

3 and

4 Duncan of the House

5
6 An Act relating to duplicate sections; amending,
7 merging, consolidating, and repealing multiple
8 versions of statutes; repealing 10 O.S. 2001, Section
9 405, as last amended by Section 6, Chapter 230,
10 O.S.L. 2009 (10 O.S. Supp. 2009, Section 405);
11 amending 11 O.S. 2001, Section 21-103, as last
12 amended by Section 2, Chapter 224, O.S.L. 2009 (11
13 O.S. Supp. 2009, Section 21-103); repealing 11 O.S.
14 2001, Section 21-103, as last amended by Section 1,
15 Chapter 197, O.S.L. 2009 (11 O.S. Supp. 2009, Section
16 21-103); repealing 19 O.S. 2001, Section 455, as
17 amended by Section 2, Chapter 47, O.S.L. 2009 (19
18 O.S. Supp. 2009, Section 455); repealing 19 O.S.
19 2001, Section 1505, as last amended by Section 8,
20 Chapter 122, O.S.L. 2009 (19 O.S. Supp. 2009, Section
21 1505); amending 22 O.S. 2001, Section 152, as last
22 amended by Section 130, Chapter 234, O.S.L. 2009 (22
23 O.S. Supp. 2009, Section 152); repealing 22 O.S.
24 2001, Section 152, as last amended by Section 1,
Chapter 93, O.S.L. 2009 (22 O.S. Supp. 2009, Section
152); amending 22 O.S. 2001, Section 982a, as last
amended by Section 1, Chapter 240, O.S.L. 2009 (22
O.S. Supp. 2009, Section 982a); repealing 22 O.S.
2001, Section 982a, as last amended by Section 1,
Chapter 275, O.S.L. 2009 (22 O.S. Supp. 2009, Section
982a); amending 22 O.S. 2001, Section 991a, as last
amended by Section 2, Chapter 218, O.S.L. 2009 (22
O.S. Supp. 2009, Section 991a); repealing 22 O.S.
2001, Section 991a, as last amended by Section 132,
Chapter 234, O.S.L. 2009 (22 O.S. Supp. 2009, Section
991a); repealing 36 O.S. 2001, Section 4509, as
amended by Section 33, Chapter 176, O.S.L. 2009 (36
O.S. Supp. 2009, Section 4509); amending 36 O.S.
2001, Section 6602, as last amended by Section 51,
Chapter 176, O.S.L. 2009 (36 O.S. Supp. 2009, Section
6602); repealing 36 O.S. 2001, Section 6602, as last
amended by Section 1, Chapter 189, O.S.L. 2009 (36

1 O.S. Supp. 2009, Section 6602); amending 36 O.S.
2 2001, Section 6608, as amended by Section 53, Chapter
3 176, O.S.L. 2009 (36 O.S. Supp. 2009, Section 6608);
4 repealing 36 O.S. 2001, Section 6608, as amended by
5 Section 4, Chapter 189, O.S.L. 2009 (36 O.S. Supp.
6 2009, Section 6608); amending 43A O.S. 2001, Section
7 5-207, as last amended by Section 1, Chapter 316,
8 O.S.L. 2009 (43A O.S. Supp. 2009, Section 5-207);
9 repealing 43A O.S. 2001, Section 5-207, as last
10 amended by Section 1, Chapter 252, O.S.L. 2009 (43A
11 O.S. Supp. 2009, Section 5-207); amending Section 14,
12 Chapter 504, O.S.L. 2004, as last amended by Section
13 3, Chapter 311, O.S.L. 2009 (47 O.S. Supp. 2009,
14 Section 1135.5); repealing Section 14, Chapter 504,
15 O.S.L. 2004, as last amended by Section 1, Chapter
16 256, O.S.L. 2009 (47 O.S. Supp. 2009, Section
17 1135.5); amending 51 O.S. 2001, Section 152, as last
18 amended by Section 1, Chapter 315, O.S.L. 2009 (51
19 O.S. Supp. 2009, Section 152); repealing 51 O.S.
20 2001, Section 152, as last amended by Section 143,
21 Chapter 234, O.S.L. 2009 (51 O.S. Supp. 2009, Section
22 152); repealing 51 O.S. 2001, Section 152, as last
23 amended by Section 1, Chapter 313, O.S.L. 2009 (51
24 O.S. Supp. 2009, Section 152); repealing 51 O.S.
2001, Section 155, as last amended by Section 12,
Chapter 98, O.S.L. 2009 (51 O.S. Supp. 2009, Section
155); amending 57 O.S. 2001, Section 582, as last
amended by Section 2, Chapter 404, O.S.L. 2009 (57
O.S. Supp. 2009, Section 582); repealing 57 O.S.
2001, Section 582, as last amended by Section 147,
Chapter 234, O.S.L. 2009 (57 O.S. Supp. 2009, Section
582); amending 57 O.S. 2001, Section 584, as last
amended by Section 6, Chapter 404, O.S.L. 2009 (57
O.S. Supp. 2009, Section 584); repealing 57 O.S.
2001, Section 584, as last amended by Section 148,
Chapter 234, O.S.L. 2009 (57 O.S. Supp. 2009, Section
584); repealing Section 1, Chapter 138, O.S.L. 2003,
as last amended by Section 1, Chapter 247, O.S.L.
2009 (59 O.S. Supp. 2009, Section 493.5); amending 59
O.S. 2001, Section 1306, as last amended by Section
57, Chapter 176, O.S.L. 2009 (59 O.S. Supp. 2009,
Section 1306); repealing 59 O.S. 2001, Section 1306,
as last amended by Section 1, Chapter 196, O.S.L.
2009 (59 O.S. Supp. 2009, Section 1306); amending 62
O.S. 2001, Section 41.3, as amended by Section 4,
Chapter 441, O.S.L. 2009, and as renumbered by
Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.

1 2009, Section 34.3); repealing 62 O.S. 2001, Section
2 41.3, as amended by Section 3, Chapter 451, O.S.L.
3 2009, and as renumbered by Section 64, Chapter 441,
4 O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.3);
5 amending 62 O.S. 2001, Section 41.5a, as last amended
6 by Section 4, Chapter 451, O.S.L. 2009, and as
7 renumbered by Section 64, Chapter 441, O.S.L. 2009
8 (62 O.S. Supp. 2009, Section 34.12); repealing 62
9 O.S. 2001, Section 41.5a, as last amended by Section
10 7, Chapter 454, O.S.L. 2009, and as renumbered by
11 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
12 2009, Section 34.12); amending 62 O.S. 2001, Section
13 41.5e, as last amended by Section 7, Chapter 451,
14 O.S.L. 2009, and as renumbered by Section 64, Chapter
15 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.16);
16 repealing 62 O.S. 2001, Section 41.5e, as last
17 amended by Section 8, Chapter 454, O.S.L. 2009, and
18 as renumbered by Section 64, Chapter 441, O.S.L. 2009
19 (62 O.S. Supp. 2009, Section 34.16); amending 62 O.S.
20 2001, Section 41.5f, as last amended by Section 8,
21 Chapter 451, O.S.L. 2009, and as renumbered by
22 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
23 2009, Section 34.17); repealing 62 O.S. 2001, Section
24 41.5f, as last amended by Section 9, Chapter 454,
O.S.L. 2009, and as renumbered by Section 64, Chapter
441, O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.17);
amending 62 O.S. 2001, Section 41.5j, as last amended
by Section 11, Chapter 451, O.S.L. 2009, and as
renumbered by Section 64, Chapter 441, O.S.L. 2009
(62 O.S. Supp. 2009, Section 34.21); repealing 62
O.S. 2001, Section 41.5j, as last amended by Section
10, Chapter 454, O.S.L. 2009, and as renumbered by
Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
2009, Section 34.21); amending 62 O.S. 2001, Section
41.5q, as last amended by Section 4, Chapter 322,
O.S.L. 2009, and as renumbered by Section 64, Chapter
441, O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.25);
repealing 62 O.S. 2001, Section 41.5q, as last
amended by Section 14, Chapter 451, O.S.L. 2009, and
as renumbered by Section 64, Chapter 441, O.S.L. 2009
(62 O.S. Supp. 2009, Section 34.25); amending 62 O.S.
2001, Section 41.29, as last amended by Section 16,
Chapter 441, O.S.L. 2009, and as renumbered by
Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
2009, Section 34.36); repealing 62 O.S. 2001, Section
41.29, as last amended by Section 12, Chapter 454,
O.S.L. 2009, and as renumbered by Section 64, Chapter

1 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.36);
2 amending 62 O.S. 2001, Section 41.7c, as last amended
3 by Section 22, Chapter 441, O.S.L. 2009, and as
4 renumbered by Section 64, Chapter 441, O.S.L. 2009
5 (62 O.S. Supp. 2009, Section 34.42); repealing 62
6 O.S. 2001, Section 41.7c, as last amended by Section
7 11, Chapter 454, O.S.L. 2009, and as renumbered by
8 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
9 2009, Section 34.42); amending 62 O.S. 2001, Section
10 7.6, as amended by Section 1, Chapter 326, O.S.L.
11 2009, and as renumbered by Section 64, Chapter 441,
12 O.S.L. 2009 (62 O.S. Supp. 2009, Section 34.69);
13 repealing 62 O.S. 2001, Section 7.6, as amended by
14 Section 46, Chapter 441, O.S.L. 2009, and as
15 renumbered by Section 64, Chapter 441, O.S.L. 2009
16 (62 O.S. Supp. 2009, Section 34.69); amending 63 O.S.
17 2001, Section 2-410, as last amended by Section 2,
18 Chapter 306, O.S.L. 2009 (63 O.S. Supp. 2009, Section
19 2-410); repealing 63 O.S. 2001, Section 2-410, as
20 last amended by Section 6, Chapter 442, O.S.L. 2009
21 (63 O.S. Supp. 2009, Section 2-410); repealing 63
22 O.S. 2001, Section 683.9, as last amended by Section
23 12, Chapter 78, O.S.L. 2009 (63 O.S. Supp. 2009,
24 Section 683.9); repealing 63 O.S. 2001, Section
683.13, as last amended by Section 13, Chapter 78,
O.S.L. 2009 (63 O.S. Supp. 2009, Section 683.13);
repealing Section 1, Chapter 78, O.S.L. 2009 (63 O.S.
Supp. 2009, Section 684.14); repealing Section 2,
Chapter 78, O.S.L. 2009 (63 O.S. Supp. 2009, Section
684.15); amending Section 33, Chapter 228, O.S.L.
2009 (63 O.S. Supp. 2009, Section 684.16); repealing
Section 3, Chapter 78, O.S.L. 2009 (63 O.S. Supp.
2009, Section 684.16); repealing Section 4, Chapter
78, O.S.L. 2009 (63 O.S. Supp. 2009, Section 684.17);
repealing Section 5, Chapter 78, O.S.L. 2009 (63 O.S.
Supp. 2009, Section 684.18); repealing Section 6,
Chapter 78, O.S.L. 2009 (63 O.S. Supp. 2009, Section
684.19); repealing Section 7, Chapter 78, O.S.L. 2009
(63 O.S. Supp. 2009, Section 684.20); repealing
Section 8, Chapter 78, O.S.L. 2009 (63 O.S. Supp.
2009, Section 684.21); repealing Section 9, Chapter
78, O.S.L. 2009 (63 O.S. Supp. 2009, Section 684.22);
repealing Section 10, Chapter 78, O.S.L. 2009 (63
O.S. Supp. 2009, Section 684.23); repealing Section
11, Chapter 78, O.S.L. 2009 (63 O.S. Supp. 2009,
Section 684.24); amending 68 O.S. 2001, Section 2358,
as last amended by Section 1, Chapter 436, O.S.L.

1 2009 (68 O.S. Supp. 2009, Section 2358); repealing 68
2 O.S. 2001, Section 2358, as last amended by Section
3 10, Chapter 426, O.S.L. 2009 (68 O.S. Supp. 2009,
4 Section 2358); amending 68 O.S. 2001, Section 2902,
5 as last amended by Section 13, Chapter 426, O.S.L.
6 2009 (68 O.S. Supp. 2009, Section 2902); repealing 68
7 O.S. 2001, Section 2902, as last amended by Section
8 2, Chapter 387, O.S.L. 2009 (68 O.S. Supp. 2009,
9 Section 2902); amending 68 O.S. 2001, Section 3603,
10 as last amended by Section 1, Chapter 369, O.S.L.
11 2009 (68 O.S. Supp. 2009, Section 3603); repealing 68
12 O.S. 2001, Section 3603, as last amended by Section
13 1, Chapter 339, O.S.L. 2009 (68 O.S. Supp. 2009,
14 Section 3603); repealing Section 1, Chapter 60,
15 O.S.L. 2009 (69 O.S. Supp. 2009, Section 1698.43);
16 amending 70 O.S. 2001, Section 3-104, as amended by
17 Section 1, Chapter 448, O.S.L. 2009 (70 O.S. Supp.
18 2009, Section 3-104); repealing 70 O.S. 2001, Section
19 3-104, as amended by Section 155, Chapter 234, O.S.L.
20 2009 (70 O.S. Supp. 2009, Section 3-104); repealing
21 Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10, Chapter
22 98, O.S.L. 2009 (70 O.S. Supp. 2009, Sections 6-
23 101.7, 6-140, 6-141, 6-142, 6-143, 6-144, 6-145, 6-
24 146, 6-147, and 6-148); amending 70 O.S. 2001,
Section 14-108, as last amended by Section 1, Chapter
235, O.S.L. 2009 (70 O.S. Supp. 2009, Section 14-
108); repealing 70 O.S. 2001, Section 14-108, as last
amended by Section 1, Chapter 202, O.S.L. 2009 (70
O.S. Supp. 2009, Section 14-108); repealing 70 O.S.
2001, Section 24-101.3, as last amended by Section
11, Chapter 98, O.S.L. 2009 (70 O.S. Supp. 2009,
Section 24-101.3); amending Section 1, Chapter 160,
O.S.L. 2006, as amended by Section 1, Chapter 175,
O.S.L. 2009 (70 O.S. Supp. 2009, Section 1210.284);
repealing Section 1, Chapter 160, O.S.L. 2006, as
amended by Section 1, Chapter 109, O.S.L. 2009 (70
O.S. Supp. 2009, Section 1210.284); amending 74 O.S.
2001, Section 78, as last amended by Section 1,
Chapter 371, O.S.L. 2009 (74 O.S. Supp. 2009, Section
78); repealing 74 O.S. 2001, Section 78, as last
amended by Section 18, Chapter 442, O.S.L. 2009 (74
O.S. Supp. 2009, Section 78); amending 74 O.S. 2001,
Section 78a, as amended by Section 16, Chapter 454,
O.S.L. 2009 (74 O.S. Supp. 2009, Section 78a);
repealing 74 O.S. 2001, Section 78a, as amended by
Section 19, Chapter 442, O.S.L. 2009 (74 O.S. Supp.
2009, Section 78a); amending 74 O.S. 2001, Section

1 85.3A, as last amended by Section 11, Chapter 433,
2 O.S.L. 2009 (74 O.S. Supp. 2009, Section 85.3A);
3 repealing 74 O.S. 2001, Section 85.3A, as last
4 amended by Section 18, Chapter 454, O.S.L. 2009 (74
5 O.S. Supp. 2009, Section 85.3A); amending 74 O.S.
6 2001, Section 85.5, as last amended by Section 6,
7 Chapter 322, O.S.L. 2009 (74 O.S. Supp. 2009, Section
8 85.5); repealing 74 O.S. 2001, Section 85.5, as last
9 amended by Section 23, Chapter 451, O.S.L. 2009 (74
10 O.S. Supp. 2009, Section 85.5); amending 74 O.S.
11 2001, Section 85.12, as last amended by Section 3,
12 Chapter 273, O.S.L. 2009 (74 O.S. Supp. 2009, Section
13 85.12); repealing 74 O.S. 2001, Section 85.12, as
14 last amended by Section 160, Chapter 234, O.S.L. 2009
15 (74 O.S. Supp. 2009, Section 85.12); repealing 74
16 O.S. 2001, Section 324.8, as last amended by Section
17 2, Chapter 80, O.S.L. 2009 (74 O.S. Supp. 2009,
18 Section 324.8); amending 74 O.S. 2001, Section 840-
19 2.27C, as last amended by Section 1, Chapter 38,
20 O.S.L. 2009 (74 O.S. Supp. 2009, Section 840-2.27C);
21 repealing 74 O.S. 2001, Section 840-2.27C, as last
22 amended by Section 5, Chapter 12, O.S.L. 2009 (74
23 O.S. Supp. 2009, Section 840-2.27C); amending Section
24 34, Chapter 368, O.S.L. 2004, as last amended by
Section 2, Chapter 255, O.S.L. 2009 (76 O.S. Supp.
2009, Section 32); repealing Section 34, Chapter 368,
O.S.L. 2004, as last amended by Section 2, Chapter
247, O.S.L. 2009 (76 O.S. Supp. 2009, Section 32);
repealing Section 34, Chapter 368, O.S.L. 2004, as
last amended by Section 2, Chapter 313, O.S.L. 2009
(76 O.S. Supp. 2009, Section 32); providing effective
dates; and declaring an emergency.

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

20 SECTION 1. REPEALER 10 O.S. 2001, Section 405, as last
21 amended by Section 6, Chapter 230, O.S.L. 2009 (10 O.S. Supp. 2009,
22 Section 405), is hereby repealed.

1 SECTION 2. AMENDATORY 11 O.S. 2001, Section 21-103, as
2 last amended by Section 2, Chapter 224, O.S.L. 2009 (11 O.S. Supp.
3 2009, Section 21-103), is amended to read as follows:

4 Section 21-103. A. Before the governing body of a city may
5 annex any territory adjacent or contiguous to the city, it must
6 obtain the written consent of the owners of at least a majority of
7 the acres to be annexed to the municipality and provide for notice
8 and a public hearing on the proposed annexation of the territory in
9 the manner provided in subsection B of this section; except that no
10 such consent is needed where:

11 1. The territory to be annexed is subdivided into tracts or
12 parcels of less than five (5) acres and contains more than one
13 residence; or

14 2. Three sides of the territory to be annexed are adjacent or
15 contiguous to the property already within the municipal limits if:

- 16 a. the adjacent property on each side constitutes an area
17 in width greater than three hundred (300) feet at its
18 narrowest point excluding a roadway or right-of-way
19 that is adjacent or contiguous to the territory,
20 b. the municipal governing body makes findings that the
21 annexation furthers municipal purposes relating to
22 airports, spaceports and military installations and
23 such findings are included in the public hearing
24 provided for in subsection D of this section, or

1 c. prior to the ~~effective date of this act~~ November 1,
2 2004, the municipality has directed that notice be
3 published in accordance with subsection B of this
4 section.

5 B. The governing body shall provide the notice and public
6 hearing required in subsection A of this section in the following
7 manner:

8 1. The governing body of the municipality shall direct that
9 notice of the proposed annexation of the territory be published in a
10 legally qualified newspaper of general circulation in the territory
11 and shall describe the boundaries of the territory proposed to be
12 annexed by reference to a map, geographical locations, legal or
13 physical description or other reasonable designation. The notice
14 shall state the date, time, and place the governing body shall
15 conduct a public hearing on the question of annexing the territory.
16 The notice shall be published in a legal newspaper of general
17 circulation in the territory sought to be annexed within fourteen
18 (14) days following the date the governing body directed the notice
19 to be published;

20 2. A copy of the notice of annexation shall be mailed by first-
21 class mail to all owners of property to be annexed as shown by the
22 current year's ownership rolls in the office of the county treasurer
23 and to all owners of property abutting any public right-of-way that
24 forms the boundary of the territory proposed to be annexed and to

1 the Sales and Use Tax Division of the Oklahoma Tax Commission;
2 provided that the notice of annexation shall be mailed by certified
3 mail to every person who owns a parcel of land of five (5) acres or
4 more used for agricultural purposes; and

5 3. The public hearing of such annexation shall be held no
6 earlier than fourteen (14) days nor more than thirty (30) days
7 following the publication and mailing of the notice.

8 C. Unless otherwise provided by law, a roadway or road right-
9 of-way that is adjacent or contiguous to the territory to be annexed
10 shall be considered a part and parcel to the territory to be
11 annexed.

12 D. Before any territory is annexed to a municipality, without
13 the written consent of the owners of at least a majority of the
14 acres to be annexed to the municipality in accordance with
15 subsection A of this section, the governing body of the municipality
16 shall direct that notice of the proposed annexation of the territory
17 be published in a legally qualified newspaper of general circulation
18 in the territory and shall hold a public hearing on the proposed
19 annexation. Prior to the publication of notice, the municipality
20 shall prepare a plan to extend municipal services including, but not
21 limited to, water, sewer, fire protection, law enforcement and the
22 cost of such services appropriate to the proposed annexed territory.
23 The plan shall provide that the municipality complete the
24 implementation of the plan in accordance with any existing capital

1 improvement plan applicable to the portion of the municipality
2 adjacent to the territory proposed to be annexed. If no such
3 capital improvement plan has been adopted, the municipality shall
4 complete the service plan within one hundred twenty (120) months
5 from the date of annexation unless a different time is determined by
6 consensus between property owners and the municipality at the
7 hearing. The time for completion of the service plan shall be set
8 forth in the ordinance annexing the territory. If municipality
9 services are not substantially complete within the prescribed time,
10 then the territory shall be detached by the governing body as
11 provided in Section 21-110 of this title. For purposes of this
12 subsection, services may be provided by any method or means
13 available to the municipality to extend municipal services to any
14 other area of the city. Such notice, hearing and plan shall be
15 subject to the following provisions:

16 1. The notice shall describe the boundaries of the territory
17 proposed to be annexed by reference to a map, geographical
18 locations, legal or physical description or other reasonable
19 designation and shall state that the proposed service plan is
20 available for inspection at a specified location. The notice shall
21 state the date, time, and place when the governing body shall
22 conduct a public hearing on the question of annexing the territory.
23 The notice shall be published in a legal newspaper of general
24 circulation in the territory sought to be annexed within fourteen

1 (14) days following the date the governing body directed the notice
2 to be published. A copy of the notice of annexation shall be mailed
3 by first-class mail to all owners of property to be annexed as shown
4 by the current year's ownership rolls in the office of the county
5 treasurer and to the Department of Transportation for purposes of
6 clarifying any road maintenance responsibilities; provided that the
7 notice of annexation shall be mailed by certified mail to every
8 person who owns parcel of land of five (5) acres or more used for
9 agricultural purposes and to the board of county commissioners of
10 the respective county where the proposed annexation is located. If
11 the territory to be annexed encroaches upon any adjacent county, a
12 copy of the notice of annexation shall be mailed by first-class mail
13 to the board of county commissioners of the adjacent county and of
14 the county where the proposed annexation is located;

15 2. The public hearing of such annexation shall be held no
16 earlier than fourteen (14) days nor more than thirty (30) days
17 following the publication and mailing of the notice; and

18 3. The proposed service plan shall be available for inspection
19 and be explained to the property owners of the territory to be
20 annexed at the public hearing. The plan may be amended through
21 negotiation at the hearing. The final service plan shall be
22 incorporated into and made part of the ordinance annexing the
23 territory.

24

1 E. The prevailing property owner in an annexation dispute shall
2 be entitled to court costs and reasonable attorney fees, including,
3 but not limited to, when a municipality withdraws, revokes or
4 otherwise reverses the ordinance at issue in response to litigation
5 before issuance of a final judgment.

6 F. As used in this section:

7 1. "Airport" means any facility owned by any legal entity or by
8 a county, a municipality or a public trust having at least one
9 county or municipality as its beneficiary which is used primarily
10 for the purpose of providing air transportation of persons or goods
11 or both by aircraft powered through the use of propellers,
12 turboprops, jets or similar propulsion systems;

13 2. "Military installation" means those facilities constituting
14 the active or formerly active bases owned by the Department of
15 Defense or other applicable entity of the United States government
16 or by any entity of local government after transfer of title to such
17 installation; and

18 3. "Spaceport" means any area as defined pursuant to Section
19 5202 of Title 74 of the Oklahoma Statutes.

20 G. Except for ordinances enacted pursuant to Section 43-101.1
21 of this title, parcels of land five (5) acres or more used for
22 agricultural purposes annexed into the municipal limits on or after
23 July 1, 2003, or parcels of land forty (40) acres or more used for
24 agricultural purposes prior to annexation and have continued in

1 uninterrupted agriculture use annexed into the municipal limits
2 shall be exempt from ordinances restricting land use and building
3 construction to the extent such land use or construction is related
4 to agricultural purposes. Where there is no residence within fifty
5 (50) feet of the boundaries of such a parcel of land, the property
6 shall not be subject to ordinances regulating conduct that would not
7 be an offense under state law; provided, that any such property that
8 discharges into the municipal water, wastewater, or sewer system
9 shall be subject to any ordinances or regulations related to
10 compliance with environmental standards for that system.

11 H. Parcels of land situated within an area that is or may be
12 subject to any form of land use or other regulatory control as a
13 result of proximity to an airport, spaceport or military
14 installation shall not be exempt from municipal ordinances or other
15 laws regulating property for the purpose of operations necessary for
16 the use of an airport, spaceport or military installation and such
17 parcels of land shall be subject to all ordinances enacted pursuant
18 to Section 43-101.1 of this title.

19 I. If territory is annexed pursuant to this section, the
20 annexing governing body shall provide notice by first-class mail
21 together with a map and plat of the annexed territory to the Sales
22 and Use Tax Division of the Oklahoma Tax Commission prior to the
23 effective date of such annexation. The Tax Commission shall notify
24 the known sales tax vendors within the boundaries of the annexed

1 territory as provided by Section 119 of Title 68 of the Oklahoma
2 Statutes.

3 SECTION 3. REPEALER 11 O.S. 2001, Section 21-103, as
4 last amended by Section 1, Chapter 197, O.S.L. 2009 (11 O.S. Supp.
5 2009, Section 21-103), is hereby repealed.

6 SECTION 4. REPEALER 19 O.S. 2001, Section 455, as
7 amended by Section 2, Chapter 47, O.S.L. 2009 (19 O.S. Supp. 2009,
8 Section 455), is hereby repealed.

9 SECTION 5. REPEALER 19 O.S. 2001, Section 1505, as last
10 amended by Section 8, Chapter 122, O.S.L. 2009 (19 O.S. Supp. 2009,
11 Section 1505), is hereby repealed.

12 SECTION 6. AMENDATORY 22 O.S. 2001, Section 152, as last
13 amended by Section 130, Chapter 234, O.S.L. 2009 (22 O.S. Supp.
14 2009, Section 152), is amended to read as follows:

15 Section 152. A. Prosecutions for the crimes of bribery,
16 embezzlement of public money, bonds, securities, assets or property
17 of the state or any county, school district, municipality or other
18 subdivision thereof, or of any misappropriation of public money,
19 bonds, securities, assets or property of the state or any county,
20 school district, municipality or other subdivision thereof,
21 falsification of public records of the state or any county, school
22 district, municipality or other subdivision thereof, and conspiracy
23 to defraud the State of Oklahoma or any county, school district,
24 municipality or other subdivision thereof in any manner or for any

1 purpose shall be commenced within seven (7) years after the
2 discovery of the crime; provided, however, prosecutions for the
3 crimes of embezzlement or misappropriation of public money, bonds,
4 securities, assets or property of any school district, including
5 those relating to student activity funds, or the crime of
6 falsification of public records of any independent school district,
7 the crime of criminal conspiracy, the crime of embezzlement,
8 pursuant to Sections 1451 through 1462 of Title 21 of the Oklahoma
9 Statutes, the crime of False Personation or Identity Theft, pursuant
10 to Sections 1531 through 1533.3 of Title 21 of the Oklahoma
11 Statutes, or the financial exploitation of a vulnerable adult,
12 pursuant to Sections 843.1, 843.3 and 843.4 of Title 21 of the
13 Oklahoma Statutes, shall be commenced within five (5) years after
14 the discovery of the crime.

15 B. Prosecutions for criminal violations of any state income tax
16 laws shall be commenced within five (5) years after the commission
17 of such violation.

18 C. 1. Prosecutions for the crime of rape or forcible sodomy,
19 sodomy, lewd or indecent proposals or acts against children,
20 involving minors in pornography pursuant to Section 886, 888, 1111,
21 1111.1, 1113, 1114, 1021.2, 1021.3 or 1123 of Title 21 of the
22 Oklahoma Statutes, child abuse pursuant to Section 843.5 of Title 21
23 of the Oklahoma Statutes, and child trafficking pursuant to Section
24

1 866 of Title 21 of the Oklahoma Statutes shall be commenced within
2 twelve (12) years after the discovery of the crime.

3 2. However, prosecutions for the crimes listed in paragraph 1
4 of this subsection may be commenced at any time after the commission
5 of the offense if:

6 a. the victim notified law enforcement within twelve (12)
7 years after the discovery of the crime,

8 b. physical evidence is collected and preserved that is
9 capable of being tested to obtain a profile from
10 deoxyribonucleic acid (DNA), and

11 c. the identity of the offender is subsequently
12 established through the use of a DNA profile using
13 evidence listed in subparagraph b of this paragraph.

14 A prosecution under this exception must be commenced within
15 three (3) years from the date on which the identity of the suspect
16 is established by DNA testing.

17 D. Prosecutions for criminal violations of any provision of the
18 Oklahoma Wildlife Conservation Code shall be commenced within three
19 (3) years after the commission of such offense.

20 E. Prosecutions for the crime of criminal fraud or workers'
21 compensation fraud pursuant to Section 1541.1, 1541.2, 1662 or 1663
22 of Title 21 of the Oklahoma Statutes shall commence within three (3)
23 years after the discovery of the crime, but in no event greater than
24 seven (7) years after the commission of the crime.

1 F. Prosecution for the crime of false or bogus check, Section
2 1541.1, 1541.2, 1541.3 or 1541.4 of Title 21 of the Oklahoma
3 Statutes, shall be commenced within five (5) years after the
4 commission of such offense.

5 G. Prosecution for the crime of solicitation for murder in the
6 first degree pursuant to Section 701.16 of Title 21 of the Oklahoma
7 Statutes shall be commenced within seven (7) years after the
8 discovery of the crime. For purposes of this subsection,
9 "discovery" means the date upon which the crime is made known to
10 anyone other than a person involved in the solicitation.

11 H. In all other cases a prosecution for a public offense must
12 be commenced within three (3) years after its commission.

13 I. Prosecution for the crime of accessory after the fact must
14 be commenced within the same statute of limitations as that of the
15 felony for which the person acted as an accessory.

16 J. Prosecution for the crime of arson pursuant to Section 1401,
17 1402, 1403, 1404 or 1405 of Title 21 of the Oklahoma Statutes shall
18 be commenced within seven (7) years after the commission of the
19 crime.

20 K. As used in paragraph 1 of subsection C of this section,
21 "discovery" means the date that a physical or sexually related crime
22 involving a victim under the age of eighteen (18) years of age is
23 reported to a law enforcement agency, up to and including one (1)
24 year from the eighteenth birthday of the child.

1 SECTION 7. REPEALER 22 O.S. 2001, Section 152, as last
2 amended by Section 1, Chapter 93, O.S.L. 2009 (22 O.S. Supp. 2009,
3 Section 152), is hereby repealed.

4 SECTION 8. AMENDATORY 22 O.S. 2001, Section 982a, as
5 last amended by Section 1, Chapter 240, O.S.L. 2009 (22 O.S. Supp.
6 2009, Section 982a), is amended to read as follows:

7 Section 982a. A. Any time within twelve (12) months after a
8 sentence is imposed or within twelve (12) months after probation has
9 been revoked, the court imposing sentence or revocation of probation
10 may modify such sentence or revocation by directing that another
11 ~~penalty~~ sentence be imposed, if the court is satisfied that the best
12 interests of the public will not be jeopardized; provided, however,
13 the court shall not impose a deferred sentence. This section shall
14 not apply to convicted felons who have been in confinement in any
15 state prison system for any previous felony conviction during the
16 ten-year period preceding the date that the sentence this section
17 applies to was imposed. Further, without the consent of the
18 district attorney, this section shall not apply to sentences imposed
19 pursuant to a plea agreement.

20 B. For purposes of judicial review, upon court order or written
21 request from the sentencing judge, the Department of Corrections
22 shall provide the court imposing sentence or revocation of probation
23 with a report to include a summary of the offender's assessed needs,
24 any progress made by the offender in addressing his or her assessed

1 needs, and any other information the Department can supply on the
2 inmate. The court shall consider such reports when modifying the
3 sentence or revocation of probation. The court shall allow the
4 Department of Corrections at least twenty (20) days after receipt of
5 a request or order from the court to prepare the required reports.

6 C. If the court considers modification of the sentence or
7 revocation of probation, a hearing shall be made in open court after
8 receipt of the reports required in subsection B of this section.
9 The clerk of the court imposing sentence or revocation of probation
10 shall give notice of the judicial review hearing to the Department
11 of Corrections, the inmate, the inmate's legal counsel, and the
12 district attorney of the county in which the inmate was convicted
13 upon receipt of the reports. Such notice shall be mailed at least
14 twenty-one (21) days prior to the hearing date and shall include a
15 copy of the report and any other written information to be
16 considered at the judicial review hearing.

17 D. If an appeal is taken from the original sentence or from a
18 revocation of probation which results in a modification of the
19 sentence or modification to the revocation of probation of the
20 defendant, such sentence may be further modified in the manner
21 hereinbefore described within twelve (12) months after the receipt
22 by the clerk of the district court of the mandate from the Supreme
23 Court or the Court of Criminal Appeals.

24

1 SECTION 9. REPEALER 22 O.S. 2001, Section 982a, as last
2 amended by Section 1, Chapter 275, O.S.L. 2009 (22 O.S. Supp. 2009,
3 Section 982a), is hereby repealed.

