.S. Supp. 2007, Section 713);
22 amending 10 O.S. 2001, Section 7115, as last amended
23 by Section 1, Chapter 325, O.S.L. 2007 (10 O.S. Supp.
24 2007, Section 7115); repealing 10 O.S. 2001, Section
7115, as last amended by Section 1, Chapter 261,
O.S.L. 2007 (10 O.S. Supp. 2007, Section 7115);
repealing 10 O.S. 2001, Section 7307-1.5, as amended
by Section 3, Chapter 176, O.S.L. 2007 (10 O.S. Supp.
2007, Section 7307-1.5); repealing 11 O.S. 2001,
Section 41-108, as amended by Section 1, Chapter 100,
O.S.L. 2007 (11 O.S. Supp. 2007, Section 41-108);
repealing 19 O.S. 2001, Section 347, as amended by
Section 3, Chapter 132, O.S.L. 2007 (19 O.S. Supp.
2007, Section 347); repealing 19 O.S. 2001, Section
1501, as last amended by Section 4, Chapter 100,
O.S.L. 2007 (19 O.S. Supp. 2007, Section 1501);
repealing 19 O.S. 2001, Section 1505, as last amended
by Section 5, Chapter 100, O.S.L. 2007 (19 O.S. Supp.
2007, Section 1505); amending 21 O.S. 2001, Section
1021, as last amended by Section 11, Chapter 261,
O.S.L. 2007 (21 O.S. Supp. 2007, Section 1021);

1 repealing 21 O.S. 2001, Section 1021, as last amended
2 by Section 2, Chapter 325, O.S.L. 2007 (21 O.S. Supp.
3 2007, Section 1021); amending 21 O.S. 2001, Section
4 1123, as last amended by Section 19, Chapter 261,
5 O.S.L. 2007 (21 O.S. Supp. 2007, Section 1123);
6 repealing 21 O.S. 2001, Section 1123, as last amended
7 by Section 3, Chapter 325, O.S.L. 2007 (21 O.S. Supp.
8 2007, Section 1123); amending 21 O.S. 2001, Section
9 1290.5, as last amended by Section 1, Chapter 92,
10 O.S.L. 2007 (21 O.S. Supp. 2007, Section 1290.5);
11 repealing 21 O.S. 2001, Section 1290.5, as last
12 amended by Section 3, Chapter 128, O.S.L. 2007 (21
13 O.S. Supp. 2007, Section 1290.5); repealing 22 O.S.
14 2001, Section 114, as last amended by Section 2,
15 Chapter 199, O.S.L. 2007 (22 O.S. Supp. 2007, Section
16 114); amending 22 O.S. 2001, Section 991a, as last
17 amended by Section 1, Chapter 182, O.S.L. 2007 (22
18 O.S. Supp. 2007, Section 991a); repealing 22 O.S.
19 2001, Section 991a, as last amended by Section 21,
20 Chapter 261, O.S.L. 2007 (22 O.S. Supp. 2007, Section
21 991a); amending 28 O.S. 2001, Section 153, as last
22 amended by Section 3, Chapter 247, O.S.L. 2007 (28
23 O.S. Supp. 2007, Section 153); repealing 28 O.S.
24 2001, Section 153, as last amended by Section 3,
Chapter 199, O.S.L. 2007 (28 O.S. Supp. 2007, Section
153); repealing 42 O.S. 2001, Section 147.1, as last
amended by Section 7, Chapter 132, O.S.L. 2007 (42
O.S. Supp. 2007, Section 147.1); amending 47 O.S.
2001, Section 6-111, as last amended by Section 2,
Chapter 328, O.S.L. 2007 (47 O.S. Supp. 2007, Section
6-111); repealing 47 O.S. 2001, Section 6-111, as
last amended by Section 7, Chapter 326, O.S.L. 2007
(47 O.S. Supp. 2007, Section 6-111); repealing 47
O.S. 2001, Section 151, as amended by Section 2,
Chapter 151, O.S.L. 2007 (47 O.S. Supp. 2007, Section
151); amending 56 O.S. 2001, Section 1010.1, as last
amended by Section 1, Chapter 230, O.S.L. 2007 (56
O.S. Supp. 2007, Section 1010.1); repealing 56 O.S.
2001, Section 1010.1, as last amended by Section 3,
Chapter 318, O.S.L. 2007 (56 O.S. Supp. 2007, Section
1010.1); amending 57 O.S. 2001, Section 571, as
amended by Section 10, Chapter 358, O.S.L. 2007 (57
O.S. Supp. 2007, Section 571); repealing 57 O.S.
2001, Section 571, as amended by Section 1, Chapter
166, O.S.L. 2007 (57 O.S. Supp. 2007, Section 571);
repealing Section 3, Chapter 207, O.S.L. 2006, as
amended by Section 1, Chapter 38, O.S.L. 2007 (59

1 O.S. Supp. 2007, Section 3022); amending Section 3,
2 Chapter 292, O.S.L. 2006, as amended by Section 3,
3 Chapter 367, O.S.L. 2007 (62 O.S. Supp. 2007, Section
4 3103); repealing Section 3, Chapter 292, O.S.L. 2006,
5 as amended by Section 2, Chapter 186, O.S.L. 2007 (62
6 O.S. Supp. 2007, Section 3103); amending 68 O.S.
7 2001, Section 1353, as last amended by Section 3,
8 Chapter 366, O.S.L. 2007 (68 O.S. Supp. 2007, Section
9 1353); repealing 68 O.S. 2001, Section 1353, as last
10 amended by Section 2, Chapter 136, O.S.L. 2007 (68
11 O.S. Supp. 2007, Section 1353); repealing Section 1,
12 Chapter 287, O.S.L. 2005, as amended by Section 3,
13 Chapter 267, O.S.L. 2007 (68 O.S. Supp. 2007, Section
14 2357.67); amending 68 O.S. 2001, Section 2358, as
15 last amended by Section 3, Chapter 346, O.S.L. 2007
16 (68 O.S. Supp. 2007, Section 2358); repealing 68 O.S.
17 2001, Section 2358, as last amended by Section 10,
18 Chapter 353, O.S.L. 2007 (68 O.S. Supp. 2007, Section
19 2358); amending 68 O.S. 2001, Section 2817, as last
20 amended by Section 1, Chapter 250, O.S.L. 2007 (68
21 O.S. Supp. 2007, Section 2817); repealing 68 O.S.
22 2001, Section 2817, as last amended by Section 1,
23 Chapter 329, O.S.L. 2007 (68 O.S. Supp. 2007, Section
24 2817); amending 70 O.S. 2001, Section 2603, as last
amended by Section 6, Chapter 355, O.S.L. 2007 (70
O.S. Supp. 2007, Section 2603); repealing 70 O.S.
2001, Section 2603, as last amended by Section 1,
Chapter 262, O.S.L. 2007 (70 O.S. Supp. 2007, Section
2603); amending 70 O.S. 2001, Section 2605, as last
amended by Section 7, Chapter 355, O.S.L. 2007 (70
O.S. Supp. 2007, Section 2605); repealing 70 O.S.
2001, Section 2605, as last amended by Section 2,
Chapter 262, O.S.L. 2007 (70 O.S. Supp. 2007, Section
2605); amending 70 O.S. 2001, Section 3311.5, as
amended by Section 8, Chapter 360, O.S.L. 2007 (70
O.S. Supp. 2007, Section 3311.5); repealing 70 O.S.
2001, Section 3311.5, as amended by Section 1,
Chapter 179, O.S.L. 2007 (70 O.S. Supp. 2007, Section
3311.5); amending 70 O.S. 2001, Section 4423, as
amended by Section 1, Chapter 72, O.S.L. 2007 (70
O.S. Supp. 2007, Section 4423); repealing 70 O.S.
2001, Section 4423, as amended by Section 10, Chapter
276, O.S.L. 1996; amending 74 O.S. 2001, Section 840-
5.5, as last amended by Section 3, Chapter 208,
O.S.L. 2007 (74 O.S. Supp. 2007, Section 840-5.5);
repealing 74 O.S. 2001, Section 840-5.5, as last
amended by Section 21, Chapter 326, O.S.L. 2007 (74

1 O.S. Supp. 2007, Section 840-5.5); and declaring an
2 emergency.

3
4 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

5 SECTION 1. AMENDATORY 2 O.S. 2001, Section 9-204.1, as
6 renumbered by Section 25, Chapter 292, O.S.L. 2005, and as amended
7 by Section 1, Chapter 64, O.S.L. 2007 (2 O.S. Supp. 2007, Section
8 20-6), is amended to read as follows:

9 Section 20-6. A. 1. Any ~~animal~~ swine feeding operation
10 meeting the criteria defining a concentrated ~~animal~~ swine feeding
11 operation shall be required to obtain a license to operate pursuant
12 to the Oklahoma ~~Concentrated Animal~~ Swine Feeding Operations Act and
13 rules promulgated pursuant thereto.

14 2. No ~~animal~~ swine feeding operation which voluntarily obtains
15 a license pursuant to the ~~Concentrated Animal~~ Oklahoma Swine Feeding
16 Operations Act shall be considered to be a concentrated ~~animal~~ swine
17 feeding operation unless the operation meets the definition of
18 concentrated ~~animal~~ swine feeding operation.

19 3. Any ~~animal~~ other swine feeding operation ~~other than a~~
20 ~~concentrated animal feeding operation~~, regardless of the number of
21 ~~animals~~ swine, shall only be required to be licensed pursuant to the
22 provisions of the Oklahoma ~~Concentrated Animal~~ Swine Feeding
23 Operations Act and rules promulgated pursuant thereto if the State
24 Board of Agriculture determines the operation to be a significant

1 contributor of pollution to waters of the state ~~pursuant to~~
2 ~~subsection D of this section.~~

3 B. 1. Two or more ~~animal~~ swine feeding operations under common
4 ownership are considered, for the purposes of licensure, to be a
5 single ~~animal~~ swine feeding operation if they adjoin each other or
6 if they use a common area or system for the disposal of wastes.

7 2. A licensed managed feeding operation shall be required to
8 seek a modification of its license for any increase in excess of
9 five percent (5%) of the original facility's licensed capacity.

10 C. Expanding operations shall be required to seek a
11 modification of its license prior to expansion. ~~Change in species~~
12 ~~or ratio of species mix alone shall not be defined as an expanding~~
13 ~~operation as long as the increase in animal unit capacity does not~~
14 ~~exceed five percent (5%).~~

15 D. 1. The ~~State Board of Agriculture~~ may make a case-by-case
16 designation of concentrated ~~animal~~ swine feeding operations pursuant
17 to this section. Any ~~animal~~ swine feeding operation may be
18 designated as a concentrated ~~animal~~ swine feeding operation if it is
19 determined to be a significant contributor of pollution to the
20 waters of the state. In making this designation, the Board shall
21 consider the following factors:

22 a. the size of the ~~animal~~ swine feeding operation and the
23 amount of wastes reaching waters of the state,

24

- 1 b. the location of the ~~animal~~ swine feeding operation
2 relative to waters of the state,
3 c. the means of conveyance of ~~animal~~ swine waste and
4 wastewater into waters of the state,
5 d. the method of disposal for ~~animal~~ swine waste and
6 process wastewater disposal,
7 e. the slope, vegetation, rainfall and other factors
8 affecting the likelihood or frequency of discharge of
9 ~~animal~~ swine wastes and process wastewaters into
10 waters of the state, and
11 f. other ~~such~~ factors relative to the significance of the
12 pollution problem sought to be regulated.

13 2. In no case shall an application for a license be required
14 from ~~an animal~~ a swine feeding operation pursuant to this subsection
15 until there has been an on-site inspection of the operation and a
16 determination by the ~~State~~ Oklahoma Department of Agriculture, Food,
17 and Forestry that the operation is a concentrated ~~animal~~ swine
18 feeding operation. Should the Department determine that the
19 operation is a concentrated ~~animal~~ swine feeding operation, the
20 Department shall notify the operation of ~~such~~ the determination and
21 of an opportunity for the owner or operator of the facility to
22 request an administrative hearing on the issue.

23 3. Process wastewater in the overflow may be discharged to
24 navigable waters whenever rainfall events, either chronic or

1 catastrophic, cause an overflow of process wastewater from a
2 retention structure properly designed, constructed and operated to
3 contain all process wastewaters plus the runoff from a twenty-five-
4 year, twenty-four-hour rainfall event for the location of the point
5 source. There shall be no effluent limitations on discharges from a
6 waste facility constructed and properly maintained to contain the
7 twenty-five-year, twenty-four-hour storm event; provided the proper
8 design, construction and operation of the retention structure shall
9 include but not be limited to one (1) foot of free board.

10 E. No new concentrated ~~animal~~ swine feeding operation or
11 expansion of a concentrated ~~animal~~ swine feeding operation requiring
12 a license pursuant to the Oklahoma ~~Concentrated Animal Swine~~ Swine Feeding
13 Operations Act shall be constructed or placed in operation unless
14 final design plans, specifications and a Pollution Prevention Plan
15 developed pursuant to Section 20-9 of this title have been approved
16 by the Department.

17 F. No new licensed managed feeding operation or expanding
18 operation shall be constructed until a building permit for such
19 facility or expansion has been issued by the Department. No new
20 licensed managed ~~animal~~ feeding operation or expanding operation
21 shall be placed in operation until a license for ~~such~~ the facility
22 or a modification for an existing license has been issued by the
23 Department.

24

1 G. When requesting a modification of a license, a licensed
2 managed feeding operation shall comply with all notice and hearing
3 requirements as specified by this section and rules promulgated by
4 the State Board of Agriculture. In its request for a modification
5 of a license, a licensed managed feeding operation shall provide all
6 information specified in subsection G of Section 20-7 of this title.

7 H. Any hearings regarding modification of a license shall focus
8 on the modifications being proposed by the licensed managed feeding
9 operation.

10 I. A decision to deny modification of a license shall have no
11 impact on the original license.

12 SECTION 2. REPEALER 2 O.S. 2001, Section 9-204.1, as
13 renumbered by Section 25, Chapter 292, O.S.L. 2005, and as amended
14 by Section 6, Chapter 31, O.S.L. 2007 (2 O.S. Supp. 2007, Section
15 20-6), is hereby repealed.

16 SECTION 3. AMENDATORY Section 14, Chapter 58, O.S.L.
17 2003, as last amended by Section 1, Chapter 336, O.S.L. 2007 (3A
18 O.S. Supp. 2007, Section 713), is amended to read as follows:

19 Section 713. A. All gross proceeds shall be the property of
20 the Oklahoma Lottery Commission. From its gross proceeds, the
21 Commission shall pay the operating expenses of the Commission. At
22 least forty-five percent (45%) of gross proceeds shall be made
23 available as prize money. However, the provisions of this
24 subsection shall be deemed not to create any lien, entitlement,

1 cause of action, or other private right, and any rights of holders
2 of tickets or shares shall be determined by the Commission in
3 setting the terms of its lottery or lotteries. For each fiscal
4 year, net proceeds shall equal at least thirty-five percent (35%) of
5 the gross proceeds. However, for the purpose of repaying
6 indebtedness issued pursuant to Section 732 of this title, for the
7 first two (2) full fiscal years and any partial first fiscal year of
8 the Commission, net proceeds need only equal at least thirty percent
9 (30%) of the gross proceeds. All of the net proceeds shall be
10 transferred to the Oklahoma Education Lottery Trust Fund as provided
11 in subsection B of this section.

12 B. There is hereby created in the State Treasury a fund to be
13 designated the "Oklahoma Education Lottery Trust Fund". On or
14 before the fifteenth day of each calendar quarter, the Commission
15 shall transfer to the State Treasurer, for credit to the Oklahoma
16 Education Lottery Trust Fund, the amount of all net proceeds
17 accruing during the preceding calendar quarter. Expenditures from
18 the fund shall be made upon warrants issued by the State Treasurer
19 against claims filed as prescribed by law with the Director of State
20 Finance for approval and payment.

21 Upon their deposit into the State Treasury, any monies
22 representing a deposit of net proceeds shall then become the
23 unencumbered property of this state, and neither the Commission nor
24 the board of trustees shall have the power to agree or undertake

1 otherwise. The monies shall be invested by the State Treasurer in
2 accordance with state investment practices. All earnings
3 attributable to such investments shall likewise be the unencumbered
4 property of the state and shall accrue to the credit of the fund.

5 C. Monies in the Oklahoma Education Lottery Trust Fund shall
6 only be appropriated as follows:

7 1. Forty-five percent (45%) for the following:

8 a. kindergarten through twelfth grade public education,
9 including but not limited to compensation and benefits
10 for public school teachers and support employees, and

11 b. early childhood development programs, which shall
12 include but not be limited to costs associated with
13 prekindergarten and full-day kindergarten programs;

14 2. Forty-five percent (45%) for the following:

15 a. tuition grants, loans and scholarships to citizens of
16 this state to enable such citizens to attend colleges
17 and universities located within this state, regardless
18 of whether such colleges and universities are owned or
19 operated by the Oklahoma State Regents for Higher
20 Education, or to attend institutions operated under
21 the authority of the Oklahoma Department of Career and
22 Technology Education, ~~including but not limited to~~
23 ~~such programs as the Oklahoma Higher Learning Access~~
24 ~~Program~~; provided such tuition grants, loans and

1 scholarships shall not be made to a citizen of this
2 state to attend a college or university which is not
3 accredited by the Oklahoma State Regents for Higher
4 Education,

5 b. construction of educational facilities for elementary
6 school districts, independent school districts, the
7 Oklahoma State System of Higher Education, and career
8 and technology education,

9 c. capital outlay projects for elementary school
10 districts, independent school districts, the Oklahoma
11 State System of Higher Education, and career and
12 technology education,

13 d. technology for public elementary school district,
14 independent school district, state higher education,
15 and career and technology education facilities, which
16 shall include but not be limited to costs of providing
17 to teachers at accredited public institutions who
18 teach levels kindergarten through twelfth grade,
19 personnel at technology centers under the authority of
20 the Oklahoma State Department of Career and Technology
21 Education, and professors and instructors within the
22 Oklahoma State System of Higher Education, the
23 necessary training in the use and application of
24 computers and advanced electronic instructional

1 technology to implement interactive learning
2 environments in the classroom and to access the state-
3 wide distance learning network and costs associated
4 with repairing and maintaining advanced electronic
5 instructional technology,

6 e. endowed chairs for professors at institutions of
7 higher education operated by the Oklahoma State System
8 of Higher Education, and

9 f. programs and personnel of the Oklahoma School for the
10 Deaf and the Oklahoma School for the Blind;

11 3. Five percent (5%) to the School Consolidation and Assistance
12 Fund. When the total amount in the School Consolidation and
13 Assistance Fund from all sources equals Five Million Dollars
14 (\$5,000,000.00), all monies appropriated pursuant to this paragraph
15 which would otherwise be deposited in the School Consolidation and
16 Assistance Fund in excess of Five Million Dollars (\$5,000,000.00)
17 shall be allocated by the State Department of Education to public
18 schools based on the audited end-of-year average daily membership in
19 grades 8 through 12 during the preceding school year for the purpose
20 of purchasing technology equipment in order to conduct on-line
21 testing as required by the Achieving Classroom Excellence Act of
22 2005. If at any time the total amount in the School Consolidation
23 and Assistance Fund drops below Five Million Dollars
24 (\$5,000,000.00), the monies appropriated pursuant to this paragraph

1 shall be deposited in the School Consolidation and Assistance Fund
2 until the Fund again reaches Five Million Dollars (\$5,000,000; and
3 4. Five percent (5%) to the Teachers' Retirement System
4 Dedicated Revenue Revolving Fund.

5 D. The Legislature shall appropriate funds from the Oklahoma
6 Education Lottery Trust Fund only for the purposes specified in
7 subsection C of this section. Even when funds from the trust fund
8 are used for these purposes, the Legislature shall not use funds
9 from the trust fund to supplant or replace other state funds
10 supporting common education, higher education, or career and
11 technology education.

12 E. In order to ensure that the funds from the trust fund are
13 used to enhance and not supplant funding for education, the State
14 Board of Equalization shall examine and investigate appropriations
15 from the trust fund each year. At the meeting of the State Board of
16 Equalization held within five (5) days after the monthly
17 apportionment in February of each year, the State Board of
18 Equalization shall issue a finding and report which shall state
19 whether appropriations from the trust fund were used to enhance or
20 supplant education funding. If the State Board of Equalization
21 finds that education funding was supplanted by funds from the trust
22 fund, the Board shall specify the amount by which education funding
23 was supplanted. In this event, the Legislature shall not make any
24

1 appropriations for the ensuing fiscal year until an appropriation in
2 that amount is made to replenish the trust fund.

3 F. Except as otherwise provided by this subsection, no
4 deficiency in the Oklahoma Education Lottery Trust Fund shall be
5 replenished by reducing any nonlottery funds, including specifically
6 but without limitation, the General Revenue Fund, the Constitutional
7 Reserve Fund or the Education Reform Revolving Fund of the State
8 Department of Education. No program or project started specifically
9 from lottery proceeds shall be continued from the General Revenue
10 Fund, the Constitutional Reserve Fund or the Education Reform
11 Revolving Fund of the State Department of Education. Such programs
12 must be adjusted or discontinued according to available lottery
13 proceeds unless the Legislature by general law establishes
14 eligibility requirements and appropriates specific funds therefor.
15 No surplus in the Oklahoma Education Lottery Trust Fund shall be
16 reduced or transferred to correct any nonlottery deficiencies in
17 sums available for general appropriations. The provisions of this
18 subsection shall not apply to bonds or other obligations issued
19 pursuant to or to the repayment of bonds or other obligations issued
20 pursuant to the Oklahoma Higher Education Promise of Excellence Act
21 of 2005.

22 G. There is hereby created in the State Treasury a revolving
23 fund to be designated the "Oklahoma Education Lottery Revolving
24 Fund". The fund shall be a continuing fund, not subject to fiscal

1 year limitations, and shall consist of all monies received by the
2 Commission. The Commission shall make payments of net proceeds from
3 the fund to the Oklahoma Education Lottery Trust Fund on or before
4 the fifteenth day of each calendar quarter as provided in subsection
5 B of this section. All monies accruing to the credit of the
6 Oklahoma Education Lottery Revolving Fund are hereby appropriated
7 and may be budgeted and expended for the payment of net proceeds,
8 prizes, commissions to retailers, administrative expenses and all
9 other expenses arising out of the operation of the education
10 lottery, subject to the limitations provided in the Oklahoma
11 Education Lottery Act. Expenditures from the fund shall be made
12 upon warrants issued by the State Treasurer against claims filed as
13 prescribed by law with the Director of State Finance for approval
14 and payment.

15 The monies in the fund shall be invested by the State Treasurer in
16 accordance with state investment practices. All earnings
17 attributable to such investments shall likewise accrue to the credit
18 of the fund.

19 SECTION 4. REPEALER Section 14, Chapter 58, O.S.L. 2003,
20 as last amended by Section 3, Chapter 355, O.S.L. 2007 (3A O.S.
21 Supp. 2007, Section 713), is hereby repealed.

22 SECTION 5. AMENDATORY 10 O.S. 2001, Section 7115, as
23 last amended by Section 1, Chapter 325, O.S.L. 2007 (10 O.S. Supp.
24 2007, Section 7115), is amended to read as follows:

1 Section 7115. A. Any parent or other person who shall
2 willfully or maliciously engage in child abuse shall, upon
3 conviction, be guilty of a felony punishable by imprisonment in the
4 custody of the Department of Corrections not exceeding life
5 imprisonment, or by imprisonment in a county jail not exceeding one
6 (1) year, or by a fine of not less than Five Hundred Dollars
7 (\$500.00) nor more than Five Thousand Dollars (\$5,000.00), or both
8 such fine and imprisonment. As used in this subsection, "child
9 abuse" means the willful or malicious abuse, as defined by paragraph
10 1 of subsection B of Section 7102 of this title, of a child under
11 eighteen (18) years of age by another, or the act of willfully or
12 maliciously injuring, torturing or maiming a child under eighteen
13 (18) years of age by another.

14 B. Any parent or other person who shall willfully or
15 maliciously engage in enabling child abuse shall, upon conviction,
16 be punished by imprisonment in the custody of the Department of
17 Corrections not exceeding life imprisonment, or by imprisonment in a
18 county jail not exceeding one (1) year, or by a fine of not less
19 than Five Hundred Dollars (\$500.00) nor more than Five Thousand
20 Dollars (\$5,000.00) or both such fine and imprisonment. As used in
21 this subsection, "enabling child abuse" means the causing, procuring
22 or permitting of a willful or malicious act of child abuse, as
23 defined by paragraph 1 of subsection B of Section 7102 of this
24 title, of a child under eighteen (18) years of age by another. As

1 used in this subsection, "permit" means to authorize or allow for
2 the care of a child by an individual when the person authorizing or
3 allowing such care knows or reasonably should know that the child
4 will be placed at risk of abuse as proscribed by this subsection.

5 C. Any parent or other person who shall willfully or
6 maliciously engage in child neglect shall, upon conviction, be
7 punished by imprisonment in the custody of the Department of
8 Corrections not exceeding life imprisonment, or by imprisonment in a
9 county jail not exceeding one (1) year, or by a fine of not less
10 than Five Hundred Dollars (\$500.00) nor more than Five Thousand
11 Dollars (\$5,000.00), or both such fine and imprisonment. As used in
12 this subsection, "child neglect" means the willful or malicious
13 neglect, as defined by paragraph 3 of subsection B of Section 7102
14 of this title, of a child under eighteen (18) years of age by
15 another.

16 D. Any parent or other person who shall willfully or
17 maliciously engage in enabling child neglect shall, upon conviction,
18 be punished by imprisonment in the custody of the Department of
19 Corrections not exceeding life imprisonment, or by imprisonment in a
20 county jail not exceeding one (1) year, or by a fine of not less
21 than Five Hundred Dollars (\$500.00) nor more than Five Thousand
22 Dollars (\$5,000.00), or both such fine and imprisonment. As used in
23 this subsection, "enabling child neglect" means the causing,
24 procuring or permitting of a willful or malicious act of child

1 neglect, as defined by paragraph 3 of subsection B of Section 7102
2 of this title, of a child under eighteen (18) years of age by
3 another. As used in this subsection, "permit" means to authorize or
4 allow for the care of a child by an individual when the person
5 authorizing or allowing such care knows or reasonably should know
6 that the child will be placed at risk of neglect as proscribed by
7 this subsection.

8 E. Any parent or other person who shall willfully or
9 maliciously engage in child sexual abuse shall, upon conviction, be
10 punished by imprisonment in the custody of the Department of
11 Corrections not exceeding life imprisonment, or by imprisonment in a
12 county jail not exceeding one (1) year, or by a fine of not less
13 than Five Hundred Dollars (\$500.00) nor more than Five Thousand
14 Dollars (\$5,000.00), or both such fine and imprisonment, except as
15 provided in Section 51.1a of Title 21 of the Oklahoma Statutes or as
16 otherwise provided in subsection F of this section for a child
17 victim under twelve (12) years of age. Except for persons sentenced
18 to life or life without parole, any person sentenced to imprisonment
19 for two (2) years or more for a violation of this subsection shall
20 be required to serve a term of post-imprisonment supervision
21 pursuant to subparagraph f of paragraph 1 of subsection A of Section
22 991a of Title 22 of the Oklahoma Statutes under conditions
23 determined by the Department of Corrections. The jury shall be
24 advised that the mandatory post-imprisonment supervision shall be in

1 addition to the actual imprisonment. As used in this section,
2 "child sexual abuse" means the willful or malicious sexual abuse, as
3 defined by paragraph 6 of subsection B of Section 7102 of this
4 title, of a child under eighteen (18) years of age by another.

5 F. Any parent or other person who shall willfully or
6 maliciously engage in sexual abuse to a child under twelve (12)
7 years of age shall, upon conviction, be punished by imprisonment in
8 the custody of the Department of Corrections for not less than
9 twenty-five (25) years nor more than life imprisonment, and by a
10 fine of not less than Five Hundred Dollars (\$500.00) nor more than
11 Five Thousand Dollars (\$5,000.00).

12 G. Any parent or other person who shall willfully or
13 maliciously engage in enabling child sexual abuse shall, upon
14 conviction, be punished by imprisonment in the custody of the
15 Department of Corrections not exceeding life imprisonment, or by
16 imprisonment in a county jail not exceeding one (1) year, or by a
17 fine of not less than Five Hundred Dollars (\$500.00) nor more than
18 Five Thousand Dollars (\$5,000.00), or both such fine and
19 imprisonment. As used in this subsection, "enabling child sexual
20 abuse" means the causing, procuring or permitting of a willful or
21 malicious act of child sexual abuse, as defined by paragraph 6 of
22 subsection B of Section 7102 of this title, of a child under the age
23 of eighteen (18) by another. As used in this subsection, "permit"
24 means to authorize or allow for the care of a child by an individual

1 when the person authorizing or allowing such care knows or
2 reasonably should know that the child will be placed at risk of
3 sexual abuse as proscribed by this subsection.

4 H. Any parent or other person who shall willfully or
5 maliciously engage in child sexual exploitation shall, upon
6 conviction, be punished by imprisonment in the custody of the
7 Department of Corrections not exceeding life imprisonment, or by
8 imprisonment in a county jail not exceeding one (1) year, or by a
9 fine of not less than Five Hundred Dollars (\$500.00) nor more than
10 Five Thousand Dollars (\$5,000.00), or both such fine and
11 imprisonment except as provided in subsection I of this section for
12 a child victim under twelve (12) years of age. Except for persons
13 sentenced to life or life without parole, any person sentenced to
14 imprisonment for two (2) years or more for a violation of this
15 subsection shall be required to serve a term of post-imprisonment
16 supervision pursuant to subparagraph f of paragraph 1 of subsection
17 A of Section 991a of Title 22 of the Oklahoma Statutes under
18 conditions determined by the Department of Corrections. The jury
19 shall be advised that the mandatory post-imprisonment supervision
20 shall be in addition to the actual imprisonment. As used in this
21 subsection, "child sexual exploitation" means the willful or
22 malicious sexual exploitation, as defined by paragraph 7 of
23 subsection B of Section 7102 of this title, of a child under
24 eighteen (18) years of age by another.

1 I. Any parent or other person who shall willfully or
2 maliciously engage in sexual exploitation of a child under twelve
3 (12) years of age shall, upon conviction, be punished by
4 imprisonment in the custody of the Department of Corrections for not
5 less than twenty-five (25) years nor more than life imprisonment,
6 and by a fine of not less than Five Hundred Dollars (\$500.00) nor
7 more than Five Thousand Dollars (\$5,000.00).

8 J. Any parent or other person who shall willfully or
9 maliciously engage in enabling child sexual exploitation shall, upon
10 conviction, be punished by imprisonment in the custody of the
11 Department of Corrections not exceeding life imprisonment, or by
12 imprisonment in a county jail not exceeding one (1) year, or by a
13 fine of not less than Five Hundred Dollars (\$500.00) nor more than
14 Five Thousand Dollars (\$5,000.00), or both such fine and
15 imprisonment. As used in this subsection, "enabling child sexual
16 exploitation" means the causing, procuring or permitting of a
17 willful or malicious act of child sexual exploitation, as defined by
18 paragraph 7 of subsection B of Section 7102 of this title, of a
19 child under eighteen (18) years of age by another. As used in this
20 subsection, "permit" means to authorize or allow for the care of a
21 child by an individual when the person authorizing or allowing such
22 care knows or reasonably should know that the child will be placed
23 at risk of sexual exploitation as proscribed by this subsection.

24

1 K. Notwithstanding any other provision of law, any parent or
2 other person convicted of forcible anal or oral sodomy, rape, rape
3 by instrumentation, or lewd molestation of a child under fourteen
4 (14) years of age subsequent to a previous conviction for any
5 offense of forcible anal or oral sodomy, rape, rape by
6 instrumentation, or lewd molestation of a child under fourteen (14)
7 years of age shall be punished by death or by imprisonment for life
8 without parole.

9 SECTION 6. REPEALER 10 O.S. 2001, Section 7115, as last
10 amended by Section 1, Chapter 261, O.S.L. 2007 (10 O.S. Supp. 2007,
11 Section 7115), is hereby repealed.

12 SECTION 7. REPEALER 10 O.S. 2001, Section 7307-1.5, as
13 amended by Section 3, Chapter 176, O.S.L. 2007 (10 O.S. Supp. 2007,
14 Section 7307-1.5), is hereby repealed.

15 SECTION 8. REPEALER 11 O.S. 2001, Section 41-108, as
16 last amended by Section 1, Chapter 100, O.S.L. 2007 (11 O.S. Supp.
17 2007, Section 41-108), is hereby repealed.

18 SECTION 9. REPEALER 19 O.S. 2001, Section 347, as
19 amended by Section 3, Chapter 132, O.S.L. 2007 (19 O.S. Supp. 2007,
20 Section 347), is hereby repealed.

21 SECTION 10. REPEALER 19 O.S. 2001, Section 1501, as last
22 amended by Section 4, Chapter 100, O.S.L. 2007 (19 O.S. Supp. 2007,
23 Section 1501), is hereby repealed.

24

1 SECTION 11. REPEALER 19 O.S. 2001, Section 1505, as last
2 amended by Section 5, Chapter 100, O.S.L. 2007 (19 O.S. Supp. 2007,
3 Section 1505), is hereby repealed.

4 SECTION 12. AMENDATORY 21 O.S. 2001, Section 1021, as
5 last amended by Section 11, Chapter 261, O.S.L. 2007 (21 O.S. Supp.
6 2007, Section 1021), is amended to read as follows:

7 Section 1021. A. Every person who willfully and knowingly
8 either:

9 1. Lewdly exposes his person or genitals in any public place,
10 or in any place where there are present other persons to be offended
11 or annoyed thereby;

12 2. Procures, counsels, or assists any person to expose such
13 person, or to make any other exhibition of such person to public
14 view or to the view of any number of persons, for the purpose of
15 sexual stimulation of the viewer;

16 3. Writes, composes, stereotypes, prints, photographs, designs,
17 copies, draws, engraves, paints, molds, cuts, or otherwise prepares,
18 publishes, sells, distributes, keeps for sale, knowingly downloads
19 on a computer, or exhibits any obscene material or child
20 pornography; or

21 4. Makes, prepares, cuts, sells, gives, loans, distributes,
22 keeps for sale, or exhibits any disc record, metal, plastic, or wax,
23 wire or tape recording, or any type of obscene material or child
24 pornography,

1 shall be guilty, upon conviction, of a felony and shall be punished
2 by the imposition of a fine of not less than Five Hundred Dollars
3 (\$500.00) nor more than Twenty Thousand Dollars (\$20,000.00) or by
4 imprisonment for not less than thirty (30) days nor more than ten
5 (10) years, or by both such fine and imprisonment.

6 B. Every person who:

7 1. Willfully solicits or aids a minor child to perform; or

8 2. Shows, exhibits, loans, or distributes to a minor child any
9 obscene material or child pornography for the purpose of inducing
10 said minor to participate in,

11 any act specified in paragraphs 1, 2, 3 or 4 of subsection A of this
12 section shall be guilty, ~~upon conviction,~~ of a felony, upon
13 conviction, and shall be punished by imprisonment in the custody of
14 the Department of Corrections for not less than ten (10) years nor
15 more than thirty (30) years, except when the minor child is under
16 twelve (12) years of age at the time the offense is committed, and
17 in such case the person shall, upon conviction, be punished by
18 imprisonment in the custody of the Department of Corrections for not
19 less than twenty-five (25) years.

20 C. Persons convicted under this section shall not be eligible
21 for a deferred sentence.

22 D. Except for persons sentenced to life or life without parole,
23 any person sentenced to imprisonment for two (2) years or more for a
24 violation of this section shall be required to serve a term of post-

1 imprisonment supervision pursuant to subparagraph f of paragraph 1
2 of subsection A of Section 991a of Title 22 of the Oklahoma Statutes
3 under conditions determined by the Department of Corrections. The
4 jury shall be advised that the mandatory post-imprisonment
5 supervision shall be in addition to the actual imprisonment.

6 E. For purposes of this section, "downloading on a computer"
7 means electronically transferring an electronic file from one
8 computer or electronic media to another computer or electronic
9 media.

10 SECTION 13. REPEALER 21 O.S. 2001, Section 1021, as last
11 amended by Section 2, Chapter 325, O.S.L. 2007 (21 O.S. Supp. 2007,
12 Section 1021), is hereby repealed.

13 SECTION 14. AMENDATORY 21 O.S. 2001, Section 1123, as
14 last amended by Section 19, Chapter 261, O.S.L. 2007 (21 O.S. Supp.
15 2007, Section 1123), is amended to read as follows:

16 Section 1123. A. It is a felony for any person to knowingly
17 and intentionally:

18 1. Make any oral, written or electronically or computer-
19 generated lewd or indecent proposal to any child under sixteen (16)
20 years of age, or other individual the person believes to be a child
21 under sixteen (16) years of age, for the child to have unlawful
22 sexual relations or sexual intercourse with any person; or

23 2. Look upon, touch, maul, or feel the body or private parts of
24 any child under sixteen (16) years of age in any lewd or lascivious

1 manner by any acts against public decency and morality, as defined
2 by law; or

3 3. Ask, invite, entice, or persuade any child under sixteen
4 (16) years of age, or other individual the person believes to be a
5 child under sixteen (16) years of age, to go alone with any person
6 to a secluded, remote, or secret place, with the unlawful and
7 willful intent and purpose then and there to commit any crime
8 against public decency and morality, as defined by law, with the
9 child; or

10 4. In any manner lewdly or lasciviously look upon, touch, maul,
11 or feel the body or private parts of any child under sixteen (16)
12 years of age in any indecent manner or in any manner relating to
13 sexual matters or sexual interest; or

14 5. In a lewd and lascivious manner and for the purpose of
15 sexual gratification:

- 16 a. urinate or defecate upon a child under sixteen (16)
17 years of age,
- 18 b. ejaculate upon or in the presence of a child,
- 19 c. cause, expose, force or require a child to look upon
20 the body or private parts of another person,
- 21 d. force or require any child under sixteen (16) years of
22 age or other individual the person believes to be a
23 child under sixteen (16) years of age, to view any
24 obscene materials, child pornography or materials

1 deemed harmful to minors as such terms are defined by
2 Sections 1024.1 and 1040.75 of this title,

3 e. cause, expose, force or require a child to look upon
4 sexual acts performed in the presence of the child, or

5 f. force or require a child to touch or feel the body or
6 private parts of said child or another person.

7 Any person convicted of any violation of this subsection shall
8 be punished by imprisonment in the custody of the Department of
9 Corrections for not less than three (3) years nor more than twenty
10 (20) years, except when the child is under twelve (12) years of age
11 at the time the offense is committed, and in such case the person
12 shall, upon conviction, be punished by imprisonment in the custody
13 of the Department of Corrections for not less than twenty-five (25)
14 years. The provisions of this subsection shall not apply unless the
15 accused is at least three (3) years older than the victim. Any
16 person convicted of a second or subsequent violation of this
17 subsection shall be guilty of a felony punishable as provided in
18 this subsection and shall not be eligible for probation, suspended
19 or deferred sentence. Any person convicted of a third or subsequent
20 violation of this subsection shall be guilty of a felony punishable
21 by imprisonment in the custody of the Department of Corrections for
22 a term of life or life without parole, in the discretion of the
23 jury, or in case the jury fails or refuses to fix punishment then
24 the same shall be pronounced by the court. Any person convicted of

1 a violation of this subsection after having been twice convicted of
2 a violation of subsection A of Section 1114 of this title, Section
3 888 of this title, sexual abuse of a child pursuant to Section 7115
4 of Title 10 of the Oklahoma Statutes, or of any attempt to commit
5 any of these offenses or any combination of convictions pursuant to
6 these sections shall be punished by imprisonment in the custody of
7 the Department of Corrections for a term of life or life without
8 parole.

9 B. No person shall commit sexual battery on any other person.
10 "Sexual battery" shall mean the intentional touching, mauling or
11 feeling of the body or private parts of any person sixteen (16)
12 years of age or older, in a lewd and lascivious manner and without
13 the consent of that person or when committed by a state, county,
14 municipal or political subdivision employee or a contractor or an
15 employee of a contractor of the state, a county, a municipality or
16 political subdivision of this state upon a person who is under the
17 legal custody, supervision or authority of a state agency, a county,
18 a municipality or a political subdivision of this state.

19 C. Any person convicted of a violation of subsection B of this
20 section shall be deemed guilty of a felony and shall be punished by
21 imprisonment in the custody of the Department of Corrections for not
22 more than ten (10) years.

23 D. The fact that an undercover operative or law enforcement
24 officer was involved in the detection and investigation of an

1 offense pursuant to this section shall not constitute a defense to a
2 prosecution under this section.

3 E. Except for persons sentenced to life or life without parole,
4 any person sentenced to imprisonment for two (2) years or more for a
5 violation of this section shall be required to serve a term of post-
6 imprisonment supervision pursuant to subparagraph f of paragraph 1
7 of subsection A of Section 991a of Title 22 of the Oklahoma Statutes
8 under conditions determined by the Department of Corrections. The
9 jury shall be advised that the mandatory post-imprisonment
10 supervision shall be in addition to the actual imprisonment.

11 SECTION 15. REPEALER 21 O.S. 2001, Section 1123, as last
12 amended by Section 3, Chapter 325, O.S.L. 2007 (21 O.S. Supp. 2007,
13 Section 1123), is hereby repealed.

14 SECTION 16. AMENDATORY 21 O.S. 2001, Section 1290.5, as
15 last amended by Section 1, Chapter 92, O.S.L. 2007 (21 O.S. Supp.
16 2007, Section 1290.5), is amended to read as follows:

17 Section 1290.5

18 TERM OF LICENSE AND RENEWAL

19 A. A concealed handgun license when issued shall authorize the
20 person to whom the license is issued to carry a loaded or unloaded
21 concealed handgun as authorized by the provisions of the Oklahoma
22 Self-Defense Act, and any future modifications thereto. The license
23 shall be valid in this state for a period of five (5) years, unless
24 subsequently surrendered, suspended or revoked as provided by law.

1 The person shall have no authority to continue to carry a concealed
2 handgun in this state pursuant to the Oklahoma Self-Defense Act when
3 a license is expired or when a license has been voluntarily
4 surrendered or suspended or revoked for any reason.

5 B. A license may be renewed any time within ninety (90) days
6 prior to the expiration date as provided in this subsection. The
7 Bureau shall send a renewal application to each eligible licensee
8 with a return address requested. There shall be a thirty-day grace
9 period on license renewals beginning on the date of expiration,
10 thereafter the license is considered expired. However, any
11 applicant shall have ~~one (1) year~~ three (3) years from the
12 expiration of the license to comply with the renewal requirements of
13 this section.

14 1. To renew a handgun license, the licensee must first obtain a
15 renewal form from the Oklahoma State Bureau of Investigation.

16 2. The applicant must complete the renewal form, attach two
17 current passport size photographs of the applicant, and submit a
18 renewal fee in the amount of Eighty-five Dollars (\$85.00) to the
19 Bureau. The renewal fee may be paid with a nationally recognized
20 credit card as provided in subparagraph b of paragraph 4 of
21 subsection A of Section 1290.12 of this title, or by a cashier's
22 check or money order made payable to the Oklahoma State Bureau of
23 Investigation.

24

1 3. Upon receipt of the renewal application, photographs and
2 fee, the Bureau will conduct a criminal history records name search,
3 an investigation of medical records or other records or information
4 deemed by the Bureau to be relevant to the renewal application. If
5 the applicant appears not to have any prohibition to renewing the
6 handgun license, the Bureau shall issue the renewed license for a
7 period of five (5) years.

8 C. Upon the effective date of this act, any person making
9 application for a concealed handgun license or any licensee seeking
10 to renew a concealed handgun license shall have the option to
11 request that said license be valid for a period of ten (10) years.
12 The fee for any concealed handgun license issued for a period of ten
13 (10) years shall be double the amount of the fee provided for in
14 paragraph 4 of subsection A of Section 1290.12 of this title. The
15 renewal fee for a concealed handgun license issued for a period of
16 ten (10) years shall be double the amount of the fee provided for in
17 paragraph 2 of subsection B of this section.

18 SECTION 17. REPEALER 21 O.S. 2001, Section 1290.5, as
19 last amended by Section 3, Chapter 128, O.S.L. 2007 (21 O.S. Supp.
20 2007, Section 1290.5), is hereby repealed.

21 SECTION 18. REPEALER 22 O.S. 2001, Section 114, as last
22 amended by Section 2, Chapter 199, O.S.L. 2007 (22 O.S. Supp. 2007,
23 Section 114), is hereby repealed.

24

1 SECTION 19. AMENDATORY 22 O.S. 2001, Section 991a, as
2 last amended by Section 1, Chapter 182, O.S.L. 2007 (22 O.S. Supp.
3 2007, Section 991a), is amended to read as follows:

4 Section 991a. A. Except as otherwise provided in the Elderly
5 and Incapacitated Victim's Protection Program, when a defendant is
6 convicted of a crime and no death sentence is imposed, the court
7 shall either:

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

12 a. to provide restitution to the victim as provided by
13 Section 991f et seq. of this title or according to a
14 schedule of payments established by the sentencing
15 court, together with interest upon any pecuniary sum
16 at the rate of twelve percent (12%) per annum, if the
17 defendant agrees to pay such restitution or, in the
18 opinion of the court, if the defendant is able to pay
19 such restitution without imposing manifest hardship on
20 the defendant or the immediate family and if the
21 extent of the damage to the victim is determinable
22 with reasonable certainty,

23 b. to reimburse any state agency for amounts paid by the
24 state agency for hospital and medical expenses

1 incurred by the victim or victims, as a result of the
2 criminal act for which such person was convicted,
3 which reimbursement shall be made directly to the
4 state agency, with interest accruing thereon at the
5 rate of twelve percent (12%) per annum,

6 c. to engage in a term of community service without
7 compensation, according to a schedule consistent with
8 the employment and family responsibilities of the
9 person convicted,

10 d. to pay a reasonable sum into any trust fund,
11 established pursuant to the provisions of Sections 176
12 through 180.4 of Title 60 of the Oklahoma Statutes,
13 and which provides restitution payments by convicted
14 defendants to victims of crimes committed within this
15 state wherein such victim has incurred a financial
16 loss,

17 e. to confinement in the county jail for a period not to
18 exceed six (6) months,

19 f. to confinement as provided by law together with a term
20 of post-imprisonment community supervision for not
21 less than three (3) years of the total term allowed by
22 law for imprisonment, with or without restitution;
23 provided, however, the authority of this provision is
24 limited to Section 7115 of Title 10 of the Oklahoma

1 Statutes when the offense involved sexual abuse or
2 sexual exploitation; Sections 681, 741 and 843.1 of
3 Title 21 of the Oklahoma Statutes when the offense
4 involved sexual abuse or sexual exploitation; and
5 Sections 865 et seq., 885, 886, 888, 891, 1021,
6 1021.2, 1021.3, 1040.13a, 1087 ~~and~~, 1088, 1111.1, 1115
7 and 1123 of Title 21 of the Oklahoma Statutes,

8 g. to repay the reward or part of the reward paid by a
9 certified local crimestoppers program and the Oklahoma
10 Reward System. In determining whether the defendant
11 shall repay the reward or part of the reward, the
12 court shall consider the ability of the defendant to
13 make the payment, the financial hardship on the
14 defendant to make the required payment, and the
15 importance of the information to the prosecution of
16 the defendant as provided by the arresting officer or
17 the district attorney with due regard for the
18 confidentiality of the records of the certified local
19 crimestoppers program and the Oklahoma Reward System.
20 The court shall assess this repayment against the
21 defendant as a cost of prosecution. "Certified local
22 crimestoppers program" means a crimestoppers program
23 certified by the Office of the Attorney General
24 pursuant to Section 991g of this title. The "Oklahoma

Reward System" means the reward program established by
Section 150.18 of Title 74 of the Oklahoma Statutes,
h. to reimburse the Oklahoma State Bureau of
Investigation for costs incurred by that agency during
its investigation of the crime for which the defendant
pleaded guilty, nolo contendere or was convicted,
including compensation for laboratory, technical, or
investigation services performed by the Bureau if, in
the opinion of the court, the defendant is able to pay
without imposing manifest hardship on the defendant,
and if the costs incurred by the Bureau during the
investigation of the defendant's case may be
determined with reasonable certainty,
i. to reimburse the Oklahoma State Bureau of
Investigation and any authorized law enforcement
agency for all costs incurred by that agency for
cleaning up an illegal drug laboratory site for which
the defendant pleaded guilty, nolo contendere or was
convicted. The court clerk shall collect the amount
and may retain five percent (5%) of such monies to be
deposited in the Court Clerk Revolving Fund to cover
administrative costs and shall remit the remainder to
the Oklahoma State Bureau of Investigation to be
deposited in the OSBI Revolving Fund established by

1 Section 150.19a of Title 74 of the Oklahoma Statutes
2 or to the general fund wherein the other law
3 enforcement agency is located,

- 4 j. to pay a reasonable sum to the Crime Victims
5 Compensation Board, created by Section 142.2 et seq.
6 of Title 21 of the Oklahoma Statutes, for the benefit
7 of crime victims,
- 8 k. to reimburse the court fund for amounts paid to court-
9 appointed attorneys for representing the defendant in
10 the case in which the person is being sentenced,
- 11 l. to participate in an assessment and evaluation by an
12 assessment agency or assessment personnel certified by
13 the Department of Mental Health and Substance Abuse
14 Services pursuant to Section 3-460 of Title 43A of the
15 Oklahoma Statutes and, as determined by the
16 assessment, participate in an alcohol and drug
17 substance abuse course or treatment program or both,
18 pursuant to Sections 3-452 and 3-453 of Title 43A of
19 the Oklahoma Statutes, or as ordered by the court,
- 20 m. to be placed in a victims impact panel program or
21 victim/offender reconciliation program and payment of
22 a fee to the program of not less than Fifteen Dollars
23 (\$15.00) nor more than Fifty Dollars (\$50.00) as set
24 by the governing authority of the program to offset

1 the cost of participation by the defendant. Provided,
2 each victim/offender reconciliation program shall be
3 required to obtain a written consent form voluntarily
4 signed by the victim and defendant that specifies the
5 methods to be used to resolve the issues, the
6 obligations and rights of each person, and the
7 confidentiality of the proceedings. Volunteer
8 mediators and employees of a victim/offender
9 reconciliation program shall be immune from liability
10 and have rights of confidentiality as provided in
11 Section 1805 of Title 12 of the Oklahoma Statutes,
12 n. to install, at the expense of the defendant, an
13 ignition interlock device approved by the Board of
14 Tests for Alcohol and Drug Influence. The device
15 shall be installed upon every motor vehicle operated
16 by the defendant, and the court shall require that a
17 notation of this restriction be affixed to the
18 defendant's driver license. The restriction shall
19 remain on the driver license not exceeding two (2)
20 years to be determined by the court. The restriction
21 may be modified or removed only by order of the court
22 and notice of any modification order shall be given to
23 the Department of Public Safety. Upon the expiration
24 of the period for the restriction, the Department of

1 Public Safety shall remove the restriction without
2 further court order. Failure to comply with the order
3 to install an ignition interlock device or operating
4 any vehicle without a device during the period of
5 restriction shall be a violation of the sentence and
6 may be punished as deemed proper by the sentencing
7 court. As used in this paragraph, "ignition interlock
8 device" means a device that, without tampering or
9 intervention by another person, would prevent the
10 defendant from operating a motor vehicle if the
11 defendant has a blood or breath alcohol concentration
12 of two-hundredths (0.02) or greater,

- 13 o. to be confined by electronic monitoring administered
14 and supervised by the Department of Corrections or a
15 community sentence provider, and payment of a
16 monitoring fee to the supervising authority, not to
17 exceed Three Hundred Dollars (\$300.00) per month. Any
18 fees collected pursuant to this paragraph shall be
19 deposited with the appropriate supervising authority.
20 Any willful violation of an order of the court for the
21 payment of the monitoring fee shall be a violation of
22 the sentence and may be punished as deemed proper by
23 the sentencing court. As used in this paragraph,
24 "electronic monitoring" means confinement of the

1 defendant within a specified location or locations
2 with supervision by means of an electronic device
3 approved by the Department of Corrections which is
4 designed to detect if the defendant is in the court-
5 ordered location at the required times and which
6 records violations for investigation by a qualified
7 supervisory agency or person,

8 p. to perform one or more courses of treatment, education
9 or rehabilitation for any conditions, behaviors,
10 deficiencies or disorders which may contribute to
11 criminal conduct, including but not limited to alcohol
12 and substance abuse, mental health, emotional health,
13 physical health, propensity for violence, antisocial
14 behavior, personality or attitudes, deviant sexual
15 behavior, child development, parenting assistance, job
16 skills, vocational-technical skills, domestic
17 relations, literacy, education, or any other
18 identifiable deficiency which may be treated
19 appropriately in the community and for which a
20 certified provider or a program recognized by the
21 court as having significant positive impact exists in
22 the community. Any treatment, education or
23 rehabilitation provider required to be certified
24

- 1 pursuant to law or rule shall be certified by the
2 appropriate state agency or a national organization,
- 3 q. to submit to periodic testing for alcohol,
4 intoxicating substance, or controlled dangerous
5 substances by a qualified laboratory,
- 6 r. to pay a fee, costs for treatment, education,
7 supervision, participation in a program, or any
8 combination thereof as determined by the court, based
9 upon the defendant's ability to pay the fees or costs,
- 10 s. to be supervised by a Department of Corrections
11 employee, a private supervision provider, or other
12 person designated by the court,
- 13 t. to obtain positive behavior modeling by a trained
14 mentor,
- 15 u. to serve a term of confinement in a restrictive
16 housing facility available in the community,
- 17 v. to serve a term of confinement in the county jail at
18 night or during weekends pursuant to Section 991a-2 of
19 this title or for work release,
- 20 w. to obtain employment or participate in employment-
21 related activities,
- 22 x. to participate in mandatory day reporting to
23 facilities or persons for services, payments, duties
- 24

1 or person-to-person contacts as specified by the
2 court,

3 y. to pay day fines not to exceed fifty percent (50%) of
4 the net wages earned. For purposes of this paragraph,
5 "day fine" means the offender is ordered to pay an
6 amount calculated as a percentage of net daily wages
7 earned. The day fine shall be paid to the local
8 community sentencing system as reparation to the
9 community. Day fines shall be used to support the
10 local system,

11 z. to submit to blood or saliva testing as required by
12 subsection I of this section,

13 aa. to repair or restore property damaged by the
14 defendant's conduct, if the court determines the
15 defendant possesses sufficient skill to repair or
16 restore the property and the victim consents to the
17 repairing or restoring of the property,

18 bb. to restore damaged property in kind or payment of out-
19 of-pocket expenses to the victim, if the court is able
20 to determine the actual out-of-pocket expenses
21 suffered by the victim,

22 cc. to attend a victim-offender reconciliation program if
23 the victim agrees to participate and the offender is
24 deemed appropriate for participation,

1 dd. in the case of a person convicted of prostitution
2 pursuant to Section 1029 of Title 21 of the Oklahoma
3 Statutes, require such person to receive counseling
4 for the behavior which may have caused such person to
5 engage in prostitution activities. Such person may be
6 required to receive counseling in areas including but
7 not limited to alcohol and substance abuse, sexual
8 behavior problems, or domestic abuse or child abuse
9 problems,

10 ee. in the case of a sex offender sentenced after November
11 1, 1989, and required by law to register pursuant to
12 the Sex Offender Registration Act, the court shall
13 require the person to comply with sex offender
14 specific rules and conditions of supervision
15 established by the Department of Corrections and
16 require the person to participate in a treatment
17 program designed for the treatment of sex offenders
18 during the period of time while the offender is
19 subject to supervision by the Department of
20 Corrections. The treatment program shall include
21 polygraph examinations specifically designed for use
22 with sex offenders for purposes of supervision and
23 treatment compliance, and shall be administered not
24 less than each six (6) months during the period of

1 supervision. The examination shall be administered by
2 a certified licensed polygraph examiner. The
3 treatment program must be approved by the Department
4 of Corrections or the Department of Mental Health and
5 Substance Abuse Services. Such treatment shall be at
6 the expense of the defendant based on the defendant's
7 ability to pay,

8 ff. in addition to other sentencing powers of the court,
9 the court in the case of a defendant being sentenced
10 for a felony conviction for a violation of Section 2-
11 402 of Title 63 of the Oklahoma Statutes which
12 involves marijuana may require the person to
13 participate in a drug court program, if available. If
14 a drug court program is not available, the defendant
15 may be required to participate in a community
16 sanctions program, if available,

17 gg. in the case of a person convicted of any false or
18 bogus check violation, as defined in Section 1541.4 of
19 Title 21 of the Oklahoma Statutes, impose a bogus
20 check fee to be paid to the district attorney. The
21 fee shall be equal to the amount assessed as court
22 costs plus Twenty-five Dollars (\$25.00) for each check
23 upon filing of the case in district court. This money
24 shall be deposited in the Bogus Check Restitution

1 Program Fund as established in subsection B of Section
2 114 of this title. Additionally, the court may
3 require the offender to pay restitution and bogus
4 check fees on any other bogus check or checks that
5 have been submitted to the District Attorney Bogus
6 Check Restitution Program, and

7 hh. any other provision specifically ordered by the court.