4 SECTION 10. AMENDATORY 22 O.S. 2001, Section 991a, as
5 last amended by Section 2, Chapter 218, O.S.L. 2009 (22 O.S. Supp.
6 2009, Section 991a), is amended to read as follows:

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

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

15 a. to provide restitution to the victim as provided by
16 Section 991f et seq. of this title or according to a
17 schedule of payments established by the sentencing
18 court, together with interest upon any pecuniary sum
19 at the rate of twelve percent (12%) per annum, if the
20 defendant agrees to pay such restitution or, in the
21 opinion of the court, if the defendant is able to pay
22 such restitution without imposing manifest hardship on
23 the defendant or the immediate family and if the
24

1 extent of the damage to the victim is determinable
2 with reasonable certainty,

3 b. to reimburse any state agency for amounts paid by the
4 state agency for hospital and medical expenses
5 incurred by the victim or victims, as a result of the
6 criminal act for which such person was convicted,
7 which reimbursement shall be made directly to the
8 state agency, with interest accruing thereon at the
9 rate of twelve percent (12%) per annum,

10 c. to engage in a term of community service without
11 compensation, according to a schedule consistent with
12 the employment and family responsibilities of the
13 person convicted,

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

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

23 f. to confinement as provided by law together with a term
24 of post-imprisonment community supervision for not

1 less than three (3) years of the total term allowed by
2 law for imprisonment, with or without restitution;
3 provided, however, the authority of this provision is
4 limited to Section ~~7115~~ 843.5 of Title ~~10~~ 21 of the
5 Oklahoma Statutes when the offense involved sexual
6 abuse or sexual exploitation; Sections 681, 741 and
7 843.1 of Title 21 of the Oklahoma Statutes when the
8 offense involved sexual abuse or sexual exploitation;
9 and Sections 865 et seq., 885, 886, 888, 891, 1021,
10 1021.2, 1021.3, 1040.13a, 1087, 1088, 1111.1, 1115 and
11 1123 of Title 21 of the Oklahoma Statutes,

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

1 defendant as a cost of prosecution. "Certified local
2 crimestoppers program" means a crimestoppers program
3 certified by the Office of the Attorney General
4 pursuant to Section 991g of this title. The "Oklahoma
5 Reward System" means the reward program established by
6 Section 150.18 of Title 74 of the Oklahoma Statutes,

7 h. to reimburse the Oklahoma State Bureau of
8 Investigation for costs incurred by that agency during
9 its investigation of the crime for which the defendant
10 pleaded guilty, nolo contendere or was convicted,
11 including compensation for laboratory, technical, or
12 investigation services performed by the Bureau if, in
13 the opinion of the court, the defendant is able to pay
14 without imposing manifest hardship on the defendant,
15 and if the costs incurred by the Bureau during the
16 investigation of the defendant's case may be
17 determined with reasonable certainty,

18 i. to reimburse the Oklahoma State Bureau of
19 Investigation and any authorized law enforcement
20 agency for all costs incurred by that agency for
21 cleaning up an illegal drug laboratory site for which
22 the defendant pleaded guilty, nolo contendere or was
23 convicted. The court clerk shall collect the amount
24 and may retain five percent (5%) of such monies to be

1 deposited in the Court Clerk Revolving Fund to cover
2 administrative costs and shall remit the remainder to
3 the Oklahoma State Bureau of Investigation to be
4 deposited in the OSBI Revolving Fund established by
5 Section 150.19a of Title 74 of the Oklahoma Statutes
6 or to the general fund wherein the other law
7 enforcement agency is located,

8 j. to pay a reasonable sum to the Crime Victims
9 Compensation Board, created by Section 142.2 et seq.
10 of Title 21 of the Oklahoma Statutes, for the benefit
11 of crime victims,

12 k. to reimburse the court fund for amounts paid to court-
13 appointed attorneys for representing the defendant in
14 the case in which the person is being sentenced,

15 l. to participate in an assessment and evaluation by an
16 assessment agency or assessment personnel certified by
17 the Department of Mental Health and Substance Abuse
18 Services pursuant to Section 3-460 of Title 43A of the
19 Oklahoma Statutes and, as determined by the
20 assessment, participate in an alcohol and drug
21 substance abuse course or treatment program or both,
22 pursuant to Sections 3-452 and 3-453 of Title 43A of
23 the Oklahoma Statutes, or as ordered by the court,
24

- 1 m. to be placed in a victims impact panel program or
2 victim/offender reconciliation program and payment of
3 a fee to the program of not less than Fifteen Dollars
4 (\$15.00) nor more than Fifty Dollars (\$50.00) as set
5 by the governing authority of the program to offset
6 the cost of participation by the defendant. Provided,
7 each victim/offender reconciliation program shall be
8 required to obtain a written consent form voluntarily
9 signed by the victim and defendant that specifies the
10 methods to be used to resolve the issues, the
11 obligations and rights of each person, and the
12 confidentiality of the proceedings. Volunteer
13 mediators and employees of a victim/offender
14 reconciliation program shall be immune from liability
15 and have rights of confidentiality as provided in
16 Section 1805 of Title 12 of the Oklahoma Statutes,
- 17 n. to install, at the expense of the defendant, an
18 ignition interlock device approved by the Board of
19 Tests for Alcohol and Drug Influence. The device
20 shall be installed upon every motor vehicle operated
21 by the defendant, and the court shall require that a
22 notation of this restriction be affixed to the
23 defendant's driver license. The restriction shall
24 remain on the driver license not exceeding two (2)

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

- 18 o. to be confined by electronic monitoring administered
19 and supervised by the Department of Corrections or a
20 community sentence provider, and payment of a
21 monitoring fee to the supervising authority, not to
22 exceed Three Hundred Dollars (\$300.00) per month. Any
23 fees collected pursuant to this paragraph shall be
24 deposited with the appropriate supervising authority.

1 Any willful violation of an order of the court for the
2 payment of the monitoring fee shall be a violation of
3 the sentence and may be punished as deemed proper by
4 the sentencing court. As used in this paragraph,
5 "electronic monitoring" means confinement of the
6 defendant within a specified location or locations
7 with supervision by means of an electronic device
8 approved by the Department of Corrections which is
9 designed to detect if the defendant is in the court-
10 ordered location at the required times and which
11 records violations for investigation by a qualified
12 supervisory agency or person,

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

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

- 1 w. to obtain employment or participate in employment-
2 related activities,
- 3 x. to participate in mandatory day reporting to
4 facilities or persons for services, payments, duties
5 or person-to-person contacts as specified by the
6 court,
- 7 y. to pay day fines not to exceed fifty percent (50%) of
8 the net wages earned. For purposes of this paragraph,
9 "day fine" means the offender is ordered to pay an
10 amount calculated as a percentage of net daily wages
11 earned. The day fine shall be paid to the local
12 community sentencing system as reparation to the
13 community. Day fines shall be used to support the
14 local system,
- 15 z. to submit to blood or saliva testing as required by
16 subsection I of this section,
- 17 aa. to repair or restore property damaged by the
18 defendant's conduct, if the court determines the
19 defendant possesses sufficient skill to repair or
20 restore the property and the victim consents to the
21 repairing or restoring of the property,
- 22 bb. to restore damaged property in kind or payment of out-
23 of-pocket expenses to the victim, if the court is able
24

1 to determine the actual out-of-pocket expenses
2 suffered by the victim,

3 cc. to attend a victim-offender reconciliation program if
4 the victim agrees to participate and the offender is
5 deemed appropriate for participation,

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

15 ee. in the case of a sex offender sentenced after November
16 1, 1989, and required by law to register pursuant to
17 the Sex Offender Registration Act, the court shall
18 require the person to comply with sex offender
19 specific rules and conditions of supervision
20 established by the Department of Corrections and
21 require the person to participate in a treatment
22 program designed for the treatment of sex offenders
23 during the period of time while the offender is
24 subject to supervision by the Department of

1 Corrections. The treatment program shall include
2 polygraph examinations specifically designed for use
3 with sex offenders for purposes of supervision and
4 treatment compliance, and shall be administered not
5 less than each six (6) months during the period of
6 supervision. The examination shall be administered by
7 a certified licensed polygraph examiner. The
8 treatment program must be approved by the Department
9 of Corrections or the Department of Mental Health and
10 Substance Abuse Services. Such treatment shall be at
11 the expense of the defendant based on the defendant's
12 ability to pay,

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

22 gg. in the case of a person convicted of any false or
23 bogus check violation, as defined in Section 1541.4 of
24 Title 21 of the Oklahoma Statutes, impose a fee of

1 Twenty-five Dollars (\$25.00) to the victim for each
2 check, and impose a bogus check fee to be paid to the
3 district attorney. The bogus check fee paid to the
4 district attorney shall be equal to the amount
5 assessed as court costs plus Twenty-five Dollars
6 (\$25.00) for each check upon filing of the case in
7 district court. This money shall be deposited in the
8 Bogus Check Restitution Program Fund as established in
9 subsection B of Section 114 of this title.

10 Additionally, the court may require the offender to
11 pay restitution and bogus check fees on any other
12 bogus check or checks that have been submitted to the
13 District Attorney Bogus Check Restitution Program, and
14 hh. any other provision specifically ordered by the court.

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

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

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

3 4. Order the defendant to reimburse the Oklahoma State Bureau
4 of Investigation for costs incurred by that agency during its
5 investigation of the crime for which the defendant pleaded guilty,
6 nolo contendere or was convicted, including compensation for
7 laboratory, technical, or investigation services performed by the
8 Bureau if, in the opinion of the court, the defendant is able to pay
9 without imposing manifest hardship on the defendant, and if the
10 costs incurred by the Bureau during the investigation of the
11 defendant's case may be determined with reasonable certainty;

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

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

24

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

- 8 a. to participate in an alcohol and drug assessment and
9 evaluation by an assessment agency or assessment
10 personnel certified by the Department of Mental Health
11 and Substance Abuse Services pursuant to Section 3-460
12 of Title 43A of the Oklahoma Statutes and, as
13 determined by the assessment, participate in an
14 alcohol and drug substance abuse course or treatment
15 program or both, pursuant to Sections 3-452 and 3-453
16 of Title 43A of the Oklahoma Statutes,
- 17 b. to attend a victims impact panel program, if such a
18 program is offered in the county where the judgment is
19 rendered, and to pay a fee, not less than Fifteen
20 Dollars (\$15.00) nor more than Fifty Dollars (\$50.00)
21 as set by the governing authority of the program and
22 approved by the court, to the program to offset the
23 cost of participation by the defendant, if in the
24

1 opinion of the court the defendant has the ability to
2 pay such fee,

3 c. to both participate in the alcohol and drug substance
4 abuse course or treatment program, pursuant to
5 subparagraph a of this paragraph and attend a victims
6 impact panel program, pursuant to subparagraph b of
7 this paragraph,

8 d. to install, at the expense of the person, an ignition
9 interlock device approved by the Board of Tests for
10 Alcohol and Drug Influence, upon every motor vehicle
11 operated by such person and to require that a notation
12 of this restriction be affixed to the person's driver
13 license at the time of reinstatement of the license.
14 The restriction shall remain on the driver license for
15 such period as the court shall determine. The
16 restriction may be modified or removed by order of the
17 court and notice of the order shall be given to the
18 Department of Public Safety. Upon the expiration of
19 the period for the restriction, the Department of
20 Public Safety shall remove the restriction without
21 further court order. Failure to comply with the order
22 to install an ignition interlock device or operating
23 any vehicle without such device during the period of
24 restriction shall be a violation of the sentence and

1 may be punished as deemed proper by the sentencing
2 court, or

3 e. beginning January 1, 1993, to submit to electronically
4 monitored home detention administered and supervised
5 by the Department of Corrections, and to pay to the
6 Department a monitoring fee, not to exceed Seventy-
7 five Dollars (\$75.00) a month, to the Department of
8 Corrections, if in the opinion of the court the
9 defendant has the ability to pay such fee. Any fees
10 collected pursuant to this subparagraph shall be
11 deposited in the Department of Corrections Revolving
12 Fund. Any order by the court for the payment of the
13 monitoring fee, if willfully disobeyed, may be
14 enforced as an indirect contempt of court;

15 8. In addition to the other sentencing powers of the court, in
16 the case of a person convicted of prostitution pursuant to Section
17 1029 of Title 21 of the Oklahoma Statutes, require such person to
18 receive counseling for the behavior which may have caused such
19 person to engage in prostitution activities. Such person may be
20 required to receive counseling in areas including but not limited to
21 alcohol and substance abuse, sexual behavior problems, or domestic
22 abuse or child abuse problems;

23 9. In addition to the other sentencing powers of the court, in
24 the case of a person convicted of any crime related to domestic

1 abuse, as defined in Section 60.1 of this title, the court may
2 require the defendant to undergo the treatment or participate in the
3 counseling services necessary to bring about the cessation of
4 domestic abuse against the victim. The defendant may be required to
5 pay all or part of the cost of the treatment or counseling services;

6 10. In addition to the other sentencing powers of the court,
7 the court, in the case of a sex offender sentenced after November 1,
8 1989, and required by law to register pursuant to the Sex Offenders
9 Registration Act, shall require the person to participate in a
10 treatment program designed specifically for the treatment of sex
11 offenders, if available. The treatment program will include
12 polygraph examinations specifically designed for use with sex
13 offenders for the purpose of supervision and treatment compliance,
14 provided the examination is administered by a certified licensed
15 polygraph examiner. The treatment program must be approved by the
16 Department of Corrections or the Department of Mental Health and
17 Substance Abuse Services. Such treatment shall be at the expense of
18 the defendant based on the defendant's ability to pay;

19 11. In addition to the other sentencing powers of the court,
20 the court, in the case of a person convicted of child abuse or
21 neglect, as defined in Section ~~7102~~ 1-1-105 of Title ~~10~~ 10A of the
22 Oklahoma Statutes, may require the person to undergo treatment or to
23 participate in counseling services. The defendant may be required
24

1 to pay all or part of the cost of the treatment or counseling
2 services;

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

8 13. In addition to the other sentencing powers of the court, a
9 sex offender who is habitual or aggravated as defined by Section 584
10 of Title 57 of the Oklahoma Statutes and who is required to register
11 as a sex offender pursuant to the Oklahoma Sex Offenders
12 Registration Act shall be supervised by the Department of
13 Corrections for the duration of the registration period and shall be
14 assigned to a global position monitoring device by the Department of
15 Corrections for the duration of the registration period. The cost
16 of such monitoring device shall be reimbursed by the offender;

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

24

1 15. In addition to the other sentencing powers of the court, in
2 the case of a sex offender who is required by law to register
3 pursuant to the Sex Offenders Registration Act, the court may
4 require the person to register any electronic mail address
5 information, instant message, chat or other Internet communication
6 name or identity information that the person uses or intends to use
7 while accessing the Internet.

8 B. Notwithstanding any other provision of law, any person who
9 is found guilty of a violation of any provision of Section 761 or
10 11-902 of Title 47 of the Oklahoma Statutes or any person pleading
11 guilty or nolo contendere for a violation of any provision of such
12 sections shall be ordered to participate in, prior to sentencing, an
13 alcohol and drug assessment and evaluation by an assessment agency
14 or assessment personnel certified by the Department of Mental Health
15 and Substance Abuse Services for the purpose of evaluating the
16 receptivity to treatment and prognosis of the person. The court
17 shall order the person to reimburse the agency or assessor for the
18 evaluation. The fee shall be the amount provided in subsection C of
19 Section 3-460 of Title 43A of the Oklahoma Statutes. The evaluation
20 shall be conducted at a certified assessment agency, the office of a
21 certified assessor or at another location as ordered by the court.
22 The agency or assessor shall, within seventy-two (72) hours from the
23 time the person is assessed, submit a written report to the court
24 for the purpose of assisting the court in its final sentencing

1 determination. No person, agency or facility operating an alcohol
2 and drug substance abuse evaluation program certified by the
3 Department of Mental Health and Substance Abuse Services shall
4 solicit or refer any person evaluated pursuant to this subsection
5 for any treatment program or alcohol and drug substance abuse
6 service in which such person, agency or facility has a vested
7 interest; however, this provision shall not be construed to prohibit
8 the court from ordering participation in or any person from
9 voluntarily utilizing a treatment program or alcohol and drug
10 substance abuse service offered by such person, agency or facility.
11 If a person is sentenced to the custody of the Department of
12 Corrections and the court has received a written evaluation report
13 pursuant to this subsection, the report shall be furnished to the
14 Department of Corrections with the judgment and sentence. Any
15 evaluation report submitted to the court pursuant to this subsection
16 shall be handled in a manner which will keep such report
17 confidential from the general public's review. Nothing contained in
18 this subsection shall be construed to prohibit the court from
19 ordering judgment and sentence in the event the defendant fails or
20 refuses to comply with an order of the court to obtain the
21 evaluation required by this subsection.

22 C. When sentencing a person convicted of a crime, the court
23 shall first consider a program of restitution for the victim, as
24 well as imposition of a fine or incarceration of the offender. The

1 provisions of paragraph 1 of subsection A of this section shall not
2 apply to defendants being sentenced upon their third or subsequent
3 to their third conviction of a felony or, beginning January 1, 1993,
4 to defendants being sentenced for their second or subsequent felony
5 conviction for violation of Section 11-902 of Title 47 of the
6 Oklahoma Statutes, except as otherwise provided in this subsection.
7 In the case of a person being sentenced for their second or
8 subsequent felony conviction for violation of Section 11-902 of
9 Title 47 of the Oklahoma Statutes, the court may sentence the person
10 pursuant to the provisions of paragraph 1 of subsection A of this
11 section if the court orders the person to submit to electronically
12 monitored home detention administered and supervised by the
13 Department of Corrections pursuant to subparagraph e of paragraph 7
14 of subsection A of this section. Provided, the court may waive
15 these prohibitions upon written application of the district
16 attorney. Both the application and the waiver shall be made part of
17 the record of the case.

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

21 E. Probation, for purposes of subsection A of this section, is
22 a procedure by which a defendant found guilty of a crime, whether
23 upon a verdict or plea of guilty or upon a plea of nolo contendere,
24 is released by the court subject to conditions imposed by the court

1 and subject to the supervision of the Department of Corrections.
2 Such supervision shall be initiated upon an order of probation from
3 the court, and shall not exceed two (2) years, except as otherwise
4 provided by law. In the case of a person convicted of a sex
5 offense, supervision shall begin immediately upon release from
6 incarceration or if parole is granted and shall not be limited to
7 two (2) years. Provided further, any supervision provided for in
8 this section may be extended for a period not to exceed the
9 expiration of the maximum term or terms of the sentence upon a
10 determination by the Division of Probation and Parole of the
11 Department of Corrections that the best interests of the public and
12 the release will be served by an extended period of supervision.

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

19 G. 1. The Department of Corrections is hereby authorized,
20 subject to funds available through appropriation by the Legislature,
21 to contract with counties for the administration of county Community
22 Service Sentencing Programs.

23 2. Any offender eligible to participate in the Program pursuant
24 to this act shall be eligible to participate in a county Program;

1 provided, participation in county-funded Programs shall not be
2 limited to offenders who would otherwise be sentenced to confinement
3 with the Department of Corrections.

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

12 4. The Department is hereby authorized to provide technical
13 assistance to any county in establishing a Program, regardless of
14 whether the county enters into a contract pursuant to this
15 subsection. Technical assistance shall include appropriate
16 staffing, development of community resources, sponsorship,
17 supervision and any other requirements.

18 5. The Department shall annually make a report to the Governor,
19 the President Pro Tempore of the Senate and the Speaker of the House
20 on the number of such Programs, the number of participating
21 offenders, the success rates of each Program according to criteria
22 established by the Department and the costs of each Program.

23 H. As used in this section:
24

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

6 2. "Electronically monitored home detention" means
7 incarceration of the defendant within a specified location or
8 locations with monitoring by means of a device approved by the
9 Department of Corrections that detects if the person leaves the
10 confines of any specified location.

11 I. A person convicted of a felony offense or receiving any form
12 of probation for an offense in which registration is required
13 pursuant to the Sex Offenders Registration Act, shall submit to
14 deoxyribonucleic acid DNA testing for law enforcement identification
15 purposes in accordance with Section 150.27 of Title 74 of the
16 Oklahoma Statutes and the rules promulgated by the Oklahoma State
17 Bureau of Investigation for the OSBI Combined DNA Index System
18 (CODIS) Database. Subject to the availability of funds, any person
19 convicted of a misdemeanor offense of assault and battery, domestic
20 abuse, stalking, possession of a controlled substance prohibited
21 under Schedule IV of the Uniform Controlled Dangerous Substances
22 Act, outraging public decency, resisting arrest, escape or
23 attempting to escape, eluding a police officer, peeping tom,
24 pointing a firearm, unlawful carry of a firearm, illegal transport

1 of a firearm, discharging of a firearm, threatening an act of
2 violence, breaking and entering a dwelling place, destruction of
3 property, negligent homicide, or causing a personal injury accident
4 while driving under the influence of any intoxicating substance, or
5 any alien unlawfully present under federal immigration law, upon
6 arrest, shall submit to deoxyribonucleic acid DNA testing for law
7 enforcement identification purposes in accordance with Section
8 150.27 of Title 74 of the Oklahoma Statutes and the rules
9 promulgated by the Oklahoma State Bureau of Investigation for the
10 OSBI Combined DNA Index System (CODIS) Database. Any defendant
11 sentenced to probation shall be required to submit to testing within
12 thirty (30) days of sentencing either to the Department of
13 Corrections or to the county sheriff or other peace officer as
14 directed by the court. Defendants who are sentenced to a term of
15 incarceration shall submit to testing in accordance with Section
16 530.1 of Title 57 of the Oklahoma Statutes, for those defendants who
17 enter the custody of the Department of Corrections or to the county
18 sheriff, for those defendants sentenced to incarceration in a county
19 jail. Convicted individuals who have previously submitted to DNA
20 testing under this section and for whom a valid sample is on file in
21 the OSBI Combined DNA Index System (CODIS) Database at the time of
22 sentencing shall not be required to submit to additional testing.
23 Except as required by the Sex Offenders Registration Act, a deferred
24

1 judgment does not require submission to deoxyribonucleic acid
2 testing.

3 Any person who is incarcerated in the custody of the Department
4 of Corrections after July 1, 1996, and who has not been released
5 before January 1, 2006, shall provide a blood or saliva sample prior
6 to release. Every person subject to DNA testing after January 1,
7 2006, whose sentence does not include a term of confinement with the
8 Department of Corrections shall submit a blood or saliva sample.
9 Every person subject to DNA testing who is sentenced to unsupervised
10 probation or otherwise not supervised by the Department of
11 Corrections shall submit for blood or saliva testing to the sheriff
12 of the sentencing county.

13 J. Samples of blood or saliva for DNA testing required by
14 subsection I of this section shall be taken by employees or
15 contractors of the Department of Corrections, peace officers, or the
16 county sheriff or employees or contractors of the sheriff's office.
17 The individuals shall be properly trained to collect blood or saliva
18 samples. Persons collecting blood or saliva for DNA testing
19 pursuant to this section shall be immune from civil liabilities
20 arising from this activity. All collectors of DNA samples shall
21 ensure the collection of samples are mailed to the Oklahoma State
22 Bureau of Investigation within ten (10) days of the time the subject
23 appears for testing or within ten (10) days of the date the subject
24 comes into physical custody to serve a term of incarceration. All

1 collectors of DNA samples shall use sample kits provided by the OSBI
2 and procedures promulgated by the OSBI. Persons subject to DNA
3 testing who are not received at the Lexington Assessment and
4 Reception Center shall be required to pay a fee of Fifteen Dollars
5 (\$15.00) to the agency collecting the sample for submission to the
6 OSBI Combined DNA Index System (CODIS) Database. Any fees collected
7 pursuant to this subsection shall be deposited in the revolving
8 account or the service fee account of the collection agency or
9 department.

10 K. When sentencing a person who has been convicted of a crime
11 that would subject that person to the provisions of the Sex
12 Offenders Registration Act, neither the court nor the district
13 attorney shall be allowed to waive or exempt such person from the
14 registration requirements of the Sex Offenders Registration Act.

15 SECTION 11. REPEALER 22 O.S. 2001, Section 991a, as last
16 amended by Section 132, Chapter 234, O.S.L. 2009 (22 O.S. Supp.
17 2009, Section 991a), is hereby repealed.

18 SECTION 12. REPEALER 36 O.S. 2001, Section 4509, as
19 amended by Section 33, Chapter 176, O.S.L. 2009 (36 O.S. Supp. 2009,
20 Section 4509), is hereby repealed.

21 SECTION 13. AMENDATORY 36 O.S. 2001, Section 6602, as
22 last amended by Section 51, Chapter 176, O.S.L. 2009 (36 O.S. Supp.
23 2009, Section 6602), is amended to read as follows:

24 Section 6602. As used in the Service Warranty Insurance Act:

- 1 1. "Commissioner" means the Insurance Commissioner;
- 2 2. "Consumer product" means tangible personal property
3 primarily used for personal, family, or household purposes;
- 4 3. "Department" means the Insurance Department;
- 5 4. "Gross income" means the total amount of revenue received in
6 connection with business-related activity;
- 7 5. "Gross written premium" means the total amount of
8 consideration, inclusive of commissions, paid by a consumer for a
9 service warranty issued in this state;
- 10 6. "Impaired" means having liabilities in excess of assets;
- 11 7. "Indemnify" means to undertake repair or replacement of a
12 consumer product or a newly-constructed residential structure,
13 including any appliances, electrical, plumbing, heating, cooling or
14 air conditioning systems, in return for the payment of a segregated
15 premium, when the consumer product or residential structure becomes
16 defective or suffers operational failure;
- 17 8. "Insolvent" means any actual or threatened delinquency
18 including, but not limited to, any one or more of the following
19 circumstances:
 - 20 a. an association's total liabilities exceed the
21 association's total assets excluding goodwill,
22 franchises, customer lists, patents or trademarks, and
23 receivables from or advances to officers, directors,
24 employees, salesmen, and affiliated companies. In

1 order to include receivables from affiliated companies
2 as assets as defined pursuant to this subparagraph and
3 paragraph 10 of this section, the service warranty
4 association shall provide a written guarantee to
5 assure repayment of all receivables, loans, and
6 advances from affiliated companies. The written
7 guarantee must be made by a guaranteeing organization
8 which:

9 (1) has been in continuous operation for ten (10)
10 years or more and has net assets in excess of

11 Five Hundred Million Dollars (\$500,000,000.00),

12 (2) submits a guarantee on a form acceptable to the
13 Insurance Commissioner that contains a provision
14 which requires that the guarantee be irrevocable,
15 unless the guaranteeing organization can
16 demonstrate to the Commissioner's satisfaction
17 that the cancellation of the guarantee will not
18 result in the net assets of the service warranty
19 association falling below its minimum net asset
20 requirement and the Commissioner approves
21 cancellation of the guarantee,

22 (3) initially submits a statement from a certified
23 public accountant of the guaranteeing
24 organization attesting that the net assets of the

1 guaranteeing organization meets or exceeds the
2 net assets requirement as provided in division
3 (1) of this subparagraph and that the net assets
4 of the guaranteeing organization exceed the
5 amount of the receivable of the service warranty
6 association that is being guaranteed by the
7 guaranteeing organization,

8 (4) submits annually to the Commissioner, within
9 three (3) months after the end of its fiscal
10 year, with the annual statement required by
11 Section 6615 of this title, a statement from an
12 independent certified public accountant attesting
13 that the net assets of the guaranteeing
14 organization meet or exceed the net assets
15 requirement as provided in division (1) of this
16 subparagraph and that the net assets of the
17 guaranteeing organization exceed the amount of
18 the receivable of the service warranty
19 association that is being guaranteed by the
20 guaranteeing organization, and

21 (5) the receivables are maintained as cash or as
22 marketable securities,

23 b. the business of any such association is being
24 conducted fraudulently, or

1 c. the association has knowingly overvalued its assets;

2 9. "Insurer" means any property or casualty insurer duly
3 authorized to transact such business in this state;

4 10. "Net assets" means the amount by which the total assets of
5 an association, excluding goodwill, franchises, customer lists,
6 patents or trademarks, and receivables from or advances to officers,
7 directors, employees, salesmen, and affiliated companies, exceed the
8 total liabilities of the association. For purposes of the Service
9 Warranty Insurance Act, the term "total liabilities" does not
10 include the capital stock, paid-in capital, or retained earning of
11 an association unless a written guaranty assures repayment and meets
12 the conditions specified in subparagraph a of paragraph 8 of this
13 section;

14 11. "Person" includes an individual, company, corporation,
15 association, insurer, agent and any other legal entity;

16 12. "Premium" means the total consideration received or to be
17 received, including sales commissions, by whatever name called, by a
18 service warranty association for, or related to, the issuance and
19 delivery of a service warranty, including any charges designated as
20 assessments or fees for membership, policy, survey, inspection, or
21 service or other charges. However, a repair charge is not a premium
22 unless it exceeds the usual and customary repair fee charged by the
23 association, provided the repair is made before the issuance and
24 delivery of the warranty;

1 13. "Sales representative" means any person utilized by an
2 insurer or service warranty association for the purpose of selling
3 or issuing service warranties ~~and includes any individual possessing~~
4 ~~a certificate of competency who has the power to legally obligate~~
5 ~~the insurer or service warranty association or who merely acts as~~
6 ~~the qualifying agent to qualify the association in instances when a~~
7 ~~state statute or local ordinance requires a certificate of~~
8 ~~competency to engage in a particular business;~~

9 14. "Service warranty" means a contract or agreement for a
10 separately stated consideration for a specific duration to perform
11 the repair or replacement of property or indemnification for repair
12 or replacement for the operational or structural failure due to a
13 defect or failure in materials or workmanship, with or without
14 additional provision for incidental payment of indemnity under
15 limited circumstances, including, but not limited to, failure due to
16 normal wear and tear, towing, rental and emergency road service,
17 road hazard, power surge, and accidental damage from handling or as
18 otherwise provided for in said contract or agreement; however:

- 19 a. maintenance service contracts under the terms of which
20 there are no provisions for such indemnification are
21 expressly excluded from this definition,
- 22 b. those contracts issued solely by the manufacturer,
23 distributor, importer or seller of the product, or any
24 affiliate or subsidiary of the foregoing entities,

1 whereby such entity has contractual liability
2 insurance in place, from an insurer licensed in the
3 state, which covers one hundred percent (100%) of the
4 claims exposure on all contracts written without being
5 predicated on the failure to perform under such
6 contracts, are expressly excluded from this
7 definition,

8 c. the term "service warranty" does not include service
9 contracts entered into between consumers and nonprofit
10 organizations or cooperatives the members of which
11 consist of condominium associations and condominium
12 owners, which contracts require the performance of
13 repairs and maintenance of appliances or maintenance
14 of the residential property,

15 d. the term "service warranty" does not include
16 warranties, guarantees, extended warranties, extended
17 guarantees, contract agreements or any other service
18 contracts issued by a company which performs at least
19 seventy percent (70%) of the service work itself and
20 not through subcontractors, which has been selling and
21 honoring such contracts in Oklahoma for at least
22 twenty (20) years, and

23 e. the term "service warranty" does not include
24 warranties, guarantees, extended warranties, extended

1 guarantees, contract agreements or any other service
2 contracts, whether or not such service contracts
3 otherwise meet the definition of service warranty,
4 issued by a company which has net assets in excess of
5 One Hundred Million Dollars (\$100,000,000.00). A
6 service warranty association may use the net assets of
7 a parent company to qualify under this section if the
8 net assets of the company issuing the policy total at
9 least Twenty-five Million Dollars (\$25,000,000.00) and
10 the parent company maintains net assets of at least
11 Seventy-five Million Dollars (\$75,000,000.00) not
12 including the net assets held by the service warranty
13 associations;

14 15. "Service warranty association" or "association" means any
15 person, other than an authorized insurer, contractually obligated to
16 a service contract holder under the terms of a service warranty;
17 provided, this term shall not mean any person engaged in the
18 business of erecting or otherwise constructing a new home;

19 16. "Warrantor" means any service warranty association engaged
20 in the sale of service warranties and deriving not more than fifty
21 percent (50%) of its gross income from the sale of service
22 warranties; and

23 17. "Warranty seller" means any service warranty association
24 engaged in the sale of service warranties and deriving more than

1 fifty percent (50%) of its gross income from the sale of service
2 warranties.

3 SECTION 14. REPEALER 36 O.S. 2001, Section 6602, as last
4 amended by Section 1, Chapter 189, O.S.L. 2009 (36 O.S. Supp. 2009,
5 Section 6602), is hereby repealed.

6 SECTION 15. AMENDATORY 36 O.S. 2001, Section 6608, as
7 amended by Section 53, Chapter 176, O.S.L. 2009 (36 O.S. Supp. 2009,
8 Section 6608), is amended to read as follows:

9 Section 6608. A. An application for license as a service
10 warranty association shall be made to, and filed with, the Insurance
11 Commissioner on printed forms as prescribed and furnished by the
12 Insurance Commissioner.

13 B. In addition to information relative to its qualifications as
14 required under Section 6605 of this title, the Commissioner may
15 require that the application show:

16 1. The location of the home office of the applicant;

17 2. The name and residence address of each director or officer
18 of the applicant; and

19 3. Such other pertinent information as may be required by the
20 Commissioner.

21 C. The Commissioner may require that the application, when
22 filed, be accompanied by:

23 1. A copy of the articles of incorporation of the applicant,
24 certified by the public official having custody of the original, and

1 a copy of the bylaws of the applicant, certified by the chief
2 executive officer of the applicant;

3 2. A copy of the most recent financial statement of the
4 applicant, verified under oath of at least two of its principal
5 officers; and

6 3. A license fee ~~in the amount of Two Hundred Dollars (\$200.00)~~
7 as required pursuant to Section 6604 of this title.

8 D. Upon completion of the application for license, the
9 Commissioner shall examine the application and make such further
10 investigation of the applicant as the Commissioner deems advisable.
11 If the Commissioner finds that the applicant is qualified, the
12 Commissioner shall issue to the applicant a license as a service
13 warranty association. If the Commissioner does not find the
14 applicant to be qualified the Commissioner shall refuse to issue the
15 license and shall give the applicant written notice of such refusal,
16 setting forth the grounds therefor.

17 E. 1. Any entity that claims one or more of the exclusions
18 from the definition of service warranty provided in paragraph 14 of
19 Section 6602 of this title shall file financial statements and other
20 information as requested by the Commissioner by May 1, 2010, to
21 document and verify that the entity's contracts are not included
22 within the definition of service warranty.

23 2. Any entity that fails to meet the May 1, 2010, deadline or
24 that begins claiming an exclusion exemption provided by paragraph 14

1 of Section 6602 of this title after May 1, 2010, shall file
2 financial statements and other information as requested by the
3 Commissioner prior to conducting or continuing business in this
4 state.

5 3. Any entity approved for an exclusion provided by paragraph
6 14 of Section 6602 of this title may be required by the Commissioner
7 to provide subsequent financial statements and other information
8 ascertained by the Commissioner to be necessary to determine
9 continued qualification for an exclusion provided by paragraph 14 of
10 Section 6602 of this title.

11 4. Other information as requested by the Commissioner may
12 include, but is not limited to, audited financial statements, SEC
13 filings, financial statements of affiliates, and organizational data
14 and organizational charts.

15 SECTION 16. REPEALER 36 O.S. 2001, Section 6608, as
16 amended by Section 4, Chapter 189, O.S.L. 2009 (36 O.S. Supp. 2009,
17 Section 6608), is hereby repealed.

18 SECTION 17. AMENDATORY 43A O.S. 2001, Section 5-207, as
19 last amended by Section 1, Chapter 316, O.S.L. 2009 (43A O.S. Supp.
20 2009, Section 5-207), is amended to read as follows:

21 Section 5-207. A. Any person who appears to be or states that
22 such person is mentally ill, alcohol-dependent, or drug-dependent to
23 a degree that immediate emergency action is necessary may be taken
24 into protective custody and detained as provided pursuant to the

1 provisions of this section. Nothing in this section shall be
2 construed as being in lieu of prosecution under state or local
3 statutes or ordinances relating to public intoxication offenses.

4 B. Any peace officer who reasonably believes that a person is a
5 person requiring treatment as defined in Section 1-103 of this title
6 shall take the person into protective custody. The officer shall
7 make every reasonable effort to take the person into custody in the
8 least conspicuous manner.

9 C. The officer shall prepare a written statement indicating the
10 basis for the officer's belief that the person is a person requiring
11 treatment and the circumstances under which the officer took the
12 person into protective custody. The officer shall give a copy of
13 the statement to the person or the person's attorney upon the
14 request of either. If the officer does not make the determination
15 to take an individual into protective custody on the basis of the
16 officer's personal observation, the officer shall not be required to
17 prepare a written statement. However, the person stating to be
18 mentally ill, alcohol-dependent, or drug-dependent or the person
19 upon whose statement the officer relies shall sign a written
20 statement indicating the basis for such person's belief that the
21 person is a person requiring treatment. Any false statement given
22 to the officer by the person upon whose statement the officer relies
23 shall be a misdemeanor and subject to the sanctions of Title 21 of
24 the Oklahoma Statutes.