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

13 2. Impose a fine prescribed by law for the offense, with or
14 without probation or commitment and with or without restitution or
15 service as provided for in this section, Section 991a-4.1 of this
16 title or Section 227 of Title 57 of the Oklahoma Statutes;

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

19 4. Order the defendant to reimburse the Oklahoma State Bureau
20 of Investigation for costs incurred by that agency during its
21 investigation of the crime for which the defendant pleaded guilty,
22 nolo contendere or was convicted, including compensation for
23 laboratory, technical, or investigation services performed by the
24 Bureau if, in the opinion of the court, the defendant is able to pay

1 without imposing manifest hardship on the defendant, and if the
2 costs incurred by the Bureau during the investigation of the
3 defendant's case may be determined with reasonable certainty;

4 5. Order the defendant to reimburse the Oklahoma State Bureau
5 of Investigation for all costs incurred by that agency for cleaning
6 up an illegal drug laboratory site for which the defendant pleaded
7 guilty, nolo contendere or was convicted. The court clerk shall
8 collect the amount and may retain five percent (5%) of such monies
9 to be deposited in the Court Clerk Revolving Fund to cover
10 administrative costs and shall remit the remainder to the Oklahoma
11 State Bureau of Investigation to be deposited in the OSBI Revolving
12 Fund established by Section 150.19a of Title 74 of the Oklahoma
13 Statutes;

14 6. In the case of nonviolent felony offenses, sentence such
15 person to the Community Service Sentencing Program;

16 7. In addition to the other sentencing powers of the court, in
17 the case of a person convicted of operating or being in control of a
18 motor vehicle while the person was under the influence of alcohol,
19 other intoxicating substance, or a combination of alcohol or another
20 intoxicating substance, or convicted of operating a motor vehicle
21 while the ability of the person to operate such vehicle was impaired
22 due to the consumption of alcohol, require such person:

23 a. to participate in an alcohol and drug assessment and
24 evaluation by an assessment agency or assessment

1 personnel certified by the Department of Mental Health
2 and Substance Abuse Services pursuant to Section 3-460
3 of Title 43A of the Oklahoma Statutes and, as
4 determined by the assessment, participate in an
5 alcohol and drug substance abuse course or treatment
6 program or both, pursuant to Sections 3-452 and 3-453
7 of Title 43A of the Oklahoma Statutes,

8 b. to attend a victims impact panel program, if such a
9 program is offered in the county where the judgment is
10 rendered, and to pay a fee, not less than Fifteen
11 Dollars (\$15.00) nor more than Fifty Dollars (\$50.00)
12 as set by the governing authority of the program and
13 approved by the court, to the program to offset the
14 cost of participation by the defendant, if in the
15 opinion of the court the defendant has the ability to
16 pay such fee,

17 c. to both participate in the alcohol and drug substance
18 abuse course or treatment program, pursuant to
19 subparagraph a of this paragraph and attend a victims
20 impact panel program, pursuant to subparagraph b of
21 this paragraph,

22 d. to install, at the expense of the person, an ignition
23 interlock device approved by the Board of Tests for
24 Alcohol and Drug Influence, upon every motor vehicle

1 operated by such person and to require that a notation
2 of this restriction be affixed to the person's driver
3 license at the time of reinstatement of the license.
4 The restriction shall remain on the driver license for
5 such period as the court shall determine. The
6 restriction may be modified or removed by order of the
7 court and notice of the order shall be given to the
8 Department of Public Safety. Upon the expiration of
9 the period for the restriction, the Department of
10 Public Safety shall remove the restriction without
11 further court order. Failure to comply with the order
12 to install an ignition interlock device or operating
13 any vehicle without such device during the period of
14 restriction shall be a violation of the sentence and
15 may be punished as deemed proper by the sentencing
16 court, or

- 17 e. beginning January 1, 1993, to submit to electronically
18 monitored home detention administered and supervised
19 by the Department of Corrections, and to pay to the
20 Department a monitoring fee, not to exceed Seventy-
21 five Dollars (\$75.00) a month, to the Department of
22 Corrections, if in the opinion of the court the
23 defendant has the ability to pay such fee. Any fees
24 collected pursuant to this subparagraph shall be

1 deposited in the Department of Corrections Revolving
2 Fund. Any order by the court for the payment of the
3 monitoring fee, if willfully disobeyed, may be
4 enforced as an indirect contempt of court;

5 8. In addition to the other sentencing powers of the court, in
6 the case of a person convicted of prostitution pursuant to Section
7 1029 of Title 21 of the Oklahoma Statutes, require such person to
8 receive counseling for the behavior which may have caused such
9 person to engage in prostitution activities. Such person may be
10 required to receive counseling in areas including but not limited to
11 alcohol and substance abuse, sexual behavior problems, or domestic
12 abuse or child abuse problems;

13 9. In addition to the other sentencing powers of the court, in
14 the case of a person convicted of any crime related to domestic
15 abuse, as defined in Section 60.1 of this title, the court may
16 require the defendant to undergo the treatment or participate in the
17 counseling services necessary to bring about the cessation of
18 domestic abuse against the victim. The defendant may be required to
19 pay all or part of the cost of the treatment or counseling services;

20 10. In addition to the other sentencing powers of the court,
21 the court, in the case of a sex offender sentenced after November 1,
22 1989, and required by law to register pursuant to the Sex Offenders
23 Registration Act, shall require the person to participate in a
24 treatment program designed specifically for the treatment of sex

1 offenders, if available. The treatment program will include
2 polygraph examinations specifically designed for use with sex
3 offenders for the purpose of supervision and treatment compliance,
4 provided the examination is administered by a certified licensed
5 polygraph examiner. The treatment program must be approved by the
6 Department of Corrections or the Department of Mental Health and
7 Substance Abuse Services. Such treatment shall be at the expense of
8 the defendant based on the defendant's ability to pay;

9 11. In addition to the other sentencing powers of the court,
10 the court, in the case of a person convicted of child abuse or
11 neglect, as defined in Section 7102 of Title 10 of the Oklahoma
12 Statutes, may require the person to undergo treatment or to
13 participate in counseling services. The defendant may be required
14 to pay all or part of the cost of the treatment or counseling
15 services;

16 12. In addition to the other sentencing powers of the court,
17 the court, in the case of a person convicted of cruelty to animals
18 pursuant to Section 1685 of Title 21 of the Oklahoma Statutes, may
19 require the person to pay restitution to animal facilities for
20 medical care and any boarding costs of victimized animals;

21 13. In addition to the other sentencing powers of the court, a
22 sex offender who is habitual or aggravated as defined by Section 584
23 of Title 57 of the Oklahoma Statutes and who is required to register
24 as a sex offender pursuant to the Oklahoma Sex Offenders

1 Registration Act shall be supervised by the Department of
2 Corrections for the duration of the registration period and shall be
3 assigned to a global position monitoring device by the Department of
4 Corrections for the duration of the registration period. The cost
5 of such monitoring device shall be reimbursed by the offender;

6 14. In addition to the other sentencing powers of the court, in
7 the case of a sex offender who is required by law to register
8 pursuant to the Sex Offenders Registration Act, the court may
9 prohibit the person from accessing or using any Internet social
10 networking web site that has the potential or likelihood of allowing
11 the sex offender to have contact with any child who is under the age
12 of eighteen (18) years; or

13 15. In addition to the other sentencing powers of the court, in
14 the case of a sex offender who is required by law to register
15 pursuant to the Sex Offenders Registration Act, the court may
16 require the person to register any electronic mail address
17 information, instant message, chat or other Internet communication
18 name or identity information that the person uses or intends to use
19 while accessing the Internet.

20 B. Notwithstanding any other provision of law, any person who
21 is found guilty of a violation of any provision of Section 761 or
22 11-902 of Title 47 of the Oklahoma Statutes or any person pleading
23 guilty or nolo contendere for a violation of any provision of such
24 sections shall be ordered to participate in, prior to sentencing, an

1 alcohol and drug assessment and evaluation by an assessment agency
2 or assessment personnel certified by the Department of Mental Health
3 and Substance Abuse Services for the purpose of evaluating the
4 receptivity to treatment and prognosis of the person. The court
5 shall order the person to reimburse the agency or assessor for the
6 evaluation. The fee shall be the amount provided in subsection C of
7 Section 3-460 of Title 43A of the Oklahoma Statutes. The evaluation
8 shall be conducted at a certified assessment agency, the office of a
9 certified assessor or at another location as ordered by the court.
10 The agency or assessor shall, within seventy-two (72) hours from the
11 time the person is assessed, submit a written report to the court
12 for the purpose of assisting the court in its final sentencing
13 determination. No person, agency or facility operating an alcohol
14 and drug substance abuse evaluation program certified by the
15 Department of Mental Health and Substance Abuse Services shall
16 solicit or refer any person evaluated pursuant to this subsection
17 for any treatment program or alcohol and drug substance abuse
18 service in which such person, agency or facility has a vested
19 interest; however, this provision shall not be construed to prohibit
20 the court from ordering participation in or any person from
21 voluntarily utilizing a treatment program or alcohol and drug
22 substance abuse service offered by such person, agency or facility.
23 If a person is sentenced to the custody of the Department of
24 Corrections and the court has received a written evaluation report

1 pursuant to this subsection, the report shall be furnished to the
2 Department of Corrections with the judgment and sentence. Any
3 evaluation report submitted to the court pursuant to this subsection
4 shall be handled in a manner which will keep such report
5 confidential from the general public's review. Nothing contained in
6 this subsection shall be construed to prohibit the court from
7 ordering judgment and sentence in the event the defendant fails or
8 refuses to comply with an order of the court to obtain the
9 evaluation required by this subsection.

10 C. When sentencing a person convicted of a crime, the court
11 shall first consider a program of restitution for the victim, as
12 well as imposition of a fine or incarceration of the offender. The
13 provisions of paragraph 1 of subsection A of this section shall not
14 apply to defendants being sentenced upon their third or subsequent
15 to their third conviction of a felony or, beginning January 1, 1993,
16 to defendants being sentenced for their second or subsequent felony
17 conviction for violation of Section 11-902 of Title 47 of the
18 Oklahoma Statutes, except as otherwise provided in this subsection.
19 In the case of a person being sentenced for their second or
20 subsequent felony conviction for violation of Section 11-902 of
21 Title 47 of the Oklahoma Statutes, the court may sentence the person
22 pursuant to the provisions of paragraph 1 of subsection A of this
23 section if the court orders the person to submit to electronically
24 monitored home detention administered and supervised by the

1 Department of Corrections pursuant to subparagraph e of paragraph 7
2 of subsection A of this section. Provided, the court may waive
3 these prohibitions upon written application of the district
4 attorney. Both the application and the waiver shall be made part of
5 the record of the case.

6 D. When sentencing a person convicted of a crime, the judge
7 shall consider any victim impact statements if submitted to the
8 jury, or the judge in the event a jury is waived.

9 E. Probation, for purposes of subsection A of this section, is
10 a procedure by which a defendant found guilty of a crime, whether
11 upon a verdict or plea of guilty or upon a plea of nolo contendere,
12 is released by the court subject to conditions imposed by the court
13 and subject to the supervision of the Department of Corrections.
14 Such supervision shall be initiated upon an order of probation from
15 the court, and shall not exceed two (2) years, except as otherwise
16 provided by law. In the case of a person convicted of a sex
17 offense, supervision shall begin immediately upon release from
18 incarceration or if parole is granted and shall not be limited to
19 two (2) years. Provided further, any supervision provided for in
20 this section may be extended for a period not to exceed the
21 expiration of the maximum term or terms of the sentence upon a
22 determination by the Division of Probation and Parole of the
23 Department of Corrections that the best interests of the public and
24 the release will be served by an extended period of supervision.

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

7 G. 1. The Department of Corrections is hereby authorized,
8 subject to funds available through appropriation by the Legislature,
9 to contract with counties for the administration of county Community
10 Service Sentencing Programs.

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

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

24

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

7 5. The Department shall annually make a report to the Governor,
8 the President Pro Tempore of the Senate and the Speaker of the House
9 on the number of such Programs, the number of participating
10 offenders, the success rates of each Program according to criteria
11 established by the Department and the costs of each Program.

12 H. As used in this section:

13 1. "Ignition interlock device" means a device that, without
14 tampering or intervention by another person, would prevent the
15 defendant from operating a motor vehicle if the defendant has a
16 blood or breath alcohol concentration of two-hundredths (0.02) or
17 greater; and

18 2. "Electronically monitored home detention" means
19 incarceration of the defendant within a specified location or
20 locations with monitoring by means of a device approved by the
21 Department of Corrections that detects if the person leaves the
22 confines of any specified location.

23 I. A person convicted of a felony offense or receiving any form
24 of probation for an offense in which registration is required

1 pursuant to the Sex Offenders Registration Act shall submit to
2 deoxyribonucleic acid DNA testing for law enforcement identification
3 purposes in accordance with Section 150.27 of Title 74 of the
4 Oklahoma Statutes and the rules promulgated by the Oklahoma State
5 Bureau of Investigation for the OSBI Combined DNA Index System
6 (CODIS) Database. Any defendant sentenced to probation shall be
7 required to submit to testing within thirty (30) days of sentencing
8 either to the Department of Corrections or to the county sheriff or
9 other peace officer as directed by the court. Defendants who are
10 sentenced to a term of incarceration shall submit to testing in
11 accordance with Section 530.1 of Title 57 of the Oklahoma Statutes,
12 for those defendants who enter the custody of the Department of
13 Corrections or to the county sheriff, for those defendants sentenced
14 to incarceration in a county jail. Convicted individuals who have
15 previously submitted to DNA testing under this section and for whom
16 a valid sample is on file in the OSBI Combined DNA Index System
17 (CODIS) Database at the time of sentencing shall not be required to
18 submit to additional testing. Except as required by the Sex
19 Offenders Registration Act, a deferred judgment does not require
20 submission to deoxyribonucleic acid testing.

21 Any person who is incarcerated in the custody of the Department
22 of Corrections after July 1, 1996, and who has not been released
23 before the effective date of this act, shall provide a blood or
24 saliva sample prior to release. Every person convicted of a felony

1 offense after the effective date of this act whose sentence does not
2 include a term of confinement with the Department of Corrections
3 shall submit a blood or saliva sample. Those felons sentenced to
4 unsupervised probation or otherwise not supervised by the Department
5 of Corrections shall submit for blood or saliva testing to the
6 sheriff of the sentencing county.

7 J. Samples of blood or saliva for DNA testing required by
8 subsection I of this section shall be taken by employees or
9 contractors of the Department of Corrections, peace officers, or the
10 county sheriff or employees or contractors of the sheriff's office.
11 The individuals shall be properly trained to collect blood or saliva
12 samples. Persons collecting blood or saliva for DNA testing
13 pursuant to this section shall be immune from civil liabilities
14 arising from this activity. All collectors of DNA samples shall
15 ensure the collection of samples are mailed to the Oklahoma State
16 Bureau of Investigation within ten (10) days of the time the subject
17 appears for testing or within ten (10) days of the date the subject
18 comes into physical custody to serve a term of incarceration. All
19 collectors of DNA samples shall use sample kits provided by the OSBI
20 and procedures promulgated by the OSBI. Persons subject to DNA
21 testing who are not received at the Lexington Assessment and
22 Reception Center shall be required to pay a fee of Fifteen Dollars
23 (\$15.00) to the agency collecting the sample for submission to the
24 OSBI Combined DNA Index System (CODIS) Database. Any fees collected

1 pursuant to this subsection shall be deposited in the revolving
2 account or the service fee account of the collection agency or
3 department.

4 K. When sentencing a person who has been convicted of a crime
5 that would subject that person to the provisions of the Sex
6 Offenders Registration Act, neither the court nor the district
7 attorney shall be allowed to waive or exempt such person from the
8 registration requirements of the Sex Offenders Registration Act.

9 SECTION 20. REPEALER 22 O.S. 2001, Section 991a, as last
10 amended by Section 21, Chapter 261, O.S.L. 2007 (22 O.S. Supp. 2007,
11 Section 991a), is hereby repealed.

12 SECTION 21. AMENDATORY 28 O.S. 2001, Section 153, as
13 last amended by Section 3, Chapter 247, O.S.L. 2007 (28 O.S. Supp.
14 2007, Section 153), is amended to read as follows:

15 Section 153. A. The clerks of the courts shall collect as
16 costs in every criminal case for each offense of which the defendant
17 is convicted, irrespective of whether or not the sentence is
18 deferred, the following flat charges and no more, except for
19 standing and parking violations and for charges otherwise provided
20 for by law, which fee shall cover docketing of the case, filing of
21 all papers, issuance of process, warrants, orders, and other
22 services to the date of judgment:

23 1. For each defendant convicted of
24 exceeding the speed limit by at least

1 one (1) mile per hour but not more
2 than ten (10) miles per hour, whether
3 charged individually or conjointly
4 with others.....\$77.00

5 2. For each defendant convicted of a
6 misdemeanor traffic violation other
7 than an offense provided for in
8 paragraph 1 or 5 of this subsection,
9 whether charged individually or
10 conjointly with others.....\$98.00

11 3. For each defendant convicted of a
12 misdemeanor, other than for driving
13 under the influence of alcohol or
14 other intoxicating substance or an
15 offense provided for in paragraph 1 or
16 2 of this subsection, whether charged
17 individually or conjointly with others.....\$93.00

18 4. For each defendant convicted of a
19 felony, other than for driving under
20 the influence of alcohol or other
21 intoxicating substance, whether
22 charged individually or conjointly
23 with others.....\$103.00

24

- 1 5. For each defendant convicted of the
2 misdemeanor of driving under the
3 influence of alcohol or other
4 intoxicating substance, whether charged
5 individually or conjointly with others..... \$433.00
- 6 6. For each defendant convicted of the
7 felony of driving under the influence
8 of alcohol or other intoxicating
9 substance, whether charged
10 individually or conjointly with others.....\$433.00
- 11 7. For the services of a court reporter at
12 each preliminary hearing and trial
13 held in the case.....\$20.00
- 14 8. For each time a jury is requested..... \$30.00
- 15 9. A sheriff's fee for serving or
16 endeavoring to serve each writ,
17 warrant, order, process, command, or
18 notice or pursuing any fugitive from
19 justice
- 20 a. within the county..... \$50.00, or
21 mileage as
22 established by the
23 Oklahoma Statutes,
24

1 Dollars (\$25.00) shall be assessed and collected in every felony
2 case for each offense; and the sum of Twenty-five Dollars (\$25.00)
3 shall be assessed and collected in every felony case for each
4 offense for driving under the influence of alcohol or other
5 intoxicating substance.

6 D. In addition to the amounts collected pursuant to subsections
7 A and B of this section, the sum of Twenty-five Dollars (\$25.00)
8 shall be assessed and credited to the Oklahoma Court Information
9 System Revolving Fund created pursuant to Section 1315 of Title 20
10 of the Oklahoma Statutes.

11 E. In addition to the amount collected pursuant to paragraphs 1
12 through 6 of subsection A of this section, the sum of Ten Dollars
13 (\$10.00) shall be assessed and credited to the Sheriff's Service Fee
14 Account in the county in which the conviction occurred for the
15 purpose of enhancing existing or providing additional courthouse
16 security.

17 F. In addition to the amounts collected pursuant to paragraphs
18 1 through 6 of subsection A of this section, the sum of Three
19 Dollars (\$3.00) shall be assessed and credited to the Office of the
20 Attorney General Victim Services Unit.

21 G. In addition to the amounts collected pursuant to paragraphs
22 1 through 6 of subsection A of this section, the sum of Three
23 Dollars (\$3.00) shall be assessed and credited to the Child Abuse
24

1 Multidisciplinary Account. This fee shall not be used for purposes
2 of hiring or employing any law enforcement officers.

3 H. Prior to conviction, parties in criminal cases shall not be
4 required to pay, advance, or post security for the services of a
5 language interpreter or for the issuance or service of process to
6 obtain compulsory attendance of witnesses.

7 I. The amounts to be assessed as court costs upon filing of a
8 case shall be those amounts above-stated in paragraph 3 or 4 of
9 subsection A and subsection B, C, D and E of this section.

10 J. The fees collected pursuant to this section shall be
11 deposited into the court fund, except the following:

12 1. A court clerk issuing a misdemeanor warrant is entitled to
13 ten percent (10%) of the sheriff's service fee, provided for in
14 paragraph 9 of subsection A of this section, collected on a warrant
15 referred to the contractor for the misdemeanor warrant notification
16 program governed by Sections 514.4 and 514.5 of Title 19 of the
17 Oklahoma Statutes. This ten-percent sum shall be deposited into the
18 issuing Court Clerk's Revolving Fund, created pursuant to Section
19 220 of Title 19 of the Oklahoma Statutes, of the court clerk issuing
20 the warrant with the balance of the sheriff's service fee to be
21 deposited into the Sheriff's Service Fee Account, created pursuant
22 to the provisions of Section 514.1 of Title 19 of the Oklahoma
23 Statutes, of the sheriff in the county in which service is made or
24 attempted. Otherwise, the sheriff's service fee, when collected,

1 shall be deposited in its entirety into the Sheriff's Service Fee
2 Account of the sheriff in the county in which service is made or
3 attempted;

4 2. The sheriff's fee provided for in Section 153.2 of this
5 title;

6 3. The witness fees paid by the district attorney pursuant to
7 the provisions of Section 82 of this title which, if collected by
8 the court clerk, shall be transferred to the district attorney's
9 office in the county where witness attendance was required. Fees
10 transferred pursuant to this paragraph shall be deposited in the
11 district attorney's maintenance and operating expense account;

12 4. The fees provided for in subsection C of this section shall
13 be forwarded to the District Attorneys Council Revolving Fund to
14 defray the costs of prosecution; and

15 5. The following amounts of the fees provided for in paragraphs
16 2, 3, 5 and 6 of subsection A of this section, when collected, shall
17 be deposited in the Trauma Care Assistance Revolving Fund, created
18 pursuant to the provisions of Section 1-2530.9 of Title 63 of the
19 Oklahoma Statutes:

20 a. Ten Dollars (\$10.00) of the Ninety-eight-Dollar fee
21 provided for in paragraph 2 of subsection A of this
22 section,

23

24

1 b. Ten Dollars (\$10.00) of the Ninety-three-Dollar fee
2 provided for in paragraph 3 of subsection A of this
3 section,

4 c. One Hundred Dollars (\$100.00) of the Four-Hundred-
5 Thirty-three-Dollar fee provided for in paragraph 5 of
6 subsection A of this section, and

7 d. One Hundred Dollars (\$100.00) of the Four-Hundred-
8 Thirty-three-Dollar fee provided for in paragraph 6 of
9 subsection A of this section.

10 ~~J.~~ K. Costs required to be collected pursuant to this section
11 shall not be dismissed or waived; provided, if the court determines
12 that a person needing the services of a language interpreter is
13 indigent, the court may waive all or part of the costs or require
14 the payment of costs in installments.

15 ~~K.~~ L. As used in this section, "convicted" means any final
16 adjudication of guilt, whether pursuant to a plea of guilty or nolo
17 contendere or otherwise, and any deferred judgment or suspended
18 sentence.

19 ~~L.~~ M. A court clerk may accept in payment for any fee, fine,
20 forfeiture payment, cost, penalty assessment or other charge or
21 collection to be assessed or collected by a court clerk pursuant to
22 this section a nationally recognized credit card or debit card or
23 other electronic payment method as provided in paragraph 1 of
24 subsection B of Section 151 of this title.

1 ~~M.~~ N. Upon receipt of payment of fines and costs for offenses
2 charged prior to July 1, 1992, the court clerk shall apportion and
3 pay Thirteen Dollars (\$13.00) per conviction to the court fund.

4 SECTION 22. REPEALER 28 O.S. 2001, Section 153, as last
5 amended by Section 3, Chapter 199, O.S.L. 2007 (28 O.S. Supp. 2007,
6 Section 153), is hereby repealed.

7 SECTION 23. REPEALER 42 O.S. 2001, Section 147.1, as
8 last amended by Section 7, Chapter 132, O.S.L. 2007 (42 O.S. Supp.
9 2007, Section 147.1), is hereby repealed.

10 SECTION 24. AMENDATORY 47 O.S. 2001, Section 6-111, as
11 last amended by Section 2, Chapter 328, O.S.L. 2007 (47 O.S. Supp.
12 2007, Section 6-111), is amended to read as follows:

13 Section 6-111. A. 1. The Department of Public Safety shall,
14 upon payment of the required fee, issue to every applicant
15 qualifying ~~therefore~~ therefor a Class A, B, C or D driver license or
16 identification card as applied for, which license or card shall bear
17 thereon a distinguishing alphanumeric identification assigned to the
18 licensee or cardholder, date of issuance and date of expiration of
19 the license or card, the full name, signature or computerized
20 signature, date of birth, ~~mailing~~ residence address, sex, a color
21 photograph or computerized image of the licensee or cardholder and
22 security features as determined by the Department. The photograph
23 or image shall depict a full front unobstructed view of the entire
24 face of the licensee or cardholder. When any person is issued both

1 a driver license and an identification card, the Department shall
2 ensure the information on both the license and the card are the
3 same, unless otherwise provided by law.

4 2. A driver license or identification card issued by the
5 Department on or after March 1, 2004, shall bear thereon the county
6 of residence of the licensee or cardholder.

7 3. The Department may cancel the distinguishing number, when
8 that distinguishing number is another person's Social Security
9 number, assign a new distinguishing alphanumeric identification, and
10 issue a new license or identification card without charge to the
11 licensee or cardholder.

12 4. The Department may promulgate rules for inclusion of the
13 height and a brief description of the licensee or cardholder on the
14 face of the card or license identifying the licensee or cardholder
15 as deaf or hard-of-hearing.

16 5. It is unlawful for any person to apply, adhere, or otherwise
17 attach to a driver license or identification card any decal,
18 sticker, label, or other attachment. Any law enforcement officer is
19 authorized to remove and dispose of any unlawful decal, sticker,
20 label, or other attachment from the driver license of a person. The
21 law enforcement officer, the employing agency of the officer, the
22 Department of Public Safety, and the State of Oklahoma shall be
23 immune from any liability for any loss suffered by the licensee,
24 cardholder, or the owner of the decal, sticker, label, or other

1 attachment caused by the removal and destruction of the decal,
2 sticker, label, or other attachment.

3 6. The Department of Public Safety shall develop by rule an
4 alternative procedure whereby a person applying for a renewal or
5 replacement Class D license or identification card, when the person
6 satisfactorily demonstrates to the Department the inability to
7 appear personally to be photographed because the person is not in
8 the state at the time of renewal or at a time a replacement is
9 required by the person, may be issued a license or card; provided,
10 immediately upon returning to Oklahoma, the person shall obtain a
11 replacement license or card as provided in Section 6-114 of this
12 title.

13 B. The Department may issue a temporary permit to an applicant
14 for a driver license permitting such applicant to operate a motor
15 vehicle while the Department is completing its investigation and
16 determination of all facts relative to such applicant's privilege to
17 receive a license. Such permit must be in the immediate possession
18 of the driver while operating a motor vehicle, and it shall be
19 invalid when the applicant's driver license has been issued or for
20 good cause has been refused.

21 C. 1. The Department may issue a restricted commercial driver
22 license to seasonal drivers eighteen (18) years of age or older for
23 any of the following specific farm-related service industries:

24 a. farm retail outlets and suppliers,

- b. agri-chemical businesses,
- c. custom harvesters, and
- d. livestock feeders.

The applicant shall hold a valid Oklahoma driver license and shall meet all the requirements for a commercial driver license. The restricted commercial driver license shall not exceed a total of one hundred eighty (180) days within any twelve-month period.

2. The restricted commercial driver license shall not be valid for operators of commercial motor vehicles beyond one hundred fifty (150) miles from the place of business or the farm currently being served. Such license shall be limited to Class B vehicles. Holders of such licenses who transport hazardous materials which are required to be placarded shall be limited to the following:

- a. diesel fuel in quantities of one thousand (1,000) gallons or less,
- b. liquid fertilizers in vehicles with total capacities of three thousand (3,000) gallons or less, and
- c. solid fertilizers that are not mixed with any organic substance.

No other placarded hazardous materials shall be transported by holders of such licenses.

D. 1. The Department shall develop a procedure whereby a person applying for an original, renewal or replacement Class A, B, C or D driver license or identification card who is required to

1 register as a convicted sex offender with the Department of
2 Corrections pursuant to the provisions of the Sex Offenders
3 Registration Act and who the Department of Corrections designates as
4 an aggravated or habitual offender pursuant to subsection J of
5 Section 584 of Title 57 of the Oklahoma Statutes shall be issued a
6 license or card bearing the words "Sex Offender".

7 2. The Department shall notify every person subject to
8 registration under the provisions of this act who holds a current
9 Class A, B, C or D driver license or identification card that such
10 person is required to surrender the license or card to the
11 Department within one hundred eighty (180) days from the date of the
12 notice.

13 3. Upon surrendering the license or card for the reason set
14 forth in this subsection, application may be made with the
15 Department for a replacement license or card bearing the words "Sex
16 Offender".

17 4. Failure to comply with the requirements set forth in such
18 notice shall result in cancellation of the person's license or card.
19 Such cancellation shall be in effect for one (1) year, after which
20 time the person may make application with the Department for a new
21 license or card bearing the words "Sex Offender". Continued use of
22 a canceled license or card shall constitute a misdemeanor and shall,
23 upon conviction thereof, be punishable by a fine of not less than
24 Twenty-five Dollars (\$25.00), nor more than Two Hundred Dollars

1 (\$200.00). When an individual is no longer required to register as
2 a convicted sex offender with the Department of Corrections pursuant
3 to the provisions of the Sex Offenders Registration Act, the
4 individual shall be eligible to receive a driver license or
5 identification card which does not bear the words "Sex Offender".

6 E. Nothing in subsection D of this section shall be deemed to
7 impose any liability upon or give rise to a cause of action against
8 any employee, agent or official of the Department of Corrections for
9 failing to designate a sex offender as an aggravated or habitual
10 offender pursuant to subsection J of Section 584 of Title 57 of the
11 Oklahoma Statutes.

12 SECTION 25. REPEALER 47 O.S. 2001, Section 6-111, as
13 last amended by Section 7, Chapter 326, O.S.L. 2007 (47 O.S. Supp.
14 2007, Section 6-111), is hereby repealed.

15 SECTION 26. REPEALER 47 O.S. 2001, Section 151, as
16 amended by Section 2, Chapter 151, O.S.L. 2007 (47 O.S. Supp. 2007,
17 Section 151), is hereby repealed.

18 SECTION 27. AMENDATORY 56 O.S. 2001, Section 1010.1, as
19 last amended by Section 1, Chapter 230, O.S.L. 2007 (56 O.S. Supp.
20 2007, Section 1010.1), is amended to read as follows:

21 Section 1010.1 A. Sections 1010.1 through 1010.7 of this title
22 shall be known and may be cited as the "Oklahoma Medicaid Program
23 Reform Act of 2003".
24

1 B. Recognizing that many Oklahomans do not have health care
2 benefits or health care coverage, that many small businesses cannot
3 afford to provide health care benefits to their employees, and that,
4 under federal law, barriers exist to providing Medicaid benefits to
5 the uninsured, the Oklahoma Legislature hereby establishes
6 provisions to lower the number of uninsured, assist businesses in
7 their ability to afford health care benefits and coverage for their
8 employees, and eliminate barriers to providing health coverage to
9 eligible enrollees under federal law.

10 C. ~~The~~ Unless otherwise provided by law, the Oklahoma Health
11 Care Authority shall provide coverage under the state Medicaid
12 program to children under the age of eighteen (18) years whose
13 family incomes do not exceed one hundred eighty-five percent (185%)
14 of the federal poverty level.

15 D. 1. The Authority is directed to apply for a waiver or
16 waivers to the Centers for Medicaid and Medicare Services (CMS) that
17 will accomplish the purposes outlined in subsection B of this
18 section. The Authority is further directed to negotiate with CMS to
19 include in the waiver authority provisions to:

- 20 a. increase access to health care for Oklahomans,
- 21 b. reform the Oklahoma Medicaid Program to promote
22 personal responsibility for health care services and
23 appropriate utilization of health care benefits
24 through the use of public-private cost sharing,

- 1 c. enable small employers, and/or employed, uninsured
2 adults with or without children to purchase employer-
3 sponsored, state-approved private, or state-sponsored
4 health care coverage through a state premium
5 assistance payment plan. If by January 1, 2012, the
6 Employer/Employee Partnership for Insurance Coverage
7 Premium Assistance Program is not consuming more than
8 seventy-five percent (75%) of its dedicated source of
9 funding, then the program will be expanded to include
10 parents of children eligible for Medicaid, and
11 d. develop flexible health care benefit packages based
12 upon patient need and cost.

13 2. The Authority may phase in any waiver or waivers it receives
14 based upon available funding.

15 3. The Authority is authorized to develop and implement a
16 premium assistance plan to assist small businesses and/or their
17 eligible employees to purchase employer-sponsored insurance or "buy-
18 in" to a state-sponsored benefit plan.

19 4. The Authority is authorized to seek from the Centers for
20 Medicare and Medicaid Services any waivers or amendments to existing
21 waivers necessary to accomplish an expansion of the premium
22 assistance program to include employers with two hundred fifty
23 employees or less up to any level supported by existing funding
24 resources.

1 5. The Authority is authorized to seek from the Centers for
2 Medicare and Medicaid Services any waivers or amendments to existing
3 waivers necessary to accomplish an extension of the premium
4 assistance program to include qualified employees whose family
5 income does not exceed two hundred fifty percent (250%) of the
6 federal poverty level, subject to the limit of federal financial
7 participation.

8 E. 1. There is hereby created in the State Treasury a
9 revolving fund to be designated the "Health Employee and Economy
10 Improvement Act (HEEIA) Revolving Fund".

11 2. The fund shall be a continuing fund, not subject to fiscal
12 year limitations, and shall consist of:

- 13 a. all monies received by the Authority pursuant to this
14 section and otherwise specified or authorized by law,
- 15 b. monies received by the Authority due to federal
16 financial participation pursuant to Title XIX of the
17 Social Security Act, and
- 18 c. interest attributable to investment of money in the
19 fund.

20 3. All monies accruing to the credit of the fund are hereby
21 appropriated and shall be budgeted and expended by the Authority to
22 implement a premium assistance plan, unless otherwise provided by
23 law.

24

1 SECTION 28. REPEALER 56 O.S. 2001, Section 1010.1, as
2 last amended by Section 3, Chapter 318, O.S.L. 2007 (56 O.S. Supp.
3 2007, Section 1010.1), is hereby repealed.

4 SECTION 29. AMENDATORY 57 O.S. 2001, Section 571, as
5 amended by Section 10, Chapter 358, O.S.L. 2007 (57 O.S. Supp. 2007,
6 Section 571), is amended to read as follows:

7 Section 571. As used in the Oklahoma Statutes, unless another
8 definition is specified:

9 1. "Capacity" means the actual available bedspace as certified
10 by the State Board of Corrections subject to applicable federal and
11 state laws and the rules and regulations promulgated under such
12 laws;

13 2. "Nonviolent offense" means any felony offense except the
14 following, or any attempts to commit or conspiracy or solicitation
15 to commit the following crimes:

- 16 a. assault, battery, or assault and battery with a
17 dangerous or deadly weapon;
- 18 b. aggravated assault and battery on a police officer,
19 sheriff, highway patrolman, or any other officer of
20 the law;
- 21 c. poisoning with intent to kill;
- 22 d. shooting with intent to kill;
- 23 e. assault with intent to kill;
- 24 f. assault with intent to commit a felony;

- 1 g. assaults while masked or disguised;
- 2 h. murder in the first degree;
- 3 i. murder in the second degree;
- 4 j. manslaughter in the first degree;
- 5 k. manslaughter in the second degree;
- 6 l. kidnapping;
- 7 m. burglary in the first degree;
- 8 n. burglary with explosives;
- 9 o. kidnapping for extortion;
- 10 p. maiming;
- 11 q. robbery;
- 12 r. robbery in the first degree;
- 13 s. robbery in the second degree;
- 14 t. armed robbery;
- 15 u. robbery by two (2) or more persons;
- 16 v. robbery with dangerous weapon or imitation firearm;
- 17 w. child ~~beating~~ abuse;
- 18 x. wiring any equipment, vehicle or structure with
- 19 explosives;
- 20 y. forcible sodomy;
- 21 z. rape in the first degree;
- 22 aa. rape in the second degree;
- 23 bb. rape by instrumentation;

24

- 1 cc. lewd or indecent proposition or lewd or indecent act
- 2 with a child;
- 3 dd. use of a firearm or offensive weapon to commit or
- 4 attempt to commit a felony;
- 5 ee. pointing firearms;
- 6 ff. rioting;
- 7 gg. inciting to riot;
- 8 hh. arson in the first degree;
- 9 ii. injuring or burning public buildings;
- 10 jj. sabotage;
- 11 kk. criminal syndicalism;
- 12 ll. extortion;
- 13 mm. obtaining signature by extortion;
- 14 nn. seizure of a bus, discharging firearm or hurling
- 15 missile at bus;
- 16 oo. mistreatment of a mental patient; or
- 17 pp. using a vehicle to facilitate the discharge of a
- 18 weapon pursuant to Section 652 of Title 21 of the
- 19 Oklahoma Statutes.

20 SECTION 30. REPEALER 57 O.S. 2001, Section 571, as
21 amended by Section 1, Chapter 166, O.S.L. 2007 (57 O.S. Supp. 2007,
22 Section 571), is hereby repealed.

1 SECTION 31. REPEALER Section 3, Chapter 207, O.S.L.
2 2006, as amended by Section 1, Chapter 38, O.S.L. 2007 (59 O.S.
3 Supp. 2007, Section 3022), is hereby repealed.

4 SECTION 32. AMENDATORY Section 3, Chapter 292, O.S.L.
5 2006, as amended by Section 3, Chapter 367, O.S.L. 2007 (62 O.S.
6 Supp. 2007, Section 3103), is amended to read as follows:

7 Section 3103. As used in the Oklahoma Pension Legislation
8 Actuarial Analysis Act:

9 1. "Amendment" means any amendment, including a substitute
10 bill, made to a retirement bill by any committee of the House or
11 Senate, any conference committee of the House or Senate or by the
12 House or Senate;

13 2. "RB number" means that number preceded by the letters "RB"
14 assigned to a retirement bill by the respective staffs of the
15 Oklahoma State Senate and the Oklahoma House of Representatives when
16 the respective staff office prepares a retirement bill for a member
17 of the Legislature;

18 3. "Legislative Actuary" means the firm or entity that enters
19 into a contract with the Legislative Service Bureau pursuant to
20 Section 452.15 of Title 74 of the Oklahoma Statutes to provide the
21 actuarial services and other duties provided for in the Oklahoma
22 Pension Legislation Actuarial Analysis Act;

23 4. "Nonfiscal amendment" means an amendment to a retirement
24 bill having a fiscal impact, which amendment does not change any

1 factor of an actuarial investigation specified in subsection A of
2 Section 3109 of this title;

3 5. "Nonfiscal retirement bill" means a retirement bill which
4 does not affect the cost or funding factors of a retirement system
5 or a retirement bill which affects such factors only in a manner
6 which does not:

- 7 a. grant a benefit increase under the retirement system
8 affected by the bill except for cost-of-living
9 adjustments provided to retirees of the retirement
10 system, ~~which shall~~ if the increase in actuarial
11 accrued liability from the increase does not exceed
12 the ~~annual~~ cumulative increase in actuarial accrued
13 liability already fully reflected in its liabilities
14 by the retirement system from an actuarial assumption
15 of a cost-of-living adjustment of an existing
16 retirement system which assumption was established by
17 the retirement system as of December 31, ~~2005~~ 2006, or
18 which shall not exceed two percent (2%) annually on a
19 cumulative basis for a retirement system created on or
20 after January 1, 2006, which bill shall specifically
21 identify such cost-of-living increase,
- 22 b. create an actuarial accrued liability for or increase
23 the actuarial accrued liability of the retirement
24 system affected by the bill, or

1 c. increase the normal cost of the retirement system
2 affected by the bill except as otherwise provided by
3 subparagraph a of this paragraph.

4 A nonfiscal retirement bill shall include any retirement bill that
5 has as its sole purpose the appropriation or distribution or
6 redistribution of monies in some manner to a retirement system for
7 purposes of reducing the unfunded liability of such system or the
8 earmarking of a portion of the revenue from a tax to a retirement
9 system or increasing the percentage of the revenue earmarked from a
10 tax to a retirement system.

11 6. "Reduction in cost amendment" means an amendment to a
12 retirement bill having a fiscal impact which reduces the cost of the
13 bill as such cost is determined by the actuarial investigation for
14 the bill prepared pursuant to Section ~~9~~ 3109 of this ~~act~~ title;

15 7. "Retirement bill" means any bill or joint resolution
16 introduced or any bill or joint resolution amended by a member of
17 the Oklahoma Legislature which creates or amends any law directly
18 affecting a retirement system. A retirement bill shall not mean a
19 bill or resolution that impacts the revenue of any state tax in
20 which a portion of the revenue generated from such tax is earmarked
21 for the benefit of a retirement system;

22 8. "Retirement bill having a fiscal impact" means any
23 retirement bill creating or establishing a retirement system and any
24 other retirement bill other than a nonfiscal retirement bill; and

1 9. "Retirement system" means the Teachers' Retirement System of
2 Oklahoma, the Oklahoma Public Employees Retirement System, the
3 Uniform Retirement System for Justices and Judges, the Oklahoma
4 Firefighters Pension and Retirement System, the Oklahoma Police
5 Pension and Retirement System, the Oklahoma Law Enforcement
6 Retirement System, or a retirement system established after January
7 1, 2006.

8 SECTION 33. REPEALER Section 3, Chapter 292, O.S.L.
9 2006, as amended by Section 2, Chapter 186, O.S.L. 2007 (62 O.S.
10 Supp. 2007, Section 3103), is hereby repealed.

11 SECTION 34. AMENDATORY 68 O.S. 2001, Section 1353, as
12 last amended by Section 3, Chapter 366, O.S.L. 2007 (68 O.S. Supp.
13 2007, Section 1353), is amended to read as follows:

14 Section 1353. A. It is hereby declared to be the purpose of
15 the Oklahoma Sales Tax Code to provide funds for the financing of
16 the program provided for by the Oklahoma Social Security Act and to
17 provide revenues for the support of the functions of the state
18 government of Oklahoma, and for this purpose it is hereby expressly
19 provided that, revenues derived pursuant to the provisions of the
20 Oklahoma Sales Tax Code shall be apportioned as follows:

21 1. a. the following amounts shall be paid to the State
22 Treasurer to be placed to the credit of the General
23 Revenue Fund to be paid out pursuant to direct
24 appropriation by the Legislature:

Fiscal Year	Amount
FY 2003 and FY 2004	86.04%
FY 2005	85.83%
FY 2006	85.54%
FY 2007	85.04%
FY 2008 and each fiscal year thereafter	83.61%

b. in the event that additional monies are necessary pursuant to paragraph 5 of this section, such additional monies shall be deducted in the proportion determined by the State Board of Equalization pursuant to paragraph 3 of Section 2 of this act from the monies apportioned to the General Revenue Fund;

2. For FY 2003, FY 2004 and FY 2005, ten and forty-two one-hundredths percent (10.42%), shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education and for FY 2006 and each fiscal year thereafter, ten and forty-six one hundredths percent (10.46%) shall be paid to the State Treasurer to be placed to the credit of the Education Reform Revolving Fund of the State Department of Education;

3. The following amounts shall be paid to the State Treasurer to be placed to the credit of the Teachers' Retirement System Dedicated Revenue Revolving Fund:

1	Fiscal Year	Amount
2	FY 2003 and FY 2004	3.54%
3	FY 2005	3.75%
4	FY 2006	4.0%
5	FY 2007	4.5%
6	FY 2008 and each fiscal	
7	year thereafter	5.0%

8 4. For the fiscal year beginning July 1, 2007, and for each
9 fiscal year thereafter, ninety-three one hundredths percent (0.93%)
10 shall be paid to the State Treasurer to be further apportioned as
11 follows:

- 12 a. thirty-six percent (36%) shall be placed to the credit
13 of the Oklahoma Tourism Promotion Revolving Fund, and
- 14 b. sixty-four percent (64%) shall be placed to the credit
15 of the Oklahoma Tourism Capital Improvement Revolving
16 Fund; and

17 5. During the first fiscal year after the State Board of
18 Equalization has made a determination as provided in Section 2 of
19 Enrolled Senate Bill No. 357 of the 1st Session of the 51st Oklahoma
20 Legislature, as amended by Section 2 of this act, regarding a
21 baseline amount of revenue apportioned pursuant to paragraph 3 of
22 this section, and for each fiscal year thereafter, in no event shall
23 monies apportioned pursuant to paragraph 3 of this section,
24 paragraph 3 of Section 1403 of this title and subparagraph c of

1 paragraph 1 of Section 2352 of this title be less than such baseline
2 amount.

3 B. Provided, for the fiscal year beginning July 1, 2007, and
4 every fiscal year thereafter, an amount of revenue shall be
5 apportioned to each municipality or county which levies a sales tax
6 subject to the provisions of Section 1357.10 of this title and
7 subsection F of Section 2701 of this title equal to the amount of
8 sales tax revenue of such municipality or county exempted by the
9 provisions of Section 1357.10 of this title and subsection F of
10 Section 2701 of this title. The Oklahoma Tax Commission shall
11 promulgate and adopt rules necessary to implement the provisions of
12 this subsection.

13 SECTION 35. REPEALER 68 O.S. 2001, Section 1353, as last
14 amended by Section 2, Chapter 136, O.S.L. 2007 (68 O.S. Supp. 2007,
15 Section 1353), is hereby repealed.

16 SECTION 36. REPEALER Section 1, Chapter 287, O.S.L.
17 2005, as amended by Section 3, Chapter 267, O.S.L. 2007 (68 O.S.
18 Supp. 2007, Section 2357.67), is hereby repealed.

19 SECTION 37. AMENDATORY 68 O.S. 2001, Section 2358, as
20 last amended by Section 3, Chapter 346, O.S.L. 2007 (68 O.S. Supp.
21 2007, Section 2358), is amended to read as follows:

22 Section 2358. For all tax years beginning after December 31,
23 1981, taxable income and adjusted gross income shall be adjusted to
24

1 arrive at Oklahoma taxable income and Oklahoma adjusted gross income
2 as required by this section.

3 A. The taxable income of any taxpayer shall be adjusted to
4 arrive at Oklahoma taxable income for corporations and Oklahoma
5 adjusted gross income for individuals, as follows:

6 1. There shall be added interest income on obligations of any
7 state or political subdivision thereto which is not otherwise
8 exempted pursuant to other laws of this state, to the extent that
9 such interest is not included in taxable income and adjusted gross
10 income.

11 2. There shall be deducted amounts included in such income that
12 the state is prohibited from taxing because of the provisions of the
13 Federal Constitution, the State Constitution, federal laws or laws
14 of Oklahoma.

15 3. The amount of any federal net operating loss deduction shall
16 be adjusted as follows:

17 a. For carryovers and carrybacks to taxable years
18 beginning before January 1, 1981, the amount of any
19 net operating loss deduction allowed to a taxpayer for
20 federal income tax purposes shall be reduced to an
21 amount which is the same portion thereof as the loss
22 from sources within this state, as determined pursuant
23 to this section and Section 2362 of this title, for
24

1 the taxable year in which such loss is sustained is of
2 the total loss for such year;

3 b. For carryovers and carrybacks to taxable years
4 beginning after December 31, 1980, the amount of any
5 net operating loss deduction allowed for the taxable
6 year shall be an amount equal to the aggregate of the
7 Oklahoma net operating loss carryovers and carrybacks
8 to such year. Oklahoma net operating losses shall be
9 separately determined by reference to Section 172 of
10 the Internal Revenue Code, 26 U.S.C., Section 172, as
11 modified by the Oklahoma Income Tax Act, Section 2351
12 et seq. of this title, and shall be allowed without
13 regard to the existence of a federal net operating
14 loss. For tax years beginning after December 31,
15 2000, the years to which such losses may be carried
16 shall be determined solely by reference to Section 172
17 of the Internal Revenue Code, 26 U.S.C., Section 172,
18 with the exception that the terms "net operating loss"
19 and "taxable income" shall be replaced with "Oklahoma
20 net operating loss" and "Oklahoma taxable income".