1 D. If the person is medically stable, the officer shall
2 immediately transport the person to the nearest facility designated
3 by the Commissioner of Mental Health and Substance Abuse Services as
4 an appropriate facility for an initial assessment. If, subsequent
5 to an initial assessment, it is determined that emergency detention
6 is warranted, the officer shall transport the person to the nearest
7 facility, designated by the Commissioner as appropriate for such
8 detention, that has bed space available. If it is determined by the
9 facility director or designee that the person is not medically
10 stable, the officer shall transport the person to the nearest
11 hospital or other appropriate treatment facility.

12 E. If the person is medically unstable, the person may be
13 transported to an appropriate medical facility for medical
14 treatment. A treating physician may authorize that the person be
15 detained until the person becomes medically stable. When the person
16 becomes medically stable, if in the opinion of the treating or
17 discharging physician, the patient is still a person requiring
18 treatment as defined in Section 1-103 of this title, the physician
19 shall authorize detention of the patient for transportation as
20 provided in subsection D of this section by an appropriate law
21 enforcement agency.

22 F. If the nearest facility designated by the Commissioner as an
23 appropriate facility for an initial assessment or detention is in
24 excess of fifty (50) miles from the county seat of the county in

1 which the person is located, and whenever, as provided in paragraph
2 (b) of Article III of Section 6-201 of this title, there are factors
3 based upon clinical determinations made within the state indicating
4 that the care and treatment of the person would be facilitated or
5 improved thereby, the person may be transported by the officer to a
6 facility in another state if the facility:

7 1. Is located in a state that has enacted into law and entered
8 into the Interstate Compact on Mental Health;

9 2. Is designated or accredited by the mental health authorities
10 of that state as an appropriate facility for an initial assessment
11 or detention of such person;

12 3. Is accredited by the Joint Commission;

13 4. Is the nearest available facility to the county seat of the
14 county in which the person is located; and

15 5. Has agreed prior to the person leaving the state to receive
16 the person for initial assessment or detention.

17 ~~F.~~ G. The parent, brother or sister who is eighteen (18) years
18 of age or older, child who is eighteen (18) years of age or older,
19 or guardian of the person, or a person who appears to be or states
20 that such person is mentally ill, alcohol-dependent, or drug-
21 dependent to a degree that emergency action is necessary may request
22 the administrator of a facility designated by the Commissioner as an
23 appropriate facility for an initial assessment to conduct an initial
24 assessment to determine whether the condition of the person is such

1 that emergency detention is warranted and, if emergency detention is
2 warranted, to detain the person as provided in Section 5-206 of this
3 title.

4 SECTION 18. REPEALER 43A O.S. 2001, Section 5-207, as
5 last amended by Section 1, Chapter 252, O.S.L. 2009 (43A O.S. Supp.
6 2009, Section 5-207), is hereby repealed.

7 SECTION 19. AMENDATORY Section 14, Chapter 504, O.S.L.
8 2004, as last amended by Section 3, Chapter 311, O.S.L. 2009 (47
9 O.S. Supp. 2009, Section 1135.5), is amended to read as follows:

10 Section 1135.5. A. The Oklahoma Tax Commission is hereby
11 authorized to design and issue appropriate official special license
12 plates to persons wishing to demonstrate support and provide
13 financial assistance as provided by this section.

14 Special license plates shall not be transferred to any other
15 person but shall be removed from the vehicle upon transfer of
16 ownership and retained. The special license plate may then be used
17 on another vehicle but only after such other vehicle has been
18 registered for the current year with a motor license agent.

19 Special license plates shall be renewed each year by the Tax
20 Commission or a motor license agent. The Tax Commission shall
21 annually notify by mail all persons issued special license plates.
22 The notice shall contain all necessary information and shall contain
23 instructions for the renewal procedure upon presentation to a motor
24

1 license agent or the Tax Commission. The license plates shall be
2 issued on a staggered system.

3 The Tax Commission is hereby directed to develop and implement a
4 system whereby motor license agents are permitted to accept
5 applications for special license plates authorized under this
6 section. The motor license agent shall confirm the applicant's
7 eligibility, if applicable, collect and deposit any amount
8 specifically authorized by law, accept and process the necessary
9 information directly into such system and generate a receipt
10 accordingly. For performance of these duties, motor license agents
11 shall retain the fee provided in Section 1141.1 of this title for
12 registration of a motor vehicle. The motor license agent fees for
13 acceptance of applications and renewals shall be paid out of the
14 Oklahoma Tax Commission Reimbursement Fund.

15 If fewer than one hundred of any type of special license plates
16 authorized prior to January 1, 2004, are issued prior to January 1,
17 2006, the Tax Commission shall discontinue issuance and renewal of
18 that type of special license plate. Any such authorized special
19 license plate registrant shall be allowed to display the license
20 plate upon the designated vehicle until the registration expiration
21 date. After such time the expired special license plate shall be
22 removed from the vehicle.

23 For special license plates authorized on or after July 1, 2004,
24 no special license plates shall be developed or issued by the Tax

1 Commission until the Commission receives one hundred prepaid
2 applications therefor. The prepaid applications must be received by
3 the Tax Commission within one hundred and eighty (180) days of the
4 effective date of the authorization or the authority to issue shall
5 be null and void. In the event one hundred prepaid applications are
6 not received by the Tax Commission within such prescribed time
7 period any payment so received shall be refunded accordingly.

8 B. The special license plates provided by this section are as
9 follows:

10 1. University or College Supporter License Plates - such plates
11 shall be designed and issued to any person wishing to demonstrate
12 support to any state-supported or private university or college. As
13 provided in this section, an amount of the fee collected shall be
14 apportioned as provided in Section 1104.1 of this title;

15 2. Environmental Awareness License Plates - such plates shall
16 be designed, subject to the criteria to be presented to the Tax
17 Commission by the Department of Environmental Quality in
18 consultation with the Oklahoma Arts Council, and issued to any
19 person wishing to demonstrate support to implement the statewide
20 general public environmental education program created pursuant to
21 the provisions of the Oklahoma Environmental Quality Code. Such
22 plates shall be designed and issued to any person in any combination
23 of numbers and letters from one to a maximum of seven, as for
24 personalized license plates. A dealer's license plate issued

1 pursuant to Section 1116.1 or 1128 of this title may be designated
2 an Environmental Awareness License Plate upon payment of the fee
3 imposed by this section and any other registration fees required by
4 the Oklahoma Vehicle License and Registration Act. As provided in
5 this section, an amount of the fee collected shall be apportioned
6 pursuant to Section 1104.2 of this title;

7 3. Firefighter License Plates - such plates shall be designed
8 for any career or retired firefighter, volunteer or paid.

9 Firefighters may apply for firefighter plates for up to four
10 vehicles with a rated capacity of one (1) ton or less or for a
11 motorcycle upon proof of a fire department membership by either an
12 identification card or letter from the chief of the fire department.
13 Retirees who are eligible for such plates shall provide proof of
14 eligibility upon initial application, but shall not be required to
15 provide proof of eligibility annually. The surviving spouse of any
16 deceased firefighter, if the spouse has not since remarried, may
17 apply for a firefighter license plate for one vehicle with a rated
18 carrying capacity of one (1) ton or less or for a motorcycle upon
19 proof that the deceased firefighter was a member of a fire
20 department by either an identification card or letter from the chief
21 of the fire department.

22 Except for motorcycles, the license plate shall have the legend
23 "Oklahoma" in the color Pantone 186C Red and shall contain no more
24 than three letters and three numbers in the color Pantone 301C Blue.

1 Between the letters and numbers shall be the Firefighter Maltese
2 Cross Logo in the color Pantone 186C Red outlined in the color
3 Pantone 301C Blue. Below the letters and the logo shall be the word
4 "Firefighter" in the color Pantone 186C Red. The license plate for
5 motorcycles may be of a similar design as space permits or a new
6 design in order to meet the space requirements of a motorcycle
7 license plate. The plates shall not be subject to the design
8 requirements of any other license plates prescribed by law other
9 than the space for the placement of the yearly decals for each
10 succeeding year of registration after the initial issue.

11 As provided in this section, an amount of the fee collected
12 shall be deposited to the Oklahoma State Firemen's Museum Building &
13 Memorial Fund for support of the Oklahoma Firefighter Fallen and
14 Living Memorial;

15 4. Wildlife Conservation License Plates - such plates shall be
16 designed, subject to the criteria to be presented to the Tax
17 Commission by the Oklahoma Department of Wildlife Conservation in
18 consultation with the Oklahoma Arts Council, and issued to any
19 person wishing to demonstrate support for wildlife conservation in
20 this state through the Wildlife Diversity Fund, provided for in
21 Section 3-310 of Title 29 of the Oklahoma Statutes. Such plates may
22 be designed and issued to any person as for personalized license
23 plates.

24

1 As provided in this section, an amount of the fee collected
2 shall be apportioned pursuant to subsection D of Section 3-310 of
3 Title 29 of the Oklahoma Statutes;

4 5. Child Abuse Prevention License Plates - such plates shall be
5 designed, subject to the criteria to be presented to the Tax
6 Commission by the Office of Child Abuse Prevention in the State
7 Department of Health and the Oklahoma Committee to Prevent Child
8 Abuse, and issued to any person wishing to demonstrate support for
9 the prevention of child abuse.

10 As provided in this section, an amount of the fee collected
11 shall be deposited in the Child Abuse Prevention Fund;

12 6. United States Olympic Committee Supporter License Plates -
13 such plates shall be designed and issued to any person wishing to
14 demonstrate support for the United States Olympic Committee. The
15 plates shall be issued to any person in any combination of numbers
16 and letters from one to a maximum of seven, as for personalized
17 license plates. The plate shall contain the official United States
18 Olympic Committee logo. The Tax Commission shall be authorized, if
19 necessary, to enter into a licensing agreement with the United
20 States Olympic Committee for any licensing fees which may be
21 required in order to use the United States Olympic Committee logo or
22 design. The licensing agreement shall provide for a payment of not
23 more than Twenty-five Dollars (\$25.00) for each license plate
24 issued;

1 7. Oklahoma History License Plates - such plates shall be
2 designed and issued to any person wishing to demonstrate interest in
3 Oklahoma history. As provided in this section, an amount of the fee
4 collected shall be deposited to the Oklahoma Historical Society
5 Revolving Fund to be used for educational purposes;

6 8. Historic Route 66 License Plates - such plates shall be
7 designed to honor historic Route 66, also known as the "Mother
8 Road". As provided in this section, an amount of the fee collected
9 shall be apportioned to the Oklahoma Historical Society Revolving
10 Fund to be distributed to the Route 66 Museum located in Clinton,
11 Oklahoma;

12 9. Heart of the Heartland License Plates - such plates shall be
13 designed and issued to any person wishing to honor the victims of
14 the terrorist bombing attack on the Alfred P. Murrah Federal
15 Building in downtown Oklahoma City on April 19, 1995. As provided
16 in this section, an amount of the fee collected shall be deposited
17 in the Heart of the Heartland Scholarship Fund, as established in
18 Section 2282 of Title 70 of the Oklahoma Statutes;

19 10. Emergency Medical Technician License Plates - such plates
20 shall be designed and issued to any person who is an emergency
21 medical technician. Such persons may apply for an emergency medical
22 technician license plate for each vehicle with a rated carrying
23 capacity of one (1) ton or less upon proof of an emergency medical
24 technician's license. The license plate shall be designed in

1 consultation with the state association of emergency medical
2 technicians. As provided in this section, an amount of the fee
3 collected shall be apportioned to the ~~county of residence of the~~
4 ~~person purchasing the plates to be equally apportioned by the county~~
5 ~~to the city and county volunteer fire departments in the county~~
6 Emergency Medical Technician Death Benefit Revolving Fund created in
7 Section 1-2505.2 of Title 63 of the Oklahoma Statutes;

8 11. Fight Breast Cancer License Plates - such plates shall be
9 designed to demonstrate support for the prevention and treatment of
10 breast cancer in this state. As provided in this section, an amount
11 of the fee collected shall be apportioned to the Breast Cancer Act
12 Revolving Fund;

13 12. Crime Victims Awareness License Plates - such plates shall
14 be designed and issued to any person wishing to demonstrate
15 awareness of and support for victims of crimes. The license plates
16 shall be designed in consultation with the Oklahoma Crime Victims
17 Centre. As provided in this section, an amount of the fee collected
18 shall be apportioned to the Attorney General's Revolving Fund for
19 the Office of the Attorney General, which is hereby directed to use
20 such funds to contract with a statewide nonprofit organization to
21 provide services to crime victims;

22 13. Oklahoma Safe Kids Association License Plates - such plates
23 shall be designed and issued to any person wishing to demonstrate
24 support and awareness of the Oklahoma Safe Kids Association. The

1 license plate shall be designed in consultation with the Oklahoma
2 Safe Kids Association. As provided in this section, an amount of
3 the fee collected shall be deposited in the Children's Hospital -
4 Oklahoma Safe Kids Association Revolving Fund to be distributed to
5 the Oklahoma Safe Kids Association program;

6 14. Four-H Club License Plates - such plates shall be designed,
7 subject to criteria to be presented to the Tax Commission by the
8 Four-H Foundation, and issued to any person wishing to demonstrate
9 support of the Four-H Club. Such plates may be designed and issued
10 to any person as for personalized license plates. As provided in
11 this section, an amount of the fee collected shall be apportioned to
12 the OSU Extension Service License Plate Revolving Fund created in
13 Section 1104.4 of this title;

14 15. Agricultural Awareness License Plates - such plates shall
15 be designed, subject to criteria to be presented to the Tax
16 Commission, by the Oklahoma Department of Agriculture, Food, and
17 Forestry in consultation with the Oklahoma Arts Council, and issued
18 to any person wishing to demonstrate support of the Department's Ag
19 in the Classroom Education Program. As provided in this section, an
20 amount of the fee collected shall be apportioned as provided in
21 Section 1104.3 of this title;

22 16. Oklahoma Statehood Centennial License Plates - such plates
23 shall be designed and issued to any person wishing to commemorate
24 the centennial of Oklahoma's admission to statehood in 1907. The

1 license plates shall be designed in consultation with the Oklahoma
2 Capitol Complex and Centennial Commemoration Commission. As
3 provided in this section, an amount of the fee collected shall be
4 deposited in the Oklahoma Capitol Complex and Centennial
5 Commemoration Commission Revolving Fund created in Section 98.5 of
6 Title 73 of the Oklahoma Statutes;

7 17. Support Education License Plates - such plates shall be
8 designed, subject to criteria to be presented to the Tax Commission
9 by the State Department of Education in consultation with the
10 Oklahoma Arts Council, and issued to any person wishing to
11 demonstrate support for education in this state. All motor license
12 agents shall display a sample of the Support Education License plate
13 in the area of the business accessed by the public. Twenty-three
14 Dollars (\$23.00) of the fee collected shall be apportioned as
15 follows:

- 16 a. five percent (5%) shall be deposited to the Education
17 Reform Revolving Fund,
- 18 b. five percent (5%) shall be deposited to the Higher
19 Education Revolving Fund,
- 20 c. five percent (5%) shall be deposited to the State
21 Career Technology Fund, and
- 22 d. eighty-five percent (85%) of the fee shall be
23 deposited to the Teachers' Retirement Benefit Fund as
24

1 set forth in Section 17-108 of Title 70 of the
2 Oklahoma Statutes.

3 However, when the Teachers' Retirement Benefit Fund attains a
4 seventy percent (70%) funded ratio based on an annual actuarial
5 valuation as required by law, the amount of the fee shall be
6 apportioned equally pursuant to subparagraphs a, b and c of this
7 paragraph;

8 18. Retired Oklahoma Highway Patrol Officers License Plates -
9 such plates shall be designed and issued to any retired officer of
10 the Oklahoma Highway Patrol. The license plate shall have the
11 legend "Oklahoma" and shall contain, in the center of the plate, the
12 Highway Patrol Officers patch using the same colors and pattern as
13 used in the patch. Centered on the bottom of the license plate
14 shall be the word "Retired". The letters "TRP" shall be used in
15 combination with three numbers on either side of the insignia or
16 emblem. The color of the letters and numbers shall be brown.

17 Retirees who are eligible for such plates shall provide proof of
18 eligibility upon initial application, but shall not be required to
19 provide proof of eligibility annually. The surviving spouse of any
20 deceased retired officer of the Oklahoma Highway Patrol, if the
21 spouse has not since remarried, or if remarried, the remarriage is
22 terminated by death, divorce, or annulment, may apply for a Retired
23 Oklahoma Highway Patrol Officers license plate. As provided in this
24

1 section, an amount of the fee collected shall be deposited into the
2 Law Enforcement Retirement Fund;

3 19. Boy Scouts of America Supporter License Plates - such
4 plates shall be designed and issued to any person wishing to
5 demonstrate support for the Boy Scouts of America. The plates shall
6 be issued to any person in any combination of numbers and letters
7 from one to a maximum of seven, as for personalized license plates.
8 The plate shall contain the official Boy Scouts of America logo.
9 The Tax Commission shall be authorized, if necessary, to enter into
10 a licensing agreement with the Boy Scouts of America for any
11 licensing fees which may be required in order to use the Boy Scouts
12 of America logo or design. The licensing agreement shall provide
13 for a payment to the Boy Scouts of America of not more than Twenty
14 Dollars (\$20.00) for each license plate issued;

15 20. Urban Forestry and Beautification License Plates - such
16 plates shall be designed, subject to criteria to be presented to the
17 Tax Commission, by the Oklahoma Department of Agriculture, Food, and
18 Forestry in consultation with nonprofit organizations in this state
19 that develop and operate programs to encourage urban forestry and
20 beautification, and issued to any person wishing to demonstrate
21 support of such programs. As provided in this section, an amount of
22 the fee collected shall be apportioned as provided in Section 1104.5
23 of this title;

24

1 21. Oklahoma State Parks Supporter License Plates - such plates
2 shall be designed, subject to criteria to be presented to the Tax
3 Commission by the Oklahoma Tourism and Recreation Department, and
4 issued to any person wishing to demonstrate support for the Oklahoma
5 state parks system. Twenty-three Dollars (\$23.00) of the fee
6 collected shall be deposited in the Oklahoma Tourism and Recreation
7 Department Revolving Fund. Such money shall be designated for and
8 may only be expended for the support of Oklahoma state parks;

9 22. Adoption Creates Families License Plates - such plates
10 shall be issued to any person wishing to demonstrate support of
11 pregnant women who are committed to placing their children for
12 adoption and wishing to provide assistance to guardians, adoptive
13 parents and other created families to assist in the adoption and
14 placement of children in permanent, safe homes. The license plates
15 shall be designed and final terminology delivered in consultation
16 with the Oklahoma Adoption Coalition and the Department of Human
17 Services. Twenty-five Dollars (\$25.00) of the fee collected shall
18 be deposited in a revolving fund established in the State Treasury
19 for and to be used by the Department of Human Services for the
20 implementation of the Investing in Stronger Oklahoma Families Act
21 specifically for created families;

22 23. Choose Life License Plates - such plates shall be designed,
23 subject to criteria presented to the Tax Commission, by Choose Life,
24 Inc., and issued to any person who wishes to demonstrate support of

1 organizations that encourage adoption as a positive choice for women
2 with unplanned pregnancies. As provided in this section, an amount
3 of the fee collected shall be deposited in the Choose Life
4 Assistance Program Revolving Fund established in Section 1104.6 of
5 this title;

6 24. Future Farmers of America License Plate - such plates shall
7 be designed and issued to persons wishing to demonstrate support for
8 the Oklahoma FFA (formerly known as Future Farmers of America). The
9 license plates shall be designed in consultation with the Oklahoma
10 FFA Foundation Board of Directors. As provided in this section, an
11 amount of the fee collected shall be apportioned as provided in
12 Section 1104.7 of this title;

13 25. Lions Club License Plates - such plates shall be designed
14 and issued to persons wishing to demonstrate support for the Lions
15 Club of Oklahoma. The plates shall be issued to any person in any
16 combination of numbers and letters from one to a maximum of seven,
17 as for personalized license plates. The license plates shall be
18 designed in consultation with the Oklahoma Lions Service Foundation
19 and shall contain the official logo of the International Association
20 of Lions Clubs. The Tax Commission shall be authorized to enter
21 into a licensing agreement with the Oklahoma Lions Service
22 Foundation. The licensing agreement shall provide for a payment to
23 the Oklahoma Lions Service Foundation of not more than Ten Dollars
24 (\$10.00) for each license plate issued;

1 26. Color Oklahoma License Plates - such plates shall be
2 designed, subject to criteria to be presented to the Tax Commission
3 by the Oklahoma Native Plant Society, and issued to any person
4 wishing to demonstrate support for preserving and planting
5 wildflowers and native plants in Oklahoma and to promote Oklahoma's
6 wildflower heritage through education. As provided in this section,
7 an amount of the fee collected shall be apportioned as provided in
8 Section 1104.8 of this title;

9 27. Girl Scouts of the United States of America Supporter
10 License Plates - such plates shall be designed and issued to any
11 person wishing to demonstrate support for the Girl Scouts of the
12 United States of America. The plates shall be issued to any person
13 in any combination of numbers and letters from one to a maximum of
14 seven, as for personalized license plates. The plate shall contain
15 the official Girl Scouts of the United States of America logo. The
16 Tax Commission shall be authorized, if necessary, to enter into a
17 licensing agreement with the Girl Scouts of the United States of
18 America for any licensing fees which may be required in order to use
19 the Girl Scouts of the United States of America logo or design. The
20 licensing agreement shall provide for a payment to the Girl Scouts
21 of Magic Empire Council, acting on behalf of all Oklahoma Girl Scout
22 councils, of not more than Twenty Dollars (\$20.00) for each license
23 plate issued;

24

1 28. Oklahoma City Memorial Marathon License Plates - such
2 plates shall be designed and issued to any person wishing to
3 demonstrate support for the Oklahoma City Memorial Marathon. The
4 plate shall be designed in consultation with the Oklahoma City
5 Memorial Marathon. The Tax Commission shall be authorized to enter
6 into a licensing agreement with the Oklahoma City Memorial Marathon
7 for any licensing fees which may be required in order to use the
8 Oklahoma City Memorial Marathon logo or design. The licensing
9 agreement shall provide for a payment to the Oklahoma City Memorial
10 Marathon of not more than Twenty Dollars (\$20.00) for each license
11 plate issued;

12 29. Oklahoma Scenic Rivers License Plate - such plates shall be
13 designed to demonstrate support for the Oklahoma Scenic Rivers. The
14 plates shall be designed in consultation with the Oklahoma Scenic
15 Rivers Commission. Twenty-five Dollars (\$25.00) of the fee shall be
16 apportioned to the Oklahoma Scenic Rivers Commission;

17 30. Fight Cancer License Plate - such plates shall be designed
18 to demonstrate support for the Oklahoma Central Cancer Registry.
19 The plate shall contain the American Cancer Society logo. The
20 American Cancer Society logo shall be used in accordance with the
21 American Cancer Society's branding guidelines and shall only be
22 utilized to support the Oklahoma Central Cancer Registry. Twenty
23 Dollars (\$20.00) of the fee shall be apportioned to the Oklahoma
24 Central Cancer Registry Revolving Fund;

1 31. Animal Friendly License Plate - such plates shall be
2 designed and issued to any person wishing to demonstrate support for
3 controlling the overpopulation of dogs and cats through educational
4 and sterilization efforts. The plates shall be designed in
5 consultation with the Veterinary Medical Association. Twenty
6 Dollars (\$20.00) of the fee collected shall be designated by the
7 purchaser of the plate to be deposited in the Oklahoma Pet
8 Overpopulation Fund created in Section 2368.13 of Title 68 of the
9 Oklahoma Statutes or the Animal Friendly Revolving Fund created in
10 Section 1104.10 of this title;

11 32. Patriot License Plate - such plates shall be designed in
12 consultation with the Military Department of Oklahoma and issued to
13 any person wishing to demonstrate support for Oklahoma residents who
14 are members of the Oklahoma National Guard and deployed on active
15 duty. The plates shall be issued to any person in any combination
16 of numbers and letters from one to a maximum of seven, as for
17 personalized license plates. As provided in this section, a portion
18 of the fee collected shall be deposited in the Patriot License Plate
19 Revolving Fund created in Section 1104.11 of this title;

20 33. Armed Forces Veterans Motorcycle License Plate - such
21 plates shall be designed for use on a motorcycle in consultation
22 with A Brotherhood Aiming Toward Education of Oklahoma, Inc.
23 (ABATE), and issued to any honorably discharged former member of the
24 United States Armed Forces wishing to demonstrate support for the

1 45th Infantry Division Museum. Persons applying for such license
2 plate must show proof of past military service. As provided in this
3 section, a portion of the fee collected shall be deposited in the
4 45th Infantry Division Museum Fund created in Section 235.1 of Title
5 44 of the Oklahoma Statutes;

6 34. Global War on Terrorism License Plate - such plate shall be
7 designed in consultation with the Military Department of Oklahoma
8 and issued to any person wishing to demonstrate support for Oklahoma
9 residents who are members of the Armed Forces of the United States
10 or Oklahoma National Guard that have served in the Global War on
11 Terrorism. The plate shall be issued to any person in any
12 combination of numbers and letters from one to a maximum of six. As
13 provided in this section, a portion of the fee collected shall be
14 deposited in the 45th Infantry Division Museum Fund created in
15 Section 235.1 of Title 44 of the Oklahoma Statutes;

16 35. Boys and Girls Clubs of America Supporter License Plates -
17 such plates shall be designed and issued to any person wishing to
18 demonstrate support for the Boys and Girls Clubs of America. The
19 plates shall be issued to any person in any combination of numbers
20 and letters from one to a maximum of seven, as for personalized
21 license plates. The plate shall contain the official Boys and Girls
22 Clubs of America logo. The Tax Commission, if necessary, may enter
23 into a licensing agreement with the Boys and Girls Clubs of America
24 for any licensing fees which may be required in order to use the

1 Boys and Girls Clubs of America logo or design. The licensing
2 agreement shall provide for a payment to the Boys and Girls Clubs of
3 America of not more than Twenty Dollars (\$20.00) for each license
4 plate issued;

5 36. Oklahoma Quarter Horse License Plates - such plates shall
6 be designed and issued to any person wishing to demonstrate support
7 for the American Quarter Horse in Oklahoma. The plate shall be
8 designed in consultation with the Oklahoma Quarter Horse
9 Association. As provided in this section, a portion of the fee
10 collected shall be deposited in the Oklahoma Quarter Horse Revolving
11 Fund created in Section 1104.12 of this title;

12 37. Oklahoma Association for the Deaf License Plate - such
13 plates shall be designed in consultation with the Oklahoma
14 Association for the Deaf and issued to any person wishing to
15 demonstrate support for Oklahoma residents who are deaf. The plates
16 shall be issued to any person in any combination of numbers and
17 letters from one to maximum of seven, as for personalized license
18 plates. As provided in this section, a portion of the fee collected
19 shall be deposited in the Oklahoma Association for the Deaf License
20 Plate Revolving Fund created in Section 1104.15 of this title;

21 38. Oklahoma City Zoo License Plate - such plates shall be
22 issued to any person wishing to demonstrate support for the Oklahoma
23 City Zoo. The license plates shall be designed in consultation with
24 the Oklahoma Zoological Society, Inc. As provided in this section,

1 an amount of the fee collected shall be deposited in the Oklahoma
2 Zoological Society Revolving Fund created in Section 1104.13 of this
3 title;

4 39. March of Dimes License Plate - such plates shall be issued
5 to persons wishing to demonstrate support for the March of Dimes
6 mission to improve the health of babies by preventing birth defects,
7 premature birth and infant mortality. The license plates shall be
8 designed in consultation with the Oklahoma Chapter March of Dimes.
9 As provided in this section, an amount of the fee collected shall be
10 deposited in the Oklahoma Prevent Birth Defects, Premature Birth and
11 Infant Mortality Fund established in Section 1104.14 of this title;

12 40. Support Our Troops Supporter License Plates - such plates
13 shall be designed and issued to any person wishing to demonstrate
14 support for Support Our Troops Incorporated. The plates shall be
15 issued to any person in any combination of numbers and letters from
16 one to a maximum of six. The plate shall contain the official
17 Support Our Troops Incorporated logo which includes the mark
18 "Support Our Troops" across the bottom of the plate. The Tax
19 Commission, if necessary, may enter into a licensing agreement with
20 Support Our Troops Incorporated for any licensing fees which may be
21 required in order to use the Support Our Troops Incorporated logo or
22 design. The licensing agreement shall provide for a payment to
23 Support Our Troops Incorporated of Twenty-five Dollars (\$25.00) for
24 each license plate issued;

1 41. Folds of Honor Supporter License Plate - such plates shall
2 be designed and issued to any person wishing to demonstrate support
3 for Folds of Honor Incorporated, a nonprofit charitable organization
4 exempt from taxation pursuant to the provisions of the Internal
5 Revenue Code, 26 U.S.C., Section 501(c)(3), providing academic and
6 vocational training scholarships to dependents of military
7 servicemen and servicewomen who were either killed or wounded in
8 action due to military service in the war in Iraq or Afghanistan.
9 The plates shall be issued to any person in any combination of
10 numbers and letters from one to a maximum of six. The plate shall
11 be designed in consultation with Folds of Honor Incorporated and
12 shall contain the official Folds of Honor Incorporated logo which
13 includes the mark "Folds of Honor" across the bottom of the plate.
14 The Tax Commission, if necessary, may enter into a licensing
15 agreement with Folds of Honor Incorporated for any licensing fees
16 which may be required in order to use the Folds of Honor
17 Incorporated logo or design. The licensing agreement shall provide
18 for a payment to Folds of Honor Incorporated of Twenty-five Dollars
19 (\$25.00) for each license plate issued; and

20 42. Oklahoma City Thunder License Plate - such plates shall be
21 designed and issued to any person wishing to demonstrate support for
22 the Oklahoma City Thunder. The license plate shall be designed in
23 consultation with the Oklahoma City Thunder organization. The Tax
24 Commission shall be authorized, if necessary, to enter into a

1 licensing agreement with the Oklahoma City Thunder organization for
2 any licensing fees which may be required in order to use the
3 Oklahoma City Thunder logo or design. The licensing agreement shall
4 provide for a payment of not more than Twenty Dollars (\$20.00).

5 C. The fee for such plates shall be Thirty-five Dollars
6 (\$35.00) and shall be in addition to all other registration fees
7 provided by the Oklahoma Vehicle License and Registration Act. The
8 fee shall be apportioned as follows:

9 1. Twenty Dollars (\$20.00) or any other amount as provided in
10 this title of the fee shall be apportioned as provided or deposited
11 in a fund as specified within the paragraph authorizing the special
12 license plate;

13 2. Eight Dollars (\$8.00) of the fee shall be deposited in the
14 Oklahoma Tax Commission Reimbursement Fund to be used for the
15 administration of the Oklahoma Vehicle License and Registration Act;
16 and

17 3. Any remaining amounts of the fee shall be apportioned as
18 provided in Section 1104 of this title.

19 SECTION 20. REPEALER Section 14, Chapter 504, O.S.L.
20 2004, as last amended by Section 1, Chapter 256, O.S.L. 2009 (47
21 O.S. Supp. 2009, Section 1135.5), is hereby repealed.

22 SECTION 21. AMENDATORY 51 O.S. 2001, Section 152, as
23 last amended by Section 1, Chapter 315, O.S.L. 2009 (51 O.S. Supp.
24 2009, Section 152), is amended to read as follows:

1 Section 152. As used in The Governmental Tort Claims Act:

2 1. "Action" means a proceeding in a court of competent
3 jurisdiction by which one party brings a suit against another;

4 2. "Agency" means any board, commission, committee, department
5 or other instrumentality or entity designated to act in behalf of
6 the state or a political subdivision;

7 3. "Charitable health care provider" means a person who is
8 licensed, certified, or otherwise authorized by the laws of this
9 state to administer health care in the ordinary course of
10 business or the practice of a profession and who provides care
11 to a medically indigent person, as defined in paragraph 8 of
12 this section, with no expectation of or acceptance of
13 compensation of any kind;

14 4. "Claim" means any written demand presented by a claimant or
15 the claimant's authorized representative in accordance with this act
16 to recover money from the state or political subdivision as
17 compensation for an act or omission of a political subdivision or
18 the state or an employee;

19 5. "Claimant" means the person or the person's authorized
20 representative who files notice of a claim in accordance with The
21 Governmental Tort Claims Act. Only the following persons and no
22 others may be claimants:

- 23 a. any person holding an interest in real or personal
24 property which suffers a loss, provided that the claim

1 of the person shall be aggregated with claims of all
2 other persons holding an interest in the property and
3 the claims of all other persons which are derivative
4 of the loss, and that multiple claimants shall be
5 considered a single claimant,

6 b. the individual actually involved in the accident or
7 occurrence who suffers a loss, provided that the
8 individual shall aggregate in the claim the losses of
9 all other persons which are derivative of the loss, or

10 c. in the case of death, an administrator, special
11 administrator or a personal representative who shall
12 aggregate in the claim all losses of all persons which
13 are derivative of the death;

14 6. "Community health care provider" means:

15 a. a health care provider who volunteers services at a
16 community health center that has been deemed by the
17 U.S. Department of Health and Human Services as a
18 federally qualified health center as defined by 42
19 U.S.C., Section 1396d(1)(2)(B),

20 b. a health provider who provides services to an
21 organization that has been deemed a federally
22 qualified look-alike community health center, and

23 c. a health care provider who provides services to a
24 community health center that has made application to

1 the U.S. Department of Health and Human Services for
2 approval and deeming as a federally qualified look-
3 alike community health center in compliance with
4 federal application guidance, and has received
5 comments from the U.S. Department of Health and Human
6 Services as to the status of such application with the
7 established intent of resubmitting a modified
8 application, or, if denied, a new application, no
9 later than six (6) months from the date of the
10 official notification from the U.S. Department of
11 Health and Human Services requiring resubmission of a
12 new application;

13 7. "Employee" means any person who is authorized to act in
14 behalf of a political subdivision or the state whether that person
15 is acting on a permanent or temporary basis, with or without being
16 compensated or on a full-time or part-time basis.

17 a. Employee also includes:

- 18 (1) all elected or appointed officers, members of
19 governing bodies and other persons designated to
20 act for an agency or political subdivision, but
21 the term does not mean a person or other legal
22 entity while acting in the capacity of an
23 independent contractor or an employee of an
24 independent contractor,

1 (2) from September 1, 1991, through June 30, 1996,
2 licensed physicians, licensed osteopathic
3 physicians and certified nurse-midwives providing
4 prenatal, delivery or infant care services to
5 State Department of Health clients pursuant to a
6 contract entered into with the State Department
7 of Health in accordance with paragraph 3 of
8 subsection B of Section 1-106 of Title 63 of the
9 Oklahoma Statutes but only insofar as services
10 authorized by and in conformity with the terms of
11 the contract and the requirements of Section 1-
12 233 of Title 63 of the Oklahoma Statutes, and
13 (3) any volunteer, full-time or part-time firefighter
14 when performing duties for a fire department
15 provided for in subparagraph j of paragraph 11 of
16 this section.