21 4. Items of the following nature shall be allocated as
22 indicated. Allowable deductions attributable to items separately
23 allocable in subparagraphs a, b and c of this paragraph, whether or
24

1 not such items of income were actually received, shall be allocated
2 on the same basis as those items:

3 a. Income from real and tangible personal property, such
4 as rents, oil and mining production or royalties, and
5 gains or losses from sales of such property, shall be
6 allocated in accordance with the situs of such
7 property;

8 b. Income from intangible personal property, such as
9 interest, dividends, patent or copyright royalties,
10 and gains or losses from sales of such property, shall
11 be allocated in accordance with the domiciliary situs
12 of the taxpayer, except that:

13 (1) where such property has acquired a nonunitary
14 business or commercial situs apart from the
15 domicile of the taxpayer such income shall be
16 allocated in accordance with such business or
17 commercial situs; interest income from
18 investments held to generate working capital for
19 a unitary business enterprise shall be included
20 in apportionable income; a resident trust or
21 resident estate shall be treated as having a
22 separate commercial or business situs insofar as
23 undistributed income is concerned, but shall not
24 be treated as having a separate commercial or

1 business situs insofar as distributed income is
2 concerned,

3 (2) for taxable years beginning after December 31,
4 2003, capital or ordinary gains or losses from
5 the sale of an ownership interest in a publicly
6 traded partnership, as defined by Section 7704(b)
7 of the Internal Revenue Code of 1986, as amended,
8 shall be allocated to this state in the ratio of
9 the original cost of such partnership's tangible
10 property in this state to the original cost of
11 such partnership's tangible property everywhere,
12 as determined at the time of the sale; if more
13 than fifty percent (50%) of the value of the
14 partnership's assets consists of intangible
15 assets, capital or ordinary gains or losses from
16 the sale of an ownership interest in the
17 partnership shall be allocated to this state in
18 accordance with the sales factor of the
19 partnership for its first full tax period
20 immediately preceding its tax period during which
21 the ownership interest in the partnership was
22 sold; the provisions of this division shall only
23 apply if the capital or ordinary gains or losses
24 from the sale of an ownership interest in a

1 partnership do not constitute qualifying gain
2 receiving capital treatment as defined in
3 subparagraph a of paragraph 2 of subsection F of
4 this section,

5 (3) income from such property which is required to be
6 allocated pursuant to the provisions of paragraph
7 5 of this subsection shall be allocated as herein
8 provided;

9 c. Net income or loss from a business activity which is
10 not a part of business carried on within or without
11 the state of a unitary character shall be separately
12 allocated to the state in which such activity is
13 conducted;

14 d. In the case of a manufacturing or processing
15 enterprise the business of which in Oklahoma consists
16 solely of marketing its products by:

17 (1) sales having a situs without this state, shipped
18 directly to a point from without the state to a
19 purchaser within the state, commonly known as
20 interstate sales,

21 (2) sales of the product stored in public warehouses
22 within the state pursuant to "in transit"
23 tariffs, as prescribed and allowed by the
24

1 Interstate Commerce Commission, to a purchaser
2 within the state,

3 (3) sales of the product stored in public warehouses
4 within the state where the shipment to such
5 warehouses is not covered by "in transit"
6 tariffs, as prescribed and allowed by the
7 Interstate Commerce Commission, to a purchaser
8 within or without the state,

9 the Oklahoma net income shall, at the option of the
10 taxpayer, be that portion of the total net income of
11 the taxpayer for federal income tax purposes derived
12 from the manufacture and/or processing and sales
13 everywhere as determined by the ratio of the sales
14 defined in this section made to the purchaser within
15 the state to the total sales everywhere. The term
16 "public warehouse" as used in this subparagraph means
17 a licensed public warehouse, the principal business of
18 which is warehousing merchandise for the public;

19 e. In the case of insurance companies, Oklahoma taxable
20 income shall be taxable income of the taxpayer for
21 federal tax purposes, as adjusted for the adjustments
22 provided pursuant to the provisions of paragraphs 1
23 and 2 of this subsection, apportioned as follows:
24

1 (1) except as otherwise provided by division (2) of
2 this subparagraph, taxable income of an insurance
3 company for a taxable year shall be apportioned
4 to this state by multiplying such income by a
5 fraction, the numerator of which is the direct
6 premiums written for insurance on property or
7 risks in this state, and the denominator of which
8 is the direct premiums written for insurance on
9 property or risks everywhere. For purposes of
10 this subsection, the term "direct premiums
11 written" means the total amount of direct
12 premiums written, assessments and annuity
13 considerations as reported for the taxable year
14 on the annual statement filed by the company with
15 the Insurance Commissioner in the form approved
16 by the National Association of Insurance
17 Commissioners, or such other form as may be
18 prescribed in lieu thereof,

19 (2) if the principal source of premiums written by an
20 insurance company consists of premiums for
21 reinsurance accepted by it, the taxable income of
22 such company shall be apportioned to this state
23 by multiplying such income by a fraction, the
24 numerator of which is the sum of (a) direct

1 premiums written for insurance on property or
2 risks in this state, plus (b) premiums written
3 for reinsurance accepted in respect of property
4 or risks in this state, and the denominator of
5 which is the sum of (c) direct premiums written
6 for insurance on property or risks everywhere,
7 plus (d) premiums written for reinsurance
8 accepted in respect of property or risks
9 everywhere. For purposes of this paragraph,
10 premiums written for reinsurance accepted in
11 respect of property or risks in this state,
12 whether or not otherwise determinable, may at the
13 election of the company be determined on the
14 basis of the proportion which premiums written
15 for insurance accepted from companies
16 commercially domiciled in Oklahoma bears to
17 premiums written for reinsurance accepted from
18 all sources, or alternatively in the proportion
19 which the sum of the direct premiums written for
20 insurance on property or risks in this state by
21 each ceding company from which reinsurance is
22 accepted bears to the sum of the total direct
23 premiums written by each such ceding company for
24 the taxable year.

1 5. The net income or loss remaining after the separate
2 allocation in paragraph 4 of this subsection, being that which is
3 derived from a unitary business enterprise, shall be apportioned to
4 this state on the basis of the arithmetical average of three factors
5 consisting of property, payroll and sales or gross revenue
6 enumerated as subparagraphs a, b and c of this paragraph. Net
7 income or loss as used in this paragraph includes that derived from
8 patent or copyright royalties, purchase discounts, and interest on
9 accounts receivable relating to or arising from a business activity,
10 the income from which is apportioned pursuant to this subsection,
11 including the sale or other disposition of such property and any
12 other property used in the unitary enterprise. Deductions used in
13 computing such net income or loss shall not include taxes based on
14 or measured by income. Provided, for corporations whose property
15 for purposes of the tax imposed by Section 2355 of this title has an
16 initial investment cost equaling or exceeding Two Hundred Million
17 Dollars (\$200,000,000.00) and such investment is made on or after
18 July 1, 1997, or for corporations which expand their property or
19 facilities in this state and such expansion has an investment cost
20 equaling or exceeding Two Hundred Million Dollars (\$200,000,000.00)
21 over a period not to exceed three (3) years, and such expansion is
22 commenced on or after January 1, 2000, the three factors shall be
23 apportioned with property and payroll, each comprising twenty-five
24 percent (25%) of the apportionment factor and sales comprising fifty

1 percent (50%) of the apportionment factor. The apportionment
2 factors shall be computed as follows:

3 a. The property factor is a fraction, the numerator of
4 which is the average value of the taxpayer's real and
5 tangible personal property owned or rented and used in
6 this state during the tax period and the denominator
7 of which is the average value of all the taxpayer's
8 real and tangible personal property everywhere owned
9 or rented and used during the tax period.

10 (1) Property, the income from which is separately
11 allocated in paragraph 4 of this subsection,
12 shall not be included in determining this
13 fraction. The numerator of the fraction shall
14 include a portion of the investment in
15 transportation and other equipment having no
16 fixed situs, such as rolling stock, buses, trucks
17 and trailers, including machinery and equipment
18 carried thereon, airplanes, salespersons'
19 automobiles and other similar equipment, in the
20 proportion that miles traveled in Oklahoma by
21 such equipment bears to total miles traveled,

22 (2) Property owned by the taxpayer is valued at its
23 original cost. Property rented by the taxpayer
24 is valued at eight times the net annual rental

1 rate. Net annual rental rate is the annual
2 rental rate paid by the taxpayer, less any annual
3 rental rate received by the taxpayer from
4 subrentals,

5 (3) The average value of property shall be determined
6 by averaging the values at the beginning and
7 ending of the tax period but the Oklahoma Tax
8 Commission may require the averaging of monthly
9 values during the tax period if reasonably
10 required to reflect properly the average value of
11 the taxpayer's property;

12 b. The payroll factor is a fraction, the numerator of
13 which is the total compensation for services rendered
14 in the state during the tax period, and the
15 denominator of which is the total compensation for
16 services rendered everywhere during the tax period.
17 "Compensation", as used in this subsection means those
18 paid-for services to the extent related to the unitary
19 business but does not include officers' salaries,
20 wages and other compensation.

21 (1) In the case of a transportation enterprise, the
22 numerator of the fraction shall include a portion
23 of such expenditure in connection with employees
24 operating equipment over a fixed route, such as

1 railroad employees, airline pilots, or bus
2 drivers, in this state only a part of the time,
3 in the proportion that mileage traveled in
4 Oklahoma bears to total mileage traveled by such
5 employees,

6 (2) In any case the numerator of the fraction shall
7 include a portion of such expenditures in
8 connection with itinerant employees, such as
9 traveling salespersons, in this state only a part
10 of the time, in the proportion that time spent in
11 Oklahoma bears to total time spent in furtherance
12 of the enterprise by such employees;

13 c. The sales factor is a fraction, the numerator of which
14 is the total sales or gross revenue of the taxpayer in
15 this state during the tax period, and the denominator
16 of which is the total sales or gross revenue of the
17 taxpayer everywhere during the tax period. "Sales",
18 as used in this subsection does not include sales or
19 gross revenue which are separately allocated in
20 paragraph 4 of this subsection.

21 (1) Sales of tangible personal property have a situs
22 in this state if the property is delivered or
23 shipped to a purchaser other than the United
24 States government, within this state regardless

1 of the FOB point or other conditions of the sale;
2 or the property is shipped from an office, store,
3 warehouse, factory or other place of storage in
4 this state and (a) the purchaser is the United
5 States government or (b) the taxpayer is not
6 doing business in the state of the destination of
7 the shipment.

8 (2) In the case of a railroad or interurban railway
9 enterprise, the numerator of the fraction shall
10 not be less than the allocation of revenues to
11 this state as shown in its annual report to the
12 Corporation Commission.

13 (3) In the case of an airline, truck or bus
14 enterprise or freight car, tank car, refrigerator
15 car or other railroad equipment enterprise, the
16 numerator of the fraction shall include a portion
17 of revenue from interstate transportation in the
18 proportion that interstate mileage traveled in
19 Oklahoma bears to total interstate mileage
20 traveled.

21 (4) In the case of an oil, gasoline or gas pipeline
22 enterprise, the numerator of the fraction shall
23 be either the total of traffic units of the
24 enterprise within Oklahoma or the revenue

1 allocated to Oklahoma based upon miles moved, at
2 the option of the taxpayer, and the denominator
3 of which shall be the total of traffic units of
4 the enterprise or the revenue of the enterprise
5 everywhere as appropriate to the numerator. A
6 "traffic unit" is hereby defined as the
7 transportation for a distance of one (1) mile of
8 one (1) barrel of oil, one (1) gallon of gasoline
9 or one thousand (1,000) cubic feet of natural or
10 casinghead gas, as the case may be.

11 (5) In the case of a telephone or telegraph or other
12 communication enterprise, the numerator of the
13 fraction shall include that portion of the
14 interstate revenue as is allocated pursuant to
15 the accounting procedures prescribed by the
16 Federal Communications Commission; provided that
17 in respect to each corporation or business entity
18 required by the Federal Communications Commission
19 to keep its books and records in accordance with
20 a uniform system of accounts prescribed by such
21 Commission, the intrastate net income shall be
22 determined separately in the manner provided by
23 such uniform system of accounts and only the
24 interstate income shall be subject to allocation

1 pursuant to the provisions of this subsection.

2 Provided further, that the gross revenue factors
3 shall be those as are determined pursuant to the
4 accounting procedures prescribed by the Federal
5 Communications Commission.

6 In any case where the apportionment of the three factors prescribed
7 in this paragraph attributes to Oklahoma a portion of net income of
8 the enterprise out of all appropriate proportion to the property
9 owned and/or business transacted within this state, because of the
10 fact that one or more of the factors so prescribed are not employed
11 to any appreciable extent in furtherance of the enterprise; or
12 because one or more factors not so prescribed are employed to a
13 considerable extent in furtherance of the enterprise; or because of
14 other reasons, the Tax Commission is empowered to permit, after a
15 showing by taxpayer that an excessive portion of net income has been
16 attributed to Oklahoma, or require, when in its judgment an
17 insufficient portion of net income has been attributed to Oklahoma,
18 the elimination, substitution, or use of additional factors, or
19 reduction or increase in the weight of such prescribed factors.

20 Provided, however, that any such variance from such prescribed
21 factors which has the effect of increasing the portion of net income
22 attributable to Oklahoma must not be inherently arbitrary, and
23 application of the recomputed final apportionment to the net income
24

1 of the enterprise must attribute to Oklahoma only a reasonable
2 portion thereof.

3 6. For calendar years 1997 and 1998, the owner of a new or
4 expanded agricultural commodity processing facility in this state
5 may exclude from Oklahoma taxable income, or in the case of an
6 individual, the Oklahoma adjusted gross income, fifteen percent
7 (15%) of the investment by the owner in the new or expanded
8 agricultural commodity processing facility. For calendar year 1999,
9 and all subsequent years, the percentage, not to exceed fifteen
10 percent (15%), available to the owner of a new or expanded
11 agricultural commodity processing facility in this state claiming
12 the exemption shall be adjusted annually so that the total estimated
13 reduction in tax liability does not exceed One Million Dollars
14 (\$1,000,000.00) annually. The Tax Commission shall promulgate rules
15 for determining the percentage of the investment which each eligible
16 taxpayer may exclude. The exclusion provided by this paragraph
17 shall be taken in the taxable year when the investment is made. In
18 the event the total reduction in tax liability authorized by this
19 paragraph exceeds One Million Dollars (\$1,000,000.00) in any
20 calendar year, the Tax Commission shall permit any excess over One
21 Million Dollars (\$1,000,000.00) and shall factor such excess into
22 the percentage for subsequent years. Any amount of the exemption
23 permitted to be excluded pursuant to the provisions of this
24 paragraph but not used in any year may be carried forward as an

1 exemption from income pursuant to the provisions of this paragraph
2 for a period not exceeding six (6) years following the year in which
3 the investment was originally made.

4 For purposes of this paragraph:

5 a. "Agricultural commodity processing facility" means
6 building, structures, fixtures and improvements used
7 or operated primarily for the processing or production
8 of marketable products from agricultural commodities.

9 The term shall also mean a dairy operation that
10 requires a depreciable investment of at least Two
11 Hundred Fifty Thousand Dollars (\$250,000.00) and which
12 produces milk from dairy cows. The term does not
13 include a facility that provides only, and nothing
14 more than, storage, cleaning, drying or transportation
15 of agricultural commodities, and

16 b. "Facility" means each part of the facility which is
17 used in a process primarily for:

18 (1) the processing of agricultural commodities,
19 including receiving or storing agricultural
20 commodities, or the production of milk at a dairy
21 operation,

22 (2) transporting the agricultural commodities or
23 product before, during or after the processing,

24 or

1 (3) packaging or otherwise preparing the product for
2 sale or shipment.

3 7. Despite any provision to the contrary in paragraph 3 of this
4 subsection, for taxable years beginning after December 31, 1999, in
5 the case of a taxpayer which has a farming loss, such farming loss
6 shall be considered a net operating loss carryback in accordance
7 with and to the extent of the Internal Revenue Code, 26 U.S.C.,
8 Section 172(b)(G). However, the amount of the net operating loss
9 carryback shall not exceed the lesser of:

10 a. Sixty Thousand Dollars (\$60,000.00), or

11 b. the loss properly shown on Schedule F of the Internal
12 Revenue Service Form 1040 reduced by one-half (1/2) of
13 the income from all other sources other than reflected
14 on Schedule F.

15 8. In taxable years beginning after December 31, 1995, all
16 qualified wages equal to the federal income tax credit set forth in
17 26 U.S.C.A., Section 45A, shall be deducted from taxable income.
18 The deduction allowed pursuant to this paragraph shall only be
19 permitted for the tax years in which the federal tax credit pursuant
20 to 26 U.S.C.A., Section 45A, is allowed. For purposes of this
21 paragraph, "qualified wages" means those wages used to calculate the
22 federal credit pursuant to 26 U.S.C.A., Section 45A.

23 9. In taxable years beginning after December 31, 2005, an
24 employer that is eligible for and utilizes the Safety Pays OSHA

1 Consultation Service provided by the Oklahoma Department of Labor
2 shall receive an exemption from taxable income in the amount of One
3 Thousand Dollars (\$1,000.00) for the tax year that the service is
4 utilized.

5 B. The taxable income of any corporation shall be further
6 adjusted to arrive at Oklahoma taxable income, except those
7 corporations electing treatment as provided in subchapter S of the
8 Internal Revenue Code, 26 U.S.C., Section 1361 et seq., and Section
9 2365 of this title, deductions pursuant to the provisions of the
10 Accelerated Cost Recovery System as defined and allowed in the
11 Economic Recovery Tax Act of 1981, Public Law 97-34, 26 U.S.C.,
12 Section 168, for depreciation of assets placed into service after
13 December 31, 1981, shall not be allowed in calculating Oklahoma
14 taxable income. Such corporations shall be allowed a deduction for
15 depreciation of assets placed into service after December 31, 1981,
16 in accordance with provisions of the Internal Revenue Code, 26
17 U.S.C., Section 1 et seq., in effect immediately prior to the
18 enactment of the Accelerated Cost Recovery System. The Oklahoma tax
19 basis for all such assets placed into service after December 31,
20 1981, calculated in this section shall be retained and utilized for
21 all Oklahoma income tax purposes through the final disposition of
22 such assets.

23 Notwithstanding any other provisions of the Oklahoma Income Tax
24 Act, Section 2351 et seq. of this title, or of the Internal Revenue

1 Code to the contrary, this subsection shall control calculation of
2 depreciation of assets placed into service after December 31, 1981,
3 and before January 1, 1983.

4 For assets placed in service and held by a corporation in which
5 accelerated cost recovery system was previously disallowed, an
6 adjustment to taxable income is required in the first taxable year
7 beginning after December 31, 1982, to reconcile the basis of such
8 assets to the basis allowed in the Internal Revenue Code. The
9 purpose of this adjustment is to equalize the basis and allowance
10 for depreciation accounts between that reported to the Internal
11 Revenue Service and that reported to Oklahoma.

12 C. 1. For taxable years beginning after December 31, 1987, the
13 taxable income of any corporation shall be further adjusted to
14 arrive at Oklahoma taxable income for transfers of technology to
15 qualified small businesses located in Oklahoma. Such transferor
16 corporation shall be allowed an exemption from taxable income of an
17 amount equal to the amount of royalty payment received as a result
18 of such transfer; provided, however, such amount shall not exceed
19 ten percent (10%) of the amount of gross proceeds received by such
20 transferor corporation as a result of the technology transfer. Such
21 exemption shall be allowed for a period not to exceed ten (10) years
22 from the date of receipt of the first royalty payment accruing from
23 such transfer. No exemption may be claimed for transfers of

24

1 technology to qualified small businesses made prior to January 1,
2 1988.

3 2. For purposes of this subsection:

4 a. "Qualified small business" means an entity, whether
5 organized as a corporation, partnership, or
6 proprietorship, organized for profit with its
7 principal place of business located within this state
8 and which meets the following criteria:

9 (1) Capitalization of not more than Two Hundred Fifty
10 Thousand Dollars (\$250,000.00),

11 (2) Having at least fifty percent (50%) of its
12 employees and assets located in Oklahoma at the
13 time of the transfer, and

14 (3) Not a subsidiary or affiliate of the transferor
15 corporation;

16 b. "Technology" means a proprietary process, formula,
17 pattern, device or compilation of scientific or
18 technical information which is not in the public
19 domain;

20 c. "Transferor corporation" means a corporation which is
21 the exclusive and undisputed owner of the technology
22 at the time the transfer is made; and
23
24

1 d. "Gross proceeds" means the total amount of
2 consideration for the transfer of technology, whether
3 the consideration is in money or otherwise.

4 D. 1. For taxable years beginning after December 31, 2005, the
5 taxable income of any corporation, estate or trust, shall be further
6 adjusted for qualifying gains receiving capital treatment. Such
7 corporations, estates or trusts shall be allowed a deduction from
8 Oklahoma taxable income for the amount of qualifying gains receiving
9 capital treatment earned by the corporation, estate or trust during
10 the taxable year and included in the federal taxable income of such
11 corporation, estate or trust.

12 2. As used in this subsection:

13 a. "qualifying gains receiving capital treatment" means
14 the amount of net capital gains, as defined in Section
15 1222(11) of the Internal Revenue Code, included in the
16 federal income tax return of the corporation, estate
17 or trust that result from:

18 (1) the sale of real property or tangible personal
19 property located within Oklahoma that has been
20 directly or indirectly owned by the corporation,
21 estate or trust for a holding period of at least
22 five (5) years prior to the date of the
23 transaction from which such net capital gains
24 arise,

1 (2) the sale of stock or on the sale of an ownership
2 interest in an Oklahoma company, limited
3 liability company, or partnership where such
4 stock or ownership interest has been directly or
5 indirectly owned by the corporation, estate or
6 trust for a holding period of at least three (3)
7 years prior to the date of the transaction from
8 which the net capital gains arise, or

9 (3) the sale of real property, tangible personal
10 property or intangible personal property located
11 within Oklahoma as part of the sale of all or
12 substantially all of the assets of an Oklahoma
13 company, limited liability company, or
14 partnership where such property has been directly
15 or indirectly owned by such entity owned by the
16 owners of such entity, and used in or derived
17 from such entity for a period of at least three
18 (3) years prior to the date of the transaction
19 from which the net capital gains arise,

20 b. "holding period" means an uninterrupted period of
21 time. The holding period shall include any additional
22 period when the property was held by another
23 individual or entity, if such additional period is
24

1 included in the taxpayer's holding period for the
2 asset pursuant to the Internal Revenue Code,

3 c. "Oklahoma company", "limited liability company", or
4 "partnership" means an entity whose primary
5 headquarters have been located in Oklahoma for at
6 least three (3) uninterrupted years prior to the date
7 of the transaction from which the net capital gains
8 arise,

9 d. "direct" means the taxpayer directly owns the asset,
10 and

11 e. "indirect" means the taxpayer owns an interest in a
12 pass-through entity (or chain of pass-through
13 entities) that sells the asset that gives rise to the
14 qualifying gains receiving capital treatment.

15 (1) With respect to sales of real property or
16 tangible personal property located within
17 Oklahoma, the deduction described in this
18 subsection shall not apply unless the pass-
19 through entity that makes the sale has held the
20 property for not less than five (5) uninterrupted
21 years prior to the date of the transaction that
22 created the capital gain, and each pass-through
23 entity included in the chain of ownership has
24 been a member, partner, or shareholder of the

1 pass-through entity in the tier immediately below
2 it for an uninterrupted period of not less than
3 five (5) years.

4 (2) With respect to sales of stock or ownership
5 interest in or sales of all or substantially all
6 of the assets of an Oklahoma company, limited
7 liability company, or partnership, the deduction
8 described in this subsection shall not apply
9 unless the pass-through entity that makes the
10 sale has held the stock or ownership interest or
11 the assets for not less than three (3)
12 uninterrupted years prior to the date of the
13 transaction that created the capital gain, and
14 each pass-through entity included in the chain of
15 ownership has been a member, partner or
16 shareholder of the pass-through entity in the
17 tier immediately below it for an uninterrupted
18 period of not less than three (3) years.

19 E. The Oklahoma adjusted gross income of any individual
20 taxpayer shall be further adjusted as follows to arrive at Oklahoma
21 taxable income:

22 1. a. In the case of individuals, there shall be added or
23 deducted, as the case may be, the difference necessary
24 to allow personal exemptions of One Thousand Dollars

1 (\$1,000.00) in lieu of the personal exemptions allowed
2 by the Internal Revenue Code.

3 b. There shall be allowed an additional exemption of One
4 Thousand Dollars (\$1,000.00) for each taxpayer or
5 spouse who is blind at the close of the tax year. For
6 purposes of this subparagraph, an individual is blind
7 only if the central visual acuity of the individual
8 does not exceed 20/200 in the better eye with
9 correcting lenses, or if the visual acuity of the
10 individual is greater than 20/200, but is accompanied
11 by a limitation in the fields of vision such that the
12 widest diameter of the visual field subtends an angle
13 no greater than twenty (20) degrees.

14 c. There shall be allowed an additional exemption of One
15 Thousand Dollars (\$1,000.00) for each taxpayer or
16 spouse who is sixty-five (65) years of age or older at
17 the close of the tax year based upon the filing status
18 and federal adjusted gross income of the taxpayer.
19 Taxpayers with the following filing status may claim
20 this exemption if the federal adjusted gross income
21 does not exceed:

22 (1) Twenty-five Thousand Dollars (\$25,000.00) if
23 married and filing jointly;
24

- 1 (2) Twelve Thousand Five Hundred Dollars (\$12,500.00)
2 if married and filing separately;
3 (3) Fifteen Thousand Dollars (\$15,000.00) if single;
4 and
5 (4) Nineteen Thousand Dollars (\$19,000.00) if a
6 qualifying head of household.

7 Provided, for taxable years beginning after December
8 31, 1999, amounts included in the calculation of
9 federal adjusted gross income pursuant to the
10 conversion of a traditional individual retirement
11 account to a Roth individual retirement account shall
12 be excluded from federal adjusted gross income for
13 purposes of the income thresholds provided in this
14 subparagraph.

- 15 d. For taxable years beginning after December 31, 1990,
16 and beginning before January 1, 1992, there shall be
17 allowed a one-time additional exemption of Four
18 Hundred Dollars (\$400.00) for each taxpayer or spouse
19 who is a member of the National Guard or any reserve
20 unit of the Armed Forces of the United States and who
21 was at any time during such taxable year deployed in
22 active service during a time of war or conflict with
23 an enemy of the United States.

24

1 (1) Three Thousand Dollars (\$3,000.00), if the filing
2 status is married filing joint, head of household
3 or qualifying widow; or

4 (2) Two Thousand Dollars (\$2,000.00), if the filing
5 status is single or married filing separate.

6 c. For the taxable year beginning on January 1, 2007, and
7 ending December 31, 2007, in the case of individuals
8 who use the standard deduction in determining taxable
9 income, there shall be added or deducted, as the case
10 may be, the difference necessary to allow a standard
11 deduction in lieu of the standard deduction allowed by
12 the Internal Revenue Code, in an amount equal to:

13 (1) Five Thousand Five Hundred Dollars (\$5,500.00),
14 if the filing status is married filing joint or
15 qualifying widow; or

16 (2) Four Thousand One Hundred Twenty-five Dollars
17 (\$4,125.00) for a head of household; or

18 (3) Two Thousand Seven Hundred Fifty Dollars
19 (\$2,750.00), if the filing status is single or
20 married filing separate.

21 d. For the taxable year beginning on January 1, 2008, and
22 ending December 31, 2008, in the case of individuals
23 who use the standard deduction in determining taxable
24 income, there shall be added or deducted, as the case

1 may be, the difference necessary to allow a standard
2 deduction in lieu of the standard deduction allowed by
3 the Internal Revenue Code, in an amount equal to:

4 (1) Six Thousand Five Hundred Dollars (\$6,500.00), if
5 the filing status is married filing joint or
6 qualifying widow, or

7 (2) Four Thousand Eight Hundred Seventy-five Dollars
8 (\$4,875.00) for a head of household, or

9 (3) Three Thousand Two Hundred Fifty Dollars
10 (\$3,250.00), if the filing status is single or
11 married filing separate.