17 b. For the purpose of The Governmental Tort Claims Act,
18 the following are employees of this state, regardless
19 of the place in this state where duties as employees
20 are performed:

- 21 (1) physicians acting in an administrative capacity,
22 (2) resident physicians and resident interns
23 participating in a graduate medical education
24 program of the University of Oklahoma Health

1 Sciences Center, the College of Osteopathic
2 Medicine of Oklahoma State University, or the
3 Department of Mental Health and Substance Abuse
4 Services,

5 (3) faculty members and staff of the University of
6 Oklahoma Health Sciences Center and the College
7 of Osteopathic Medicine of Oklahoma State
8 University, while engaged in teaching duties,

9 (4) physicians who practice medicine or act in an
10 administrative capacity as an employee of an
11 agency of the State of Oklahoma,

12 (5) physicians who provide medical care to inmates
13 pursuant to a contract with the Department of
14 Corrections,

15 (6) any person who is licensed to practice medicine
16 pursuant to Title 59 of the Oklahoma Statutes,
17 who is under an administrative professional
18 services contract with the Oklahoma Health Care
19 Authority under the auspices of the Oklahoma
20 Health Care Authority Chief Medical Officer, and
21 who is limited to performing administrative
22 duties such as professional guidance for medical
23 reviews, reimbursement rates, service
24 utilization, health care delivery and benefit

1 design for the Oklahoma Health Care Authority,
2 only while acting within the scope of such
3 contract,

4 (7) licensed medical professionals under contract
5 with city, county, or state entities who provide
6 medical care to inmates or detainees in the
7 custody or control of law enforcement agencies,
8 and

9 (8) licensed mental health professionals as defined
10 in Sections 1-103 and 5-502 of Title 43A of the
11 Oklahoma Statutes, who are conducting initial
12 examinations of individuals for the purpose of
13 determining whether an individual meets the
14 criteria for emergency detention as part of a
15 contract with the Department of Mental Health and
16 Substance Abuse Services.

17 Physician faculty members and staff of the University
18 of Oklahoma Health Sciences Center and the College of
19 Osteopathic Medicine of Oklahoma State University not
20 acting in an administrative capacity or engaged in
21 teaching duties are not employees or agents of the
22 state.

23 c. Except as provided in subparagraph b of this
24 paragraph, in no event shall the state be held liable

1 for the tortious conduct of any physician, resident
2 physician or intern while practicing medicine or
3 providing medical treatment to patients;

4 8. "Loss" means death or injury to the body or rights of a
5 person or damage to real or personal property or rights therein;

6 9. "Medically indigent" means a person requiring medically
7 necessary hospital or other health care services for the person or
8 the dependents of the person who has no public or private third-
9 party coverage, and whose personal resources are insufficient to
10 provide for needed health care;

11 10. "Municipality" means any incorporated city or town, and all
12 institutions, agencies or instrumentalities of a municipality;

13 11. "Political subdivision" means:

14 a. a municipality,

15 b. a school district,

16 c. a county,

17 d. a public trust where the sole beneficiary or

18 beneficiaries are a city, town, school district or
19 county. For purposes of The Governmental Tort Claims
20 Act, a public trust shall include:

21 (1) a municipal hospital created pursuant to ~~Section~~
22 Sections 30-101 et seq. through 30-109 of Title
23 11 of the Oklahoma Statutes, a county hospital
24 created pursuant to ~~Section~~ Sections 781 et seq.

1 through 796 of Title 19 of the Oklahoma Statutes,
2 or is created pursuant to a joint agreement
3 between such governing authorities, that is
4 operated for the public benefit by a public trust
5 created pursuant to ~~Section~~ Sections 176 ~~et seq.~~
6 through 180.4 of Title 60 of the Oklahoma
7 Statutes and managed by a governing board
8 appointed or elected by the municipality, county,
9 or both, who exercises control of the hospital,
10 subject to the approval of the governing body of
11 the municipality, county, or both,

12 (2) a public trust created pursuant to Sections 176
13 through 180.4 of Title 60 of the Oklahoma
14 Statutes after January 1, 2009, the primary
15 purpose of which is to own, manage, or operate a
16 public acute care hospital in this state that
17 serves as a teaching hospital for a medical
18 residency program provided by a college of
19 osteopathic medicine and provides care to
20 indigent persons, and

21 (3) a corporation in which all of the capital stock
22 is owned, or a limited liability company in which
23 all of the member interest is owned, by a public
24 trust,

- 1 e. for the purposes of The Governmental Tort Claims Act
2 only, a housing authority created pursuant to the
3 provisions of the Oklahoma Housing Authority Act,
- 4 f. for the purposes of The Governmental Tort Claims Act
5 only, corporations organized not for profit pursuant
6 to the provisions of the Oklahoma General Corporation
7 Act for the primary purpose of developing and
8 providing rural water supply and sewage disposal
9 facilities to serve rural residents,
- 10 g. for the purposes of The Governmental Tort Claims Act
11 only, districts formed pursuant to the Rural Water,
12 Sewer, Gas and Solid Waste Management Districts Act,
- 13 h. for the purposes of The Governmental Tort Claims Act
14 only, master conservancy districts formed pursuant to
15 the Conservancy Act of Oklahoma,
- 16 i. for the purposes of The Governmental Tort Claims Act
17 only, a fire protection district created pursuant to
18 the provisions of Section 901.1 et seq. of Title 19 of
19 the Oklahoma Statutes,
- 20 j. for the purposes of The Governmental Tort Claims Act
21 only, a benevolent or charitable corporate volunteer
22 or full-time fire department for an unincorporated
23 area created pursuant to the provisions of Section 592
24 et seq. of Title 18 of the Oklahoma Statutes,

- 1 k. for purposes of The Governmental Tort Claims Act only,
2 an Emergency Services Provider rendering services
3 within the boundaries of a Supplemental Emergency
4 Services District pursuant to an existing contract
5 between the Emergency Services Provider and the
6 ~~Oklahoma~~ State Department of Health. Provided,
7 however, that the acquisition of commercial liability
8 insurance covering the activities of such Emergency
9 Services Provider performed within the State of
10 Oklahoma shall not operate as a waiver of any of the
11 limitations, immunities or defenses provided for
12 political subdivisions pursuant to the terms of The
13 Governmental Tort Claims Act,
- 14 l. for purposes of The Governmental Tort Claims Act only,
15 a conservation district created pursuant to the
16 provisions of the Conservation District Act,
- 17 m. for purposes of The Governmental Tort Claims Act,
18 districts formed pursuant to the Oklahoma Irrigation
19 District Act,
- 20 n. for purposes of The Governmental Tort Claims Act only,
21 any community action agency established pursuant to
22 Sections 5035 through 5040 of Title 74 of the Oklahoma
23 Statutes,
24

1 o. for purposes of The Governmental Tort Claims Act only,
2 any organization that is designated as a youth
3 services agency, pursuant to Section ~~7302-3.6a~~ 2-7-306
4 of Title ~~10~~ 10A of the Oklahoma Statutes,

5 p. for purposes of The Governmental Tort Claims Act only,
6 any judge presiding over a drug court, as defined by
7 Section 471.1 of Title 22 of the Oklahoma Statutes,
8 and

9 q. for purposes of The Governmental Tort Claims Act only,
10 any child-placing agency licensed by this state to
11 place children in foster family homes,

12 and all their institutions, instrumentalities or agencies;

13 12. "Scope of employment" means performance by an employee
14 acting in good faith within the duties of the employee's office or
15 employment or of tasks lawfully assigned by a competent authority
16 including the operation or use of an agency vehicle or equipment
17 with actual or implied consent of the supervisor of the employee,
18 but shall not include corruption or fraud;

19 13. "State" means the State of Oklahoma or any office,
20 department, agency, authority, commission, board, institution,
21 hospital, college, university, public trust created pursuant to
22 Title 60 of the Oklahoma Statutes of which the State of Oklahoma is
23 the beneficiary, or other instrumentality thereof; and

1 14. "Tort" means a legal wrong, independent of contract,
2 involving violation of a duty imposed by general law or otherwise,
3 resulting in a loss to any person, association or corporation as the
4 proximate result of an act or omission of a political subdivision or
5 the state or an employee acting within the scope of employment.

6 SECTION 22. REPEALER 51 O.S. 2001, Section 152, as last
7 amended by Section 143, Chapter 234, O.S.L. 2009 (51 O.S. Supp.
8 2009, Section 152), is hereby repealed.

9 SECTION 23. REPEALER 51 O.S. 2001, Section 152, as last
10 amended by Section 1, Chapter 313, O.S.L. 2009 (51 O.S. Supp. 2009,
11 Section 152), is hereby repealed.

12 SECTION 24. REPEALER 51 O.S. 2001, Section 155, as last
13 amended by Section 12, Chapter 98, O.S.L. 2009 (51 O.S. Supp. 2009,
14 Section 155), is hereby repealed.

15 SECTION 25. AMENDATORY 57 O.S. 2001, Section 582, as
16 last amended by Section 2, Chapter 404, O.S.L. 2009 (57 O.S. Supp.
17 2009, Section 582), is amended to read as follows:

18 Section 582. A. The provisions of the Sex Offenders
19 Registration Act shall apply to any person residing, working or
20 attending school within the State of Oklahoma who, after November 1,
21 1989, has been convicted, whether upon a verdict or plea of guilty
22 or upon a plea of nolo contendere, or received a suspended sentence
23 or any probationary term, or is currently serving a sentence or any
24 form of probation or parole for a crime or an attempt to commit a

1 crime provided for in Section ~~7115~~ 843.5 of Title ~~10~~ 21 of the
2 Oklahoma Statutes if the offense involved sexual abuse or sexual
3 exploitation as those terms are defined in Section ~~7102~~ 1-1-105 of
4 Title ~~10~~ 10A of the Oklahoma Statutes, Section 681, if the offense
5 involved sexual assault, 741, if the offense involved sexual abuse
6 or sexual exploitation, Section 843.1, if the offense involved
7 sexual abuse or sexual exploitation, Section 852.1, if the offense
8 involved sexual abuse of a child, 865 et seq., 885, 886, 888, 891,
9 if the offense involved sexual abuse or sexual exploitation, 1021,
10 1021.2, 1021.3, 1024.2, 1040.12a, 1040.13, 1040.13a, 1087, 1088,
11 1111.1, 1114 or 1123 of Title 21 of the Oklahoma Statutes.

12 B. The provisions of the Sex Offenders Registration Act shall
13 apply to any person who after November 1, 1989, resides, works or
14 attends school within the State of Oklahoma and who has been
15 convicted or received a suspended sentence at any time in any court
16 of another state, the District of Columbia, Puerto Rico, Guam,
17 American Samoa, the Northern Mariana Islands and the United States
18 Virgin Islands, a federal court, an Indian tribal court, a military
19 court, or a court of a foreign country for a crime, attempted crime
20 or a conspiracy to commit a crime which, if committed or attempted
21 in this state, would be a crime, an attempt to commit a crime or a
22 conspiracy to commit a crime provided for in any of said laws listed
23 in subsection A of this section.

24

1 C. The provisions of the Sex Offenders Registration Act shall
2 apply to any person who resides, works or attends school within the
3 State of Oklahoma and who has received a deferred judgment at any
4 time in any court of another state, the District of Columbia, Puerto
5 Rico, Guam, American Samoa, the Northern Mariana Islands and the
6 United States Virgin Islands, a federal court, an Indian tribal
7 court, a military court, or a court of a foreign country for a
8 crime, attempted crime or a conspiracy to commit a crime which, if
9 committed or attempted or conspired to be committed in this state,
10 would be a crime, an attempt to commit a crime or a conspiracy to
11 commit a crime provided for in Section ~~7115~~ 843.5 of Title ~~10~~ 21 of
12 the Oklahoma Statutes if the offense involved sexual abuse or sexual
13 exploitation as those terms are defined in Section ~~7102~~ 1-1-105 of
14 Title ~~10~~ 10A of the Oklahoma Statutes, Section 681, if the offense
15 involved sexual assault, 741, if the offense involved sexual abuse
16 or sexual exploitation, Section 843.1, if the offense involved
17 sexual abuse or sexual exploitation, Section 852.1, if the offense
18 involved sexual abuse of a child, 865 et seq., 885, 886, 888, 891,
19 if the offense involved sexual abuse or sexual exploitation, 1021,
20 1021.2, 1021.3, 1024.2, 1040.12a, 1040.13, 1040.13a, 1087, 1088,
21 1111.1, 1114 or 1123 of Title 21 of the Oklahoma Statutes. The
22 provisions of the Sex Offenders Registration Act shall not apply to
23 any such person while the person is incarcerated in a maximum or
24 medium correctional institution of the Department of Corrections.

1 D. On the effective date of this act, any person registered as
2 a sex offender pursuant to Section 741 of Title 21 of the Oklahoma
3 Statutes shall be summarily removed from the Sex Offender Registry
4 by the Department of Corrections and all law enforcement agencies of
5 any political subdivision of this state, unless the offense involved
6 sexual abuse or sexual exploitation.

7 E. The provisions of the Sex Offenders Registration Act shall
8 not apply to any such person who has received a criminal history
9 records expungement for a conviction in another state for a crime or
10 attempted crime which, if committed or attempted in this state,
11 would be a crime or an attempt to commit a crime provided for in any
12 said laws listed in subsection A of this section.

13 SECTION 26. REPEALER 57 O.S. 2001, Section 582, as last
14 amended by Section 147, Chapter 234, O.S.L. 2009 (57 O.S. Supp.
15 2009, Section 582), is hereby repealed.

16 SECTION 27. AMENDATORY 57 O.S. 2001, Section 584, as
17 last amended by Section 6, Chapter 404, O.S.L. 2009 (57 O.S. Supp.
18 2009, Section 584), is amended to read as follows:

19 Section 584. A. Any registration with the Department of
20 Corrections required by the Sex Offenders Registration Act shall be
21 in a form approved by the Department and shall include the following
22 information about the person registering:

23 1. The name of the person and all aliases used or under which
24 the person has been known;

1 2. A complete description of the person, including a photograph
2 and fingerprints, and when requested by the Department of
3 Corrections, such registrant shall submit to a blood or saliva test
4 for purposes of a deoxyribonucleic acid (DNA) profile. Submission
5 to testing for individuals registering shall be within thirty (30)
6 days of registration. Registrants who already have valid samples on
7 file in the Oklahoma State Bureau of Investigation (OSBI) DNA
8 Offender Database shall not be required to submit duplicate samples
9 for testing;

10 3. The offenses listed in Section 582 of this title for which
11 the person has been convicted or the person received a suspended
12 sentence or any form of probation, where the offense was committed,
13 where the person was convicted or received the suspended sentence or
14 any form of probation, and the name under which the person was
15 convicted or received the suspended sentence or probation;

16 4. The name and location of each hospital or penal institution
17 to which the person was committed for each offense listed in Section
18 582 of this title;

19 5. Where the person previously resided, where the person
20 currently resides, how long the person has resided there, how long
21 the person expects to reside there, and how long the person expects
22 to remain in the county and in this state. The Department of
23 Corrections shall conduct address verification of each registered
24 sex offender as follows:

- a. on an annual basis, if the numeric risk level of the person is one, or
- b. on a semiannual basis, if the numeric risk level of the person is two.

The Department of Corrections shall mail a nonforwardable verification form to the last-reported address of the person. The person shall return the verification form in person to the local law enforcement authority of that jurisdiction within ten (10) days after receipt of the form and may be photographed by the local law enforcement authority at that time. The local law enforcement authority shall require the person to produce proof of the identity of the person and current address. Upon confirming the information contained within the verification form, the local law enforcement authority shall forward the form to the Department of Corrections within three (3) days after receipt of the form. The verification form shall be signed by the person and state the current address of the person. Failure to return the verification form shall be a violation of the Sex Offenders Registration Act. If the offender has been determined to be a habitual or aggravated sex offender by the Department of Corrections or has been assigned a level assignment of three, the address verification shall be conducted every ninety (90) days. The Department of Corrections shall notify the office of the district attorney and local law enforcement authority of the appropriate county, within forty-five (45) days if

1 unable to verify the address of a sex offender. A local law
2 enforcement authority may notify the office of the district attorney
3 whenever it comes to the attention of the local law enforcement
4 authority that a sex offender is not in compliance with any
5 provisions of this act. A local law enforcement authority
6 designated as the primary registration authority of the person may,
7 at any time, mail a nonforwardable verification form to the last-
8 reported address of the person. The person shall return the
9 verification form in person to the local law enforcement authority
10 that mailed the form within ten (10) days after receipt of the form.
11 The local law enforcement authority shall require the person to
12 produce proof of the identity of the person and current address;

13 6. The name and address of any school where the person expects
14 to become or is enrolled or employed for any length of time;

15 7. A description of all occupants residing with the person
16 registering, including, but not limited to, name, date of birth,
17 gender, relation to the person registering, and how long the
18 occupant has resided there; and

19 8. The level assignment of the person.

20 B. Conviction data and fingerprints shall be promptly
21 transmitted at the time of registration to the Oklahoma State Bureau
22 of Investigation (OSBI) and the Federal Bureau of Investigation
23 (FBI) if the state has not previously sent the information at the
24 time of conviction.

1 C. The registration with the local law enforcement authority
2 required by the Sex Offenders Registration Act shall be in a form
3 approved by the local law enforcement authority and shall include
4 the following information about the person registering:

5 1. The full name of the person, alias, date of birth, sex,
6 race, height, weight, eye color, social security number, driver
7 license number, and home address;

8 2. A description of the offense for which the offender was
9 convicted, the date of the conviction, and the sentence imposed, if
10 applicable;

11 3. A photocopy of the driver license of the person; and

12 4. The level assignment of the person.

13 For purposes of this section, "local law enforcement authority"
14 means:

15 a. the municipal police department, if the person resides
16 or intends to reside or stay within the jurisdiction
17 of any municipality of this state, or

18 b. the county sheriff, if the person resides or intends
19 to reside or stay at any place outside the
20 jurisdiction of any municipality within this state,
21 and

22 c. the police or security department of any institution
23 of higher learning within this state if the person:

24 (1) enrolls as a full-time or part-time student,

- 1 (2) is a full-time or part-time employee at an
2 institution of higher learning, or
3 (3) resides or intends to reside or stay on any
4 property owned or controlled by the institution
5 of higher learning.

6 D. Any person subject to the provisions of the Sex Offenders
7 Registration Act who changes address, employment or student
8 enrollment status shall appear in person and give notification to
9 the Department of Corrections and the local law enforcement
10 authority of the change of address and the new address, the change
11 of employment or the change of student enrollment status no later
12 than three (3) business days prior to the abandonment of or move
13 from the current address or, in the case of change of employment or
14 student enrollment, within three (3) business days of such change.
15 If the new address, employment or student enrollment is under the
16 jurisdiction of a different local law enforcement authority:

17 1. The Department of Corrections and the local law enforcement
18 authority shall notify the new local law enforcement authority by
19 teletype or electronic transmission of the change of address,
20 employment or student enrollment status;

21 2. The offender shall notify the new local law enforcement
22 authority of any previous registration; and

23 3. The new local law enforcement authority shall notify the
24 most recent registering agency by teletype or electronic

1 transmission of the change in address, employment or student
2 enrollment status of the offender. If the new address is in another
3 state the Department of Corrections shall promptly notify the agency
4 responsible for registration in that state of the new address of the
5 offender.

6 E. Any person subject to the provisions of the Sex Offenders
7 Registration Act who is unable to provide an address to the
8 Department of Corrections or local law enforcement authority as
9 required in subsections A and C of this section and registers as a
10 transient shall report in person to the nearest local law
11 enforcement authority every seven (7) days and provide to the local
12 law enforcement authority the approximate location of where the
13 person is staying and where the person plans to stay.

14 F. The Department of Corrections shall maintain a file of all
15 sex offender registrations. A copy of the information contained in
16 the registration shall promptly be available to state, county and
17 municipal law enforcement agencies, the State Superintendent of
18 Public Instruction, the State Commissioner of Health, and the
19 National Sex Offender Registry maintained by the Federal Bureau of
20 Investigation. The file shall promptly be made available for public
21 inspection or copying pursuant to rules promulgated by the
22 Department of Corrections and may be made available through Internet
23 access. The Department of Corrections shall promptly provide all
24 municipal police departments, all county sheriff departments and all

1 campus police departments a list of those sex offenders registered
2 and living in their county.

3 G. The Superintendent of Public Instruction is authorized to
4 copy and shall distribute information from the sex offender registry
5 to school districts and individual public and private schools within
6 the state with a notice using the following or similar language: "A
7 person whose name appears on this registry has been convicted of a
8 sex offense. Continuing to employ a person whose name appears on
9 this registry may result in civil liability for the employer or
10 criminal prosecution pursuant to Section 589 of Title 57 of the
11 Oklahoma Statutes."

12 H. The State Commissioner of Health is authorized to distribute
13 information from the sex offender registry to any nursing home or
14 long-term care facility. Nothing in this subsection shall be deemed
15 to impose any liability upon or give rise to a cause of action
16 against any person, agency, organization, or company for failing to
17 release information in accordance with the Sex Offenders
18 Registration Act.

19 I. Each local law enforcement authority shall make its sex
20 offender registry available upon request, without restriction, at a
21 cost that is no more than what is charged for other records provided
22 by the local law enforcement authority pursuant to the Oklahoma Open
23 Records Act.

24

1 When a local law enforcement authority sends a copy of or
2 otherwise makes the sex offender registry available to any public or
3 private school offering any combination of prekindergarten through
4 twelfth grade classes or child care facility licensed by the state,
5 the agency shall provide a notice using the following or similar
6 language: "A person whose name appears on this registry has been
7 convicted of a sex offense. Continuing to employ a person whose
8 name appears on this registry may result in civil liability for the
9 employer or criminal prosecution pursuant to Section 589 of Title 57
10 of the Oklahoma Statutes."

11 J. Samples of blood or saliva for DNA testing required by
12 subsection A of this section shall be taken by employees or
13 contractors of the Department of Corrections. Said individuals
14 shall be properly trained to collect blood or saliva samples.
15 Persons collecting samples for DNA testing pursuant to this section
16 shall be immune from civil liabilities arising from this activity.
17 The Department of Corrections shall ensure the collection of samples
18 is mailed to the Oklahoma State Bureau of Investigation (OSBI)
19 within ten (10) days of the time the subject appears for testing.
20 The Department shall use sample kits provided by the OSBI and
21 procedures promulgated by the OSBI. Persons subject to DNA testing
22 pursuant to this section shall be required to pay to the Department
23 of Corrections a fee of Fifteen Dollars (\$15.00). Any fees
24

1 collected pursuant to this subsection shall be deposited in the
2 Department of Corrections revolving account.

3 K. 1. Any person who has been convicted of or received a
4 suspended sentence or any probationary term, including a deferred
5 sentence imposed in violation of subsection G of Section 991c of
6 Title 22 of the Oklahoma Statutes, for any crime listed in Section
7 582 of this title and:

8 a. who is subsequently convicted of a crime or an attempt
9 to commit a crime listed in subsection A of Section
10 582 of this title, or

11 b. who enters this state after November 1, 1997, and who
12 has been convicted of an additional crime or attempted
13 crime which, if committed or attempted in this state,
14 would be a crime or an attempt to commit a crime
15 provided for in subsection A of Section 582 of this
16 title,

17 shall be subject to all of the registration requirements of this act
18 and shall be designated by the Department of Corrections as a
19 habitual sex offender. A habitual sex offender shall be required to
20 register for the lifetime of the habitual sex offender.

21 2. On or after November 1, 1999, any person who has been
22 convicted of a crime or an attempt to commit a crime, received a
23 suspended sentence or any probationary term, including a deferred
24 sentence imposed in violation of subsection G of Section 991c of

1 Title 22 of the Oklahoma Statutes, for a crime provided for in
2 Section ~~7115~~ 843.5 of Title ~~10~~ 21 of the Oklahoma Statutes, if the
3 offense involved sexual abuse or sexual exploitation as these terms
4 are defined in Section ~~7102~~ 1-1-105 of Title ~~10~~ 10A of the Oklahoma
5 Statutes, Section 885, 888, 1111.1, 1114 or 1123 of Title 21 of the
6 Oklahoma Statutes shall be subject to all the registration
7 requirements of this act and shall be designated by the Department
8 of Corrections as an aggravated sex offender. An aggravated sex
9 offender shall be required to register for the lifetime of the
10 aggravated sex offender.

11 3. Upon registration of any person designated as a habitual or
12 aggravated sex offender, pursuant to this subsection, a local law
13 enforcement authority shall notify, by any method of communication
14 it deems appropriate, anyone that the local law enforcement
15 authority determines appropriate, including, but not limited to:

- 16 a. the family of the habitual or aggravated sex offender,
- 17 b. any prior victim of the habitual or aggravated sex
18 offender,
- 19 c. residential neighbors and churches, community parks,
20 schools, convenience stores, businesses and other
21 places that children or other potential victims may
22 frequent, and
- 23 d. a nursing facility, a specialized facility, a
24 residential care home, a continuum-of-care facility,

1 an assisted living center, and an adult day care
2 facility.

3 4. The notification may include, but is not limited to, the
4 following information:

- 5 a. the name and physical address of the habitual or
6 aggravated sex offender,
- 7 b. a physical description of the habitual or aggravated
8 sex offender, including, but not limited to, age,
9 height, weight and eye and hair color,
- 10 c. a description of the vehicle that the habitual or
11 aggravated sex offender is known to drive,
- 12 d. any conditions or restrictions upon the probation,
13 parole or conditional release of the habitual or
14 aggravated sex offender,
- 15 e. a description of the primary and secondary targets of
16 the habitual or aggravated sex offender,
- 17 f. a description of the method of offense of the habitual
18 or aggravated sex offender,
- 19 g. a current photograph of the habitual or aggravated sex
20 offender,
- 21 h. the name and telephone number of the probation or
22 parole officer of the habitual or aggravated sex
23 offender, and
- 24 i. the level assignment of the person.

1 5. The local law enforcement authority shall make the
2 notification provided for in this subsection regarding a habitual or
3 aggravated sex offender available to any person upon request.

4 L. If the probation and parole officer supervising a person
5 subject to registration receives information to the effect that the
6 status of the person has changed in any manner that affects proper
7 supervision of the person including, but not limited to, a change in
8 the physical health of the person, address, employment, or
9 educational status, higher educational status, incarceration, or
10 terms of release, the supervising officer or administrator shall
11 notify the appropriate local law enforcement authority or
12 authorities of that change.

13 M. Public officials, public employees, and public agencies are
14 immune from civil liability for good faith conduct under any
15 provision of the Sex Offenders Registration Act.

16 1. Nothing in the Sex Offenders Registration Act shall be
17 deemed to impose any liability upon or to give rise to a cause of
18 action against any public official, public employee, or public
19 agency for releasing information to the public or for failing to
20 release information in accordance with the Sex Offenders
21 Registration Act.

22 2. Nothing in this section shall be construed to prevent law
23 enforcement officers from notifying members of the public of any
24

1 persons that pose a danger under circumstances that are not
2 enumerated in the Sex Offenders Registration Act.

3 SECTION 28. REPEALER 57 O.S. 2001, Section 584, as last
4 amended by Section 148, Chapter 234, O.S.L. 2009 (57 O.S. Supp.
5 2009, Section 584), is hereby repealed.

6 SECTION 29. REPEALER Section 1, Chapter 138, O.S.L.
7 2003, as last amended by Section 1, Chapter 247, O.S.L. 2009 (59
8 O.S. Supp. 2009, Section 493.5), is hereby repealed.

9 SECTION 30. AMENDATORY 59 O.S. 2001, Section 1306, as
10 last amended by Section 57, Chapter 176, O.S.L. 2009 (59 O.S. Supp.
11 2009, Section 1306), is amended to read as follows:

12 Section 1306. A. 1. An applicant for a cash bondsman license
13 shall meet all requirements set forth in Section 1305 of this title
14 with exception of residence.

15 2. In addition to the requirements prescribed in Section 1305
16 of this title, an applicant for a professional bondsman license
17 shall submit to the Insurance Commissioner financial statements
18 prepared by an accounting firm or individual holding a permit to
19 practice public accounting in this state in accordance with
20 generally accepted principles of accounting procedures setting forth
21 the total assets of the bondsman less liabilities and debts as
22 follows: For all applications made prior to November 1, 2006, and
23 the subsequent renewals of a license issued upon such application
24 when continuously maintained in effect as required by law, the

1 statement shall show a net worth of at least Fifty Thousand Dollars
2 (\$50,000.00). For all applications made on and after November 1,
3 2006, and the subsequent renewals of a license issued upon such
4 application when continuously maintained in effect as required by
5 law, or for the renewal or reinstatement of any license that is
6 expired pursuant to subsection D of Section 1309 of this title,
7 suspended or revoked, the statement shall show a net worth of at
8 least One Hundred Fifty Thousand Dollars (\$150,000.00), said
9 statements to be current as of a date not earlier than ninety (90)
10 days prior to submission of the application and the statement shall
11 be attested to by an unqualified opinion of the accountant.

12 3. Professional bondsman applicants shall make a deposit with
13 the Insurance Commissioner in the same manner as required of
14 domestic insurance companies of an amount to be determined by the
15 Commissioner. For all applications made prior to November 1, 2006,
16 and the subsequent renewals of a license issued upon such
17 application when continuously maintained in effect as required by
18 law, the deposit shall not be less than Twenty Thousand Dollars
19 (\$20,000.00). For all applications made on and after November 1,
20 2006, and the subsequent renewals of a license issued upon such
21 application when continuously maintained in effect as required by
22 law, or for the renewal or reinstatement of any license that is
23 expired pursuant to subsection D of Section 1309 of this title,
24 suspended or revoked, the deposit shall not be less than Fifty

1 Thousand Dollars (\$50,000.00). Such deposits shall be subject to
2 all laws, rules and regulations as deposits by domestic insurance
3 companies but in no instance shall a professional bondsman write
4 bonds which equal more than ten times the amount of the deposit
5 which such bondsman has submitted to the Commissioner. Such deposit
6 shall require the review and approval of the Insurance Commissioner
7 prior to exceeding the maximum amount of Federal Deposit Insurance
8 Corporation basic deposit coverage for any one bank or financial
9 institution. In addition, a professional bondsman may make the
10 deposit by purchasing an annuity through a licensed domestic
11 insurance company in the State of Oklahoma. The annuity shall be in
12 the name of the bondsman as owner with legal assignment to the
13 Insurance Commissioner. The assignment form shall be approved by
14 the Commissioner. If a bondsman exceeds the above limitation, the
15 bondsman shall be notified by the Commissioner by mail with return
16 receipt requested that the excess shall be reduced or the deposit
17 increased within ten (10) days of notification, or the license of
18 the bondsman shall be suspended immediately after the ten-day
19 period, pending a hearing on the matter.

20 4. The deposit herein provided for shall constitute a reserve
21 available to meet sums due on forfeiture of any bonds or
22 recognizance executed by such bondsman.

23 5. Any deposit made by a professional bondsman pursuant to this
24 section shall be released and returned by the Commissioner to the

1 professional bondsman only upon extinguishment of all liability on
2 outstanding bonds. Provided, however, the Commissioner shall have
3 the authority to review specific financial circumstances and history
4 of a professional bondsman, on a case-by-case basis, and may release
5 a portion of the deposit if warranted. The Commissioner may
6 promulgate rules to effectuate the provisions of this paragraph.

7 6. No release of deposits to a professional bondsman shall be
8 made by the Commissioner except upon written application and the
9 written order of the Commissioner. The Commissioner shall have no
10 liability for any such release to a professional bondsman provided
11 the release was made in good faith.

12 B. The deposit provided in this section shall be held in
13 safekeeping by the Insurance Commissioner and shall only be used if
14 a bondsman fails to pay an order and judgment of forfeiture after
15 being properly notified or shall be used if the license of a
16 professional bondsman has been revoked. The deposit shall be held
17 in the name of the Insurance Commissioner and the bondsman. The
18 bondsman shall execute an assignment of the deposit to the Insurance
19 Commissioner for the payment of unpaid bond forfeitures.

20 C. Currently licensed professional bondsmen may maintain their
21 aggregate liability limits upon presentation of documented proof
22 that they have previously been granted a limitation greater than the
23 requirements of subsection A of this section.

24

1 D. Notwithstanding any other provision of Section 1301 et seq.
2 of this title, the license of a professional bondsman is
3 transferable upon the death or legal or physical incapacitation of
4 the bondsman to the bondsman's spouse, or to such other transferee
5 as the professional bondsman may designate in writing, and the
6 transferee may elect to act as a professional bondsman until the
7 expiration of the license or for a period of one hundred eighty
8 (180) days, whichever is greater, if the following conditions are
9 met:

10 1. The transferee must hold a valid license as a surety
11 bondsman in this state; and

12 2. The asset and deposit requirements set forth in this section
13 continue to be met.

14 SECTION 31. REPEALER 59 O.S. 2001, Section 1306, as last
15 amended by Section 1, Chapter 196, O.S.L. 2009 (59 O.S. Supp. 2009,
16 Section 1306), is hereby repealed.

17 SECTION 32. AMENDATORY 62 O.S. 2001, Section 41.3, as
18 amended by Section 4, Chapter 441, O.S.L. 2009, and as renumbered by
19 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section
20 34.3), is amended to read as follows:

21 Section 34.3. A. There is hereby created in the Executive
22 Department, the Office of State Finance which shall consist of a
23 Division of the Budget, and a Division of Central Accounting and
24 Reporting ~~and an Information Services Division~~, all under the

1 administrative control of the Director of the Office of State
2 Finance and directly responsible to the Director and an Information
3 Services Division under the administrative control of the Chief
4 Information Officer and directly responsible to the Officer.

5 B. The term "state agency" or "agency", when used in the
6 Oklahoma State Finance Act, shall mean any agency, board, bureau,
7 commission, or other entity organized within the executive
8 department of state government.

9 C. The term "authorization", when used in the Oklahoma State
10 Finance Act, shall mean the legislative authorization for an agency
11 to expend a certain amount of money from a specified fund or funds
12 during a specified period of time.

13 SECTION 33. REPEALER 62 O.S. 2001, Section 41.3, as
14 amended by Section 3, Chapter 451, O.S.L. 2009, and as renumbered by
15 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section
16 34.3), is hereby repealed.

17 SECTION 34. AMENDATORY 62 O.S. 2001, Section 41.5a, as
18 last amended by Section 4, Chapter 451, O.S.L. 2009, and as
19 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
20 2009, Section 34.12), is amended to read as follows:

21 Section 34.12. A. The Information Services Division of the
22 Office of State Finance shall:

23 1. Coordinate information technology planning through analysis
24 of the long-term information technology plans for each agency;

1 2. Develop a statewide information technology plan with annual
2 modifications to include, but not be limited to, individual agency
3 plans and information systems plans for the statewide electronic
4 information technology function;

5 3. Establish and enforce minimum mandatory standards for:

- 6 a. information systems planning,
- 7 b. systems development methodology,
- 8 c. documentation,
- 9 d. hardware requirements and compatibility,
- 10 e. operating systems compatibility,
- 11 f. acquisition of software, hardware and technology-
12 related services,
- 13 g. information security and internal controls,
- 14 h. data base compatibility,
- 15 i. contingency planning and disaster recovery, and
- 16 j. imaging systems, copiers, facsimile systems, printers,
17 scanning systems and any associated supplies.