12 e. For the taxable year beginning on January 1, 2009, and
13 ending December 31, 2009, in the case of individuals
14 who use the standard deduction in determining taxable
15 income, there shall be added or deducted, as the case
16 may be, the difference necessary to allow a standard
17 deduction in lieu of the standard deduction allowed by
18 the Internal Revenue Code, in an amount equal to:

19 (1) Eight Thousand Five Hundred Dollars (\$8,500.00),
20 if the filing status is married filing joint or
21 qualifying widow, or

22 (2) Six Thousand Three Hundred Seventy-five Dollars
23 (\$6,375.00) for a head of household, or
24

1 (3) Four Thousand Two Hundred Fifty Dollars
2 (\$4,250.00), if the filing status is single or
3 married filing separate.

4 f. For taxable years beginning on or after January 1,
5 2010, in the case of individuals who use the standard
6 deduction in determining taxable income, there shall
7 be added or deducted, as the case may be, the
8 difference necessary to allow a standard deduction
9 equal to the standard deduction allowed by the
10 Internal Revenue Code of 1986, as amended, based upon
11 the amount and filing status prescribed by such Code
12 for purposes of filing federal individual income tax
13 returns.

14 3. In the case of resident and part-year resident individuals
15 having adjusted gross income from sources both within and without
16 the state, the itemized or standard deductions and personal
17 exemptions shall be reduced to an amount which is the same portion
18 of the total thereof as Oklahoma adjusted gross income is of
19 adjusted gross income. To the extent itemized deductions include
20 allowable moving expense, proration of moving expense shall not be
21 required or permitted but allowable moving expense shall be fully
22 deductible for those taxpayers moving within or into Oklahoma and no
23 part of moving expense shall be deductible for those taxpayers
24 moving without or out of Oklahoma. All other itemized or standard

1 deductions and personal exemptions shall be subject to proration as
2 provided by law.

3 4. A resident individual with a physical disability
4 constituting a substantial handicap to employment may deduct from
5 Oklahoma adjusted gross income such expenditures to modify a motor
6 vehicle, home or workplace as are necessary to compensate for his or
7 her handicap. A veteran certified by the Veterans Administration of
8 the federal government as having a service-connected disability
9 shall be conclusively presumed to be an individual with a physical
10 disability constituting a substantial handicap to employment. The
11 Tax Commission shall promulgate rules containing a list of
12 combinations of common disabilities and modifications which may be
13 presumed to qualify for this deduction. The Tax Commission shall
14 prescribe necessary requirements for verification.

15 5. In any taxable year the first One Thousand Five Hundred
16 Dollars (\$1,500.00) received by any person from the United States as
17 salary or compensation in any form, other than retirement benefits,
18 as a member of any component of the Armed Forces of the United
19 States shall be deducted from taxable income. Whenever the filing
20 of a timely income tax return by a member of the Armed Forces of the
21 United States is made impracticable or impossible of accomplishment
22 by reason of:

23 a. absence from the United States, which term includes
24 only the states and the District of Columbia;

1 b. absence from the State of Oklahoma while on active
2 duty; or

3 c. confinement in a hospital within the United States for
4 treatment of wounds, injuries or disease,

5 the time for filing a return and paying an income tax shall
6 be and is hereby extended without incurring liability for
7 interest or penalties, to the fifteenth day of the third
8 month following the month in which:

9 (1) Such individual shall return to the United States
10 if the extension is granted pursuant to
11 subparagraph a of this paragraph, return to the
12 State of Oklahoma if the extension is granted
13 pursuant to subparagraph b of this paragraph or
14 be discharged from such hospital if the extension
15 is granted pursuant to subparagraph c of this
16 paragraph; or

17 (2) An executor, administrator, or conservator of the
18 estate of the taxpayer is appointed, whichever
19 event occurs the earliest.

20 Provided, that the Tax Commission may, in its discretion, grant any
21 member of the Armed Forces of the United States an extension of time
22 for filing of income tax returns and payment of income tax without
23 incurring liabilities for interest or penalties. Such extension may
24 be granted only when in the judgment of the Tax Commission a good

1 cause exists therefor and may be for a period in excess of six (6)
2 months. A record of every such extension granted, and the reason
3 therefor, shall be kept.

4 6. The salary or any other form of compensation, received from
5 the United States by a member of any component of the Armed Forces
6 of the United States, shall be deducted from taxable income during
7 the time in which the person is detained by the enemy in a conflict,
8 is a prisoner of war or is missing in action and not deceased.

9 7. Notwithstanding anything in the Internal Revenue Code or in
10 the Oklahoma Income Tax Act to the contrary, it is expressly
11 provided that, in the case of resident individuals, amounts received
12 as dividends or distributions of earnings from savings and loan
13 associations or credit unions located in Oklahoma, and interest
14 received on savings accounts and time deposits from such sources or
15 from state and national banks or trust companies located in
16 Oklahoma, shall qualify as dividends for the purpose of the dividend
17 exclusion, and taxable income shall be adjusted accordingly to
18 arrive at Oklahoma taxable income; provided, however, that the
19 dividend, distribution of earnings and/or interest exclusion
20 provided for hereinabove shall not be cumulative to the maximum
21 dividend exclusion allowed by the Internal Revenue Code. Any
22 dividend exclusion already allowed by the Internal Revenue Code and
23 reflected in the taxpayer's Oklahoma taxable income together with
24 exclusion allowed herein shall not exceed the total of One Hundred

1 Dollars (\$100.00) per individual or Two Hundred Dollars (\$200.00)
2 per couple filing a joint return.

3 8. a. An individual taxpayer, whether resident or
4 nonresident, may deduct an amount equal to the federal
5 income taxes paid by the taxpayer during the taxable
6 year.

7 b. Federal taxes as described in subparagraph a of this
8 paragraph shall be deductible by any individual
9 taxpayer, whether resident or nonresident, only to the
10 extent they relate to income subject to taxation
11 pursuant to the provisions of the Oklahoma Income Tax
12 Act. The maximum amount allowable in the preceding
13 paragraph shall be prorated on the ratio of the
14 Oklahoma adjusted gross income to federal adjusted
15 gross income.

16 c. For the purpose of this paragraph, "federal income
17 taxes paid" shall mean federal income taxes, surtaxes
18 imposed on incomes or excess profits taxes, as though
19 the taxpayer was on the accrual basis. In determining
20 the amount of deduction for federal income taxes for
21 tax year 2001, the amount of the deduction shall not
22 be adjusted by the amount of any accelerated ten
23 percent (10%) tax rate bracket credit or advanced
24 refund of the credit received during the tax year

1 provided pursuant to the federal Economic Growth and
2 Tax Relief Reconciliation Act of 2001, P.L. No. 107-
3 16, and the advanced refund of such credit shall not
4 be subject to taxation.

5 d. The provisions of this paragraph shall apply to all
6 taxable years ending after December 31, 1978, and
7 beginning before January 1, 2006.

8 9. Retirement benefits not to exceed Five Thousand Five Hundred
9 Dollars (\$5,500.00) for the 2004 tax year, Seven Thousand Five
10 Hundred Dollars (\$7,500.00) for the 2005 tax year and Ten Thousand
11 Dollars (\$10,000.00) for the 2006 tax year and all subsequent tax
12 years, which are received by an individual from the civil service of
13 the United States, the Oklahoma Public Employees Retirement System,
14 the Teachers' Retirement System of Oklahoma, the Oklahoma Law
15 Enforcement Retirement System, the Oklahoma Firefighters Pension and
16 Retirement System, the Oklahoma Police Pension and Retirement
17 System, the employee retirement systems created by counties pursuant
18 to Section 951 et seq. of Title 19 of the Oklahoma Statutes, the
19 Uniform Retirement System for Justices and Judges, the Oklahoma
20 Wildlife Conservation Department Retirement Fund, the Oklahoma
21 Employment Security Commission Retirement Plan, or the employee
22 retirement systems created by municipalities pursuant to Section 48-
23 101 et seq. of Title 11 of the Oklahoma Statutes shall be exempt
24 from taxable income.

1 10. In taxable years beginning after December 31, 1984, Social
2 Security benefits received by an individual shall be exempt from
3 taxable income, to the extent such benefits are included in the
4 federal adjusted gross income pursuant to the provisions of Section
5 86 of the Internal Revenue Code, 26 U.S.C., Section 86.

6 11. For taxable years beginning after December 31, 1994, lump-
7 sum distributions from employer plans of deferred compensation,
8 which are not qualified plans within the meaning of Section 401(a)
9 of the Internal Revenue Code, 26 U.S.C., Section 401(a), and which
10 are deposited in and accounted for within a separate bank account or
11 brokerage account in a financial institution within this state,
12 shall be excluded from taxable income in the same manner as a
13 qualifying rollover contribution to an individual retirement account
14 within the meaning of Section 408 of the Internal Revenue Code, 26
15 U.S.C., Section 408. Amounts withdrawn from such bank or brokerage
16 account, including any earnings thereon, shall be included in
17 taxable income when withdrawn in the same manner as withdrawals from
18 individual retirement accounts within the meaning of Section 408 of
19 the Internal Revenue Code.

20 12. In taxable years beginning after December 31, 1995,
21 contributions made to and interest received from a medical savings
22 account established pursuant to Sections 2621 through 2623 of Title
23 63 of the Oklahoma Statutes shall be exempt from taxable income.

24

1 13. For taxable years beginning after December 31, 1996, the
2 Oklahoma adjusted gross income of any individual taxpayer who is a
3 swine or poultry producer may be further adjusted for the deduction
4 for depreciation allowed for new construction or expansion costs
5 which may be computed using the same depreciation method elected for
6 federal income tax purposes except that the useful life shall be
7 seven (7) years for purposes of this paragraph. If depreciation is
8 allowed as a deduction in determining the adjusted gross income of
9 an individual, any depreciation calculated and claimed pursuant to
10 this section shall in no event be a duplication of any depreciation
11 allowed or permitted on the federal income tax return of the
12 individual.

13 14. a. In taxable years beginning after December 31, 2002,
14 nonrecurring adoption expenses paid by a resident
15 individual taxpayer in connection with:

- 16 (1) the adoption of a minor, or
17 (2) a proposed adoption of a minor which did not
18 result in a decreed adoption,
19 may be deducted from the Oklahoma adjusted gross
20 income.

21 b. The deductions for adoptions and proposed adoptions
22 authorized by this paragraph shall not exceed Twenty
23 Thousand Dollars (\$20,000.00) per calendar year.

24

1 c. The Tax Commission shall promulgate rules to implement
2 the provisions of this paragraph which shall contain a
3 specific list of nonrecurring adoption expenses which
4 may be presumed to qualify for the deduction. The Tax
5 Commission shall prescribe necessary requirements for
6 verification.

7 d. "Nonrecurring adoption expenses" means adoption fees,
8 court costs, medical expenses, attorney fees and
9 expenses which are directly related to the legal
10 process of adoption of a child including, but not
11 limited to, costs relating to the adoption study,
12 health and psychological examinations, transportation
13 and reasonable costs of lodging and food for the child
14 or adoptive parents which are incurred to complete the
15 adoption process and are not reimbursed by other
16 sources. The term "nonrecurring adoption expenses"
17 shall not include attorney fees incurred for the
18 purpose of litigating a contested adoption, from and
19 after the point of the initiation of the contest,
20 costs associated with physical remodeling, renovation
21 and alteration of the adoptive parents' home or
22 property, except for a special needs child as
23 authorized by the court.
24

1 15. a. In taxable years beginning before January 1, 2005,
2 retirement benefits not to exceed the amounts
3 specified in this paragraph, which are received by an
4 individual sixty-five (65) years of age or older and
5 whose Oklahoma adjusted gross income is Twenty-five
6 Thousand Dollars (\$25,000.00) or less if the filing
7 status is single, head of household, or married filing
8 separate, or Fifty Thousand Dollars (\$50,000.00) or
9 less if the filing status is married filing joint or
10 qualifying widow, shall be exempt from taxable income.
11 In taxable years beginning after December 31, 2004,
12 retirement benefits not to exceed the amounts
13 specified in this paragraph, which are received by an
14 individual whose Oklahoma adjusted gross income is
15 less than the qualifying amount specified in this
16 paragraph, shall be exempt from taxable income.

17 b. For purposes of this paragraph, the qualifying amount
18 shall be as follows:

19 (1) in taxable years beginning after December 31,
20 2004, and prior to January 1, 2007, the
21 qualifying amount shall be Thirty-seven Thousand
22 Five Hundred Dollars (\$37,500.00) or less if the
23 filing status is single, head of household, or
24 married filing separate, or Seventy-Five Thousand

- 1 Dollars (\$75,000.00) or less if the filing status
2 is married filing jointly or qualifying widow,
3 (2) in the taxable year beginning January 1, 2007,
4 the qualifying amount shall be Fifty Thousand
5 Dollars (\$50,000.00) or less if the filing status
6 is single, head of household, or married filing
7 separate, or One Hundred Thousand Dollars
8 (\$100,000.00) or less if the filing status is
9 married filing jointly or qualifying widow,
10 (3) in the taxable year beginning January 1, 2008,
11 the qualifying amount shall be Sixty-two Thousand
12 Five Hundred Dollars (\$62,500.00) or less if the
13 filing status is single, head of household, or
14 married filing separate, or One Hundred Twenty-
15 five Thousand Dollars (\$125,000.00) or less if
16 the filing status is married filing jointly or
17 qualifying widow,
18 (4) in the taxable year beginning January 1, 2009,
19 the qualifying amount shall be One Hundred
20 Thousand Dollars (\$100,000.00) or less if the
21 filing status is single, head of household, or
22 married filing separate, or Two Hundred Thousand
23 Dollars (\$200,000.00) or less if the filing
24

1 status is married filing jointly or qualifying
2 widow, and

3 (5) in the taxable year beginning January 1, 2010,
4 and subsequent taxable years, there shall be no
5 limitation upon the qualifying amount.

6 c. For purposes of this paragraph, "retirement benefits"
7 means the total distributions or withdrawals from the
8 following:

9 (1) an employee pension benefit plan which satisfies
10 the requirements of Section 401 of the Internal
11 Revenue Code, 26 U.S.C., Section 401,

12 (2) an eligible deferred compensation plan that
13 satisfies the requirements of Section 457 of the
14 Internal Revenue Code, 26 U.S.C., Section 457,

15 (3) an individual retirement account, annuity or
16 trust or simplified employee pension that
17 satisfies the requirements of Section 408 of the
18 Internal Revenue Code, 26 U.S.C., Section 408,

19 (4) an employee annuity subject to the provisions of
20 Section 403(a) or (b) of the Internal Revenue
21 Code, 26 U.S.C., Section 403(a) or (b),

22 (5) United States Retirement Bonds which satisfy the
23 requirements of Section 86 of the Internal
24 Revenue Code, 26 U.S.C., Section 86, or

1 (6) lump-sum distributions from a retirement plan
2 which satisfies the requirements of Section
3 402(e) of the Internal Revenue Code, 26 U.S.C.,
4 Section 402(e).

5 d. The amount of the exemption provided by this paragraph
6 shall be limited to Five Thousand Five Hundred Dollars
7 (\$5,500.00) for the 2004 tax year, Seven Thousand Five
8 Hundred Dollars (\$7,500.00) for the 2005 tax year and
9 Ten Thousand Dollars (\$10,000.00) for the tax year
10 2006 and for all subsequent tax years. Any individual
11 who claims the exemption provided for in paragraph 9
12 of this subsection shall not be permitted to claim a
13 combined total exemption pursuant to this paragraph
14 and paragraph 9 of this subsection in an amount
15 exceeding Five Thousand Five Hundred Dollars
16 (\$5,500.00) for the 2004 tax year, Seven Thousand Five
17 Hundred Dollars (\$7,500.00) for the 2005 tax year and
18 Ten Thousand Dollars (\$10,000.00) for the 2006 tax
19 year and all subsequent tax years.

20 16. In taxable years beginning after December 31, 1999, for an
21 individual engaged in production agriculture who has filed a
22 Schedule F form with the taxpayer's federal income tax return for
23 such taxable year, there shall be excluded from taxable income any
24 amount which was included as federal taxable income or federal

1 adjusted gross income and which consists of the discharge of an
2 obligation by a creditor of the taxpayer incurred to finance the
3 production of agricultural products.

4 17. In taxable years beginning December 31, 2000, an amount
5 equal to one hundred percent (100%) of the amount of any scholarship
6 or stipend received from participation in the Oklahoma Police Corps
7 Program, as established in Section 2-140.3 of Title 47 of the
8 Oklahoma Statutes shall be exempt from taxable income.

9 18. a. In taxable years beginning after December 31, 2001,
10 and before January 1, 2005, there shall be allowed a
11 deduction in the amount of contributions to accounts
12 established pursuant to the Oklahoma College Savings
13 Plan Act. The deduction shall equal the amount of
14 contributions to accounts, but in no event shall the
15 deduction for each contributor exceed Two Thousand
16 Five Hundred Dollars (\$2,500.00) each taxable year for
17 each account.

18 b. In taxable years beginning after December 31, 2004,
19 each taxpayer shall be allowed a deduction for
20 contributions to accounts established pursuant to the
21 Oklahoma College Savings Plan Act. The maximum annual
22 deduction shall equal the amount of contributions to
23 all such accounts plus any contributions to such
24 accounts by the taxpayer for prior taxable years after

1 December 31, 2004, which were not deducted, but in no
2 event shall the deduction for each tax year exceed Ten
3 Thousand Dollars (\$10,000.00) for each individual
4 taxpayer or Twenty Thousand Dollars (\$20,000.00) for
5 taxpayers filing a joint return. Any amount of a
6 contribution that is not deducted by the taxpayer in
7 the year for which the contribution is made may be
8 carried forward as a deduction from income for the
9 succeeding five (5) years. For taxable years
10 beginning after December 31, 2005, deductions may be
11 taken for contributions and rollovers made during a
12 taxable year and up to April 15 of the succeeding
13 year, or the due date of a taxpayer's state income tax
14 return, excluding extensions, whichever is later.
15 Provided, a deduction for the same contribution may
16 not be taken for two (2) different taxable years.

17 c. In taxable years beginning after December 31, 2006,
18 deductions for contributions made pursuant to
19 subparagraph b of this paragraph shall be limited as
20 follows:

21 (1) for a taxpayer who qualified for the five-year
22 carryforward election and who takes a rollover or
23 non-qualified withdrawal during that period, the
24 tax deduction otherwise available pursuant to

1 subparagraph b of this paragraph shall be reduced
2 by the amount which is equal to the rollover or
3 non-qualified withdrawal, and

4 (2) for a taxpayer who elects to take a rollover or
5 non-qualified withdrawal within the same tax year
6 in which a contribution was made to the
7 taxpayer's account, the tax deduction otherwise
8 available pursuant to subparagraph b of this
9 paragraph shall be reduced by the amount of the
10 contribution which is equal to the rollover or
11 non-qualified withdrawal.

12 d. If a taxpayer elects to take a rollover on a
13 contribution for which a deduction has been taken
14 pursuant to subparagraph b of this paragraph within
15 one year of the date of contribution, the amount of
16 such rollover shall be included in the adjusted gross
17 income of the taxpayer in the taxable year of the
18 rollover.

19 e. If a taxpayer makes a non-qualified withdrawal of
20 contributions for which a deduction was taken pursuant
21 to subparagraph b of this paragraph, such non-
22 qualified withdrawal and any earnings thereon shall be
23 included in the adjusted gross income of the taxpayer
24 in the taxable year of the non-qualified withdrawal.

1 f. As used in this paragraph:

2 (1) "non-qualified withdrawal" means a withdrawal
3 from an Oklahoma College Savings Plan account
4 other than one of the following:

5 (a) a qualified withdrawal,

6 (b) a withdrawal made as a result of the death
7 or disability of the designated beneficiary
8 of an account,

9 (c) a withdrawal that is made on the account of
10 a scholarship or the allowance or payment
11 described in Section 135(d)(1)(B) or (C) or
12 by the Internal Revenue Code, received by
13 the designated beneficiary to the extent the
14 amount of the refund does not exceed the
15 amount of the scholarship, allowance, or
16 payment, or

17 (d) a rollover or change of designated
18 beneficiary as permitted by subsection F of
19 Section 3970.7 of Title 70 of Oklahoma
20 Statutes, and

21 (2) "rollover" means the transfer of funds from the
22 Oklahoma College Savings Plan to any other plan
23 under Section 529 of the Internal Revenue Code.
24

1 19. For taxable years beginning after December 31, 2005,
2 retirement benefits received by an individual from any component of
3 the Armed Forces of the United States in an amount not to exceed the
4 greater of seventy-five percent (75%) of such benefits or Ten
5 Thousand Dollars (\$10,000.00) shall be exempt from taxable income
6 but in no case less than the amount of the exemption provided by
7 paragraph 15 of this subsection.

8 20. For taxable years beginning after December 31, 2006,
9 retirement benefits received by federal civil service retirees,
10 including survivor annuities, paid in lieu of Social Security
11 benefits shall be exempt from taxable income to the extent such
12 benefits are included in the federal adjusted gross income pursuant
13 to the provisions of Section 86 of the Internal Revenue Code, 26
14 U.S.C., Section 86, according to the following schedule:

- 15 a. in the taxable year beginning January 1, 2007, twenty
16 percent (20%) of such benefits shall be exempt,
- 17 b. in the taxable year beginning January 1, 2008, forty
18 percent (40%) of such benefits shall be exempt,
- 19 c. in the taxable year beginning January 1, 2009, sixty
20 percent (60%) of such benefits shall be exempt,
- 21 d. in the taxable year beginning January 1, 2010, eighty
22 percent (80%) of such benefits shall be exempt, and

1 e. in the taxable year beginning January 1, 2011, and
2 subsequent taxable years, one hundred percent (100%)
3 of such benefits shall be exempt.

4 21. a. For taxable years beginning after December 31, 2007, a
5 resident individual may deduct up to Ten Thousand
6 Dollars (\$10,000.00) from Oklahoma adjusted gross
7 income if the individual, or the dependent of the
8 individual, while living, donates one or more human
9 organs of the individual to another human being for
10 human organ transplantation. As used in this
11 paragraph, "human organ" means all or part of a liver,
12 pancreas, kidney, intestine, lung, or bone marrow. A
13 deduction that is claimed under this paragraph may be
14 claimed in the taxable year in which the human organ
15 transplantation occurs.

16 b. An individual may claim this deduction only once, and
17 the deduction may be claimed only for unreimbursed
18 expenses that are incurred by the individual and
19 related to the organ donation of the individual.

20 c. The Oklahoma Tax Commission shall promulgate rules to
21 implement the provisions of this paragraph which shall
22 contain a specific list of expenses which may be
23 presumed to qualify for the deduction. The Tax
24

1 Commission shall prescribe necessary requirements for
2 verification.

3 F. 1. For taxable years beginning after December 31, 2004, a
4 deduction from the Oklahoma adjusted gross income of any individual
5 taxpayer shall be allowed for qualifying gains receiving capital
6 treatment that are included in the federal adjusted gross income of
7 such individual taxpayer during the taxable year.

8 2. As used in this subsection:

9 a. "qualifying gains receiving capital treatment" means
10 the amount of net capital gains, as defined in Section
11 1222(11) of the Internal Revenue Code, included in an
12 individual taxpayer's federal income tax return that
13 result from:

14 (1) the sale of real property or tangible personal
15 property located within Oklahoma that has been
16 directly or indirectly owned by the individual
17 taxpayer for a holding period of at least five
18 (5) years prior to the date of the transaction
19 from which such net capital gains arise,

20 (2) the sale of stock or the sale of a direct or
21 indirect ownership interest in an Oklahoma
22 company, limited liability company, or
23 partnership where such stock or ownership
24 interest has been directly or indirectly owned by

1 the individual taxpayer for a holding period of
2 at least two (2) years prior to the date of the
3 transaction from which the net capital gains
4 arise, or

5 (3) the sale of real property, tangible personal
6 property or intangible personal property located
7 within Oklahoma as part of the sale of all or
8 substantially all of the assets of an Oklahoma
9 company, limited liability company, or
10 partnership or an Oklahoma proprietorship
11 business enterprise where such property has been
12 directly or indirectly owned by such entity or
13 business enterprise or owned by the owners of
14 such entity or business enterprise for a period
15 of at least two (2) years prior to the date of
16 the transaction from which the net capital gains
17 arise,

18 b. "holding period" means an uninterrupted period of
19 time. The holding period shall include any additional
20 period when the property was held by another
21 individual or entity, if such additional period is
22 included in the taxpayer's holding period for the
23 asset pursuant to the Internal Revenue Code,
24

1 c. "Oklahoma company," "limited liability company," or
2 "partnership" means an entity whose primary
3 headquarters have been located in Oklahoma for at
4 least three (3) uninterrupted years prior to the date
5 of the transaction from which the net capital gains
6 arise,

7 d. "direct" means the individual taxpayer directly owns
8 the asset,

9 e. "indirect" means the individual taxpayer owns an
10 interest in a pass-through entity (or chain of pass-
11 through entities) that sells the asset that gives rise
12 to the qualifying gains receiving capital treatment.

13 (1) With respect to sales of real property or
14 tangible personal property located within
15 Oklahoma, the deduction described in this
16 subsection shall not apply unless the pass-
17 through entity that makes the sale has held the
18 property for not less than five (5) uninterrupted
19 years prior to the date of the transaction that
20 created the capital gain, and each pass-through
21 entity included in the chain of ownership has
22 been a member, partner, or shareholder of the
23 pass-through entity in the tier immediately below
24

1 it for an uninterrupted period of not less than
2 five (5) years.

3 (2) With respect to sales of stock or ownership
4 interest in or sales of all or substantially all
5 of the assets of an Oklahoma company, limited
6 liability company, partnership or Oklahoma
7 proprietorship business enterprise, the deduction
8 described in this subsection shall not apply
9 unless the pass-through entity that makes the
10 sale has held the stock or ownership interest for
11 not less than two (2) uninterrupted years prior
12 to the date of the transaction that created the
13 capital gain, and each pass-through entity
14 included in the chain of ownership has been a
15 member, partner or shareholder of the pass-
16 through entity in the tier immediately below it
17 for an uninterrupted period of not less than two
18 (2) years. For purposes of this division,
19 uninterrupted ownership prior to the effective
20 date of this act shall be included in the
21 determination of the required holding period
22 prescribed by this division, and

23 f. "Oklahoma proprietorship business enterprise" means a
24 business enterprise whose income and expenses have

1 been reported on Schedule C or F of an individual
2 taxpayer's federal income tax return, or any similar
3 successor schedule published by the Internal Revenue
4 Service and whose primary headquarters have been
5 located in Oklahoma for at least three (3)
6 uninterrupted years prior to the date of the
7 transaction from which the net capital gains arise.