18 The standards shall, upon adoption, be the minimum requirements
19 applicable to all agencies. These standards shall be compatible
20 with the standards established for the Oklahoma Government
21 Telecommunications Network. Individual agency standards may be more
22 specific than statewide requirements but shall in no case be less
23 than the minimum mandatory standards. Where standards required of
24 an individual agency of the state by agencies of the federal

1 government are more strict than the state minimum standards, such
2 federal requirements shall be applicable;

3 4. Develop and maintain applications for agencies not having
4 the capacity to do so;

5 5. Operate an information technology service center to provide
6 operations and hardware support for agencies requiring such services
7 and for statewide systems;

8 6. Maintain a directory of the following which have a value of
9 Five Hundred Dollars (\$500.00) or more: application systems, systems
10 software, hardware, internal and external information technology,
11 communication or telecommunication equipment owned, leased, or
12 rented for use in communication services for state government,
13 including communication services provided as part of any other total
14 system to be used by the state or any of its agencies, and studies
15 and training courses in use by all agencies of the state; and
16 facilitate the utilization of the resources by any agency having
17 requirements which are found to be available within any agency of
18 the state;

19 7. Assist agencies in the acquisition and utilization of
20 information technology systems and hardware to effectuate the
21 maximum benefit for the provision of services and accomplishment of
22 the duties and responsibilities of agencies of the state;

23 8. Coordinate for the executive branch of state government
24 agency information technology activities, encourage joint projects

1 and common systems, linking of agency systems through the review of
2 agency plans, review and approval of all statewide contracts for
3 software, hardware and information technology consulting services
4 and development of a statewide plan and its integration with the
5 budget process to ensure that developments or acquisitions are
6 consistent with statewide objectives and that proposed systems are
7 justified and cost effective;

8 9. Develop performance reporting guidelines for information
9 technology facilities and conduct an annual review to compare agency
10 plans and budgets with results and expenditures;

11 10. Establish operations review procedures for information
12 technology installations operated by agencies of the state for
13 independent assessment of productivity, efficiency, cost
14 effectiveness, and security;

15 11. Establish service center user charges for billing costs to
16 agencies based on the use of all resources;

17 12. Provide system development and consultant support to state
18 agencies on a contractual, cost reimbursement basis; and

19 13. In conjunction with the Oklahoma Office of Homeland
20 Security, enforce the minimum information security and internal
21 control standards established by the Information Services Division.
22 An enforcement team consisting of the Chief Information Officer of
23 the Information Services Division or a designee, a representative of
24 the Oklahoma Office of Homeland Security, and a representative of

1 the Oklahoma State Bureau of Investigation shall enforce the minimum
2 information security and internal control standards. If the
3 enforcement team determines that an agency is not in compliance with
4 the minimum information security and internal control standards, the
5 Chief Information Officer shall take immediate action to mitigate
6 the noncompliance, including the removal of the agency from the
7 infrastructure of the state until the agency becomes compliant,
8 taking control of the information technology function of the agency
9 until the agency is compliant, and transferring the administration
10 and management of the information technology function of the agency
11 to the Information Services Division or another state agency.

12 B. No agency of the executive branch of the state shall use
13 state funds for or enter into any agreement for the acquisition of
14 any category of computer hardware, software or any contract for
15 information technology services and equipment exceeding Ten Thousand
16 Dollars (\$10,000.00) in value, which shall include the acquisition
17 amount, service costs, maintenance costs, or any other costs or fees
18 associated with the acquisition of the services or equipment,
19 without written authorization of the Chief Information Officer. The
20 provisions of this subsection shall not be applicable to any member
21 of The Oklahoma State System of Higher Education, any public
22 elementary or secondary schools of the state, ~~or~~ any technology
23 center school district as defined in Section 14-108 of Title 70 of
24 the Oklahoma Statutes, or CompSource Oklahoma if CompSource Oklahoma

1 is operating pursuant to a pilot program authorized by Sections 3316
2 and 3317 of Title 74 of the Oklahoma Statutes.

3 C. The Chief Information Officer and Information Services
4 Division of the Office of State Finance and all agencies of the
5 executive branch of the state shall not be required to disclose,
6 directly or indirectly, any information of a state agency which is
7 declared to be confidential or privileged by state or federal
8 statute or the disclosure of which is restricted by agreement with
9 the United States or one of its agencies, nor disclose information
10 technology system details that may permit the access to confidential
11 information or any information affecting personal security, personal
12 identity, or physical security of state assets.

13 SECTION 35. REPEALER 62 O.S. 2001, Section 41.5a, as
14 last amended by Section 7, Chapter 454, O.S.L. 2009, and as
15 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
16 2009, Section 34.12), is hereby repealed.

17 SECTION 36. AMENDATORY 62 O.S. 2001, Section 41.5e, as
18 last amended by Section 7, Chapter 451, O.S.L. 2009, and as
19 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
20 2009, Section 34.16), is amended to read as follows:

21 Section 34.16. A. No later than July 1 of each year, all
22 agencies of the executive branch of this state presently using or
23 contemplating the use of telecommunications and electronic
24 information technology applications, including, but not limited to,

1 the use of mainframe computers, minicomputers or microcomputers,
2 word processing equipment, office automation systems, Internet,
3 eGovernment, broadband, Wi-Fi or wireless networking, radio,
4 including the interoperable radio communications system for state
5 agencies, Global Positioning Systems (GPS), or contracts for
6 information technology services and equipment, shall annually submit
7 to the Information Services Division of the Office of State Finance
8 a one-year operations plan, which shall include as a minimum:

9 1. An overview of major projects and objectives;

10 2. Cost per defined category of hardware, software, services
11 and personnel;

12 3. An assurance of compliance with state standards on
13 accessibility of information technology for individuals with
14 disabilities developed in accordance with Section 41.5t of this
15 title; and

16 4. Such other information as the Information Services Division
17 may require for analysis and consolidation into a statewide
18 telecommunications and electronic information technology plan.

19 B. No agency of the executive branch of this state shall enter
20 into any agreement for the acquisition, development, or enhancement
21 of application systems software or for the acquisition of electronic
22 information technology equipment or peripheral devices, including
23 Internet and eGovernment, broadband, Wi-Fi or wireless networking,
24 radio, including the interoperable radio communications system for

1 state agencies, Global Positioning Systems (GPS), whether or not
2 connected to such equipment, unless the cost of such acquisition,
3 development, or enhancement has been included in the plan for the
4 agency. The Information Services Division upon review of an
5 information technology and telecommunication plan for the agency,
6 shall submit in either printed or electronic form to the Governor,
7 the Speaker of the House of Representatives, and the President Pro
8 Tempore of the Senate its findings and recommendations on all
9 proposed new and expanded programs and expenditures for personnel
10 and the purchase or acquisition of equipment, hardware, software,
11 accessories, or services thereto, including but not limited to
12 leases, rentals or lease-purchase, indicating that the associated
13 cost meet or comply with Section 41.5a of this title.

14 C. The provisions of this section shall not apply to the
15 telecommunications network known as OneNet whether said network is
16 governed or operated by the Oklahoma State Regents for Higher
17 Education or any other state entity assigned responsibility for
18 OneNet.

19 D. The provisions of this section shall not apply to CompSource
20 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
21 program authorized by Sections 3316 and 3317 of Title 74 of the
22 Oklahoma Statutes.

23 SECTION 37. REPEALER 62 O.S. 2001, Section 41.5e, as
24 last amended by Section 8, Chapter 454, O.S.L. 2009, and as

1 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
2 2009, Section 34.16), is hereby repealed.

3 SECTION 38. AMENDATORY 62 O.S. 2001, Section 41.5f, as
4 last amended by Section 8, Chapter 451, O.S.L. 2009, and as
5 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
6 2009, Section 34.17), is amended to read as follows:

7 Section 34.17. A. The Office of State Finance shall:

- 8 1. Develop and/or acquire hardware and application software,
9 including such modifications as may be required, to implement modern
10 automated systems in the Department of Central Services, the Office
11 of Personnel Management, and the Office of State Finance. Such
12 systems include applications for accounting, budgeting,
13 payroll/personnel, and purchasing;
- 14 2. Coordinate the initial implementation of the application
15 systems with the three central service agencies of the state and
16 coordinate the phased implementation of the application systems with
17 all branches of state government;
- 18 3. Develop procedures manuals and the related training
19 necessary to implement the application systems;
- 20 4. Maintain and enhance, as necessary, the application systems
21 of the Integrated Central Systems; and
- 22 5. Ensure the integrity of information in the Integrated
23 Central Systems through data security measures, internal controls,
24 and appropriate data base management.

1 B. The Director of State Finance shall make all policy
2 decisions required to implement the Integrated Central Systems in
3 accordance with this section after consultation with other affected
4 agencies.

5 C. The Director of State Finance may enter into contracts for
6 services, equipment, software, or supplies needed to carry out the
7 provisions of this section.

8 D. With respect to Phase II Core, the provisions of this
9 section shall not apply to CompSource Oklahoma if CompSource
10 Oklahoma is operating pursuant to a pilot program authorized by
11 Sections 3316 and 3317 of Title 74 of the Oklahoma Statutes.

12 SECTION 39. REPEALER 62 O.S. 2001, Section 41.5f, as
13 last amended by Section 9, Chapter 454, O.S.L. 2009, and as
14 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
15 2009, Section 34.17), is hereby repealed.

16 SECTION 40. AMENDATORY 62 O.S. 2001, Section 41.5j, as
17 last amended by Section 11, Chapter 451, O.S.L. 2009, and as
18 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
19 2009, Section 34.21), is amended to read as follows:

20 Section 34.21. A. No agency of the executive branch of the
21 state shall use state funds for or enter into any agreement for the
22 acquisition, development or enhancement of a communication or
23 telecommunication system including voice, data, radio, video,
24 Internet, eGovernment, as referenced in Sections 41.5p and 41.5q of

1 this title, printers, scanners, copiers, facsimile systems and
2 associated supplies exceeding Ten Thousand Dollars (\$10,000.00) in
3 value, which shall include the acquisition amount, service costs,
4 maintenance costs, or any other costs or fees associated with the
5 acquisition of the system or equipment, without written
6 authorization of the Chief Information Officer or a designee. The
7 Chief Information Officer or a designee shall verify that any
8 acquisition, development or enhancement is compatible with the
9 operation of the Oklahoma Government Telecommunications Network.

10 B. No agency of the executive branch of the state shall enter
11 into any agreement for the acquisition, development or enhancement
12 of a communication or telecommunication system or service including
13 voice, data, radio, video, Internet, eGovernment, printers,
14 scanners, copiers, and facsimile systems, unless the cost of such
15 addition, change, improvement or development has been included in
16 the statewide communications plan of the Information Services
17 Division of the Office of State Finance, as said plan may have been
18 amended or revised.

19 C. State agencies may enter into interagency contracts to share
20 communications and telecommunications resources for mutually
21 beneficial purposes. The contract shall clearly state how its
22 purpose contributes to the development or enhancement or cost
23 reduction of a state network which includes voice, data, radio,
24 video, Internet, eGovernment, or facsimile systems. The contract

1 shall be approved by the Information Services Division before any
2 payments are made.

3 D. The provisions of subsections A, B and C of this section
4 shall not apply to the telecommunications network known as OneNet
5 whether said network is governed or operated by the Oklahoma State
6 Regents for Higher Education or any other state entity assigned
7 responsibility for OneNet.

8 E. The provisions of this section shall not apply to CompSource
9 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
10 program authorized by Sections 3316 and 3317 of Title 74 of the
11 Oklahoma Statutes.

12 F. No state agency shall use state funds or enter into any
13 agreement for the acquisition, development or enhancement of a
14 public safety communication system unless the request is consistent
15 with the Statewide Communications Interoperability Plan and the
16 public safety communications standards issued by the Oklahoma Office
17 of Homeland Security. Agencies interested in acquiring, developing
18 or enhancing a public safety communications system shall submit a
19 proposal to the Oklahoma Office of Homeland Security. The Oklahoma
20 Office of Homeland Security shall issue a proposal review which
21 summarizes whether the proposal is consistent with the Statewide
22 Communications Interoperability Plan and the technology standards
23 issued. The proposal review shall be submitted to the requesting
24 agency and to the Chief Information Officer.

1 SECTION 41. REPEALER 62 O.S. 2001, Section 41.5j, as
2 last amended by Section 10, Chapter 454, O.S.L. 2009, and as
3 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
4 2009, Section 34.21), is hereby repealed.

5 SECTION 42. AMENDATORY 62 O.S. 2001, Section 41.5q, as
6 last amended by Section 4, Chapter 322, O.S.L. 2009, and as
7 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
8 2009, Section 34.25), is amended to read as follows:

9 Section 34.25. A. Subject to review and adoption as outlined
10 in Section 41.5s of this title, a state agency, board, commission,
11 or authority is hereby authorized to charge a convenience fee for
12 any electronic or online transaction. A convenience fee shall apply
13 to electronic or online transactions only and shall not apply when
14 accessing information provided through state government websites.
15 If a state entity sets a convenience fee for electronic or online
16 transactions, the fee shall be reviewed by the State Governmental
17 Internet Applications Review Board as provided for in Section 41.5s
18 of this title. Each state entity shall keep a record of how the
19 convenience fee has been determined and shall file the record with
20 the Information Services Division of the Office of State Finance. A
21 state agency, board, commission, or authority may periodically
22 adjust a convenience fee as needed upon review and adoption as
23 provided for in Section 41.5s of this title.

24

1 B. For purposes of this section, "convenience fee" shall mean a
2 charge that is necessary to process an electronic or online
3 transaction with a state agency, board, commission or authority.
4 The fee shall be limited to bank processing fees and financial
5 transaction fees, the cost of providing for secure transaction,
6 portal fees, and fees necessary to compensate for increased
7 bandwidth incurred as a result of providing for an online
8 transaction.

9 SECTION 43. REPEALER 62 O.S. 2001, Section 41.5q, as
10 last amended by Section 14, Chapter 451, O.S.L. 2009, and as
11 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
12 2009, Section 34.25), is hereby repealed.

13 SECTION 44. AMENDATORY 62 O.S. 2001, Section 41.29, as
14 last amended by Section 16, Chapter 441, O.S.L. 2009, and as
15 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
16 2009, Section 34.36), is amended to read as follows:

17 Section 34.36. A. On the first day of October preceding each
18 regular session of the Legislature, each state agency, including
19 those created or established pursuant to constitutional provisions,
20 shall report to the Director of the Office of State Finance and the
21 Chair and Vice Chair of the Legislative Oversight Committee on State
22 Budget Performance an itemized request showing the amount needed for
23 the ensuing fiscal year beginning with the first day of July.

24

1 B. The forms which must be used in making these reports shall
2 be approved by the Director of the Office of State Finance and the
3 Legislative Oversight Committee on State Budget Performance.

4 C. The forms shall be uniform, and shall clearly designate the
5 information to be given.

6 D. The information provided shall include, but not be limited
7 to:

8 1. A budget analysis of existing and proposed programs
9 utilizing zero-based budgeting techniques. Such analysis shall be
10 included as a part of the estimate of funds needed;

11 2. A statement listing any other state, federal or local
12 agencies which administer a similar or cooperating program and an
13 outline of the interaction among such agencies;

14 3. A statement of the statutory authority for the missions and
15 quantified objectives of each program;

16 4. A description of the groups of people served by each program
17 in the agency;

18 5. A quantification of the need for the program;

19 6. A description of the tactics which are intended to
20 accomplish each objective;

21 7. A list of quantifiable program outcomes which measure the
22 efficiency and effectiveness of each program;

23 8. A ranking of these programs by priority;

24

1 9. Actual program expenditures for the current fiscal year and
2 prior fiscal years and the number of personnel required to
3 accomplish each program; and

4 10. Revenues expected to be generated by each program, if any.

5 E. These appropriated agencies shall make an itemized estimate
6 of needs and request for funds for the ensuing fiscal year and an
7 estimate of the revenues from all sources to be received by the
8 agency during the ensuing fiscal year.

9 F. The Director of the Office of State Finance shall submit to
10 the Governor and the Legislative Oversight Committee on State Budget
11 Performance no later than the fifth day of October a complete list
12 of all spending agencies which have failed to submit budgets by
13 October 1.

14 G. The reports required by this section shall include an
15 itemized listing of outstanding capital lease debt and estimated
16 capital lease needs for the ensuing fiscal year, and shall be
17 provided on forms prescribed by the Director of the Office of State
18 Finance.

19 H. For the purposes of this section, "capital lease" means a
20 lease-purchase agreement which provides an option for the State of
21 Oklahoma or its agencies to purchase property, including personal
22 and real property, which is the subject thereof and/or a lease
23 agreement that provides an option for the State of Oklahoma or its
24 agencies to lease such property, which is the subject thereof, at a

1 nominal annual amount, after a period in which leased property is
2 rented at fair market value.

3 I. The provisions of this section shall not apply to CompSource
4 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
5 program authorized by Sections 3316 and 3317 of Title 74 of the
6 Oklahoma Statutes.

7 SECTION 45. REPEALER 62 O.S. 2001, Section 41.29, as
8 last amended by Section 12, Chapter 454, O.S.L. 2009, and as
9 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
10 2009, Section 34.36), is hereby repealed.

11 SECTION 46. AMENDATORY 62 O.S. 2001, Section 41.7c, as
12 last amended by Section 22, Chapter 441, O.S.L. 2009, and as
13 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
14 2009, Section 34.42), is amended to read as follows:

15 Section 34.42. A. On or before the first day of June in each
16 year, or as soon thereafter as possible, all agencies shall file
17 agency budgets with the Director of the Office of State Finance.
18 Copies of all agency budgets shall also be made available
19 electronically to the staff of the Joint Legislative Committee on
20 Budget and Program Oversight.

21 B. The required instructions, content and format of agency
22 budgets shall be developed by the staff of the Budget Division of
23 the Office of State Finance.

24

1 C. 1. The agency budget shall include a description of all
2 funds available to the agency for expenditure and set out allotments
3 requested by the agency by quarter and the entire fiscal year.

4 2. The agency budget shall be accompanied by an organizational
5 chart of the agency, a statement of agency mission and program
6 objectives.

7 3. The agency budget shall delineate agency spending by such
8 categories and with at least as much detail as is specified in the
9 legislative appropriation and as prescribed by the Director of the
10 Office of State Finance.

11 4. Agency budgets shall be signed by the executive officer of
12 each agency.

13 D. A "request officer" shall be designated by each state agency
14 for the purpose of making program and allotment requests.

15 E. Executive officers of agencies shall cooperate with the
16 Office of State Finance staff and Joint Committee staff in
17 developing program budgeting categories.

18 F. All funds available or expected to be made available to any
19 agency, including nonfiscal appropriations, shall not be available
20 for expenditure until the request officer of the agency has complied
21 with the applicable provisions of the Oklahoma State Finance Act and
22 has received approval of such request for funds from the Director of
23 the Office of State Finance.

24

1 G. The provisions of this section shall not apply to CompSource
2 Oklahoma if CompSource Oklahoma is operating pursuant to a pilot
3 program authorized by Sections 3316 and 3317 of Title 74 of the
4 Oklahoma Statutes.

5 SECTION 47. REPEALER 62 O.S. 2001, Section 41.7c, as
6 last amended by Section 11, Chapter 454, O.S.L. 2009, and as
7 renumbered by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp.
8 2009, Section 34.42), is hereby repealed.

9 SECTION 48. AMENDATORY 62 O.S. 2001, Section 7.6, as
10 amended by Section 1, Chapter 326, O.S.L. 2009, and as renumbered by
11 Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section
12 34.69), is amended to read as follows:

13 Section 34.69. A. There is hereby created in the State
14 Treasury a Payroll Fund which shall be used by the Director of the
15 Office of State Finance and the State Treasurer to issue a
16 consolidated payroll for each ~~state department, board, commission,~~
17 ~~institution or~~ agency of the state. Payrolls of state agencies
18 shall be charged against the Payroll Fund created herein. Each
19 state agency shall prepare summary distributions of the amounts of
20 payrolls to be charged against each fund within the State Treasury
21 and the Director ~~of State Finance~~ shall transfer monies from each
22 fund in the State Treasury to the Payroll Fund amounts as shown on
23 payroll distribution summaries, and shall charge such amounts to the
24 ~~appropriation allotment~~ account affected thereby.

1 B. As of July 1, 2010, the Office of State Finance shall make
2 available and each executive state agency shall make available to
3 all state employees a centralized web-based system to access their
4 personal employment and compensation-related information. The
5 provisions of this subsection as it pertains to executive agencies
6 may be waived by the Director of State Finance in the event that
7 lack of timely access prevents employees from utilizing the
8 centralized system. As used in subsections B, C and D of this
9 section, "executive state agency" shall mean any state agency,
10 authority, board, commission or other entity organized within the
11 executive department of state government. Executive state agency
12 shall not mean any government entity organized or created within the
13 legislative or judicial departments of state government.

14 C. Except for institutions within The Oklahoma State System for
15 Higher Education, executive state agencies converting to a multi-
16 monthly payroll system shall consult with the Office of State
17 Finance on the timing of the agency's conversion.

18 1. All state employees hired during the six (6) months prior to
19 an executive state agency's conversion to a multi-monthly payroll
20 shall be placed on either the biweekly payroll system or
21 supplemental payroll upon the date of hire.

22 2. In the six (6) months prior to an executive state agency's
23 conversion to multi-monthly payroll, the executive state agency
24 shall offer either multi-monthly or supplemental payroll to any

1 employee who chooses to participate. The provisions of this
2 paragraph shall not apply to employees placed on the multi-monthly
3 payroll pursuant to paragraph 1 of this subsection.

4 D. Six (6) months prior to an executive state agency converting
5 to the multi-monthly payroll system, it shall create employee
6 payroll conversion banks for the purpose of providing a one-time
7 payroll payment to an employee for the gap in payroll payments
8 created by the conversion to the multi-monthly system.

9 1. Each executive state agency shall allow its employees to
10 accumulate funds up to a maximum of eighty (80) hours for the
11 conversion bank from the following sources:

- 12 a. earned compensatory time, if the agency normally
- 13 provides its employees compensatory time,
- 14 b. earned annual leave, and
- 15 c. earned sick leave up to a maximum of forty (40) hours.

16 2. During the six-month period leading up to an executive state
17 agency's conversion to the multi-monthly payroll system, all
18 executive state agencies shall inform, in writing or by electronic
19 means, all their employees of their leave and compensatory time
20 balances on a monthly basis.

21 E. The Office of State Finance in coordination with the Office
22 of Personnel Management shall establish procedures concerning the
23 conversion.

24

1 SECTION 49. REPEALER 62 O.S. 2001, Section 7.6, as
2 amended by Section 46, Chapter 441, O.S.L. 2009, and as renumbered
3 by Section 64, Chapter 441, O.S.L. 2009 (62 O.S. Supp. 2009, Section
4 34.69), is hereby repealed.

5 SECTION 50. AMENDATORY 63 O.S. 2001, Section 2-410, as
6 last amended by Section 2, Chapter 306, O.S.L. 2009 (63 O.S. Supp.
7 2009, Section 2-410), is amended to read as follows:

8 Section 2-410. A. Whenever any person who has not previously
9 been convicted of any offense under this act or under any statute of
10 the United States or of any state relating to narcotic drugs,
11 marijuana, or stimulant, depressant, or hallucinogenic drugs, pleads
12 guilty or nolo contendere to or is found guilty of a violation of
13 the Uniform Controlled Dangerous Substances Act, the court may,
14 unless otherwise prohibited by law, without entering a judgment of
15 guilt and with the consent of such person, defer further proceedings
16 and place the person on probation upon such reasonable terms and
17 conditions as it may require including the requirement that such
18 person cooperate in a treatment and rehabilitation program of a
19 state-supported or state-approved facility, if available. Upon
20 violation of a term or condition, the court may enter an
21 adjudication of guilt and proceed as otherwise provided. Upon
22 fulfillment of the terms and conditions, the court shall discharge
23 such person and dismiss the proceedings against the person.
24 Discharge and dismissal under this section shall be without court

1 adjudication of guilt and shall not be deemed a conviction for
2 purposes of this section or for purposes of disqualifications or
3 disabilities imposed by law upon conviction of a crime. Discharge
4 and dismissal under this section may occur only once with respect to
5 any person.

6 B. Any expunged arrest or conviction shall not thereafter be
7 regarded as an arrest or conviction for purposes of employment,
8 civil rights, or any statute, regulation, license, questionnaire or
9 any other public or private purpose; provided, that, any plea of
10 guilty or nolo contendere or finding of guilt to a violation of the
11 Uniform Controlled Dangerous Substances Act shall constitute a
12 conviction of the offense for the purpose of the Uniform Controlled
13 Dangerous Substances Act or any other criminal statute under which
14 the existence of a prior conviction is relevant for a period of ten
15 (10) years following the completion of any court imposed
16 probationary term; provided, the person has not, in the meantime,
17 been convicted of a misdemeanor involving moral turpitude or a
18 felony.

19 C. The provisions of this section shall not apply to any person
20 who pleads guilty or nolo contendere to or is found guilty of a
21 violation of the Trafficking in Illegal Drugs Act or the Drug Money
22 Laundering and Wire Transmitter Act.

23

24

1 SECTION 51. REPEALER 63 O.S. 2001, Section 2-410, as
2 last amended by Section 6, Chapter 442, O.S.L. 2009 (63 O.S. Supp.
3 2009, Section 2-410), is hereby repealed.

4 SECTION 52. REPEALER 63 O.S. 2001, Section 683.9, as
5 last amended by Section 12, Chapter 78, O.S.L. 2009 (63 O.S. Supp.
6 2009, Section 683.9), is hereby repealed.

7 SECTION 53. REPEALER 63 O.S. 2001, Section 683.13, as
8 last amended by Section 13, Chapter 78, O.S.L. 2009 (63 O.S. Supp.
9 2009, Section 683.13), is hereby repealed.

10 SECTION 54. REPEALER Section 1, Chapter 78, O.S.L. 2009
11 (63 O.S. Supp. 2009, Section 684.14), is hereby repealed.

12 SECTION 55. REPEALER Section 2, Chapter 78, O.S.L. 2009
13 (63 O.S. Supp. 2009, Section 684.15), is hereby repealed.

14 SECTION 56. AMENDATORY Section 33, Chapter 228, O.S.L.
15 2009 (63 O.S. Supp. 2009, Section 684.16), is amended to read as
16 follows:

17 Section 684.16. ~~This~~ The Uniform Emergency Volunteer Health
18 Practitioners Act applies to volunteer health practitioners
19 registered with a registration system that complies with Section ~~35~~
20 684.18 of this ~~act~~ title and who provide health or veterinary
21 services in this state for a host entity while an emergency
22 declaration is in effect.

23 SECTION 57. REPEALER Section 3, Chapter 78, O.S.L. 2009
24 (63 O.S. Supp. 2009, Section 684.16), is hereby repealed.

1 SECTION 58. REPEALER Section 4, Chapter 78, O.S.L. 2009
2 (63 O.S. Supp. 2009, Section 684.17), is hereby repealed.

3 SECTION 59. REPEALER Section 5, Chapter 78, O.S.L. 2009
4 (63 O.S. Supp. 2009, Section 684.18), is hereby repealed.

5 SECTION 60. REPEALER Section 6, Chapter 78, O.S.L. 2009
6 (63 O.S. Supp. 2009, Section 684.19), is hereby repealed.

7 SECTION 61. REPEALER Section 7, Chapter 78, O.S.L. 2009
8 (63 O.S. Supp. 2009, Section 684.20), is hereby repealed.

9 SECTION 62. REPEALER Section 8, Chapter 78, O.S.L. 2009
10 (63 O.S. Supp. 2009, Section 684.21), is hereby repealed.

11 SECTION 63. REPEALER Section 9, Chapter 78, O.S.L. 2009
12 (63 O.S. Supp. 2009, Section 684.22), is hereby repealed.

13 SECTION 64. REPEALER Section 10, Chapter 78, O.S.L. 2009
14 (63 O.S. Supp. 2009, Section 684.23), is hereby repealed.

15 SECTION 65. REPEALER Section 11, Chapter 78, O.S.L. 2009
16 (63 O.S. Supp. 2009, Section 684.24), is hereby repealed.

17 SECTION 66. AMENDATORY 68 O.S. 2001, Section 2358, as
18 last amended by Section 1, Chapter 436, O.S.L. 2009 (68 O.S. Supp.
19 2009, Section 2358), is amended to read as follows:

20 Section 2358. For all tax years beginning after December 31,
21 1981, taxable income and adjusted gross income shall be adjusted to
22 arrive at Oklahoma taxable income and Oklahoma adjusted gross income
23 as required by this section.

24

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

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

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

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

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

24

1 b. For carryovers and carrybacks to taxable years
2 beginning after December 31, 1980, the amount of any
3 net operating loss deduction allowed for the taxable
4 year shall be an amount equal to the aggregate of the
5 Oklahoma net operating loss carryovers and carrybacks
6 to such year. Oklahoma net operating losses shall be
7 separately determined by reference to Section 172 of
8 the Internal Revenue Code, 26 U.S.C., Section 172, as
9 modified by the Oklahoma Income Tax Act, Section 2351
10 et seq. of this title, and shall be allowed without
11 regard to the existence of a federal net operating
12 loss. For tax years beginning after December 31,
13 2000, and ending before January 1, 2008, the years to
14 which such losses may be carried shall be determined
15 solely by reference to Section 172 of the Internal
16 Revenue Code, 26 U.S.C., Section 172, with the
17 exception that the terms "net operating loss" and
18 "taxable income" shall be replaced with "Oklahoma net
19 operating loss" and "Oklahoma taxable income". For
20 tax years beginning after December 31, 2007, and
21 ending before January 1, 2009, years to which such
22 losses may be carried back shall be limited to two (2)
23 years. For tax years beginning after December 31,
24 2008, the years to which such losses may be carried

1 back shall be determined solely by reference to
2 Section 172 of the Internal Revenue Code, 26 U.S.C.,
3 Section 172, with the exception that the terms "net
4 operating loss" and "taxable income" shall be replaced
5 with "Oklahoma net operating loss" and "Oklahoma
6 taxable income".

7 4. Items of the following nature shall be allocated as
8 indicated. Allowable deductions attributable to items separately
9 allocable in subparagraphs a, b and c of this paragraph, whether or
10 not such items of income were actually received, shall be allocated
11 on the same basis as those items:

12 a. Income from real and tangible personal property, such
13 as rents, oil and mining production or royalties, and
14 gains or losses from sales of such property, shall be
15 allocated in accordance with the situs of such
16 property;

17 b. Income from intangible personal property, such as
18 interest, dividends, patent or copyright royalties,
19 and gains or losses from sales of such property, shall
20 be allocated in accordance with the domiciliary situs
21 of the taxpayer, except that:

22 (1) where such property has acquired a nonunitary
23 business or commercial situs apart from the
24 domicile of the taxpayer such income shall be

1 allocated in accordance with such business or
2 commercial situs; interest income from
3 investments held to generate working capital for
4 a unitary business enterprise shall be included
5 in apportionable income; a resident trust or
6 resident estate shall be treated as having a
7 separate commercial or business situs insofar as
8 undistributed income is concerned, but shall not
9 be treated as having a separate commercial or
10 business situs insofar as distributed income is
11 concerned,

12 (2) for taxable years beginning after December 31,
13 2003, capital or ordinary gains or losses from
14 the sale of an ownership interest in a publicly
15 traded partnership, as defined by Section 7704(b)
16 of the Internal Revenue Code of 1986, as amended,
17 shall be allocated to this state in the ratio of
18 the original cost of such partnership's tangible
19 property in this state to the original cost of
20 such partnership's tangible property everywhere,
21 as determined at the time of the sale; if more
22 than fifty percent (50%) of the value of the
23 partnership's assets consists of intangible
24 assets, capital or ordinary gains or losses from

1 the sale of an ownership interest in the
2 partnership shall be allocated to this state in
3 accordance with the sales factor of the
4 partnership for its first full tax period
5 immediately preceding its tax period during which
6 the ownership interest in the partnership was
7 sold; the provisions of this division shall only
8 apply if the capital or ordinary gains or losses
9 from the sale of an ownership interest in a
10 partnership do not constitute qualifying gain
11 receiving capital treatment as defined in
12 subparagraph a of paragraph 2 of subsection F of
13 this section,

14 (3) income from such property which is required to be
15 allocated pursuant to the provisions of paragraph
16 5 of this subsection shall be allocated as herein
17 provided;

18 c. Net income or loss from a business activity which is
19 not a part of business carried on within or without
20 the state of a unitary character shall be separately
21 allocated to the state in which such activity is
22 conducted;

1 d. In the case of a manufacturing or processing
2 enterprise the business of which in Oklahoma consists
3 solely of marketing its products by:

4 (1) sales having a situs without this state, shipped
5 directly to a point from without the state to a
6 purchaser within the state, commonly known as
7 interstate sales,

8 (2) sales of the product stored in public warehouses
9 within the state pursuant to "in transit"
10 tariffs, as prescribed and allowed by the
11 Interstate Commerce Commission, to a purchaser
12 within the state,

13 (3) sales of the product stored in public warehouses
14 within the state where the shipment to such
15 warehouses is not covered by "in transit"
16 tariffs, as prescribed and allowed by the
17 Interstate Commerce Commission, to a purchaser
18 within or without the state,

19 the Oklahoma net income shall, at the option of the
20 taxpayer, be that portion of the total net income of
21 the taxpayer for federal income tax purposes derived
22 from the manufacture and/or processing and sales
23 everywhere as determined by the ratio of the sales
24 defined in this section made to the purchaser within

1 the state to the total sales everywhere. The term
2 "public warehouse" as used in this subparagraph means
3 a licensed public warehouse, the principal business of
4 which is warehousing merchandise for the public;

5 e. In the case of insurance companies, Oklahoma taxable
6 income shall be taxable income of the taxpayer for
7 federal tax purposes, as adjusted for the adjustments
8 provided pursuant to the provisions of paragraphs 1
9 and 2 of this subsection, apportioned as follows:

10 (1) except as otherwise provided by division (2) of
11 this subparagraph, taxable income of an insurance
12 company for a taxable year shall be apportioned
13 to this state by multiplying such income by a
14 fraction, the numerator of which is the direct
15 premiums written for insurance on property or
16 risks in this state, and the denominator of which
17 is the direct premiums written for insurance on
18 property or risks everywhere. For purposes of
19 this subsection, the term "direct premiums
20 written" means the total amount of direct
21 premiums written, assessments and annuity
22 considerations as reported for the taxable year
23 on the annual statement filed by the company with
24 the Insurance Commissioner in the form approved

1 by the National Association of Insurance
2 Commissioners, or such other form as may be
3 prescribed in lieu thereof,

4 (2) if the principal source of premiums written by an
5 insurance company consists of premiums for
6 reinsurance accepted by it, the taxable income of
7 such company shall be apportioned to this state
8 by multiplying such income by a fraction, the
9 numerator of which is the sum of (a) direct
10 premiums written for insurance on property or
11 risks in this state, plus (b) premiums written
12 for reinsurance accepted in respect of property
13 or risks in this state, and the denominator of
14 which is the sum of (c) direct premiums written
15 for insurance on property or risks everywhere,
16 plus (d) premiums written for reinsurance
17 accepted in respect of property or risks
18 everywhere. For purposes of this paragraph,
19 premiums written for reinsurance accepted in
20 respect of property or risks in this state,
21 whether or not otherwise determinable, may at the
22 election of the company be determined on the
23 basis of the proportion which premiums written
24 for insurance accepted from companies

1 commercially domiciled in Oklahoma bears to
2 premiums written for reinsurance accepted from
3 all sources, or alternatively in the proportion
4 which the sum of the direct premiums written for
5 insurance on property or risks in this state by
6 each ceding company from which reinsurance is
7 accepted bears to the sum of the total direct
8 premiums written by each such ceding company for
9 the taxable year.

10 5. The net income or loss remaining after the separate
11 allocation in paragraph 4 of this subsection, being that which is
12 derived from a unitary business enterprise, shall be apportioned to
13 this state on the basis of the arithmetical average of three factors
14 consisting of property, payroll and sales or gross revenue
15 enumerated as subparagraphs a, b and c of this paragraph. Net
16 income or loss as used in this paragraph includes that derived from
17 patent or copyright royalties, purchase discounts, and interest on
18 accounts receivable relating to or arising from a business activity,
19 the income from which is apportioned pursuant to this subsection,
20 including the sale or other disposition of such property and any
21 other property used in the unitary enterprise. Deductions used in
22 computing such net income or loss shall not include taxes based on
23 or measured by income. Provided, for corporations whose property
24 for purposes of the tax imposed by Section 2355 of this title has an

1 initial investment cost equaling or exceeding Two Hundred Million
2 Dollars (\$200,000,000.00) and such investment is made on or after
3 July 1, 1997, or for corporations which expand their property or
4 facilities in this state and such expansion has an investment cost
5 equaling or exceeding Two Hundred Million Dollars (\$200,000,000.00)
6 over a period not to exceed three (3) years, and such expansion is
7 commenced on or after January 1, 2000, the three factors shall be
8 apportioned with property and payroll, each comprising twenty-five
9 percent (25%) of the apportionment factor and sales comprising fifty
10 percent (50%) of the apportionment factor. The apportionment
11 factors shall be computed as follows:

12 a. The property factor is a fraction, the numerator of
13 which is the average value of the taxpayer's real and
14 tangible personal property owned or rented and used in
15 this state during the tax period and the denominator
16 of which is the average value of all the taxpayer's
17 real and tangible personal property everywhere owned
18 or rented and used during the tax period.

19 (1) Property, the income from which is separately
20 allocated in paragraph 4 of this subsection,
21 shall not be included in determining this
22 fraction. The numerator of the fraction shall
23 include a portion of the investment in
24 transportation and other equipment having no

1 fixed situs, such as rolling stock, buses, trucks
2 and trailers, including machinery and equipment
3 carried thereon, airplanes, salespersons'
4 automobiles and other similar equipment, in the
5 proportion that miles traveled in Oklahoma by
6 such equipment bears to total miles traveled,

7 (2) Property owned by the taxpayer is valued at its
8 original cost. Property rented by the taxpayer
9 is valued at eight times the net annual rental
10 rate. Net annual rental rate is the annual
11 rental rate paid by the taxpayer, less any annual
12 rental rate received by the taxpayer from
13 subrentals,

14 (3) The average value of property shall be determined
15 by averaging the values at the beginning and
16 ending of the tax period but the Oklahoma Tax
17 Commission may require the averaging of monthly
18 values during the tax period if reasonably
19 required to reflect properly the average value of
20 the taxpayer's property;

21 b. The payroll factor is a fraction, the numerator of
22 which is the total compensation for services rendered
23 in the state during the tax period, and the
24 denominator of which is the total compensation for

1 services rendered everywhere during the tax period.

2 "Compensation", as used in this subsection means those
3 paid-for services to the extent related to the unitary
4 business but does not include officers' salaries,
5 wages and other compensation.

6 (1) In the case of a transportation enterprise, the
7 numerator of the fraction shall include a portion
8 of such expenditure in connection with employees
9 operating equipment over a fixed route, such as
10 railroad employees, airline pilots, or bus
11 drivers, in this state only a part of the time,
12 in the proportion that mileage traveled in
13 Oklahoma bears to total mileage traveled by such
14 employees,

15 (2) In any case the numerator of the fraction shall
16 include a portion of such expenditures in
17 connection with itinerant employees, such as
18 traveling salespersons, in this state only a part
19 of the time, in the proportion that time spent in
20 Oklahoma bears to total time spent in furtherance
21 of the enterprise by such employees;

22 c. The sales factor is a fraction, the numerator of which
23 is the total sales or gross revenue of the taxpayer in
24 this state during the tax period, and the denominator

1 of which is the total sales or gross revenue of the
2 taxpayer everywhere during the tax period. "Sales",
3 as used in this subsection does not include sales or
4 gross revenue which are separately allocated in
5 paragraph 4 of this subsection.

6 (1) Sales of tangible personal property have a situs
7 in this state if the property is delivered or
8 shipped to a purchaser other than the United
9 States government, within this state regardless
10 of the FOB point or other conditions of the sale;
11 or the property is shipped from an office, store,
12 warehouse, factory or other place of storage in
13 this state and (a) the purchaser is the United
14 States government or (b) the taxpayer is not
15 doing business in the state of the destination of
16 the shipment.

17 (2) In the case of a railroad or interurban railway
18 enterprise, the numerator of the fraction shall
19 not be less than the allocation of revenues to
20 this state as shown in its annual report to the
21 Corporation Commission.

22 (3) In the case of an airline, truck or bus
23 enterprise or freight car, tank car, refrigerator
24 car or other railroad equipment enterprise, the

1 numerator of the fraction shall include a portion
2 of revenue from interstate transportation in the
3 proportion that interstate mileage traveled in
4 Oklahoma bears to total interstate mileage
5 traveled.

6 (4) In the case of an oil, gasoline or gas pipeline
7 enterprise, the numerator of the fraction shall
8 be either the total of traffic units of the
9 enterprise within Oklahoma or the revenue
10 allocated to Oklahoma based upon miles moved, at
11 the option of the taxpayer, and the denominator
12 of which shall be the total of traffic units of
13 the enterprise or the revenue of the enterprise
14 everywhere as appropriate to the numerator. A
15 "traffic unit" is hereby defined as the
16 transportation for a distance of one (1) mile of
17 one (1) barrel of oil, one (1) gallon of gasoline
18 or one thousand (1,000) cubic feet of natural or
19 casinghead gas, as the case may be.

20 (5) In the case of a telephone or telegraph or other
21 communication enterprise, the numerator of the
22 fraction shall include that portion of the
23 interstate revenue as is allocated pursuant to
24 the accounting procedures prescribed by the

1 Federal Communications Commission; provided that
2 in respect to each corporation or business entity
3 required by the Federal Communications Commission
4 to keep its books and records in accordance with
5 a uniform system of accounts prescribed by such
6 Commission, the intrastate net income shall be
7 determined separately in the manner provided by
8 such uniform system of accounts and only the
9 interstate income shall be subject to allocation
10 pursuant to the provisions of this subsection.
11 Provided further, that the gross revenue factors
12 shall be those as are determined pursuant to the
13 accounting procedures prescribed by the Federal
14 Communications Commission.

15 In any case where the apportionment of the three factors
16 prescribed in this paragraph attributes to Oklahoma a portion of net
17 income of the enterprise out of all appropriate proportion to the
18 property owned and/or business transacted within this state, because
19 of the fact that one or more of the factors so prescribed are not
20 employed to any appreciable extent in furtherance of the enterprise;
21 or because one or more factors not so prescribed are employed to a
22 considerable extent in furtherance of the enterprise; or because of
23 other reasons, the Tax Commission is empowered to permit, after a
24 showing by taxpayer that an excessive portion of net income has been

1 attributed to Oklahoma, or require, when in its judgment an
2 insufficient portion of net income has been attributed to Oklahoma,
3 the elimination, substitution, or use of additional factors, or
4 reduction or increase in the weight of such prescribed factors.
5 Provided, however, that any such variance from such prescribed
6 factors which has the effect of increasing the portion of net income
7 attributable to Oklahoma must not be inherently arbitrary, and
8 application of the recomputed final apportionment to the net income
9 of the enterprise must attribute to Oklahoma only a reasonable
10 portion thereof.

11 6. For calendar years 1997 and 1998, the owner of a new or
12 expanded agricultural commodity processing facility in this state
13 may exclude from Oklahoma taxable income, or in the case of an
14 individual, the Oklahoma adjusted gross income, fifteen percent
15 (15%) of the investment by the owner in the new or expanded
16 agricultural commodity processing facility. For calendar year 1999,
17 and all subsequent years, the percentage, not to exceed fifteen
18 percent (15%), available to the owner of a new or expanded
19 agricultural commodity processing facility in this state claiming
20 the exemption shall be adjusted annually so that the total estimated
21 reduction in tax liability does not exceed One Million Dollars
22 (\$1,000,000.00) annually. The Tax Commission shall promulgate rules
23 for determining the percentage of the investment which each eligible
24 taxpayer may exclude. The exclusion provided by this paragraph

1 shall be taken in the taxable year when the investment is made. In
2 the event the total reduction in tax liability authorized by this
3 paragraph exceeds One Million Dollars (\$1,000,000.00) in any
4 calendar year, the Tax Commission shall permit any excess over One
5 Million Dollars (\$1,000,000.00) and shall factor such excess into
6 the percentage for subsequent years. Any amount of the exemption
7 permitted to be excluded pursuant to the provisions of this
8 paragraph but not used in any year may be carried forward as an
9 exemption from income pursuant to the provisions of this paragraph
10 for a period not exceeding six (6) years following the year in which
11 the investment was originally made.

12 For purposes of this paragraph:

- 13 a. "Agricultural commodity processing facility" means
14 building, structures, fixtures and improvements used
15 or operated primarily for the processing or production
16 of marketable products from agricultural commodities.
17 The term shall also mean a dairy operation that
18 requires a depreciable investment of at least Two
19 Hundred Fifty Thousand Dollars (\$250,000.00) and which
20 produces milk from dairy cows. The term does not
21 include a facility that provides only, and nothing
22 more than, storage, cleaning, drying or transportation
23 of agricultural commodities, and

24

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

3 (1) the processing of agricultural commodities,
4 including receiving or storing agricultural
5 commodities, or the production of milk at a dairy
6 operation,

7 (2) transporting the agricultural commodities or
8 product before, during or after the processing,
9 or

10 (3) packaging or otherwise preparing the product for
11 sale or shipment.

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

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

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

1 8. In taxable years beginning after December 31, 1995, all
2 qualified wages equal to the federal income tax credit set forth in
3 26 U.S.C.A., Section 45A, shall be deducted from taxable income.
4 The deduction allowed pursuant to this paragraph shall only be
5 permitted for the tax years in which the federal tax credit pursuant
6 to 26 U.S.C.A., Section 45A, is allowed. For purposes of this
7 paragraph, "qualified wages" means those wages used to calculate the
8 federal credit pursuant to 26 U.S.C.A., Section 45A.

9 9. In taxable years beginning after December 31, 2005, an
10 employer that is eligible for and utilizes the Safety Pays OSHA
11 Consultation Service provided by the Oklahoma Department of Labor
12 shall receive an exemption from taxable income in the amount of One
13 Thousand Dollars (\$1,000.00) for the tax year that the service is
14 utilized.

15 B. 1. The taxable income of any corporation shall be further
16 adjusted to arrive at Oklahoma taxable income, except those
17 corporations electing treatment as provided in subchapter S of the
18 Internal Revenue Code, 26 U.S.C., Section 1361 et seq., and Section
19 2365 of this title, deductions pursuant to the provisions of the
20 Accelerated Cost Recovery System as defined and allowed in the
21 Economic Recovery Tax Act of 1981, Public Law 97-34, 26 U.S.C.,
22 Section 168, for depreciation of assets placed into service after
23 December 31, 1981, shall not be allowed in calculating Oklahoma
24 taxable income. Such corporations shall be allowed a deduction for

1 depreciation of assets placed into service after December 31, 1981,
2 in accordance with provisions of the Internal Revenue Code, 26
3 U.S.C., Section 1 et seq., in effect immediately prior to the
4 enactment of the Accelerated Cost Recovery System. The Oklahoma tax
5 basis for all such assets placed into service after December 31,
6 1981, calculated in this section shall be retained and utilized for
7 all Oklahoma income tax purposes through the final disposition of
8 such assets.

9 Notwithstanding any other provisions of the Oklahoma Income Tax
10 Act, Section 2351 et seq. of this title, or of the Internal Revenue
11 Code to the contrary, this subsection shall control calculation of
12 depreciation of assets placed into service after December 31, 1981,
13 and before January 1, 1983.

14 For assets placed in service and held by a corporation in which
15 accelerated cost recovery system was previously disallowed, an
16 adjustment to taxable income is required in the first taxable year
17 beginning after December 31, 1982, to reconcile the basis of such
18 assets to the basis allowed in the Internal Revenue Code. The
19 purpose of this adjustment is to equalize the basis and allowance
20 for depreciation accounts between that reported to the Internal
21 Revenue Service and that reported to Oklahoma.

22 2. For tax years beginning on or after January 1, 2009, and
23 ending on or before December 31, 2009, there shall be added to
24 Oklahoma taxable income any amount in excess of One Hundred Seventy-

1 five Thousand Dollars (\$175,000.00) which has been deducted as a
2 small business expense under Internal Revenue Code, Section 179 as
3 provided in the American Recovery and Reinvestment Act of 2009.

4 C. 1. For taxable years beginning after December 31, 1987, the
5 taxable income of any corporation shall be further adjusted to
6 arrive at Oklahoma taxable income for transfers of technology to
7 qualified small businesses located in Oklahoma. Such transferor
8 corporation shall be allowed an exemption from taxable income of an
9 amount equal to the amount of royalty payment received as a result
10 of such transfer; provided, however, such amount shall not exceed
11 ten percent (10%) of the amount of gross proceeds received by such
12 transferor corporation as a result of the technology transfer. Such
13 exemption shall be allowed for a period not to exceed ten (10) years
14 from the date of receipt of the first royalty payment accruing from
15 such transfer. No exemption may be claimed for transfers of
16 technology to qualified small businesses made prior to January 1,
17 1988.

18 2. For purposes of this subsection:

19 a. "Qualified small business" means an entity, whether
20 organized as a corporation, partnership, or
21 proprietorship, organized for profit with its
22 principal place of business located within this state
23 and which meets the following criteria:

- 1 (1) Capitalization of not more than Two Hundred Fifty
2 Thousand Dollars (\$250,000.00),
3 (2) Having at least fifty percent (50%) of its
4 employees and assets located in Oklahoma at the
5 time of the transfer, and
6 (3) Not a subsidiary or affiliate of the transferor
7 corporation;

8 b. "Technology" means a proprietary process, formula,
9 pattern, device or compilation of scientific or
10 technical information which is not in the public
11 domain;

12 c. "Transferor corporation" means a corporation which is
13 the exclusive and undisputed owner of the technology
14 at the time the transfer is made; and

15 d. "Gross proceeds" means the total amount of
16 consideration for the transfer of technology, whether
17 the consideration is in money or otherwise.

18 D. 1. For taxable years beginning after December 31, 2005, the
19 taxable income of any corporation, estate or trust, shall be further
20 adjusted for qualifying gains receiving capital treatment. Such
21 corporations, estates or trusts shall be allowed a deduction from
22 Oklahoma taxable income for the amount of qualifying gains receiving
23 capital treatment earned by the corporation, estate or trust during
24

1 the taxable year and included in the federal taxable income of such
2 corporation, estate or trust.

3 2. As used in this subsection:

4 a. "qualifying gains receiving capital treatment" means
5 the amount of net capital gains, as defined in Section
6 1222(11) of the Internal Revenue Code, included in the
7 federal income tax return of the corporation, estate
8 or trust that result from:

9 (1) the sale of real property or tangible personal
10 property located within Oklahoma that has been
11 directly or indirectly owned by the corporation,
12 estate or trust for a holding period of at least
13 five (5) years prior to the date of the
14 transaction from which such net capital gains
15 arise,

16 (2) the sale of stock or on the sale of an ownership
17 interest in an Oklahoma company, limited
18 liability company, or partnership where such
19 stock or ownership interest has been directly or
20 indirectly owned by the corporation, estate or
21 trust for a holding period of at least three (3)
22 years prior to the date of the transaction from
23 which the net capital gains arise, or

24

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

12 b. "holding period" means an uninterrupted period of
13 time. The holding period shall include any additional
14 period when the property was held by another
15 individual or entity, if such additional period is
16 included in the taxpayer's holding period for the
17 asset pursuant to the Internal Revenue Code,

18 c. "Oklahoma company", "limited liability company", or
19 "partnership" means an entity whose primary
20 headquarters have been located in Oklahoma for at
21 least three (3) uninterrupted years prior to the date
22 of the transaction from which the net capital gains
23 arise,
24

1 d. "direct" means the taxpayer directly owns the asset,
2 and

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

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

20 (2) With respect to sales of stock or ownership
21 interest in or sales of all or substantially all
22 of the assets of an Oklahoma company, limited
23 liability company, or partnership, the deduction
24 described in this subsection shall not apply

1 unless the pass-through entity that makes the
2 sale has held the stock or ownership interest or
3 the assets for not less than three (3)
4 uninterrupted years prior to the date of the
5 transaction that created the capital gain, and
6 each pass-through entity included in the chain of
7 ownership has been a member, partner or
8 shareholder of the pass-through entity in the
9 tier immediately below it for an uninterrupted
10 period of not less than three (3) years.

11 E. The Oklahoma adjusted gross income of any individual
12 taxpayer shall be further adjusted as follows to arrive at Oklahoma
13 taxable income:

14 1. a. In the case of individuals, there shall be added or
15 deducted, as the case may be, the difference necessary
16 to allow personal exemptions of One Thousand Dollars
17 (\$1,000.00) in lieu of the personal exemptions allowed
18 by the Internal Revenue Code.

19 b. There shall be allowed an additional exemption of One
20 Thousand Dollars (\$1,000.00) for each taxpayer or
21 spouse who is blind at the close of the tax year. For
22 purposes of this subparagraph, an individual is blind
23 only if the central visual acuity of the individual
24 does not exceed 20/200 in the better eye with

1 correcting lenses, or if the visual acuity of the
2 individual is greater than 20/200, but is accompanied
3 by a limitation in the fields of vision such that the
4 widest diameter of the visual field subtends an angle
5 no greater than twenty (20) degrees.

6 c. There shall be allowed an additional exemption of One
7 Thousand Dollars (\$1,000.00) for each taxpayer or
8 spouse who is sixty-five (65) years of age or older at
9 the close of the tax year based upon the filing status
10 and federal adjusted gross income of the taxpayer.
11 Taxpayers with the following filing status may claim
12 this exemption if the federal adjusted gross income
13 does not exceed:

- 14 (1) Twenty-five Thousand Dollars (\$25,000.00) if
15 married and filing jointly;
- 16 (2) Twelve Thousand Five Hundred Dollars (\$12,500.00)
17 if married and filing separately;
- 18 (3) Fifteen Thousand Dollars (\$15,000.00) if single;
19 and
- 20 (4) Nineteen Thousand Dollars (\$19,000.00) if a
21 qualifying head of household.

22 Provided, for taxable years beginning after December
23 31, 1999, amounts included in the calculation of
24 federal adjusted gross income pursuant to the

1 conversion of a traditional individual retirement
2 account to a Roth individual retirement account shall
3 be excluded from federal adjusted gross income for
4 purposes of the income thresholds provided in this
5 subparagraph.

6 2. a. For taxable years beginning on or before December 31,
7 2005, in the case of individuals who use the standard
8 deduction in determining taxable income, there shall
9 be added or deducted, as the case may be, the
10 difference necessary to allow a standard deduction in
11 lieu of the standard deduction allowed by the Internal
12 Revenue Code, in an amount equal to the larger of
13 fifteen percent (15%) of the Oklahoma adjusted gross
14 income or One Thousand Dollars (\$1,000.00), but not to
15 exceed Two Thousand Dollars (\$2,000.00), except that
16 in the case of a married individual filing a separate
17 return such deduction shall be the larger of fifteen
18 percent (15%) of such Oklahoma adjusted gross income
19 or Five Hundred Dollars (\$500.00), but not to exceed
20 the maximum amount of One Thousand Dollars
21 (\$1,000.00),

22 b. For taxable years beginning on or after January 1,
23 2006, and before January 1, 2007, in the case of
24 individuals who use the standard deduction in

1 determining taxable income, there shall be added or
2 deducted, as the case may be, the difference necessary
3 to allow a standard deduction in lieu of the standard
4 deduction allowed by the Internal Revenue Code, in an
5 amount equal to:

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

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

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

18 (1) Five Thousand Five Hundred Dollars (\$5,500.00),
19 if the filing status is married filing joint or
20 qualifying widow; or

21 (2) Four Thousand One Hundred Twenty-five Dollars
22 (\$4,125.00) for a head of household; or
23
24

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

4 d. For the taxable year beginning on January 1, 2008, and
5 ending December 31, 2008, in the case of individuals
6 who use the standard deduction in determining taxable
7 income, there shall be added or deducted, as the case
8 may be, the difference necessary to allow a standard
9 deduction in lieu of the standard deduction allowed by
10 the Internal Revenue Code, in an amount equal to:

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

14 (2) Four Thousand Eight Hundred Seventy-five Dollars
15 (\$4,875.00) for a head of household, or

16 (3) Three Thousand Two Hundred Fifty Dollars
17 (\$3,250.00), if the filing status is single or
18 married filing separate.

19 e. For the taxable year beginning on January 1, 2009, and
20 ending December 31, 2009, in the case of individuals
21 who use the standard deduction in determining taxable
22 income, there shall be added or deducted, as the case
23 may be, the difference necessary to allow a standard
24

1 deduction in lieu of the standard deduction allowed by
2 the Internal Revenue Code, in an amount equal to:

- 3 (1) Eight Thousand Five Hundred Dollars (\$8,500.00),
4 if the filing status is married filing joint or
5 qualifying widow, or
6 (2) Six Thousand Three Hundred Seventy-five Dollars
7 (\$6,375.00) for a head of household, or
8 (3) Four Thousand Two Hundred Fifty Dollars
9 (\$4,250.00), if the filing status is single or
10 married filing separate.

11 Oklahoma adjusted gross income shall be increased by
12 any amounts paid for motor vehicle excise taxes which
13 were deducted as allowed by the Internal Revenue Code.

- 14 f. For taxable years beginning on or after January 1,
15 2010, in the case of individuals who use the standard
16 deduction in determining taxable income, there shall
17 be added or deducted, as the case may be, the
18 difference necessary to allow a standard deduction
19 equal to the standard deduction allowed by the
20 Internal Revenue Code of 1986, as amended, based upon
21 the amount and filing status prescribed by such Code
22 for purposes of filing federal individual income tax
23 returns.

1 3. In the case of resident and part-year resident individuals
2 having adjusted gross income from sources both within and without
3 the state, the itemized or standard deductions and personal
4 exemptions shall be reduced to an amount which is the same portion
5 of the total thereof as Oklahoma adjusted gross income is of
6 adjusted gross income. To the extent itemized deductions include
7 allowable moving expense, proration of moving expense shall not be
8 required or permitted but allowable moving expense shall be fully
9 deductible for those taxpayers moving within or into Oklahoma and no
10 part of moving expense shall be deductible for those taxpayers
11 moving without or out of Oklahoma. All other itemized or standard
12 deductions and personal exemptions shall be subject to proration as
13 provided by law.

14 4. A resident individual with a physical disability
15 constituting a substantial handicap to employment may deduct from
16 Oklahoma adjusted gross income such expenditures to modify a motor
17 vehicle, home or workplace as are necessary to compensate for his or
18 her handicap. A veteran certified by the Department of Veterans
19 Affairs of the federal government as having a service-connected
20 disability shall be conclusively presumed to be an individual with a
21 physical disability constituting a substantial handicap to
22 employment. The Tax Commission shall promulgate rules containing a
23 list of combinations of common disabilities and modifications which
24

1 may be presumed to qualify for this deduction. The Tax Commission
2 shall prescribe necessary requirements for verification.

3 5. a. Before July 1, 2010, the first One Thousand Five
4 Hundred Dollars (\$1,500.00) received by any person
5 from the United States as salary or compensation in
6 any form, other than retirement benefits, as a member
7 of any component of the Armed Forces of the United
8 States shall be deducted from taxable income.

9 b. On or after July 1, 2010, and ending before January 1,
10 2015, one hundred percent (100%) of the income
11 received by any person from the United States as
12 salary or compensation in any form, other than
13 retirement benefits, as a member of any component of
14 the Armed Forces of the United States shall be
15 deducted from taxable income.

16 c. For the taxable year beginning on January 1, 2015, and
17 every year thereafter, if the State Board of
18 Equalization makes a determination pursuant to Section
19 3 of this act that, for the purposes of this
20 paragraph, revenue collections exceed revenue
21 reductions, the one hundred percent (100%) deduction
22 provided for in subparagraph b of this paragraph may
23 be claimed.

24

1 d. For the taxable year beginning on January 1, 2015, and
2 every year thereafter, if the State Board of
3 Equalization makes a determination pursuant to Section
4 3 of this act that, for the purposes of this
5 paragraph, revenue collections do not exceed revenue
6 reductions, a deduction of the first One Thousand Five
7 Hundred Dollars (\$1,500.00) received by any person
8 from the United States as salary or compensation in
9 any form, other than retirement benefits, as a member
10 of any component of the Armed Forces of the United
11 States shall be allowed.

12 e. Whenever the filing of a timely income tax return by a
13 member of the Armed Forces of the United States is
14 made impracticable or impossible of accomplishment by
15 reason of:

16 (1) absence from the United States, which term
17 includes only the states and the District of
18 Columbia;

19 (2) absence from the State of Oklahoma while on
20 active duty; or

21 (3) confinement in a hospital within the United
22 States for treatment of wounds, injuries or
23 disease,

24

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

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

14 (b) An executor, administrator, or conservator
15 of the estate of the taxpayer is appointed,
16 whichever event occurs the earliest.

17 Provided, that the Tax Commission may, in its discretion, grant
18 any member of the Armed Forces of the United States an extension of
19 time for filing of income tax returns and payment of income tax
20 without incurring liabilities for interest or penalties. Such
21 extension may be granted only when in the judgment of the Tax
22 Commission a good cause exists therefor and may be for a period in
23 excess of six (6) months. A record of every such extension granted,
24 and the reason therefor, shall be kept.

1 6. Before July 1, 2010, the salary or any other form of
2 compensation, received from the United States by a member of any
3 component of the Armed Forces of the United States, shall be
4 deducted from taxable income during the time in which the person is
5 detained by the enemy in a conflict, is a prisoner of war or is
6 missing in action and not deceased; provided, after July 1, 2010,
7 all such salary or compensation shall be subject to the deduction as
8 provided pursuant to paragraph 5 of this subsection.

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.

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 nonqualified 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 nonqualified withdrawal, and

4 (2) for a taxpayer who elects to take a rollover or
5 nonqualified 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 nonqualified 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 nonqualified withdrawal of
20 contributions for which a deduction was taken pursuant
21 to subparagraph b of this paragraph, such nonqualified
22 withdrawal and any earnings thereon shall be included
23 in the adjusted gross income of the taxpayer in the
24 taxable year of the nonqualified 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

23
24

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 22. For taxable years beginning after December 31, 2008, there
4 shall be exempt from taxable income any amount received by the
5 beneficiary of the death benefit for an emergency medical technician
6 provided by Section 1-2505.1 of Title 63 of the Oklahoma Statutes.

7 23. For taxable years beginning after December 31, 2008,
8 taxable income shall be increased by any unemployment compensation
9 exempted under Section 85 (c) of the Internal Revenue Code, 26
10 U.S.C., Section 85(c) (2009).

11 24. For taxable years beginning after December 31, 2008, there
12 shall be exempt from taxable income any payment in an amount less
13 than Six Hundred Dollars (\$600.00) received by a person as an award
14 for participation in a competitive livestock show event. For
15 purposes of this paragraph, the payment shall be treated as a
16 scholarship amount paid by the entity sponsoring the event and the
17 sponsoring entity shall cause the payment to be categorized as a
18 scholarship in its books and records.

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

24 2. As used in this subsection:

1 a. "qualifying gains receiving capital treatment" means
2 the amount of net capital gains, as defined in Section
3 1222(11) of the Internal Revenue Code, included in an
4 individual taxpayer's federal income tax return that
5 result from:

6 (1) the sale of real property or tangible personal
7 property located within Oklahoma that has been
8 directly or indirectly owned by the individual
9 taxpayer for a holding period of at least five
10 (5) years prior to the date of the transaction
11 from which such net capital gains arise,

12 (2) the sale of stock or the sale of a direct or
13 indirect ownership interest in an Oklahoma
14 company, limited liability company, or
15 partnership where such stock or ownership
16 interest has been directly or indirectly owned by
17 the individual taxpayer for a holding period of
18 at least two (2) years prior to the date of the
19 transaction from which the net capital gains
20 arise, or

21 (3) the sale of real property, tangible personal
22 property or intangible personal property located
23 within Oklahoma as part of the sale of all or
24 substantially all of the assets of an Oklahoma

1 company, limited liability company, or
2 partnership or an Oklahoma proprietorship
3 business enterprise where such property has been
4 directly or indirectly owned by such entity or
5 business enterprise or owned by the owners of
6 such entity or business enterprise for a period
7 of at least two (2) years prior to the date of
8 the transaction from which the net capital gains
9 arise,

10 b. "holding period" means an uninterrupted period of
11 time. The holding period shall include any additional
12 period when the property was held by another
13 individual or entity, if such additional period is
14 included in the taxpayer's holding period for the
15 asset pursuant to the Internal Revenue Code,

16 c. "Oklahoma company," "limited liability company," or
17 "partnership" means an entity whose primary
18 headquarters have been located in Oklahoma for at
19 least three (3) uninterrupted years prior to the date
20 of the transaction from which the net capital gains
21 arise,

22 d. "direct" means the individual taxpayer directly owns
23 the asset,
24

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

5 (1) With respect to sales of real property or
6 tangible personal property located within
7 Oklahoma, the deduction described in this
8 subsection shall not apply unless the pass-
9 through entity that makes the sale has held the
10 property for not less than five (5) uninterrupted
11 years prior to the date of the transaction that
12 created the capital gain, and each pass-through
13 entity included in the chain of ownership has
14 been a member, partner, or shareholder of the
15 pass-through entity in the tier immediately below
16 it for an uninterrupted period of not less than
17 five (5) years.

18 (2) With respect to sales of stock or ownership
19 interest in or sales of all or substantially all
20 of the assets of an Oklahoma company, limited
21 liability company, partnership or Oklahoma
22 proprietorship business enterprise, the deduction
23 described in this subsection shall not apply
24 unless the pass-through entity that makes the

1 sale has held the stock or ownership interest for
2 not less than two (2) uninterrupted years prior
3 to the date of the transaction that created the
4 capital gain, and each pass-through entity
5 included in the chain of ownership has been a
6 member, partner or shareholder of the pass-
7 through entity in the tier immediately below it
8 for an uninterrupted period of not less than two
9 (2) years. For purposes of this division,
10 uninterrupted ownership prior to the effective
11 date of this act shall be included in the
12 determination of the required holding period
13 prescribed by this division, and

14 f. "Oklahoma proprietorship business enterprise" means a
15 business enterprise whose income and expenses have
16 been reported on Schedule C or F of an individual
17 taxpayer's federal income tax return, or any similar
18 successor schedule published by the Internal Revenue
19 Service and whose primary headquarters have been
20 located in Oklahoma for at least three (3)
21 uninterrupted years prior to the date of the
22 transaction from which the net capital gains arise.

23 G. 1. For purposes of computing its Oklahoma taxable income
24 under this section, the dividends-paid deduction otherwise allowed

1 by federal law in computing net income of a real estate investment
2 trust that is subject to federal income tax shall be added back in
3 computing the tax imposed by this state under this title if the real
4 estate investment trust is a captive real estate investment trust.

5 2. For purposes of computing its Oklahoma taxable income under
6 this section, a taxpayer shall add back otherwise deductible rents
7 and interest expenses paid to a captive real estate investment trust
8 that is not subject to the provisions of paragraph 1 of this
9 subsection. As used in this subsection:

10 a. the term "real estate investment trust" or "REIT"
11 means the meaning ascribed to such term in Section 856
12 of the Internal Revenue Code of 1986, as amended,

13 b. the term "captive real estate investment trust" means
14 a real estate investment trust, the shares or
15 beneficial interests of which are not regularly traded
16 on an established securities market and more than
17 fifty percent (50%) of the voting power or value of
18 the beneficial interests or shares of which are owned
19 or controlled, directly or indirectly, or
20 constructively, by a single entity that is:

21 (1) treated as an association taxable as a
22 corporation under the Internal Revenue Code of
23 1986, as amended, and

24

1 (2) not exempt from federal income tax pursuant to
2 the provisions of Section 501(a) of the Internal
3 Revenue Code of 1986, as amended.

4 The term shall not include a real estate investment
5 trust that is intended to be regularly traded on an
6 established securities market, and that satisfies the
7 requirements of Section 856(a)(5) and (6) of the U.S.
8 Internal Revenue Code by reason of Section 856(h)(2)
9 of the Internal Revenue Code,

10 c. the term "association taxable as a corporation" shall
11 not include the following entities:

12 (1) any real estate investment trust as defined in
13 paragraph a of this subsection other than a
14 "captive real estate investment trust", or

15 (2) any qualified real estate investment trust
16 subsidiary under Section 856(i) of the Internal
17 Revenue Code of 1986, as amended, other than a
18 qualified REIT subsidiary of a "captive real
19 estate investment trust", or

20 (3) any Listed Australian Property Trust (meaning an
21 Australian unit trust registered as a "Managed
22 Investment Scheme" under the Australian
23 Corporations Act in which the principal class of
24 units is listed on a recognized stock exchange in

1 Australia and is regularly traded on an
2 established securities market), or an entity
3 organized as a trust, provided that a Listed
4 Australian Property Trust owns or controls,
5 directly or indirectly, seventy-five percent
6 (75%) or more of the voting power or value of the
7 beneficial interests or shares of such trust, or
8 (4) any Qualified Foreign Entity, meaning a
9 corporation, trust, association or partnership
10 organized outside the laws of the United States
11 and which satisfies the following criteria:
12 (a) at least seventy-five percent (75%) of the
13 entity's total asset value at the close of
14 its taxable year is represented by real
15 estate assets, as defined in Section
16 856(c)(5)(B) of the Internal Revenue Code of
17 1986, as amended, thereby including shares
18 or certificates of beneficial interest in
19 any real estate investment trust, cash and
20 cash equivalents, and U.S. Government
21 securities,
22 (b) the entity receives a dividend-paid
23 deduction comparable to Section 561 of the
24

1 Internal Revenue Code of 1986, as amended,
2 or is exempt from entity level tax,

3 (c) the entity is required to distribute at
4 least eighty-five percent (85%) of its
5 taxable income, as computed in the
6 jurisdiction in which it is organized, to
7 the holders of its shares or certificates of
8 beneficial interest on an annual basis,

9 (d) not more than ten percent (10%) of the
10 voting power or value in such entity is held
11 directly or indirectly or constructively by
12 a single entity or individual, or the shares
13 or beneficial interests of such entity are
14 regularly traded on an established
15 securities market, and

16 (e) the entity is organized in a country which
17 has a tax treaty with the United States.

18 3. For purposes of this subsection, the constructive ownership
19 rules of Section 318(a) of the Internal Revenue Code of 1986, as
20 amended, as modified by Section 856(d)(5) of the Internal Revenue
21 Code of 1986, as amended, shall apply in determining the ownership
22 of stock, assets, or net profits of any person.