8 SECTION 38. REPEALER 68 O.S. 2001, Section 2358, as last
9 amended by Section 10, Chapter 353, O.S.L. 2007 (68 O.S. Supp. 2007,
10 Section 2358), is hereby repealed.

11 SECTION 39. AMENDATORY 68 O.S. 2001, Section 2817, as
12 last amended by Section 1, Chapter 250, O.S.L. 2007 (68 O.S. Supp.
13 2007, Section 2817), is amended to read as follows:

14 Section 2817. A. All taxable personal property, except
15 intangible personal property, personal property exempt from ad
16 valorem taxation, or household personal property, shall be listed
17 and assessed each year at its fair cash value, estimated at the
18 price it would bring at a fair voluntary sale, as of January 1.

19 The fair cash value of household personal property shall be
20 valued at ten percent (10%) of the appraised value of the
21 improvement to the residential real property within which such
22 personal property is located as of January 1 each year. The
23 assessment of household personal property as provided by this
24 section may be altered by the taxpayer listing such property at its

1 actual fair cash value. For purposes of establishing the value of
2 household personal property, pursuant to the requirement of Section
3 8 of Article X of the Oklahoma Constitution, the percentage of value
4 prescribed by this section for the household personal property shall
5 be presumed to constitute the fair cash value of the personal
6 property.

7 All unmanufactured farm products shall be assessed and valued as
8 of the preceding May 31. Every person, firm, company, association,
9 or corporation, in making the assessment, shall assess all
10 unmanufactured farm products owned by the person, firm, company,
11 association or corporation on the preceding May 31, at its fair cash
12 value on that date instead of January 1.

13 Stocks of goods, wares and merchandise shall be assessed at the
14 value of the average amount on hand during the preceding year, or
15 the average amount on hand during the part of the preceding year the
16 stock of goods, wares or merchandise was at its January 1 location.

17 B. All taxable real property shall be assessed annually as of
18 January 1, at its fair cash value, estimated at the price it would
19 bring at a fair voluntary sale for:

20 1. The highest and best use for which the property was actually
21 used during the preceding calendar year; or

22 2. The highest and best use for which the property was last
23 classified for use if not actually used during the preceding
24 calendar year.

1 When improvements upon residential real property are divided by
2 a taxing jurisdiction line, those improvements shall be valued and
3 assessed in the taxing jurisdiction in which the physical majority
4 of those improvements are located.

5 The Ad Valorem Division of the Tax Commission shall be
6 responsible for the promulgation of rules which shall be followed by
7 each county assessor of the state, for the purposes of providing for
8 the equitable use valuation of locally assessed real property in
9 this state. Agricultural land and nonresidential improvements
10 necessary or convenient for agricultural purposes shall be assessed
11 for ad valorem taxation based upon the highest and best use for
12 which the property was actually used, or was previously classified
13 for use, during the calendar year next preceding January 1 on which
14 the assessment is made.

15 C. The use value of agricultural land shall be based on the
16 income capitalization approach using cash rent. The rental income
17 shall be calculated using the direct capitalization method based
18 upon factors including, but not limited to:

19 1. Soil types, as depicted on soil maps published by the
20 Natural Resources Conservation Service of the United States
21 Department of Agriculture;

22 2. Soil productivity indices approved by the Ad Valorem
23 Division of the Tax Commission;

24

1 3. The specific agricultural purpose of the soil based on use
2 categories approved by the Ad Valorem Division of the Tax
3 Commission; and

4 4. A capitalization rate to be determined annually by the Ad
5 Valorem Division of the Tax Commission based on the sum of the
6 average first mortgage interest rate charged by the Federal Land
7 Bank for the immediately preceding five (5) years, weighted with the
8 prevailing rate or rates for additional loans or equity, and the
9 effective tax rate.

10 The final use value will be calculated using the soil
11 productivity indices and the agricultural use classification as
12 defined by rules promulgated by the State Board of Equalization.
13 This subsection shall not be construed in a manner which is
14 inconsistent with the duties, powers and authority of the Board as
15 to valuation of the counties as fixed and defined by Section 21 of
16 Article X of the Oklahoma Constitution.

17 However, in calculating the use value of buffer strips as
18 defined in Section 2817.2 of this title, exclusive consideration
19 shall be based only on income from production agriculture from such
20 buffer strips, not including federal or state subsidies, when valued
21 as required by subsection C of Section 2817.2 of this title.

22 D. The use value of nonresidential improvements on agricultural
23 land shall be based on the cost approach to value estimation using
24 currently updated cost manuals published by the Marshall and Swift

1 Company or similar cost manuals approved by the Ad Valorem Division
2 of the Tax Commission. The use value estimates for the
3 nonresidential improvements shall take obsolescence and depreciation
4 into consideration in addition to necessary adjustments for local
5 variations in the cost of labor and materials. This section shall
6 not be construed in a manner which is inconsistent with the duties,
7 powers and authority of the Board as to equalization of valuation of
8 the counties as determined and defined by Section 21 of Article X of
9 the Oklahoma Constitution.

10 The use value of facilities used for poultry production shall be
11 determined according to the following procedures:

12 1. The Ad Valorem Division of the Tax Commission is hereby
13 directed to develop a standard system of valuation of both real and
14 personal property of such facilities, which shall be used by all
15 county assessors in this state, under which valuation based on the
16 following shall be presumed to be the fair cash value of the
17 property:

18 a. for real property, a ten-year depreciation schedule,
19 at the end of which the residual value is twenty
20 percent (20%) of the value of the facility during its
21 first year of operation, and

22 b. for personal property, a five-year depreciation
23 schedule, at the end of which the residual value is
24 zero;

1 2. Such facilities shall be valued only in comparison to other
2 facilities used exclusively for poultry production. Such a facility
3 which is no longer used for poultry production shall be deemed to
4 have no productive use;

5 3. During the first year such a facility is placed on the tax
6 rolls, its fair cash value shall be presumed to be the lesser of the
7 actual purchase price or the actual documented cost of construction;
8 and

9 4. For the purpose of determining the valuation of
10 nonresidential improvements used for poultry production, the
11 provisions of this subsection shall be applicable and such
12 improvements shall not be considered to be commercial property.

13 E. The value of investment in property used exclusively by an
14 oil refinery that is used wholly as a facility, device or method for
15 the desulphurization of gasoline or diesel fuel as defined in
16 Section 2817.3 of this title shall not be included in the
17 capitalization used in the determination of fair market value of
18 such oil refinery if such property would qualify as exempt property
19 pursuant to Section 2902 of this title, whether or not an
20 application for such exemption is made by an otherwise qualifying
21 manufacturing concern owning the property described by Section
22 2817.3 of this title.

23 F. The transfer of real property without a change in its use
24 classification shall not require a reassessment thereof based

1 exclusively upon the sale value of the property. However, if the
2 county assessor determines:

3 1. That by reason of the transfer of a property there is a
4 change in the actual use or classification of the property; or

5 2. That by reason of the amount of the sales consideration it
6 is obvious that the use classification prior to the transfer of the
7 property is not commensurate with and would not justify the amount
8 of the sales consideration of the property;

9 then the assessor shall, in either event, reassess the property for
10 the new use classification for which the property is being used, or,
11 the highest and best use classification for which the property may,
12 by reason of the transfer, be classified for use.

13 G. When the term "fair cash value" or the language "fair cash
14 value, estimated at the price it would bring at a fair voluntary
15 sale" is used in the Ad Valorem Tax Code, in connection with and in
16 relation to the assessment of real property, it is defined to mean
17 and shall be given the meaning ascribed and assigned to it in this
18 section and when the term or language is used in the Code in
19 connection with the assessment of personal property it shall be
20 given its ordinary or literal meaning.

21 H. Where any real property is zoned for a use by a proper
22 zoning authority, and the use of the property has not been changed,
23 the use and not zoning shall determine assessment. Any reassessment
24 required shall be effective January 1 following the change in use.

1 Taxable real property need not be listed annually with the county
2 assessor.

3 I. If any real property shall become taxable after January 1 of
4 any year, the county assessor shall assess the same and place it
5 upon the tax rolls for the next ensuing year. When any building is
6 constructed upon land after January 1 of any year, the value of the
7 building shall be added by the county assessor to the assessed
8 valuation of the land upon which the building is constructed at the
9 fair cash value thereof for the next ensuing year. However, after
10 the building has been completed it shall be deemed to have a value
11 for assessment purposes of the fair cash value of the materials used
12 in such building only, until the building and the land on which the
13 building is located shall have been conveyed to a bona fide
14 purchaser or shall have been occupied or used for any purpose other
15 than as a sales office by the owner thereof, or shall have been
16 leased, whichever event shall first occur. The county assessor
17 shall continue to assess the building based upon the fair market
18 value of the materials used therein until the building and land upon
19 which the building is located shall have been conveyed to a bona
20 fide purchaser or is occupied or used for any purpose other than as
21 a sales office by the owner thereof, or is leased, whichever event
22 shall first occur. However, the fair cash value of a lot in any
23 platted addition or a subdivision in a city, town or county zoned
24 for residential, commercial, industrial or other use shall be deemed

1 to be the total purchase price paid by the developer of the addition
2 or subdivision for the land comprising the platted addition or
3 subdivision divided by the number of lots contained in the addition
4 or subdivision until the lot with building or buildings located
5 thereon shall have been conveyed to a bona fide purchaser or shall
6 have been occupied other than as a sales office by the owner
7 thereof, or shall have been leased, whichever event shall first
8 occur. One who purchases a lot for the purposes of constructing and
9 selling a building on such lot shall not be deemed to be a bona fide
10 purchaser for purposes of this section. However, if the lot is held
11 for a period longer than two (2) years before construction, then the
12 assessor may consider the lot to have been conveyed to a bona fide
13 purchaser. The cost of any land or improvements to any real
14 property required to be dedicated to public use, including, but not
15 limited to, streets, curbs, gutters, sidewalks, storm or sanitary
16 sewers, utilities, detention or retention ponds, easements, parks or
17 reserves shall not be utilized by the county assessor in the
18 valuation of any real property for assessment purposes.

19 J. In case improvements on land or personal property located
20 therein or thereon are destroyed by fire, lightning, storm, winds,
21 floodwaters, overflow of streams or other cause, or the value of
22 land is impaired, damaged or destroyed by fire, lightning, storm,
23 winds, floodwaters, overflow of streams or other cause, after
24 January 1 and before the adjournment of the county board of

1 equalization during any year, the county board of equalization, in
2 cooperation with the county assessor, shall determine the amount of
3 damage, and shall make an order directing the assessment of the
4 property for that year at the fair cash value of the property, as
5 defined herein, taking into account the damage occasioned by fire,
6 lightning, storm, winds, floodwaters, overflow of streams or other
7 cause.

8 K. All taxable personal property used in the exploration of
9 oil, natural gas, or other minerals, including drilling equipment
10 and rigs, shall be assessed annually at the value set forth in the
11 first Hadco International monthly bulletin published for the tax
12 year, using the appropriate depth rating assigned to the drawworks
13 by its manufacturer and the actual condition of the rig.

14 SECTION 40. REPEALER 68 O.S. 2001, Section 2817, as last
15 amended by Section 1, Chapter 329, O.S.L. 2007 (68 O.S. Supp. 2007,
16 Section 2817), is hereby repealed.

17 SECTION 41. AMENDATORY 70 O.S. 2001, Section 2603, as
18 last amended by Section 6, Chapter 355, O.S.L. 2007 (70 O.S. Supp.
19 2007, Section 2603), is amended to read as follows:

20 Section 2603. A. To be eligible to participate in the Oklahoma
21 Higher Learning Access Program and to qualify for an award which
22 includes payment of an amount equivalent to resident tuition or
23 other tuition pursuant to Section 2604 of this title for the first
24

1 semester or other academic unit of postsecondary enrollment, a
2 student shall:

3 1. Be a resident of this state or be enrolled in a school
4 district located in this state that serves students who reside in
5 both this state and an adjacent state pursuant to a contract as
6 authorized in Section 5-117.1 of this title;

7 2. Be a United States citizen or lawfully present in the United
8 States. A student who is not a United States citizen or lawfully
9 present in the United States shall not be eligible to participate in
10 the Oklahoma Higher Learning Access Program and to qualify for an
11 award notwithstanding the provisions of Section 3242 of this title.
12 The provisions of this paragraph shall not apply to any student who
13 was enrolled in the Oklahoma Higher Learning Access Program prior to
14 the end of the 2006-2007 school year;

15 3. Have a record of satisfactory compliance with agreements
16 executed pursuant to Section 2605 of this title;

17 4. a. have graduated within the previous three (3) years
18 from a high school accredited by the State Board of
19 Education, or the Oklahoma School of Science and
20 Mathematics with a minimum 2.5 cumulative grade point
21 average on a 4.0 scale for all work attempted in
22 grades nine through twelve,

23 b. have graduated within the previous three (3) years
24 from a high school not accredited by the State Board

1 of Education with a minimum 2.5 cumulative grade point
2 average on a 4.0 scale for all work attempted in
3 grades nine through twelve and have achieved a
4 composite score of 22 or higher on the ACT test, or
5 c. have satisfactorily completed within the previous
6 three (3) years an educational program that was
7 provided through a means other than a public or
8 private school and have achieved a composite score of
9 22 or higher on the ACT test;

10 5. Have completed the curricular requirements for admission to
11 an institution within The Oklahoma State System of Higher Education
12 and one additional unit or set of competencies in a course that
13 meets college admission requirements. The curriculum requirements
14 shall include two units or sets of competencies in foreign or non-
15 English language or technology courses that meet the college
16 admission requirements and one unit or set of competencies of a fine
17 arts course. Students shall also have attained a 2.5 grade point
18 average in the core curriculum courses. Students who attended a
19 high school which did not offer all the core curriculum courses or
20 students who were educated by other means and were not offered all
21 the core curriculum courses shall be allowed to satisfy this
22 curriculum requirement by participating in a program approved by the
23 State Regents for remediation of high school curricular
24 deficiencies;

1 6. Have satisfied admission standards as determined by the
2 Oklahoma State Regents for Higher Education for first-time-entering
3 students for the appropriate type of institution, or, if attending a
4 private institution, have satisfied admission standards as
5 determined by the private institution; ~~provided, no.~~ No student
6 participating in the Oklahoma Higher Learning Access Program shall
7 be admitted into an institution of higher education by special
8 admission standards;

9 7. Have secured admission to, and enrolled in, an institution
10 which is a member of The Oklahoma State System of Higher Education,
11 a postsecondary vocational-technical program offered pursuant to a
12 duly approved cooperative agreement between a technology center
13 school and an institution of The Oklahoma State System of Higher
14 Education, or a private institution of higher learning located
15 within this state and accredited pursuant to Section 4103 of this
16 title; and

17 8. Have established financial need according to the provisions
18 of Section 2605 of this title and standards and provisions
19 promulgated by the Oklahoma State Regents for Higher Education.

20 B. To retain eligibility while pursuing the program of higher
21 learning in which enrolled, the student shall:

22 1. Achieve a minimum grade point average of 2.0 on a 4.0 scale
23 or its equivalent for courses taken during the student's sophomore
24 year and achieve a minimum grade point average of 2.5 on a 4.0 scale

1 or its equivalent for courses taken during the student's junior year
2 and thereafter. The provisions of this paragraph shall not apply to
3 any student who has received an Oklahoma Higher Learning Access
4 Program benefit award prior to the 2009-2010 school year;

5 2. Maintain good academic standing and satisfactory academic
6 progress according to standards of the Oklahoma State Regents for
7 Higher Education;

8 3. Comply with the standards related to maintenance of
9 eligibility as promulgated by the Oklahoma State Regents for Higher
10 Education; and

11 4. Refrain from conduct that leads to expulsion or suspension
12 of more than one semester from an institution of higher education.
13 A student who violates the provisions of this paragraph shall
14 permanently lose eligibility for program benefits. The provisions
15 of this paragraph shall become effective January 1, 2008.

16 C. The Oklahoma State Regents for Higher Education and the
17 State Board of Career and Technology Education shall promulgate
18 rules relating to maintenance of eligibility under this act by a
19 student.

20 D. It is the intent of the Legislature that students in the
21 ninth grade for the 1992-93 school year who are determined to be
22 eligible Oklahoma Higher Learning Access students pursuant to this
23 act shall be the first students eligible for benefits from the
24 Oklahoma Higher Learning Access Trust Fund.

1 E. The Oklahoma State Regents for Higher Education are
2 authorized to study, develop and propose criteria for determining
3 ~~students'~~ award eligibility based upon the completion of seven (7)
4 semesters of high school coursework by a student.

5 SECTION 42. REPEALER 70 O.S. 2001, Section 2603, as last
6 amended by Section 1, Chapter 262, O.S.L. 2007 (70 O.S. Supp. 2007,
7 Section 2603), is hereby repealed.

8 SECTION 43. AMENDATORY 70 O.S. 2001, Section 2605, as
9 last amended by Section 7, Chapter 355, O.S.L. 2007 (70 O.S. Supp.
10 2007, Section 2605), is amended to read as follows:

11 Section 2605. A. Each school year, every fifth- through ninth-
12 grade student in the public and private schools of this state and
13 students who are educated by other means and are in the equivalent
14 of the fifth through ninth grade shall be apprised, together with
15 the ~~student's~~ parent, custodial parent, or guardian of the student,
16 of the ~~student's~~ opportunity for access to higher learning under the
17 Oklahoma Higher Learning Access Program. The Oklahoma State Regents
18 for Higher Education and the State Board of Education shall develop,
19 promote, and coordinate a public awareness program to be utilized in
20 making students and parents aware of the Oklahoma Higher Learning
21 Access Program.

22 B. On a form provided by the Oklahoma State Regents for Higher
23 Education, every public school district shall designate at least one
24 Oklahoma Higher Learning Access Program contact person, who shall be

1 a counselor or teacher, at each public school site in this state in
2 which eighth-, ninth- or tenth-grade classes are taught. When
3 requested by the State Regents, the State Board of Education shall
4 assist the State Regents to ensure the designation of contact
5 persons. Private schools shall also designate at least one school
6 official as a contact person. For students who are educated by
7 other means, a parent or guardian or other person approved by the
8 State Regents shall be designated the contact person.

9 C. Students who qualify on the basis of financial need
10 according to subsection D of this section and the standards and
11 provisions promulgated by the Oklahoma State Regents for Higher
12 Education shall be given the opportunity throughout the eighth-,
13 ninth-, and tenth-grade years, for students enrolled in a public or
14 private school, or between the ages of thirteen (13) and fifteen
15 (15), for students who are educated by other means, to enter into
16 participation in the program by agreeing to, throughout the
17 remainder of their school years or educational program:

- 18 1. Attend school or an educational program regularly and do
19 homework regularly;
- 20 2. Refrain from substance abuse;
- 21 3. Refrain from commission of crimes or delinquent acts;
- 22 4. Have school work and school records reviewed by mentors
23 designated pursuant to the program;

24

1 5. Provide information requested by the Oklahoma State Regents
2 for Higher Education or the State Board of Education; and

3 6. Participate in program activities.

4 The contact person shall maintain the agreements, which shall be
5 executed on forms provided by the Oklahoma State Regents for Higher
6 Education and managed according to regulations promulgated by the
7 Oklahoma State Regents for Higher Education, and the contact person
8 shall monitor ~~the student's~~ compliance of the student with the terms
9 of the agreement. The Oklahoma State Regents for Higher Education
10 are authorized to process student agreements and verify compliance
11 with the agreements. Students failing to comply with the terms of
12 the agreement shall not be eligible for the awards provided in
13 Section 2604 of this title.

14 D. A student shall not be found to be in financial need for
15 purposes of the Oklahoma Higher Learning Access Program if:

16 1. At the time the student applies for participation in the
17 Program during the eighth, ninth or tenth grade for students
18 enrolled in a public or private school, or between the ages of
19 thirteen (13) and fifteen (15), for students who are educated by
20 other means, the income from taxable and nontaxable sources of the
21 student's parent(s) exceeds Fifty Thousand Dollars (\$50,000.00) per
22 year; and

23 2. At the time the student begins postsecondary education and
24 prior to receiving any Oklahoma Higher Learning Access Program

1 benefit award, the income from taxable and nontaxable sources of the
2 student's parent(s) exceeds One Hundred Thousand Dollars
3 (\$100,000.00) per year.

4 The determination of financial qualification as set forth in
5 this paragraph shall be based on the income of the student, not the
6 income of the parent(s), if a student:

- 7 a. is determined to be independent of the student's
8 parents for federal financial aid purposes,
- 9 b. was in the permanent custody of the Department of
10 Human Services at the time the student enrolled in the
11 program, or
- 12 c. was in the court-ordered custody of a federally
13 recognized Indian tribe, as defined by the federal
14 Indian Child Welfare Act, at the time the student
15 enrolled in the program.

16 The provisions of this paragraph shall not apply to any student
17 who has received an Oklahoma Higher Learning Access Program benefit
18 award prior to the 2009-2010 school year.

19 E. The financial qualification of a student as set forth in
20 subsection D of this section shall be certified by the contact
21 person or by the Oklahoma State Regents for Higher Education on the
22 agreement form provided by the Oklahoma State Regents for Higher
23 Education. The form shall be retained in the permanent record of
24

1 the student and a copy forwarded to the Oklahoma State Regents for
2 Higher Education.

3 F. Agreements shall be witnessed by the ~~student's~~ parent,
4 custodial parent, or guardian of the student, who shall further
5 agree to:

6 1. Assist the student in achieving compliance with the
7 agreements;

8 2. Confer, when requested to do so, with the school contact
9 person, other school personnel, and program mentors;

10 3. Provide information requested by the Oklahoma State Regents
11 for Higher Education or the State Board of Education; and

12 4. Assist the student in completing forms and reports required
13 for program participation, making applications to institutions and
14 schools of higher learning, and filing applications for student
15 grants and scholarships.

16 G. Students who are enrolled in a school district located in
17 this state that serves students who reside in both this state and an
18 adjacent state pursuant to a contract as authorized in Section 5-
19 117.1 of this title, are in the eleventh- and twelfth-grade during
20 the 2006-2007 school year, and who were denied participation in the
21 program shall be allowed to enter or reenter into participation in
22 the program by entering into agreements as set forth in subsections
23 C and D of this section by June 1, 2008.

24

1 H. The Oklahoma State Regents for Higher Education shall
2 promulgate rules for the determination of student compliance with
3 agreements made pursuant to this section.

4 ~~H.~~ I. The Oklahoma State Regents for Higher Education shall
5 designate personnel to coordinate tracking of program records for
6 the years when students participating in the program are still in
7 the schools or are being educated by other means, provide staff
8 development for contact persons in the schools, and provide liaison
9 with the State Board of Education and local organizations and
10 individuals participating in the program.

11 ~~I.~~ J. The school district where an Oklahoma Higher Learning
12 Access Program student is enrolled when the student begins
13 participation in the program and any subsequent school district
14 where the student enrolls shall forward information regarding ~~the~~
15 ~~student's~~ participation by the student in the program to a school to
16 which the student transfers upon the ~~school's~~ request of the school
17 for the ~~student's~~ records of the student.

18 ~~J.~~ K. Students participating in the Oklahoma Higher Learning
19 Access Program shall provide their social security number or their
20 student identification number used by their school to the Oklahoma
21 State Regents for Higher Education. The Regents shall keep the
22 numbers confidential and use them only for administrative purposes.

23

24

1 SECTION 44. REPEALER 70 O.S. 2001, Section 2605, as last
2 amended by Section 2, Chapter 262, O.S.L. 2007 (70 O.S. Supp. 2007,
3 Section 2605), is hereby repealed.

4 SECTION 45. AMENDATORY 70 O.S. 2001, Section 3311.5, as
5 amended by Section 8, Chapter 360, O.S.L. 2007 (70 O.S. Supp. 2007,
6 Section 3311.5), is amended to read as follows:

7 Section 3311.5 A. On and after the effective date of this act,
8 the Council on Law Enforcement Education and Training (CLEET),
9 pursuant to its authority granted by Section 3311 of this title,
10 shall include in its required basic training courses for law
11 enforcement certification a minimum of four (4) hours of education
12 and training relating to recognizing and managing a person appearing
13 to require mental health treatment or services. The Council shall
14 further offer a minimum of four (4) hours of education and training
15 on specific mental health issues pursuant to Section 3311.4 of this
16 title to meet the annual requirement for continuing education in the
17 areas of mental health issues.

18 B. By January 1, 2008, CLEET, pursuant to its authority granted
19 by Sections 3311 and 3311.4 of this title, shall include in its
20 required courses of study for law enforcement certification a
21 minimum of six (6) hours of evidence-based sexual assault and sexual
22 violence training. A portion of the sexual assault and sexual
23 violence training shall include instruction presented by a certified
24 sexual assault service provider.

1 C. By January 1, 2012, every active full-time peace officer,
2 previously certified by CLEET pursuant to Section 3311 of this
3 title, shall be required to attend and complete the evidence-based
4 sexual assault and sexual violence training provided in subsection B
5 of this section.

6 D. CLEET shall promulgate rules to enforce the provisions of
7 subsections B and C of this section and shall, with the assistance
8 of certified sexual assault service providers, establish a
9 comprehensive integrated curriculum for the teaching of evidence-
10 based sexual assault and sexual violence issues.

11 E. The Council is required to update that block of training or
12 course materials relating to legal issues, concepts, and state laws
13 annually, but not later than ninety (90) days following the
14 adjournment of any legislative session.

15 ~~C.~~ F. The Council is authorized to pay for and send training
16 staff and employees to one or more training and education courses in
17 jurisdictions outside this state for the purpose of expanding
18 curriculum, training skill development, and general knowledge within
19 the field of law enforcement education and training.

20 ~~D.~~ G. The Council shall promulgate rules to evaluate and
21 approve municipalities and counties that are deemed capable of
22 conducting separate basic law enforcement training academies in
23 their jurisdiction and to certify officers successfully completing
24 such academy training courses. Upon application to the Council, any

1 municipality with a population of sixty-five thousand (65,000) or
2 more or any county with a population of five hundred thousand
3 (500,000) or more shall be authorized to operate a basic law
4 enforcement academy. The Council shall approve an application when
5 the municipality or county making the application meets the criteria
6 for a separate training academy and demonstrates to the satisfaction
7 of the Council that the academy has sufficient resources to conduct
8 the training, the instructional staff is appropriately trained and
9 qualified to teach the course materials, the curriculum is composed
10 of comparable or higher quality course segments to the CLEET academy
11 curriculum, and the facilities where the academy will be conducted
12 are safe and sufficient for law enforcement training purposes. Any
13 municipality or county authorized to operate a basic law enforcement
14 academy after November 1, 2007, shall not be eligible to receive
15 funds pursuant to subsection E of Section 1313.2 of Title 20 of the
16 Oklahoma Statutes. The Council shall not provide any funding for
17 the operation of any separate training academy authorized by this
18 subsection.