23 4. A real estate investment trust that does not become
24 regularly traded on an established securities market within one (1)

1 year of the date on which it first becomes a real estate investment
2 trust shall be deemed not to have been regularly traded on an
3 established securities market, retroactive to the date it first
4 became a real estate investment trust, and shall file an amended
5 return reflecting such retroactive designation for any tax year or
6 part year occurring during its initial year of status as a real
7 estate investment trust. For purposes of this subsection, a real
8 estate investment trust becomes a real estate investment trust on
9 the first day it has both met the requirements of Section 856 of the
10 Internal Revenue Code and has elected to be treated as a real estate
11 investment trust pursuant to Section 856(c)(1) of the Internal
12 Revenue Code.

13 SECTION 67. REPEALER 68 O.S. 2001, Section 2358, as last
14 amended by Section 10, Chapter 426, O.S.L. 2009 (68 O.S. Supp. 2009,
15 Section 2358), is hereby repealed.

16 SECTION 68. AMENDATORY 68 O.S. 2001, Section 2902, as
17 last amended by Section 13, Chapter 426, O.S.L. 2009 (68 O.S. Supp.
18 2009, Section 2902), is amended to read as follows:

19 Section 2902. A. Except as otherwise provided by subsection H
20 of Section 3658 of this title pursuant to which the exemption
21 authorized by this section may not be claimed, a qualifying
22 manufacturing concern, as defined by Section 6B of Article X of the
23 Oklahoma Constitution, and as further defined herein, shall be
24 exempt from the levy of any ad valorem taxes upon new, expanded or

1 acquired manufacturing facilities, including facilities engaged in
2 research and development, for a period of five (5) years. The
3 provisions of Section 6B of Article X of the Oklahoma Constitution
4 requiring an existing facility to have been unoccupied for a period
5 of twelve (12) months prior to acquisition shall be construed as a
6 qualification for a facility to initially receive an exemption, and
7 shall not be deemed to be a qualification for that facility to
8 continue to receive an exemption in each of the four (4) years
9 following the initial year for which the exemption was granted.
10 Such facilities are hereby classified for the purposes of taxation
11 as provided in Section 22 of Article X of the Oklahoma Constitution.

12 B. For purposes of this section, the following definitions
13 shall apply:

14 1. "Manufacturing facilities" means facilities engaged in the
15 mechanical or chemical transformation of materials or substances
16 into new products and shall include:

- 17 a. establishments which have received a manufacturer
18 exemption permit pursuant to the provisions of Section
19 1359.2 of this title,
- 20 b. facilities, including repair and replacement parts,
21 primarily engaged in aircraft repair, building and
22 rebuilding whether or not on a factory basis,
- 23 c. establishments primarily engaged in computer services
24 and data processing as defined under Industrial Group

1 Numbers 5112 and 5415, and U.S. Industry Number 334611
2 and 519130 of the NAICS Manual, latest revision, and
3 which derive at least fifty percent (50%) of their
4 annual gross revenues from the sale of a product or
5 service to an out-of-state buyer or consumer, and as
6 defined under Industrial Group Number 5142 of the
7 NAICS Manual, latest revision, which derive at least
8 eighty percent (80%) of their annual gross revenues
9 from the sale of a product or service to an out-of-
10 state buyer or consumer. Eligibility as a
11 manufacturing facility pursuant to this subparagraph
12 shall be established, subject to review by the
13 Oklahoma Tax Commission, by annually filing an
14 affidavit with the Tax Commission stating that the
15 facility so qualifies and such other information as
16 required by the Tax Commission. For purposes of
17 determining whether annual gross revenues are derived
18 from sales to out-of-state buyers, all sales to the
19 federal government shall be considered to be an out-
20 of-state buyer,

- 21 d. for which the investment cost of the construction,
22 acquisition or expansion of the manufacturing facility
23 is Two Hundred Fifty Thousand Dollars (\$250,000.00) or
24 more. Provided, "investment cost" shall not include

1 the cost of direct replacement, refurbish, repair or
2 maintenance of existing machinery or equipment, and
3 e. establishments primarily engaged in distribution as
4 defined under Industry Numbers 49311, 49312, 49313 and
5 49319 and Industry Sector Number 42 of the NAICS
6 Manual, latest revision, and which meet the following
7 qualifications;

8 (1) construction with an initial capital investment
9 of at least Five Million Dollars (\$5,000,000.00),

10 (2) employment of at least one hundred (100) full-
11 time-equivalent employees, as certified by the
12 Oklahoma Employment Security Commission,

13 (3) payment of wages or salaries to its employees at
14 a wage which equals or exceeds one hundred
15 seventy-five percent (175%) of the federally
16 mandated minimum wage, as certified by the
17 Oklahoma Employment Security Commission, and

18 (4) commencement of construction on or after November
19 1, 2007, with construction to be completed within
20 three (3) years from the date of the commencement
21 of construction.

22 Eligibility as a manufacturing facility pursuant to this
23 subparagraph shall be established, subject to review by the Tax
24 Commission, by annually filing an affidavit with the Tax Commission

1 stating that the facility so qualifies and containing such other
2 information as required by the Tax Commission.

3 Provided, eating and drinking places, as well as other retail
4 establishments, shall not qualify as manufacturing facilities for
5 purposes of this section, nor shall centrally assessed properties.

6 Eligibility as a manufacturing facility pursuant to this
7 subparagraph shall be established, subject to review by the Tax
8 Commission, by annually filing an application with the Tax
9 Commission stating that the facility so qualifies and containing
10 such other information as required by the Tax Commission;

11 2. "Facility" and "facilities" means and includes the land,
12 buildings, structures, improvements, machinery, fixtures, equipment
13 and other personal property used directly and exclusively in the
14 manufacturing process; and

15 3. "Research and development" means activities directly related
16 to and conducted for the purpose of discovering, enhancing,
17 increasing or improving future or existing products or processes or
18 productivity.

19 C. The following provisions shall apply:

20 1. A manufacturing concern shall be entitled to the exemption
21 herein provided for each new manufacturing facility constructed,
22 each existing manufacturing facility acquired and the expansion of
23 existing manufacturing facilities on the same site, as such terms
24

1 are defined by Section 6B of Article X of the Oklahoma Constitution
2 and by this section;

3 2. Except as otherwise provided in paragraph 5 of this
4 subsection, no manufacturing concern shall receive more than one
5 five-year exemption for any one manufacturing facility unless the
6 expansion which qualifies the manufacturing facility for an
7 additional five-year exemption meets the requirements of paragraph 4
8 of this subsection and the employment level established for any
9 previous exemption is maintained;

10 3. Any exemption as to the expansion of an existing
11 manufacturing facility shall be limited to the increase in ad
12 valorem taxes directly attributable to the expansion;

13 4. Except as provided in paragraphs 5 and 6 of this subsection,
14 all initial applications for any exemption for a new, acquired or
15 expanded manufacturing facility shall be granted only if:

16 a. there is a net increase in annualized payroll of at
17 least Two Hundred Fifty Thousand Dollars (\$250,000.00)
18 if the facility is located in a county with a
19 population of fewer than seventy-five thousand
20 (75,000), according to the most recent federal
21 decennial census, while maintaining or increasing
22 payroll in subsequent years, or at least One Million
23 Dollars (\$1,000,000.00) if the facility is located in
24 a county with a population of seventy-five thousand

1 (75,000) or more, according to the most recent federal
2 decennial census, while maintaining or increasing
3 payroll in subsequent years; provided the payroll
4 requirement of this subparagraph shall be waived for
5 claims for exemptions, including claims previously
6 denied or on appeal on the effective date of this act,
7 for all initial applications for exemption filed on or
8 after January 1, 2004, and on or before March 31,
9 2009, and all subsequent annual exemption applications
10 filed related to said initial application for
11 exemption, for an applicant, if the facility has been
12 located in Oklahoma for at least fifteen (15) years
13 engaged in marine engine manufacturing as defined
14 under U.S. Industry Number 333618 of the NAICS Manual,
15 latest revision, and has maintained an average
16 employment of five hundred (500) or more full-time-
17 equivalent employees over a ten-year period. Any
18 applicant that qualifies for the payroll requirement
19 waiver as outlined in the previous sentence and
20 subsequently closes its Oklahoma manufacturing plant
21 prior to January 1, 2012, may be disqualified for
22 exemption and subject to recapture.

23 The Tax Commission shall verify payroll information
24 through the Oklahoma Employment Security Commission by

1 using reports from the Oklahoma Employment Security
2 Commission for the calendar year immediately preceding
3 the year for which initial application is made for
4 base-line payroll, which must be maintained or
5 increased for each subsequent year; provided, a
6 manufacturing facility shall have the option of
7 excluding from its payroll, for purposes of this
8 section, payments to sole proprietors, members of a
9 partnership, members of a limited liability company
10 who own at least ten percent (10%) of the capital of
11 the limited liability company or stockholder-employees
12 of a corporation who own at least ten percent (10%) of
13 the stock in the corporation. A manufacturing
14 facility electing this option shall indicate such
15 election upon its application for an exemption under
16 this section. Any manufacturing facility electing
17 this option shall submit such information as the Tax
18 Commission may require in order to verify payroll
19 information. Payroll information submitted pursuant
20 to the provisions of this paragraph shall be submitted
21 to the Tax Commission and shall be subject to the
22 provisions of Section 205 of this title, and

- 23 b. the facility offers, or will offer within one hundred
24 eighty (180) days of the date of employment, a basic

1 health benefits plan to the full-time-equivalent
2 employees of the facility, which is determined by the
3 Department of Commerce to consist of the elements
4 specified in subparagraph b of paragraph 1 of
5 subsection A of Section 3603 of this title or elements
6 substantially equivalent thereto.

7 For purposes of this section, calculation of the amount of
8 increased payroll shall be measured from the start of initial
9 construction or expansion to the completion of such construction or
10 expansion or for three (3) years from the start of initial
11 construction or expansion, whichever occurs first. The amount of
12 increased payroll shall include payroll for full-time-equivalent
13 employees in this state who are employed by an entity other than the
14 facility which has previously or is currently qualified to receive
15 an exemption pursuant to the provisions of this section and who are
16 leased or otherwise provided to the facility, if such employment did
17 not exist in this state prior to the start of initial construction
18 or expansion of the facility. The manufacturing concern shall
19 submit an affidavit to the Tax Commission, signed by an officer,
20 stating that the construction, acquisition or expansion of the
21 facility will result in a net increase in the annualized payroll as
22 required by this paragraph and that full-time-equivalent employees
23 of the facility are or will be offered a basic health benefits plan
24 as required by this paragraph. If, after the completion of such

1 construction or expansion or after three (3) years from the start of
2 initial construction or expansion, whichever occurs first, the
3 construction, acquisition or expansion has not resulted in a net
4 increase in the amount of annualized payroll, if required, or any
5 other qualification specified in this paragraph has not been met,
6 the manufacturing concern shall pay an amount equal to the amount of
7 any exemption granted, including penalties and interest thereon, to
8 the Tax Commission for deposit to the Ad Valorem Reimbursement Fund;

9 5. If a facility fails to meet the payroll requirement of
10 subparagraph a of paragraph 4 of this subsection, the payroll
11 requirement shall be waived for claims for exemptions, including
12 claims previously denied or on appeal on the effective date of this
13 act, for all initial applications for exemption filed on or after
14 January 1, 2004, and on or before March 31, 2009, and all subsequent
15 annual exemption applications filed related to such initial
16 application for exemption, for an applicant, if the facility:

- 17 a. has been located for at least five (5) years as of
18 March 31, 2009, in a county in Oklahoma with a
19 population of six hundred thousand (600,000) or more;
- 20 b. is owned by an applicant that has been engaged in
21 manufacturing as defined under U.S. Industry Numbers
22 323110, 323111, 323121 and 323122 of the NAICS Manual,
23 latest revision;

24

1 c. is owned by an applicant that maintains a workforce of
2 at least three hundred (300) employees on the
3 effective date of this act;

4 d. is owned by an applicant that has filed multiple
5 applications for exemption pursuant to this section;
6 and

7 e. is owned by an applicant that operates at least one
8 facility in this state of at least seven hundred
9 thirty thousand (730,000) square feet on the effective
10 date of this act.

11 In the event that any applicant obtaining a waiver of the payroll
12 requirement pursuant to this paragraph ceases to operate all of its
13 facilities in this state on or before a date that is four years
14 after any initial application for an exemption is filed by such
15 applicant, all sums of property taxes exempted under this paragraph
16 through a waiver of the payroll requirement that relate to such
17 application shall become due and payable as if such sums were
18 assessed in the year in which the applicant ceases to operate all of
19 its facilities in the state.

20 6. Any new, acquired or expanded automotive final assembly
21 manufacturing facility which does not meet the requirements of
22 paragraph 4 of this subsection shall be granted an exemption only if
23 all other requirements of this section are met and only if the
24 investment cost of the construction, acquisition or expansion of the

1 manufacturing facility is Three Hundred Million Dollars
2 (\$300,000,000.00) or more and the manufacturing facility retains an
3 average employment of one thousand seven hundred fifty (1,750) or
4 more full-time-equivalent employees in the year in which the
5 exemption is initially granted and in each of the four (4)
6 subsequent years only if an average employment of one thousand seven
7 hundred fifty (1,750) or more full-time-equivalent employees is
8 maintained in the subsequent year. Any property installed to
9 replace property damaged by the tornado or natural disaster that
10 occurred May 8, 2003, may continue to receive the exemption provided
11 in this paragraph for the full five-year period based on the value
12 of the previously qualifying assets as of January 1, 2003. The
13 exemption shall continue in effect as long as all other
14 qualifications in this paragraph are met. If the average employment
15 of one thousand seven hundred fifty (1,750) or more full-time-
16 equivalent employees is reduced as a result of temporary layoffs
17 because of a tornado or natural disaster on May 8, 2003, then the
18 average employment requirement shall be waived for year 2003 of the
19 exemption period. Calculation of the number of employees shall be
20 made in the same manner as required under Section 2357.4 of this
21 title for an investment tax credit. As used in this paragraph,
22 "expand" and "expansion" shall mean and include any increase to the
23 size or scope of a facility as well as any renovation, restoration,
24

1 replacement or remodeling of a facility which permits the
2 manufacturing of a new or redesigned product;

3 7. Any new, acquired, or expanded computer data processing,
4 data preparation, or information processing services provider
5 classified in Industrial Group Number 7374 of the SIC Manual, latest
6 revision, and U.S. Industry Number 514210 of the North American
7 Industrial Classification System (NAICS) Manual, latest revision,
8 may apply for exemptions under this section for each year in which
9 new, acquired, or expanded capital improvements to the facility are
10 made if:

11 a. there is a net increase in annualized payroll of the
12 applicant at any facility or facilities of the
13 applicant in this state of at least Two Hundred Fifty
14 Thousand Dollars (\$250,000.00), which is attributable
15 to the capital improvements, or a net increase of
16 Seven Million Dollars (\$7,000,000.00) or more in
17 capital improvements, while maintaining or increasing
18 payroll at the facility or facilities in this state
19 which are included in the application, and

20 b. the facility offers, or will offer within one hundred
21 eighty (180) days of the date of employment of new
22 employees attributable to the capital improvements, a
23 basic health benefits plan to the full-time-equivalent
24 employees of the facility, which is determined by the

1 Department of Commerce to consist of the elements
2 specified in subparagraph b of paragraph 1 of
3 subsection A of Section 3603 of this title or elements
4 substantially equivalent thereto; and

5 8. An entity engaged in electric power generation by means of
6 wind, as described by the North American Industry Classification
7 System, No. 221119, which does not meet the requirements of
8 paragraph 4 of this subsection shall be granted an exemption only if
9 all other requirements of this section are met and only if there is
10 a net increase in annualized payroll at the facility of at least Two
11 Hundred Fifty Thousand Dollars (\$250,000.00) or a net increase of
12 Two Million Dollars (\$2,000,000.00) or more in capital improvements
13 while maintaining or increasing payroll.

14 D. 1. Except as provided in paragraph 2 of this subsection,
15 the five-year period of exemption from ad valorem taxes for any
16 qualifying manufacturing facility property shall begin on January 1
17 following the initial qualifying use of the property in the
18 manufacturing process.

19 2. The five-year period of exemption from ad valorem taxes for
20 any qualifying manufacturing facility, as defined in subparagraph c
21 of paragraph 1 of subsection B of this section which is located
22 within a tax incentive district created pursuant to the Local
23 Development Act by a county having a population of at least five
24 hundred thousand (500,000), according to the most recent federal

1 decennial census, shall begin on January 1 following the expiration
2 or termination of the ad valorem exemption, abatement, or other
3 incentive provided through the tax incentive district.

4 E. Any person, firm or corporation claiming the exemption
5 herein provided for shall file each year for which exemption is
6 claimed, an application therefor with the county assessor of the
7 county in which the new, expanded or acquired facility is located.
8 The application shall be on a form or forms prescribed by the Tax
9 Commission, and shall be filed on or before March 15, except as
10 provided in Section 2902.1 of this title, of each year in which the
11 facility desires to take the exemption or within thirty (30) days
12 from and after receipt by such person, firm or corporation of notice
13 of valuation increase, whichever is later. In a case where
14 completion of the facility or facilities will occur after January 1
15 of a given year, a facility may apply to claim the ad valorem tax
16 exemption for that year. If such facility is found to be qualified
17 for exemption, the ad valorem tax exemption provided for herein
18 shall be granted for that entire year and shall apply to the ad
19 valorem valuation as of January 1 of that given year. For
20 applicants which qualify under the provisions of subparagraph b of
21 paragraph 1 of subsection B of this section, the application shall
22 include a copy of the affidavit and any other information required
23 to be filed with the Tax Commission.

24

1 F. The application shall be examined by the county assessor and
2 approved or rejected in the same manner as provided by law for
3 approval or rejection of claims for homestead exemptions. The
4 taxpayer shall have the same right of review by and appeal from the
5 county board of equalization, in the same manner and subject to the
6 same requirements as provided by law for review and appeals
7 concerning homestead exemption claims. Approved applications shall
8 be filed by the county assessor with the Tax Commission no later
9 than June 15, except as provided in Section 2902.1 of this title, of
10 the year in which the facility desires to take the exemption.
11 Incomplete applications and applications filed after June 15 will be
12 declared null and void by the Tax Commission. In the event that a
13 taxpayer qualified to receive an exemption pursuant to the
14 provisions of this section shall make payment of ad valorem taxes in
15 excess of the amount due, the county treasurer shall have the
16 authority to credit the taxpayer's real or personal property tax
17 overpayment against current taxes due. The county treasurer may
18 establish a schedule of up to five (5) years of credit to resolve
19 the overpayment.

20 G. Nothing herein shall in any manner affect, alter or impair
21 any law relating to the assessment of property, and all property,
22 real or personal, which may be entitled to exemption hereunder shall
23 be valued and assessed as is other like property and as provided by
24 law. The valuation and assessment of property for which an

1 exemption is granted hereunder shall be performed by the Tax
2 Commission.

3 H. The Tax Commission shall have the authority and duty to
4 prescribe forms and to promulgate rules as may be necessary to carry
5 out and administer the terms and provisions of this section.

6 SECTION 69. REPEALER 68 O.S. 2001, Section 2902, as last
7 amended by Section 2, Chapter 387, O.S.L. 2009 (68 O.S. Supp. 2009,
8 Section 2902), is hereby repealed.

9 SECTION 70. AMENDATORY 68 O.S. 2001, Section 3603, as
10 last amended by Section 1, Chapter 369, O.S.L. 2009 (68 O.S. Supp.
11 2009, Section 3603), is amended to read as follows:

12 Section 3603. A. As used in Section 3601 et seq. of this
13 title:

14 1. a. "Basic industry" means:

15 (1) those manufacturing activities defined or
16 classified in the NAICS Manual under Industry
17 Sector Nos. 31, 32 and 33, Industry Group No.
18 5111 or Industry No. 11331,

19 (2) those electric power generation, transmission and
20 distribution activities defined or classified in
21 the NAICS Manual under U.S. Industry Nos. 221111
22 through 221122, if:

23

24

1 (a) an establishment engaged therein qualifies
2 as an exempt wholesale generator as defined
3 by 15 U.S.C., Section 79z-5a,

4 (b) the exempt wholesale generator facility
5 consumes from sources located within the
6 state at least ninety percent (90%) of the
7 total energy used to produce the electrical
8 output which qualifies for the specialized
9 treatment provided by the Energy Policy Act
10 of 1992, P.L. 102-486, 106 Stat. 2776, as
11 amended, and federal regulations adopted
12 pursuant thereto,

13 (c) the exempt wholesale generator facility
14 sells to purchasers located outside the
15 state for consumption in activities located
16 outside the state at least ninety percent
17 (90%) of the total electrical energy output
18 which qualifies for the specialized
19 treatment provided by the Energy Policy Act
20 of 1992, P.L. 102-486, 106 Stat. 2776, as
21 amended, and federal regulations adopted
22 pursuant thereto, and

23 (d) the facility is constructed on or after July
24 1, 1996,

1 (3) those administrative and facilities support
2 service activities defined or classified in the
3 NAICS Manual under Industry Group Nos. 5611 and
4 5612, Industry Nos. 51821, 519130, 52232, 56142
5 and 54191 or U.S. Industry Nos. 524291 and
6 551114, ~~and~~ those other support activities for
7 air transportation defined or classified in the
8 NAICS Manual under Industry Group No. 488190, and
9 those support, repair, and maintenance service
10 activities for the wind industry defined or
11 classified in the NAICS Manual under Industry
12 Group No. 811310,

13 (4) those professional, scientific and technical
14 service activities defined or classified in the
15 NAICS Manual under U.S. Industry Nos. 541710 and
16 541380,

17 (5) distribution centers for retail or wholesale
18 businesses defined or classified in the NAICS
19 Manual under Sector No. 42, if forty percent
20 (40%) or more of the inventory processed through
21 such warehouse is shipped out-of-state,

22 (6) those adjustment and collection service
23 activities defined or classified in the NAICS
24 Manual under U.S. Industry No. 561440, if

1 seventy-five percent (75%) of the loans to be
2 serviced were made by out-of-state debtors,

3 (7) (a) those air transportation activities defined
4 or classified in the NAICS Manual under
5 Industry Group No. 4811, if the following
6 facilities are located in this state:

7 (i) the corporate headquarters of an
8 establishment classified therein, and

9 (ii) a facility or facilities at which
10 reservations for transportation
11 provided by such an establishment are
12 processed, whether such services are
13 performed by employees of the
14 establishment, by employees of a
15 subsidiary of or other entity
16 affiliated with the establishment or by
17 employees of an entity with whom the
18 establishment has contracted for the
19 performance of such services; provided,
20 this provision shall not disqualify an
21 establishment which uses an out-of-
22 state entity or employees for some
23 reservations services, or

24

1 (b) those air transportation activities defined
2 or classified in the NAICS Manual under
3 Industry Group No. 4811, if an establishment
4 classified therein has or will have within
5 one (1) year sales of at least seventy-five
6 percent (75%) of its total sales, as
7 determined by the Incentive Approval
8 Committee pursuant to the provisions of
9 subsection B of this section, to out-of-
10 state customers or buyers, to in-state
11 customers or buyers if the product or
12 service is resold by the purchaser to an
13 out-of-state customer or buyer for ultimate
14 use, or to the federal government,

15 (8) flight training services activities defined or
16 classified in the NAICS Manual under U.S.
17 Industry Group No. 611512, which for purposes of
18 Section 3601 et seq. of this title shall include
19 new direct jobs for which gross payroll existed
20 on or after January 1, 2003, as identified in the
21 NAICS Manual,

22 (9) the following, if an establishment classified
23 therein has or will have within one (1) year
24 sales of at least seventy-five percent (75%) of

1 its total sales, as determined by the Incentive
2 Approval Committee pursuant to the provisions of
3 subsection B of this section, to out-of-state
4 customers or buyers, to in-state customers or
5 buyers if the product or service is resold by the
6 purchaser to an out-of-state customer or buyer
7 for ultimate use, or to the federal government:

- 8 (a) those transportation and warehousing
9 activities defined or classified in the
10 NAICS Manual under Industry Subsector No.
11 493, if not otherwise listed in this
12 paragraph, Industry Subsector No. 484 and
13 Industry Group Nos. 4884 through 4889,
- 14 (b) those passenger transportation activities
15 defined or classified in the NAICS Manual
16 under Industry Nos. 561510, 561520 and
17 561599,
- 18 (c) those freight or cargo transportation
19 activities defined or classified in the
20 NAICS Manual under Industry No. 541614,
- 21 (d) those insurance activities defined or
22 classified in the NAICS Manual under
23 Industry Group No. 5241,
24

- 1 (e) those mailing, reproduction, commercial art
2 and photography and stenographic service
3 activities defined or classified in the
4 NAICS Manual under U.S. Industry Nos.
5 541430, 541860, 541922, 561439 and 561492,
- 6 (f) those services to dwellings and other
7 buildings, as defined or classified in the
8 NAICS Manual under Industry Group No. 5617,
9 excluding U.S. Industry No. 561730,
- 10 (g) those equipment rental and leasing
11 activities defined or classified in the
12 NAICS Manual under Industry Group Nos. 5323
13 and 5324,
- 14 (h) those employment services defined or
15 classified in the NAICS Manual under
16 Industry Group No. 5613,
- 17 (i) those information technology and other
18 computer-related service activities defined
19 or classified in the NAICS Manual under
20 Industry Group Nos. 5112, 5182, 5191 and
21 5415,
- 22 (j) those business support service activities
23 defined or classified in the NAICS Manual
24 under U.S. Industry Nos. 561410 through

1 561439, Industry Group No. 5616 and Industry
2 No. 51911,

3 (k) those medical and diagnostic laboratory
4 activities defined or classified in the
5 NAICS Manual under Industry Group No. 6215,

6 (l) those professional, scientific and technical
7 service activities defined or classified in
8 the NAICS Manual under Industry Group Nos.
9 5412, 5414, 5415, 5416 and 5417, Industry
10 Nos. 54131, 54133, 54136, 54137 and 54182,
11 and U.S. Industry No. 541990, if not
12 otherwise listed in this paragraph,

13 (m) those communication service activities
14 defined or classified in the NAICS Manual
15 under Industry Nos. 51741 and 51791,

16 (n) those refuse systems activities defined or
17 classified in the NAICS Manual under
18 Industry Group No. 5622, provided that the
19 establishment is primarily engaged in the
20 capture and distribution of methane gas
21 produced within a landfill,

22 (o) general wholesale distribution of groceries,
23 defined or classified in the NAICS Manual
24 under Industry Group Nos. 4244 and 4245,

1 (p) those activities relating to processing of
2 insurance claims, defined or classified in
3 the NAICS Manual under U.S. Industry Nos.
4 524210 and 524292; provided, activities
5 described in U.S. Industry Nos. 524210 and
6 524292 in the NAICS Manual other than
7 processing of insurance claims shall not be
8 included for purposes of this subdivision,

9 (q) those agricultural activities classified in
10 the NAICS Manual under U.S. Industry Nos.
11 112120 and 112310, and

12 (r) those professional organization activities
13 classified in the NAICS Manual under U.S.
14 Industry No. 813920;

15 (10) those activities related to extraction of crude
16 petroleum and natural gas defined or classified
17 in the NAICS Manual under Industry Group No.
18 2111, subject to the limitations provided in
19 paragraph 3 of this subsection and paragraph 3 of
20 subsection B of this section,

21 (11) those activities performed by the federal
22 civilian workforce at a facility of the Federal
23 Aviation Administration located in this state if
24 the Director of the Department of Commerce

1 determines or is notified that the federal
2 government is soliciting proposals or otherwise
3 inviting states to compete for additional federal
4 civilian employment or expansion of federal
5 civilian employment at such facilities,

6 (12) those activities defined or classified in the
7 NAICS Manual under U.S. Industry No. 711211 (2007
8 version), or

9 (13) those real estate or brokerage activities
10 classified in the NAICS Manual under U.S.
11 Industry No. 53120 for which at least seventy-
12 five percent (75%) of the establishment's
13 revenues are attributed to out-of-state sales and
14 at least seventy-five percent (75%) of the real
15 estate transactions generating those revenues are
16 attributed to real property located outside the
17 State of Oklahoma.

18 b. An establishment described in subparagraph a of this
19 paragraph shall not be considered to be engaged in a
20 basic industry unless it offers, or will offer within
21 one hundred eighty (180) days of employment, a basic
22 health benefits plan to the individuals it employs in
23 new direct jobs in this state which is determined by
24 the Oklahoma Department of Commerce to consist of the

1 following elements or elements substantially
2 equivalent thereto:

- 3 (1) not more than fifty percent (50%) of the premium
4 shall be paid by the employee,
- 5 (2) coverage for basic hospital care,
- 6 (3) coverage for physician care,
- 7 (4) coverage for mental health care,
- 8 (5) coverage for substance abuse treatment,
- 9 (6) coverage for prescription drugs, and
- 10 (7) coverage for prenatal care;

11 2. "Change in control event" means the transfer to one or more
12 unrelated establishments or unrelated persons, of either:

- 13 a. beneficial ownership of more than fifty percent (50%)
14 in value and more than fifty percent (50%) in voting
15 power of the outstanding equity securities of the
16 transferred establishment, or
- 17 b. more than fifty percent (50%) in value of the assets
18 of an establishment.

19 A transferor shall be treated as related to a transferee if more
20 than fifty percent (50%) of the voting interests of the transferor
21 and transferee are owned, directly or indirectly, by the other or
22 are owned, directly or indirectly, by the same person or persons,
23 unless such transferred establishment has an outstanding class of
24 equity securities registered under Sections 12(b) or 15(d) of the

1 Securities Exchange Act of 1934, as amended, in which event the
2 transferor and transferee will be treated as unrelated; provided, an
3 establishment applying for the Oklahoma Quality Jobs Program Act as
4 a result of a change of control event is required to apply within
5 one hundred eighty (180) days of the change in control event to
6 qualify for consideration. An establishment entering the Oklahoma
7 Quality Jobs Program Act as the result of a change of control event
8 shall be required to maintain a level of new direct jobs as agreed
9 to in its contract with the Department of Commerce and to pay new
10 direct jobs an average annualized wage which equals or exceeds one
11 hundred twenty-five percent (125%) of the average county wage as
12 that percentage is determined by the Oklahoma State Data Center
13 based upon the most recent U.S. Department of Commerce data for the
14 county in which the new jobs are located. For purposes of this
15 paragraph, healthcare premiums paid by the applicant for individuals
16 in new direct jobs shall not be included in the annualized wage.
17 Such establishment entering the Quality Jobs Program Act as the
18 result of a change of control event shall be required to retain the
19 contracted average annualized wage and maintain the contracted
20 maintenance level of new direct jobs numbers as certified by the
21 Oklahoma Tax Commission. If the required average annualized wage or
22 the required new direct jobs numbers do not equal or exceed such
23 contracted level during any quarter, the quarterly incentive
24 payments shall not be made and shall not be resumed until such time

1 as such requirements are met. An establishment described in this
2 paragraph shall be required to repay all incentive payments received
3 under the Quality Jobs Program Act if the establishment is
4 determined by the Oklahoma Tax Commission to no longer have business
5 operations in the state within three (3) years from the beginning of
6 the calendar quarter for which the first incentive payment claim is
7 filed.

8 3. "New direct job":

9 a. means full-time-equivalent employment in this state in
10 an establishment which has qualified to receive an
11 incentive payment pursuant to the provisions of
12 Section 3601 et seq. of this title which employment
13 did not exist in this state prior to the date of
14 approval by the Department of the application of the
15 establishment pursuant to the provisions of Section
16 3604 of this title and with respect to an
17 establishment qualifying for incentive payments
18 pursuant to division (12) of subparagraph a of
19 paragraph 1 of this subsection shall not include
20 compensation paid to an employee or independent
21 contractor for an athletic contest conducted in the
22 state if the compensation is paid by an entity that
23 does not have its principal place of business in the
24 state or that does not own real or personal property

1 having a market value of at least One Million Dollars
2 (\$1,000,000.00) located in the state, and the
3 employees or independent contractors of such entity
4 are compensated to compete against the employees or
5 independent contractors of an establishment that
6 qualifies for incentive payments pursuant to division
7 (12) of subparagraph a of paragraph 1 of this
8 subsection and which is organized under Oklahoma law
9 or that is lawfully registered to do business in the
10 state and which does have its principal place of
11 business located in the state and owns real or
12 personal property having a market value of at least
13 One Million Dollars (\$1,000,000.00) located in the
14 state; provided, that if an application of an
15 establishment is approved by the Department of
16 Commerce after a change in control event and the
17 Director of the Department of Commerce determines that
18 the jobs located at such establishment are likely to
19 leave the state, "new direct job" shall include
20 employment that existed in this state prior to the
21 date of application which is retained in this state by
22 the new establishment following a change in control
23 event, if such job otherwise qualifies as a new direct
24 job, and

1 b. shall include full-time-equivalent employment in this
2 state of employees who are employed by an employment
3 agency or similar entity other than the establishment
4 which has qualified to receive an incentive payment
5 and who are leased or otherwise provided under
6 contract to the qualified establishment, if such job
7 did not exist in this state prior to the date of
8 approval by the Department of the application of the
9 establishment or the job otherwise qualifies as a new
10 direct job following a change in control event. A job
11 shall be deemed to exist in this state prior to
12 approval of an application if the activities and
13 functions for which the particular job exists have
14 been ongoing at any time within six (6) months prior
15 to such approval. With respect to establishments
16 defined in division (10) of subparagraph a of
17 paragraph 1 of this subsection, new direct jobs shall
18 be limited to those jobs directly comprising the
19 corporate headquarters of or directly relating to
20 administrative, financial, engineering, surveying,
21 geological or geophysical services performed by the
22 establishment. Under no circumstances shall
23 employment relating to drilling or field services be
24 considered new direct jobs;

1 4. "Estimated direct state benefits" means the tax revenues
2 projected by the Department to accrue to the state as a result of
3 new direct jobs;

4 5. "Estimated direct state costs" means the costs projected by
5 the Department to accrue to the state as a result of new direct
6 jobs. Such costs shall include, but not be limited to:

7 a. the costs of education of new state resident children,

8 b. the costs of public health, public safety and

9 transportation services to be provided to new state
10 residents,

11 c. the costs of other state services to be provided to
12 new state residents, and

13 d. the costs of other state services;

14 6. "Estimated net direct state benefits" means the estimated
15 direct state benefits less the estimated direct state costs;

16 7. "Net benefit rate" means the estimated net direct state
17 benefits computed as a percentage of gross payroll; provided:

18 a. except as otherwise provided in this paragraph, the
19 net benefit rate may be variable and shall not exceed
20 five percent (5%),

21 b. the net benefit rate shall not exceed six percent (6%)
22 in connection with an establishment which is owned and
23 operated by an entity which has been awarded a United
24 States Department of Defense contract for which:

- 1 (1) bids were solicited and accepted by the United
- 2 States Department of Defense from facilities
- 3 located outside this state,
- 4 (2) the term is or is renewable for not less than
- 5 twenty (20) years, and
- 6 (3) the average annual salary, excluding benefits
- 7 which are not subject to Oklahoma income taxes,
- 8 for new direct jobs created as a direct result of
- 9 the awarding of the contract is projected by the
- 10 Department of Commerce to equal or exceed Forty
- 11 Thousand Dollars (\$40,000.00) within three (3)
- 12 years of the date of the first incentive payment,

13 c. except as otherwise provided in subparagraph d of this
14 paragraph, in no event shall incentive payments,
15 cumulatively, exceed the estimated net direct state
16 benefits,

17 d. the net benefit rate shall be five percent (5%) for an
18 establishment locating:

19 (1) in an opportunity zone located in a high-
20 employment county, as such terms are defined in
21 subsection G of Section 3604 of this title, or

22 (2) in a county in which:

23 (a) the per capita personal income, as

24 determined by the Department, is eighty-five

1 percent (85%) or less of the statewide
2 average per capita personal income,

3 (b) the population has decreased over the
4 previous ten (10) years, as determined by
5 the State Data Center based on the most
6 recent U.S. Department of Commerce data, or

7 (c) the unemployment rate exceeds the lesser of
8 five percent (5%) or two percentage points
9 above the state average unemployment rate as
10 certified by the Oklahoma Employment
11 Security Commission,

12 e. the net benefit rate shall not exceed six percent (6%)
13 in connection with an establishment which:

14 (1) is, as of the date of application, receiving
15 incentive payments pursuant to the Oklahoma
16 Quality Jobs Program Act and has been receiving
17 such payments for at least one (1) year prior to
18 the date of application, and

19 (2) expands its operations in this state by creating
20 additional new direct jobs which pay average
21 annualized wages which equal or exceed one
22 hundred fifty percent (150%) of the average
23 annualized wages of new direct jobs on which
24

1 incentive payments were received during the
2 preceding calendar year, and

3 f. with respect to an establishment defined or classified
4 in the NAICS Manual under U.S. Industry No. 711211
5 (2007 version) or any establishment defined or
6 classified in the NAICS Manual as a U.S. Industry
7 Number which is not included within the definition of
8 "basic industry" as such term is defined in this
9 section on April 17, 2008, the net benefit rate shall
10 not exceed the highest rate of income tax imposed upon
11 the Oklahoma taxable income of individuals pursuant to
12 subparagraph (g) or subparagraph (h), as applicable,
13 of paragraph 1 and paragraph 2 of subsection B of
14 Section 2355 of this title. Any change in such
15 highest rate of individual income tax imposed pursuant
16 to the provisions of Section 2355 of this title shall
17 be applicable to the computation of incentive payments
18 to an establishment as described by this subparagraph
19 and shall be effective for purposes of incentive
20 payments based on payroll paid by such establishment
21 on or after January 1 of any applicable year for which
22 the net benefit rate is modified as required by this
23 subparagraph.