19 ~~E.~~ H. Any municipality or county that, prior to November 1,
20 2007, was authorized to conduct a basic law enforcement academy
21 shall continue to receive funding pursuant to subsection E of
22 Section 1313.2 of Title 20 of the Oklahoma Statutes.

23
24

1 SECTION 46. REPEALER 70 O.S. 2001, Section 3311.5, as
2 amended by Section 1, Chapter 179, O.S.L. 2007 (70 O.S. Supp. 2007,
3 Section 3311.5), is hereby repealed.

4 SECTION 47. AMENDATORY 70 O.S. 2001, Section 4423, as
5 amended by Section 1, Chapter 72, O.S.L. 2007 (70 O.S. Supp. 2007,
6 Section 4423), is amended to read as follows:

7 Section 4423. A. The Oklahoma State Regents for Higher
8 Education are hereby authorized and directed to maintain two-year
9 colleges at El Reno, which shall be known as the Redlands Community
10 College, at Poteau, which shall be known as the Carl Albert State
11 College, at Seminole, which shall be known as the Seminole State
12 College, at Midwest City, which shall be known as the Rose State
13 College, and in South Oklahoma City, which shall be known as the
14 Oklahoma City Community College; and, each of said colleges shall be
15 an integral and full-fledged part of The Oklahoma State System of
16 Higher Education.

17 B. Each of the colleges which at the time it became a member of
18 the State System was operating a technical area school district
19 program to carry out the function of postsecondary technical
20 education for the people of the district shall continue to do so as
21 then operated and in accordance with Section 4410 of this title, and
22 all property acquired by virtue of the technical area school
23 district operation shall remain as property of the technical area
24 school district and be maintained in the custody of the Board of

1 Regents of the college acting as the governing board of the
2 technical area school district for use by the postsecondary area
3 district program.

4 C. For each of the colleges above named and identified, there
5 shall be created a separate Board of Regents, and said Board of
6 Regents shall consist of seven (7) members to serve seven-year
7 overlapping terms, with members of said Board to be appointed by the
8 Governor by and with the advice and consent of the State Senate.
9 Each Board shall have the same powers and duties as the Board of
10 Regents of Tulsa ~~Junior~~ Community College. Four members of the
11 Board of Regents for the colleges located at El Reno, Poteau and
12 Seminole shall be from the county in which said college is located.
13 Four members of the Board of Regents for Rose State College shall be
14 residents of the original district of the college. Four members of
15 the Board of Regents for Oklahoma City Community College shall be
16 residents of South Oklahoma City. For purposes of this section,
17 "South Oklahoma City" shall mean the original district of Oklahoma
18 City Community College and the portion of Oklahoma City that lies in
19 Cleveland County and is bounded on the west by County Line Road and
20 on the east by Bryant Avenue.

21 With respect to Rose State College and Oklahoma City Community
22 College, it is further provided that the college and its governing
23 Board of Regents shall continue to operate the technical area school
24 district program to carry out the function of postsecondary

1 technical education for the people of the technical education school
2 district as now operated, and in accordance with Section 4410 of
3 this title.

4 SECTION 48. REPEALER 70 O.S. 2001, Section 4423, as
5 amended by Section 10, Chapter 276, O.S.L. 1996, is hereby repealed.

6 SECTION 49. AMENDATORY 74 O.S. 2001, Section 840-5.5, as
7 last amended by Section 3, Chapter 208, O.S.L. 2007 (74 O.S. Supp.
8 2007, Section 840-5.5), is amended to read as follows:

9 Section 840-5.5 A. The following offices, positions, and
10 personnel shall be in the unclassified service and shall not be
11 placed under the classified service:

12 1. Persons chosen by popular vote or appointment to fill an
13 elective office, and their employees, except the employees of the
14 Corporation Commission, the State Department of Education and the
15 Department of Labor;

16 2. Members of boards and commissions, and heads of agencies;
17 also one principal assistant or deputy and one executive secretary
18 for each state agency;

19 3. All judges, elected or appointed, and their employees;

20 4. Persons employed with one-time, limited duration, federal or
21 other grant funding that is not continuing or indefinitely
22 renewable. The length of the unclassified employment shall not
23 exceed the period of time for which that specific federal funding is
24 provided;

1 5. All officers and employees of The Oklahoma State System of
2 Higher Education, State Board of Education and Oklahoma Department
3 of Career and Technology Education;

4 6. Persons employed in a professional or scientific capacity to
5 make or conduct a temporary and special inquiry, investigation, or
6 examination on behalf of the Legislature or a committee thereof or
7 by authority of the Governor. These appointments and authorizations
8 shall terminate on the first day of the regular legislative session
9 immediately following the appointment, if not terminated earlier.
10 However, nothing in this paragraph shall prevent the reauthorization
11 and reappointment of any such person. Any such appointment shall be
12 funded from the budget of the appointing authority;

13 7. Election officials and employees;

14 8. Temporary employees employed to work less than one thousand
15 (1,000) hours in any twelve-month period, and seasonal employees
16 employed by the Oklahoma Tourism and Recreation Department pursuant
17 to Section 2241 of this title who work less than one thousand six
18 hundred (1,600) hours in any twelve-month period;

19 9. Department of Public Safety employees occupying the
20 following offices or positions:

- 21 a. administrative aides to the Commissioner,
- 22 b. executive secretaries to the Commissioner,
- 23 c. the Governor's representative of the Oklahoma Highway
24 Safety Office who shall be appointed by the Governor,

- 1 d. Highway Patrol Colonel,
- 2 e. Highway Patrol Lieutenant Colonel,
- 3 ~~f. Highway Patrol Major,~~
- 4 ~~g.~~ Director of Finance,
- 5 ~~h.~~
- 6 g. noncommissioned pilots,
- 7 ~~i.~~
- 8 h. Information Systems Administrator,
- 9 ~~j.~~
- 10 i. Law Enforcement Telecommunications System Specialist,
- 11 ~~k.~~
- 12 j. Director of Driver ~~License Administration~~ Compliance,
- 13 ~~l.~~
- 14 k. Director of Transportation Division,
- 15 ~~m.~~ ~~Director of the Alcohol and Drug Countermeasures Unit,~~
- 16 ~~n.~~
- 17 l. Director of the Oklahoma Highway Safety Office,
- 18 ~~o.~~
- 19 m. Civil Rights Administrator,
- 20 ~~p.~~
- 21 n. Budget Analyst,
- 22 ~~q.~~
- 23 o. Comptroller,
- 24 ~~r.~~

1 p. Chaplain,
2 ~~s.~~
3 q. Helicopter Mechanic,
4 ~~t.~~
5 r. Director of Safety Compliance,
6 ~~u.~~
7 s. Human Resources Director,
8 ~~v.~~
9 t. Administrator of Department Services, and
10 ~~w.~~
11 u. a maximum of seven (7) positions for the purpose of
12 administering programs in the Oklahoma Highway Safety
13 Office, within full-time employee limitations of the
14 Department, employed with federal funding that is
15 continuing or indefinitely renewable. The
16 authorization for such positions shall be terminated
17 if the federal funding for positions is discontinued;
18 provided, any person appointed to a position prescribed in
19 subparagraph ~~d,~~ or e, ~~f or e~~ of this paragraph shall have a right of
20 return to the classified commissioned position without any loss of
21 rights, privileges or benefits immediately upon completion of the
22 duties in the unclassified commissioned position, ~~and any person~~
23 ~~appointed to a position prescribed in subparagraph i, j, k, l, m or~~
24 ~~n of this paragraph shall have a right of return to the previously~~

1 ~~held vacant classified position within the Department of Public~~
2 ~~Safety without any loss of rights, privileges or benefits~~
3 ~~immediately upon completion of the duties in the unclassified~~
4 ~~commissioned position;~~

5 10. Professional trainees only during the prescribed length of
6 their course of training or extension study;

7 11. Students who are employed on a part-time basis, which shall
8 be seventy-five percent (75%) of a normal forty-hour work week or
9 thirty (30) hours per week, or less, or on a full-time basis if the
10 employment is pursuant to a cooperative education program such as
11 that provided for under Title I IV-D of the Higher Education Act of
12 1965 (20 U.S.C. 1087a-1087c), as amended, and who are regularly
13 enrolled in:

14 a. an institution of higher learning within The Oklahoma
15 State System of Higher Education,

16 b. an institution of higher learning qualified to become
17 coordinated with The Oklahoma State System of Higher
18 Education. For purposes of this section, a student
19 shall be considered a regularly enrolled student if
20 the student is enrolled in a minimum of five (5) hours
21 of accredited graduate courses or a minimum of ten
22 (10) hours of accredited undergraduate courses,
23 provided, however, the student shall only be required
24

1 to be enrolled in a minimum of six (6) hours of
2 accredited undergraduate courses during the summer, or
3 c. high school students regularly enrolled in a high
4 school in Oklahoma and regularly attending classes
5 during such time of enrollment;

6 12. The spouses of personnel who are employed on a part-time
7 basis to assist or work as a relief for their spouses in the
8 Oklahoma Tourism and Recreation Department;

9 13. Service substitute attendants who are needed to replace
10 museum and site attendants who are unavoidably absent. Service
11 substitutes may work as part-time or full-time relief for absentees
12 for a period of not more than four (4) weeks per year in the
13 Oklahoma Historical Society sites and museums; such substitutes will
14 not count towards the agency's full-time-equivalent (FTE) employee
15 limit;

16 14. Employees of the Oklahoma House of Representatives, the
17 State Senate, or the Legislative Service Bureau;

18 15. Corporation Commission personnel occupying the following
19 offices and positions:

- 20 a. Administrative aides, and executive secretaries to the
21 Commissioners,
- 22 b. Directors of all the divisions, personnel managers and
23 comptrollers,
- 24 c. General Counsel,

- d. Public Utility Division Chief Engineer,
- e. Public Utility Division Chief Accountant,
- f. Public Utility Division Chief Economist,
- g. Public Utility Division Deputy Director,
- h. Secretary of the Commission,
- i. Deputy Conservation Director,
- j. Manager of Pollution Abatement,
- k. Manager of Field Operations,
- l. Manager of Technical Services,
- m. Public Utility Division Chief of Telecommunications,
- n. Director of Information Services,
- o. All Data Processing employees hired on or after
September 1, 2005,
- p. All Public Utilities employees hired on or after
September 1, 2007, and
- q. All Regulatory Program Managers hired on or after
September 1, 2007;

16. At the option of the employing agency, the Supervisor, Director, or Educational Coordinator in any other state agency having a primary responsibility to coordinate educational programs operated for children in state institutions;

17. Department of Mental Health and Substance Abuse Services personnel occupying the following offices and positions at each facility:

- 1 a. Director of Facility,
- 2 b. Deputy Director for Administration,
- 3 c. Clinical Services Director,
- 4 d. Executive Secretary to Director, and
- 5 e. Directors or Heads of Departments or Services;

6 18. Office of State Finance personnel occupying the following
7 offices and positions:

- 8 a. State Comptroller,
- 9 b. Administrative Officers,
- 10 c. Alternator Claims Auditor,
- 11 d. Employees hired to fulfill state compliance agency
12 requirements under Model Tribal Gaming Compacts,
- 13 e. Employees of the Budget Division,
- 14 f. Employees of the Fiscal and Research Division,
- 15 g. Employees hired to work on the CORE Systems Project;
16 and
- 17 h. The following employees of the Information Services
18 Division:

- 19 (1) Information Services Division Manager,
- 20 (2) Network Manager,
- 21 (3) Network ~~Technician~~ Technicians,
- 22 (4) Security Manager,
- 23 (5) Contracts/Purchasing Manager,
- 24 (6) Operating and Applications Manager,

- 1 (7) Project Manager,
- 2 (8) Help Desk Manager,
- 3 (9) Help Desk ~~Technician~~ Technicians,
- 4 (10) Quality Assurance Manager,
- 5 (11) ISD Analysts,
- 6 (12) CORE Manager,
- 7 (13) Enterprise System/Database Software Manager,
- 8 (14) Data Center Operations and Production Manager,
- 9 (15) Voice Communications Manager,
- 10 (16) Applications Development Manager,
- 11 (17) Projects Manager,
- 12 (18) PC's Manager,
- 13 (19) Servers Manager,
- 14 (20) Portal Manager,
- 15 (21) Procurement Specialists,
- 16 (22) Security Technicians,
- 17 (23) Enterprise Communications and Network
- 18 Administrator,
- 19 (24) Server Support Specialists,
- 20 (25) Senior Server Support Specialists,
- 21 (26) Systems Support Specialists, and
- 22 (27) Senior Systems Support Specialists;
- 23 19. Employees of the Oklahoma Industrial Finance Authority;
- 24

1 20. Those positions so specified in the annual business plan of
2 the Oklahoma Department of Commerce;

3 21. Those positions so specified in the annual business plan of
4 the Oklahoma Center for the Advancement of Science and Technology;

5 22. The following positions and employees of the Oklahoma
6 School of Science and Mathematics:

- 7 a. positions for which the annual salary is Twenty-four
8 Thousand One Hundred Ninety-three Dollars (\$24,193.00)
9 or more, as determined by the Office of Personnel
10 Management, provided no position shall become
11 unclassified because of any change in salary or grade
12 while it is occupied by a classified employee,
- 13 b. positions requiring certification by the State
14 Department of Education, and
- 15 c. positions and employees authorized to be in the
16 unclassified service of the state elsewhere in this
17 section or in subsection B of this section;

18 23. Office of Personnel Management employees occupying the
19 following positions:

- 20 a. the Carl Albert Internship Program Coordinator,
- 21 b. one Administrative Assistant,
- 22 c. one Workforce Planning Manager,
- 23 d. Assistant Administrators,
- 24 e. one Associate Administrator, and

1 f. Division Directors;

2 24. Department of Labor personnel occupying the following
3 offices and positions:

4 a. two Deputy Commissioners,

5 b. two Executive Secretaries to the Commissioner,

6 c. Chief of Staff,

7 d. two Administrative Assistants,

8 e. Information Systems Administrator,

9 f. three Safety and Health Directors,

10 g. Research Director,

11 h. Employment Standards Director,

12 i. Asbestos Director,

13 j. General Counsel,

14 k. one Legal Secretary,

15 l. one Docket Clerk, and

16 m. two Information Systems Application Specialists;

17 25. The State Bond Advisor and his or her employees;

18 26. The Oklahoma Employment Security Commission employees
19 occupying the following positions:

20 a. Associate Director,

21 b. Secretary to the Associate Director, and

22 c. Assistant to the Executive Director;

23 27. Oklahoma Human Rights Commission personnel occupying the
24 position of Administrative Assistant;

1 28. Officers and employees of the State Banking Department;

2 29. Officers and employees of the University Hospitals

3 Authority except personnel in the state classified service pursuant
4 to Section 3211 of Title 63 of the Oklahoma Statutes and members of
5 the University Hospitals Authority Model Personnel System created
6 pursuant to subsection E of Section 3211 of Title 63 of the Oklahoma
7 Statutes or as otherwise provided for in Section 3213.2 of Title 63
8 of the Oklahoma Statutes;

9 30. Alcoholic Beverage Laws Enforcement Commission employees
10 occupying the following positions:

11 a. three Administrative Service Assistant positions,
12 however, employees in such positions who are in the
13 unclassified service on June 4, 2003, may make an
14 election to be in the classified service without a
15 loss in salary by September 1, 2003, and

16 b. the Deputy Director position in addition to the one
17 authorized by paragraph 2 of this subsection;

18 31. The Oklahoma State Bureau of Investigation employees
19 occupying the following positions:

20 a. five assistant directors,

21 b. six special investigators,

22 c. one information representative,

23 d. one federally funded physical evidence technician,

24 e. four federally funded laboratory analysts,

- f. a maximum of fourteen positions employed for the purpose of managing the automated information systems of the agency,
- g. one executive secretary in addition to the one authorized pursuant to paragraph 2 of this subsection,
- h. Child Abuse Response Team (CART) investigator, and
- i. Child Abuse Response Team (CART) forensic interviewer;

32. The Department of Transportation, the following positions:

- a. Director of the Oklahoma Aeronautics Commission,
- b. five Department of Transportation Assistant Director positions,
- c. eight field division engineer positions,
- d. one pilot position,
- e. five Project Manager Positions, and
- f. five Transportation Coordinators;

33. Commissioners of the Land Office employees occupying the following positions:

- a. Director of the Investments Division,
- b. Assistant Director of the Investments Division,
- c. one Administrative Assistant,
- d. one Audit Tech position,
- e. one Auditor I position,
- f. two Accounting Tech I positions,
- g. two Administrative Assistant I positions,

1 h. two Imaging Specialist positions, and

2 i. one Information Systems Specialist position;

3 34. Within the Oklahoma State Bureau of Narcotics and Dangerous
4 Drugs Control Commission, the following positions:

5 a. six Narcotics Agent positions and three Typist
6 Clerk/Spanish transcriptionists, including a Typist
7 Clerk Supervisor/Spanish transcriptionist, provided,
8 authorization for such positions shall be terminated
9 if the federal funding for the positions is
10 discontinued,

11 b. one executive secretary in addition to the one
12 authorized pursuant to paragraph 2 of this subsection,

13 c. one fiscal officer,

14 d. one full-time Programmer, and

15 e. one full-time Network Engineer;

16 35. The Military Department of the State of Oklahoma is
17 authorized such unclassified employees within full-time employee
18 limitations to work in any of the Department of Defense directed
19 youth programs, the State of Oklahoma Juvenile Justice youth
20 programs, those persons reimbursed from Armory Board or Billeting
21 Fund accounts, and skilled trade positions;

22 36. Within the Oklahoma Commission on Children and Youth the
23 following unclassified positions:
24

- 1 a. one Oversight Specialist and one Community Development
- 2 Planner,
- 3 b. one State Plan Grant Coordinator, provided
- 4 authorization for the position shall be terminated
- 5 when federal support for the position by the United
- 6 States Department of Education Early Intervention
- 7 Program is discontinued, and
- 8 c. one executive secretary in addition to the one
- 9 authorized pursuant to paragraph 2 of this subsection;

10 37. The following positions and employees of the Department of
11 Central Services:

- 12 a. one Executive Secretary in addition to the Executive
- 13 Secretary authorized by paragraph 2 of this
- 14 subsection,
- 15 b. the Director of Central Purchasing,
- 16 c. one Alternate Fuels Administrator,
- 17 d. one Director of Special Projects,
- 18 e. three postauditors,
- 19 f. four high-technology contracting officers,
- 20 g. one Executive Assistant to the Purchasing Director,
- 21 h. four Contracts Managers,
- 22 i. one Associate Director,
- 23 j. one specialized HiTech/Food Contracting Officer,
- 24 k. one State Use Contracting Officer,

- 1 l. one Property Distribution Administrator,
- 2 m. three licensed architects assigned to the Facilities
- 3 and Properties Division,
- 4 n. three licensed engineers assigned to the Facilities
- 5 and Properties Division,
- 6 o. four construction consultants assigned to the
- 7 Facilities and Properties Division,
- 8 p. one attorney assigned to the Facilities and Properties
- 9 Division,
- 10 q. three positions assigned to the Information Services
- 11 Division, which shall include one Information
- 12 Technology Manager, one Applications Specialist and
- 13 one Data Planning Specialist, and
- 14 r. four positions assigned to Fleet Management, which
- 15 shall include one Deputy Fleet Manager and three
- 16 Management Analysts;

17 38. Four Water Quality Specialists, and four Water Resources
18 Division Chiefs within the Oklahoma Water Resources Board;

19 39. J.D. McCarty Center for Children with Developmental
20 Disabilities personnel occupying the following offices and
21 positions:

- 22 a. Physical Therapists,
- 23 b. Physical Therapist Assistants,
- 24 c. Occupational Therapists,

1 d. Certified Occupational Therapist Aides, and

2 e. Speech Pathologists;

3 40. The Development Officer and the Director of the State
4 Museum of History within the Oklahoma Historical Society;

5 41. Oklahoma Department of Agriculture, Food, and Forestry
6 personnel occupying the following positions:

7 a. one Executive Secretary in addition to the Executive
8 Secretary authorized by paragraph 2 of this subsection
9 and one Executive Assistant,

10 b. nineteen Agricultural Marketing Coordinator III
11 positions,

12 c. temporary fire suppression personnel, regardless of
13 the number of hours worked, who are employed by the
14 Oklahoma Department of Agriculture, Food, and
15 Forestry; provided, however, notwithstanding the
16 provisions of any other section of law, the hours
17 worked by such employees shall not entitle such
18 employees to any benefits received by full-time
19 employees,

20 d. one Administrator for Human Resources,

21 e. one Director of Administrative Services,

22 f. one Water Quality Consumer Complaint Coordinator,

23 g. one hydrologist position,

24 h. Public Information Office Director,

- 1 i. Market Development Services Director,
2 j. Legal Services Director,
3 k. Animal Industry Services Director,
4 l. Agricultural Environmental Management Services
5 Director,
6 m. Forestry Services Director,
7 n. Plant Industry and Consumer Services Director,
8 o. one Grants Administrator position,
9 p. Director of Laboratory Services,
10 q. Chief of Communications,
11 r. Public Information Manager,
12 s. Inventory/Supply Officer,
13 t. five Agriculture Field Inspector positions assigned
14 the responsibility for conducting inspections and
15 audits of agricultural grain storage warehouses. All
16 other Agriculture Field Inspector positions and
17 employees of the Oklahoma Department of Agriculture,
18 Food, and Forestry shall be classified and subject to
19 the provisions of the Merit System of Personnel
20 Administration. On November 1, 2002, all other
21 unclassified Agriculture Field Inspectors shall be
22 given status in the classified service as provided in
23 Section 840-4.2 of this title,
24 u. Rural Fire Coordinator,

- v. one Agricultural Marketing Coordinator III,
- w. Food Safety Division Director,
- x. two Environmental Program Specialists,
- y. two Scale Technicians, and
- z. two Plant Protection Specialists;

42. The Contracts Administrator within the Oklahoma State Employees Benefits Council;

43. The Development Officer within the Oklahoma Department of Libraries;

44. Oklahoma Real Estate Commission personnel occupying the following offices and positions:

- a. Educational Program Director, and
- b. Data Processing Manager;

45. A Chief Consumer Credit Examiner for the Department of Consumer Credit;

46. All officers and employees of the Oklahoma Capitol Complex and Centennial Commemoration Commission;

47. All officers and employees of the Oklahoma Motor Vehicle Commission;

48. One Museum Archivist of The Will Rogers Memorial Commission;

49. One Fire Protection Engineer of the Office of the State Fire Marshal;

1 50. Acting incumbents employed pursuant to Section 209 of Title
2 44 or Section 48 of Title 72 of the Oklahoma Statutes who shall not
3 be included in any limitation on full-time equivalency imposed by
4 law on an agency. Permanent classified employees may request a
5 leave of absence from classified status and accept an unclassified
6 appointment and compensation as an acting incumbent with the same
7 agency; provided, the leave shall expire no later than two (2) years
8 from the date of the acting incumbent appointment. An appointing
9 authority may establish unclassified positions and appoint
10 unclassified employees to perform the duties of a permanent
11 classified employee who is on leave of absence from a classified
12 position to serve as an acting incumbent. All unclassified
13 appointments created pursuant to this paragraph shall expire no
14 later than two (2) years from the date of appointment. Classified
15 employees accepting unclassified appointments and compensation
16 pursuant to this paragraph shall be entitled to participate without
17 interruption in any benefit programs available to classified
18 employees, including retirement and insurance programs. Immediately
19 upon termination of an unclassified appointment pursuant to this
20 paragraph, an employee on assignment from the classified service
21 shall have a right to be restored to the classified service and
22 reinstated to the former job family level and compensation plus any
23 adjustments and increases in salary or benefits which the employee
24 would have received but for the leave of absence;

1 51. The Oklahoma Homeland Security Director and all other
2 positions assigned the responsibilities of working in the Oklahoma
3 Office of Homeland Security;

4 52. The following eighteen (18) positions in the State
5 Department of Health:

- 6 a. one surveillance supervisor,
- 7 b. one surveillance project monitor,
- 8 c. two bilingual interviewers,
- 9 d. eight senior interviewers, and
- 10 e. six interviewers;

11 53. State Board of Registration for Professional Engineers and
12 Land Surveyors personnel occupying the following offices and
13 positions:

- 14 a. one Director of Enforcement, and
- 15 b. one Board Investigator;

16 54. One Information Systems Data Management Analyst of the
17 Oklahoma State and Education Employees Group Insurance Board; and

18 55. Two Management Information Systems positions of the Office
19 of Juvenile Affairs.

20 B. If an agency has the authority to employ personnel in the
21 following offices and positions, the appointing authority shall have
22 the discretion to appoint personnel to the unclassified service:

23 1. Licensed medical doctors, osteopathic physicians, dentists,
24 psychologists, and nurses;

- 1 2. Certified public accountants;
- 2 3. Licensed attorneys;
- 3 4. Licensed veterinarians; and
- 4 5. Licensed pharmacists.

5 C. Effective July 1, 1996, authorization for unclassified
6 offices, positions, or personnel contained in a bill or joint
7 resolution shall terminate June 30 of the ensuing fiscal year after
8 the authorization unless the authorization is codified in the
9 Oklahoma Statutes or the termination is otherwise provided in the
10 legislation.

11 D. The appointing authority of agencies participating in the
12 statewide information systems project may establish unclassified
13 positions and appoint unclassified employees to the project as
14 needed. Additional unclassified positions may be established, if
15 required, to appoint an unclassified employee to perform the duties
16 of a permanent classified employee who is temporarily absent from a
17 classified position as a result of assignment to this project. All
18 unclassified appointments under this authority shall expire no later
19 than December 31, 2007, and all unclassified positions established
20 to support the project shall be abolished. Both the positions and
21 appointments resulting from this authority shall be exempt from any
22 agency FTE limitations and any limits imposed on the number of
23 unclassified positions authorized. Permanent classified employees
24 may request a leave of absence from classified status and accept an

1 unclassified appointment and compensation with the same agency under
2 the provisions of this subsection; provided, the leave shall expire
3 no later than December 31, 2007. Employees accepting the
4 appointment and compensation shall be entitled to participate
5 without interruption in any benefit programs available to classified
6 employees, including retirement and insurance programs. Immediately
7 upon termination of an unclassified appointment pursuant to this
8 subsection, an employee on assignment from the classified service
9 shall have a right to be restored to the classified service and
10 reinstated to the former job family level and compensation plus any
11 adjustments and increases in salary or benefits which the employee
12 would have received but for the leave of absence.

13 SECTION 50. REPEALER 74 O.S. 2001, Section 840-5.5, as
14 last amended by Section 21, Chapter 326, O.S.L. 2007 (74 O.S. Supp.
15 2007, Section 840-5.5), is hereby repealed.

16 SECTION 51. It being immediately necessary for the preservation
17 of the public peace, health and safety, an emergency is hereby
18 declared to exist, by reason whereof this act shall take effect and
19 be in full force from and after its passage and approval.

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