1 Incentive payments made pursuant to the provisions of this
2 subparagraph shall be based upon payroll associated with such new
3 direct jobs. For purposes of this subparagraph, the amount of
4 health insurance premiums or other benefits paid by the
5 establishment shall not be included for purposes of computation of
6 the average annualized wage;

7 8. "Gross payroll" means wages, as defined in Section 2385.1 of
8 this title for new direct jobs;

9 9. a. "Establishment" means any business or governmental
10 entity, no matter what legal form, including, but not
11 limited to, a sole proprietorship; partnership;
12 limited liability company; corporation or combination
13 of corporations which have a central parent
14 corporation which makes corporate management decisions
15 such as those involving consolidation, acquisition,
16 merger or expansion; federal agency; political
17 subdivision of the State of Oklahoma; or trust
18 authority; provided, distinct, identifiable subunits
19 of such entities may be determined to be an
20 establishment, for all purposes of Section 3601 et
21 seq. of this title, by the Department subject to the
22 following conditions:

23 (1) within three (3) years of the first complete
24 calendar quarter following the start date, the

1 entity must have a minimum payroll of Two Million
2 Five Hundred Thousand Dollars (\$2,500,000.00) and
3 the subunit must also have or will have a minimum
4 payroll of Two Million Five Hundred Thousand
5 Dollars (\$2,500,000.00),

6 (2) the subunit is engaged in an activity or service
7 or produces a product which is demonstratively
8 independent and separate from the entity's other
9 activities, services or products and could be
10 conducted or produced in the absence of any other
11 activity, service or production of the entity,

12 (3) has an accounting system capable of tracking or
13 facilitating an audit of the subunit's payroll,
14 expenses, revenue and production. Limited
15 interunit overlap of administrative and
16 purchasing functions shall not disqualify a
17 subunit from consideration as an establishment by
18 the Department,

19 (4) the entity has not previously had a subunit
20 determined to be an establishment pursuant to
21 this section; provided, the restriction set forth
22 in this division shall not apply to subunits
23 which qualify pursuant to the provisions of
24

1 subparagraph b of paragraph 6 of this subsection,
2 and

3 (5) it is determined by the Department that the
4 entity will have a probable net gain in total
5 employment within the incentive period.

6 b. The Department may promulgate rules to further limit
7 the circumstances under which a subunit may be
8 considered an establishment. The Department shall
9 promulgate rules to determine whether a subunit of an
10 entity achieves a net gain in total employment. The
11 Department shall establish criteria for determining
12 the period of time within which such gain must be
13 demonstrated and a method for determining net gain in
14 total employment;

15 10. "NAICS Manual" means any manual, book or other publication
16 containing the North American Industry Classification System, United
17 States, 1997, promulgated by the Office of Management and Budget of
18 the United States of America, or the latest revised edition;

19 11. "Qualified federal contract" means a contract between an
20 agency or instrumentality of the United States government, including
21 but not limited to the Department of Defense or any branch of the
22 United States Armed Forces, but exclusive of any contract performed
23 for the Federal Emergency Management Agency as a direct result of a
24 natural disaster declared by the Governor or the President of the

1 United States with respect to damage to property located in Oklahoma
2 or loss of life or personal injury to persons in Oklahoma, and a
3 lawfully recognized business entity, whether or not the business
4 entity is organized under the laws of the State of Oklahoma or
5 whether or not the principal place of business of the business
6 entity is located within the State of Oklahoma, for the performance
7 of services, including but not limited to testing, research,
8 development, consulting or other services, if the contract involves
9 the performance of such services performed on or after the effective
10 date of this act by the employees of the business entity within the
11 State of Oklahoma or if the contract involves the performance of
12 such services performed on or after the effective date of this act
13 by employees of a lawfully recognized business entity that is a
14 subcontractor of the business entity with which the prime contract
15 has been formed;

16 12. "Qualified federal contractor verifier" means a nonprofit
17 entity organized under the laws of the State of Oklahoma, having an
18 affiliation with a comprehensive university which is part of The
19 Oklahoma State System of Higher Education, and having the following
20 characteristics:

21 a. established multiyear classified and unclassified
22 indefinite-delivery/indefinite-quantity federal
23 contract vehicles in excess of Fifty Million Dollars
24 (\$50,000,000.00),

- 1 b. current capability to sponsor and maintain personnel
2 security clearances and authorized by the federal
3 government to handle and perform classified work up to
4 the Top Secret Sensitive Compartmented Information
5 levels,
- 6 c. at least one on-site federally certified Sensitive
7 Compartmented Information Facility,
- 8 d. on-site secure mass data storage complex with the
9 capability of isolating, segregating and protecting
10 corporate proprietary and classified information,
- 11 e. trusted agent status by maintaining no ownership of,
12 vested interest in, nor royalty production from any
13 intellectual property,
- 14 f. at least one hundred thousand (100,000) square feet of
15 configurable laboratory and support space,
- 16 g. the direct access to restricted air space through a
17 formalized memorandum of agreement with the Department
18 of Defense,
- 19 h. at least five thousand (5,000) acres available for
20 outdoor testing and training facilities, and
- 21 i. the ability to house state-of-the-art surety
22 facilities, including chemical, biological,
23 radiological, explosives, electronics, and unmanned
24 systems laboratories and ranges;

1 13. "SIC Manual" means the 1987 revision to the Standard
2 Industrial Classification Manual, promulgated by the Office of
3 Management and Budget of the United States of America;

4 14. "Start date" means the date on which an establishment may
5 begin accruing benefits for the creation of new direct jobs, which
6 date shall be determined by the Department;

7 15. "Effective date" means the date of approval of a contract
8 under which incentive payments will be made pursuant to the Oklahoma
9 Quality Jobs Program Act, which shall be the date the signed and
10 accepted incentive contract is received by the Department; provided,
11 an approved project may have a start date which is different from
12 the effective date;

13 16. "Total qualified labor hours" means the reimbursed payment
14 amount for hours of work performed within the state by the employees
15 of a qualified federal contractor or the employees of a
16 subcontractor of a qualified federal contractor and which are
17 required for the full performance of a qualified federal contract;
18 and

19 17. "Qualified labor rate" means the fully reimbursed labor
20 rate paid through a qualified federal contract for qualified labor
21 hours to the qualified federal contractor or subcontractor.

22 B. The Incentive Approval Committee is hereby created and shall
23 consist of the Director of State Finance, the Director of the
24 Department and one member of the Oklahoma Tax Commission appointed

1 by the Tax Commission, or a designee from each agency approved by
2 such member. It shall be the duty of the Committee to determine:

3 1. Upon initial application on a form approved by the
4 Committee, if an establishment is engaged in a basic industry as
5 defined in subdivision (b) of division (7) or in subdivisions (a)
6 through (p) of division (9) of subparagraph a of paragraph 1 of
7 subsection A of this section or as otherwise provided by subsection
8 C of this section;

9 2. If an establishment would have been defined as a "basic
10 industry" prior to the amendments to this section to convert from
11 SIC Codes to NAICS Codes. If the Committee so determines, the
12 establishment shall be considered as a "basic industry" for purposes
13 of the Oklahoma Quality Jobs Program Act; and

14 3. If employees of an establishment as defined in division (10)
15 of subparagraph a of paragraph 1 of subsection A of this section
16 meet the requirements to be considered employed in new direct jobs
17 as specified in paragraph 3 of subsection A of this section.

18 C. For an establishment defined as a "basic industry" pursuant
19 to division (4) of subparagraph a of paragraph 1 of subsection A of
20 this section, the Incentive Approval Committee shall consist of the
21 members provided by subsection B of this section and the Executive
22 Director of the Oklahoma Center for the Advancement of Science and
23 Technology, or a designee from the Center appointed by the Executive
24 Director.

1 SECTION 71. REPEALER 68 O.S. 2001, Section 3603, as last
2 amended by Section 1, Chapter 339, O.S.L. 2009 (68 O.S. Supp. 2009,
3 Section 3603), is hereby repealed.

4 SECTION 72. REPEALER Section 1, Chapter 60, O.S.L. 2009
5 (69 O.S. Supp. 2009, Section 1698.43), is hereby repealed.

6 SECTION 73. AMENDATORY 70 O.S. 2001, Section 3-104, as
7 amended by Section 1, Chapter 448, O.S.L. 2009 (70 O.S. Supp. 2009,
8 Section 3-104), is amended to read as follows:

9 Section 3-104. The control of the State Department of Education
10 and the supervision of the public school system of Oklahoma shall be
11 vested in the State Board of Education and, subject to limitations
12 otherwise provided by law, the State Board of Education shall:

13 1. Establish and prescribe the duties of an executive officer
14 who shall be the State Superintendent of Public Instruction and
15 whose duties shall include the responsibility to give advice and
16 make recommendations to the Board on all matters pertaining to the
17 policies and administration of the State Department of Education and
18 the public school system;

19 2. Adopt policies and make rules for the operation of the State
20 Department of Education and the public school system of the state;

21 3. Organize and have control of the administrative and
22 supervisory agencies, divisions, personnel and their appointment and
23 salaries and other operations necessary to carry out the powers,
24 duties and functions of the Board and its executive officer;

1 4. Have authority to require the coordination of all divisions
2 of the State Department of Education through its executive officer,
3 delegate general supervision of all employees to its executive
4 officer, require all recommendations to be presented through its
5 executive officer, require its executive officer to be responsible
6 for interpretation of the Board's policy, require any employee of
7 the Board to present any specific matter directly to the Board;

8 5. Appoint, prescribe the duties and fix the compensation of a
9 secretary, an attorney and all other personnel necessary for the
10 proper performance of the functions of the State Board of Education.
11 The secretary shall not be a member of the Board;

12 6. Submit to the Governor a departmental budget based upon
13 major functions of the Department supported by detailed data on
14 needs and proposed operations as partially determined by the
15 budgetary needs of local school districts filed with the State Board
16 of Education for the ensuing fiscal year. Appropriations therefor
17 shall be made in lump-sum form for each major item in the budget as
18 follows:

- 19 a. State Aid to schools,
- 20 b. the supervision of all other functions of general and
21 special education including general control, free
22 textbooks, school lunch, Indian education and all
23 other functions of the Board and an amount sufficient
24 to adequately staff and administer these services, and

1 c. the Board shall determine the details by which the
2 budget and the appropriations are administered.
3 Annually, the Board shall make preparations to
4 consolidate all of the functions of the Department in
5 such a way that the budget can be based on two items,
6 administration and aid to schools. A maximum amount
7 for administration shall be designated as a part of
8 the total appropriation;

9 7. On the first day of December preceding each regular session
10 of the Legislature, prepare and deliver to the Governor and the
11 Legislature a report for the year ending June 30 immediately
12 preceding said regular session of the Legislature. Said report
13 shall contain:

14 a. detailed statistics and other information concerning
15 enrollment, attendance, expenditures including State
16 Aid, and other pertinent data for all public schools
17 in this state,

18 b. reports from each and every division, department,
19 institution or other agency under the supervision of
20 the Board,

21 c. recommendations for the improvement of the public
22 school system of the state,

23 d. a statement of the receipts and expenditures of the
24 State Board of Education for the past year, and

1 e. a statement of plans and recommendations for the
2 management and improvement of public schools and such
3 other information relating to the educational
4 interests of the state as may be deemed necessary and
5 desirable;

6 8. Provide for the formulation and adoption of curricula,
7 courses of study and other instructional aids necessary for the
8 adequate instruction of pupils in the public schools;

9 9. Have authority in matters pertaining to the licensure and
10 certification of persons for instructional, supervisory and
11 administrative positions and services in the public schools of the
12 state subject to the provisions of Section 6-184 of this title, and
13 shall formulate rules governing the issuance and revocation of
14 certificates for superintendents of schools, principals,
15 supervisors, librarians, clerical employees, school nurses, school
16 bus drivers, visiting teachers, classroom teachers and for other
17 personnel performing instructional, administrative and supervisory
18 services, but not including members of boards of education and other
19 employees who do not work directly with pupils, and may charge and
20 collect reasonable fees for the issuance of such certificates:

21 a. the State Department of Education shall not issue a
22 certificate to and shall revoke the certificate of any
23 person who has been convicted, whether upon a verdict
24 or plea of guilty or upon a plea of nolo contendere,

1 or received a suspended sentence or any probationary
2 term for a crime or an attempt to commit a crime
3 provided for in Section ~~7115~~ 843.5 of Title ~~10~~ 21 of
4 the Oklahoma Statutes if the offense involved sexual
5 abuse or sexual exploitation as those terms are
6 defined in Section ~~7102~~ 1-1-105 of Title ~~10~~ 10A of the
7 Oklahoma Statutes, Sections 741, 843.1, if the offense
8 included sexual abuse or sexual exploitation, 865 et
9 seq., 885, 888, 891, 1021, 1021.2, 1021.3, 1040.13a,
10 ~~1040.51~~, 1087, 1088, 1111.1, 1114 or 1123 of Title 21
11 of the Oklahoma Statutes or who enters this state and
12 who has been convicted, received a suspended sentence
13 or received a deferred judgement for a crime or
14 attempted crime which, if committed or attempted in
15 this state, would be a crime or an attempt to commit a
16 crime provided for in any of said laws,

- 17 b. all funds collected by the State Department of
18 Education for the issuance of certificates to
19 instructional, supervisory and administrative
20 personnel in the public schools of the state shall be
21 deposited in the "Teachers' Certificate Fund" in the
22 State Treasury and may be expended by the State Board
23 of Education to finance the activities of the State
24 Department of Education necessary to administer the

1 program, for consultative services, publication costs,
2 actual and necessary travel expenses as provided in
3 the State Travel Reimbursement Act incurred by persons
4 performing research work, and other expenses found
5 necessary by the State Board of Education for the
6 improvement of the preparation and certification of
7 teachers in Oklahoma. Provided, any unobligated
8 balance in the Teachers' Certificate Fund in excess of
9 Ten Thousand Dollars (\$10,000.00) on June 30 of any
10 fiscal year shall be transferred to the General
11 Revenue Fund of the State of Oklahoma. Until July 1,
12 1997, the State Board of Education shall have
13 authority for approval of teacher education programs.
14 The State Board of Education shall also have authority
15 for the administration of teacher residency and
16 professional development, subject to the provisions of
17 the Oklahoma Teacher Preparation Act;

18 10. Promulgate rules governing the classification, inspection,
19 supervision and accrediting of all public nursery, kindergarten,
20 elementary and secondary schools and on-site educational services
21 provided by public school districts or state-accredited private
22 schools in partial hospitalization programs, day treatment programs,
23 and day hospital programs as defined in this act for persons between
24 the ages of three (3) and twenty-one (21) years of age in the state.

1 However, no school shall be denied accreditation solely on the basis
2 of average daily attendance.

3 Any school district which maintains an elementary school and
4 faces the necessity of relocating its school facilities because of
5 construction of a lake, either by state or federal authority, which
6 will inundate the school facilities, shall be entitled to receive
7 probationary accreditation from the State Board of Education for a
8 period of five (5) years after the effective date of this act and
9 any school district, otherwise qualified, shall be entitled to
10 receive probationary accreditation from the State Board of Education
11 for a period of two (2) consecutive years to attain the minimum
12 average daily attendance. The Head Start and public nurseries or
13 kindergartens operated from Community Action Program funds shall not
14 be subjected to the accrediting rules of the State Board of
15 Education. Neither will the State Board of Education make rules
16 affecting the operation of the public nurseries and kindergartens
17 operated from federal funds secured through Community Action
18 Programs even though they may be operating in the public schools of
19 the state. However, any of the Head Start or public nurseries or
20 kindergartens operated under federal regulations may make
21 application for accrediting from the State Board of Education but
22 will be accredited only if application for the approval of the
23 programs is made. The status of no school district shall be changed
24 which will reduce it to a lower classification until due notice has

1 | been given to the proper authorities thereof and an opportunity
2 | given to correct the conditions which otherwise would be the cause
3 | of such reduction.

4 | Private and parochial schools may be accredited and classified
5 | in like manner as public schools or, if an accrediting association
6 | is approved by the State Board of Education, by procedures
7 | established by the State Board of Education to accept accreditation
8 | by such accrediting association, if application is made to the State
9 | Board of Education for such accrediting;

10 | 11. Be the legal agent of the State of Oklahoma to accept, in
11 | its discretion, the provisions of any Act of Congress appropriating
12 | or apportioning funds which are now, or may hereafter be, provided
13 | for use in connection with any phase of the system of public
14 | education in Oklahoma. It shall prescribe such rules as it finds
15 | necessary to provide for the proper distribution of such funds in
16 | accordance with the state and federal laws;

17 | 12. Be and is specifically hereby designated as the agency of
18 | this state to cooperate and deal with any officer, board or
19 | authority of the United States Government under any law of the
20 | United States which may require or recommend cooperation with any
21 | state board having charge of the administration of public schools
22 | unless otherwise provided by law;

23 | 13. Be and is hereby designated as the "State Educational
24 | Agency" referred to in Public Law 396 of the 79th Congress of the

1 United States, which law states that said act may be cited as the
2 "National School Lunch Act", and said State Board of Education is
3 hereby authorized and directed to accept the terms and provisions of
4 said act and to enter into such agreements, not in conflict with the
5 Constitution of Oklahoma or the Constitution and Statutes of the
6 United States, as may be necessary or appropriate to secure for the
7 State of Oklahoma the benefits of the school lunch program
8 established and referred to in said act;

9 14. Have authority to secure and administer the benefits of the
10 National School Lunch Act, Public Law 396 of the 79th Congress of
11 the United States, in the State of Oklahoma and is hereby authorized
12 to employ or appoint and fix the compensation of such additional
13 officers or employees and to incur such expenses as may be necessary
14 for the accomplishment of the above purpose, administer the
15 distribution of any state funds appropriated by the Legislature
16 required as federal matching to reimburse on children's meals;

17 15. Accept and provide for the administration of any land,
18 money, buildings, gifts, donation or other things of value which may
19 be offered or bequeathed to the schools under the supervision or
20 control of said Board;

21 16. Have authority to require persons having administrative
22 control of all school districts in Oklahoma to make such regular and
23 special reports regarding the activities of the schools in said
24 districts as the Board may deem needful for the proper exercise of

1 its duties and functions. Such authority shall include the right of
2 the State Board of Education to withhold all state funds under its
3 control, to withhold official recognition, including accrediting,
4 until such required reports have been filed and accepted in the
5 office of said Board and to revoke the certificates of persons
6 failing or refusing to make such reports;

7 17. Have general supervision of the school lunch program. The
8 State Board of Education may sponsor workshops for personnel and
9 participants in the school lunch program and may develop, print and
10 distribute free of charge or sell any materials, books and bulletins
11 to be used in such school lunch programs. There is hereby created
12 in the State Treasury a revolving fund for the Board, to be
13 designated the School Lunch Workshop Revolving Fund. The fund shall
14 consist of all fees derived from or on behalf of any participant in
15 any such workshop sponsored by the State Board of Education, or from
16 the sale of any materials, books and bulletins, and such funds shall
17 be disbursed for expenses of such workshops and for developing,
18 printing and distributing of such materials, books and bulletins
19 relating to the school lunch program. The fund shall be
20 administered in accordance with the Revolving Fund Procedures Act;

21 18. Prescribe all forms for school district and county officers
22 to report to the State Board of Education where required. The State
23 Board of Education shall also prescribe a list of appropriation
24 accounts by which the funds of school districts shall be budgeted,

1 | accounted for and expended; and it shall be the duty of the State
2 | Auditor and Inspector in prescribing all budgeting, accounting and
3 | reporting forms for school funds to conform to such lists;

4 | 19. Provide for the establishment of a uniform system of pupil
5 | and personnel accounting, records and reports;

6 | 20. Have authority to provide for the health and safety of
7 | school children and school personnel while under the jurisdiction of
8 | school authorities;

9 | 21. Provide for the supervision of the transportation of
10 | pupils;

11 | 22. Have authority, upon request of the local school board, to
12 | act in behalf of the public schools of the state in the purchase of
13 | transportation equipment;

14 | 23. Have authority and is hereby required to perform all duties
15 | necessary to the administration of the public school system in
16 | Oklahoma as specified in the Oklahoma School Code; and, in addition
17 | thereto, those duties not specifically mentioned herein if not
18 | delegated by law to any other agency or official;

19 | 24. Administer the State Public Common School Building
20 | Equalization Fund established by Section 32 of Article X of the
21 | Oklahoma Constitution. Any royalties, bonuses, rentals or other
22 | monies derived from oil and gas and all other mineral leases on
23 | lands that have been or may be granted by the United States to the
24 | state for the use and benefit of the common schools, or lands that

1 are or may be held by the Commissioners of the Land Office for the
2 use and benefit of the common schools, the proceeds of the sale of
3 easements, improvements and sand and gravel on any such lands, any
4 monies as may be appropriated or designated by the Legislature,
5 other than ad valorem taxes, any other funds identified by the State
6 Department of Education, which may include, but not be limited to,
7 grants-in-aid from the federal government for building purposes, the
8 proceeds of all property that shall fall to the state by escheat,
9 penalties for unlawful holding of real estate by corporations, and
10 capital gains on assets of the permanent school funds, shall be
11 deposited in the State Public Common School Building Equalization
12 Fund. The fund shall be used to aid school districts in acquiring
13 buildings, subject to the limitations fixed by Section 32 of Article
14 X of the Oklahoma Constitution. It is hereby declared that the term
15 "acquiring buildings" as used in Section 32 of Article X of the
16 Oklahoma Constitution shall mean acquiring or improving school
17 sites, constructing, repairing, remodeling or equipping buildings,
18 or acquiring school furniture, fixtures, or equipment. If
19 sufficient monies are available in the fund, the Board shall solicit
20 proposals for grants from school districts and shall determine the
21 process for consideration of proposals. Grants shall be awarded
22 only to school districts which have a total assessed property
23 valuation per average daily membership that is less than the state
24 average total assessed property valuation per average daily

1 membership and, at the time of application, the district has voted
2 the five-mill building fund levy authorized in Section 10 of Article
3 X of the Oklahoma Constitution, and has voted indebtedness through
4 the issuance of new bonds for at least eighty-five percent (85%)
5 within the last three (3) years of the maximum allowable pursuant to
6 the provisions of Section 26 of Article X of the Oklahoma
7 Constitution as shown on the school district budget filed with the
8 State Board of Equalization for the current school year and
9 certifications by the Attorney General prior to April 1 of the
10 school year. The amount of each grant awarded by the Board each
11 year shall not exceed One Million Dollars (\$1,000,000.00). The
12 Board shall give priority consideration to school districts which
13 have a total assessed property valuation per average daily
14 membership that is equal to or less than twenty-five percent (25%)
15 of the state average total assessed property valuation per average
16 daily membership. The Board is authorized to prorate grants awarded
17 if monies are not sufficient in the fund to award grants to
18 qualified districts. The State Board of Education shall prescribe
19 rules for making grants of aid from, and for otherwise
20 administering, the fund pursuant to the provisions of this
21 paragraph, and may employ and fix the duties and compensation of
22 technicians, aides, clerks, stenographers, attorneys and other
23 personnel deemed necessary to carry out the provisions of this
24 paragraph. The cost of administering the fund shall be paid from

1 monies appropriated to the State Board of Education for the
2 operation of the State Department of Education;

3 25. Recognize that the Director of the Oklahoma Department of
4 Corrections shall be the administrative authority for the schools
5 which are maintained in the state reformatories and shall appoint
6 the principals and teachers in such schools. Provided, that rules
7 of the State Board of Education for the classification, inspection
8 and accreditation of public schools shall be applicable to such
9 schools; and such schools shall comply with standards set by the
10 State Board of Education;

11 26. Have authority to administer a revolving fund which is
12 hereby created in the State Treasury, to be designated the
13 Statistical Services Revolving Fund. The fund shall consist of all
14 monies received from the various school districts of the state, the
15 United States Government, and other sources for the purpose of
16 furnishing or financing statistical services and for any other
17 purpose as designated by the Legislature. The State Board of
18 Education is hereby authorized to enter into agreements with school
19 districts, municipalities, the United States Government, foundations
20 and other agencies or individuals for services, programs or research
21 projects. The Statistical Services Revolving Fund shall be
22 administered in accordance with the Revolving Fund Procedures Act,
23 Section 155 et seq. of Title 62 of the Oklahoma Statutes; and

24

1 27. Have authority to review preliminary plans for new
2 construction and major alteration of public school buildings where
3 structural changes are proposed. No bids shall be let for the
4 construction or major alteration of any public school building until
5 preliminary plans and specifications for such construction or
6 alteration have been submitted to and reviewed by the State
7 Department of Education. The period of time during which such
8 review is conducted by the State Department of Education shall not
9 exceed thirty (30) days. The State Department of Education shall
10 advise each local school district regarding said review of
11 preliminary plans and specifications. Provided, nothing in this
12 subsection shall be construed as repealing any ordinance or building
13 code of any city, town or county.

14 SECTION 74. REPEALER 70 O.S. 2001, Section 3-104, as
15 amended by Section 155, Chapter 234, O.S.L. 2009 (70 O.S. Supp.
16 2009, Section 3-104), is hereby repealed.

17 SECTION 75. REPEALER Section 1, Chapter 98, O.S.L. 2009
18 (70 O.S. Supp. 2009, Section 6-101.7), is hereby repealed.

19 SECTION 76. REPEALER Section 2, Chapter 98, O.S.L. 2009
20 (70 O.S. Supp. 2009, Section 6-140), is hereby repealed.

21 SECTION 77. REPEALER Section 3, Chapter 98, O.S.L. 2009
22 (70 O.S. Supp. 2009, Section 6-141), is hereby repealed.

23 SECTION 78. REPEALER Section 4, Chapter 98, O.S.L. 2009
24 (70 O.S. Supp. 2009, Section 6-142), is hereby repealed.

1 SECTION 79. REPEALER Section 5, Chapter 98, O.S.L. 2009
2 (70 O.S. Supp. 2009, Section 6-143), is hereby repealed.

3 SECTION 80. REPEALER Section 6, Chapter 98, O.S.L. 2009
4 (70 O.S. Supp. 2009, Section 6-144), is hereby repealed.

5 SECTION 81. REPEALER Section 7, Chapter 98, O.S.L. 2009
6 (70 O.S. Supp. 2009, Section 6-145), is hereby repealed.

7 SECTION 82. REPEALER Section 8, Chapter 98, O.S.L. 2009
8 (70 O.S. Supp. 2009, Section 6-146), is hereby repealed.

9 SECTION 83. REPEALER Section 9, Chapter 98, O.S.L. 2009
10 (70 O.S. Supp. 2009, Section 6-147), is hereby repealed.

11 SECTION 84. REPEALER Section 10, Chapter 98, O.S.L. 2009
12 (70 O.S. Supp. 2009, Section 6-148), is hereby repealed.

13 SECTION 85. AMENDATORY 70 O.S. 2001, Section 14-108, as
14 last amended by Section 1, Chapter 235, O.S.L. 2009 (70 O.S. Supp.
15 2009, Section 14-108), is amended to read as follows:

16 Section 14-108. A. The State Board of Career and Technology
17 Education shall prescribe criteria and procedures for the
18 establishment and governance of technology center school districts,
19 as provided by Section 9B, Article X, Oklahoma Constitution, and
20 such districts so established shall be operated in accordance with
21 rules of the State Board of Career and Technology Education, except
22 as otherwise provided in this title.

23 B. A technology center school district shall be a body
24 corporate and shall possess the usual powers of a corporation for

1 public purposes. Its official name shall be designated by the State
2 Board of Career and Technology Education, in which name it may sue
3 and be sued, and be capable of contracting and being contracted
4 with, and holding real and personal estate.

5 C. The governing board of a technology center school district
6 shall be a board of education consisting of not less than five (5)
7 nor more than seven (7) members. Except as otherwise provided for
8 in subsection D of this section, all members of the board of
9 education shall be elected in a manner prescribed by the State Board
10 of Career and Technology Education. The State Board shall
11 promulgate rules prescribing the manner in which the elections
12 required by this subsection are held.

13 D. In a technology center school district that serves seventy
14 or more public school districts, the territory of the school
15 district shall be divided into district zones by the State Board of
16 Career and Technology Education. Between August 1 and December 31
17 of the year following the submission by the United States Department
18 of Commerce to the President of the United States of the official
19 Federal Decennial Census, the Board shall reapportion the territory
20 of the technology center school district into district zones. All
21 boundaries of district zones shall follow clearly visible,
22 definable, and observable physical boundaries which are based upon
23 criteria established and recognized by the Bureau of the Census of
24 the United States Department of Commerce for purposes of defining

1 census blocks for its decennial census and shall follow, as much as
2 possible, precinct boundaries. District zones shall be compact,
3 contiguous and shall be as equal in population as practical with not
4 more than a five-percent variance between the most populous and
5 least populous district zones. The board of education of a
6 technology center school district shall consist of one member
7 elected from each of the district zones of the school district
8 created pursuant to this subsection. The electors of each district
9 zone shall elect a person, who is a resident of the district zone,
10 to represent the district zone on the school board. If during the
11 term of office to which a person was elected, that member ceases to
12 be a resident of the district zone for which the person was elected,
13 the office shall become vacant and the vacancy shall be filled as
14 provided in Section 13A-110 of Title 26 of the Oklahoma Statutes.
15 The State Board of Career and Technology Education shall promulgate
16 rules prescribing the manner in which the elections required by this
17 subsection are held.

18 E. The board of education of a technology center school
19 district shall have the same powers and duties that boards of
20 education of independent school districts have. It may require
21 nonresident students to pay reasonable tuition fees, which may be
22 paid for a student by the independent or elementary school district
23 in which the student resides.

24

1 F. An election to vote on the question of making a levy of not
2 to exceed five (5) mills on the dollar valuation of the taxable
3 property in a technology center school district under the provisions
4 of subsection A, Section 9B, Article X, Oklahoma Constitution, shall
5 be called by the board of education and conducted by the county
6 election board of such district in the same manner that elections
7 for emergency levies in school districts under the provisions of
8 Section 9(d), Article X, Oklahoma Constitution, are called and
9 conducted. When such levy is approved by a majority of the electors
10 of the technology center school district voting on the question at
11 such election, the levy shall be made each fiscal year thereafter
12 until repealed by a majority of the electors of the district voting
13 on the question at an election called for such purpose. An election
14 to vote on the question of making a local incentive levy of not to
15 exceed five (5) mills on the dollar valuation of the taxable
16 property in a technology center school district under the provisions
17 of subsection B of Section 9B of Article X of the Oklahoma
18 Constitution, may be called by the board of education; and elections
19 on a levy for a building fund for an area school district under the
20 provisions of Section 10, Article X, Oklahoma Constitution, shall be
21 called by the board of education of such district and conducted by
22 the county election board in the same manner that elections for
23 similar levies are called and conducted in independent school
24 districts.

1 G. Annual estimates of needs of technology center school
2 districts shall be made and approved in the same manner that those
3 of independent school districts are made and approved. Provided,
4 that the State Board of Career and Technology Education shall
5 prescribe a list of appropriation accounts by which the funds of
6 technology center school districts shall be budgeted, accounted for
7 and expended. Any such estimate of needs may include an estimate of
8 federal funds as probable income from sources other than ad valorem
9 tax of the district and other than any excise or other tax assessed
10 by legislative enactment and distributed in lieu of ad valorem
11 taxes. If a technology center school district lies in more than one
12 county, the district's estimate of needs shall be filed with and
13 approved by the county excise board of the county designated by the
14 school district board of education.

15 H. Territory may be annexed to or detached from a technology
16 center school district, in accordance with rules prescribed by the
17 State Board of Career and Technology Education. If the State Board
18 of Career and Technology Education requires the submission of a
19 petition in order for an election to be called for the purpose of
20 annexation or deannexation of territory to a technology center
21 school district, such petition shall not be required to bear a
22 number of technology center school district electors' signatures
23 which exceed fifty percent (50%) of the number of technology center
24 school district electors who voted in the last school board election

1 in the territory proposed to be annexed or deannexed. Provided, the
2 period of time from which the petition is initiated to its time of
3 filing with the State Board shall not exceed ninety (90) days.

4 I. Schools of technology center school districts shall be
5 subject to classification, inspection and accreditation by the State
6 Board of Education.

7 J. The technology center school board of education may
8 designate a county treasurer to serve as treasurer of the school
9 district or may appoint an independent treasurer.

10 K. Within four (4) years after the creation of a technology
11 center school district, such school district may, at its discretion,
12 permit a teacher to transfer any or all accrued benefits upon
13 employment including credit for years of service in the previous
14 school district by the technology center school district, if the
15 teacher at the time of hiring is employed as a teacher by an
16 independent or elementary school district which is all or partly
17 within the boundaries of the technology center school district or is
18 employed as a teacher in a skills center within the boundaries of
19 the school district.

20 L. The board of education of a technology center school
21 district may convey surplus personal property without consideration
22 to a:

23 1. A school district that is within the boundary of the
24 technology center school district ~~or a~~;

1 2. A public school offering secondary level education which was
2 created and is operated by the State of Oklahoma and that is within
3 the boundary of the technology center school district;

4 3. A technology center school district; or

5 4. The Oklahoma Department of Career and Technology Education
6 for the support or delivery of department initiatives.

7 M. The board of education of a technology center school
8 district may, without prior approval of the State Board of Career
9 and Technology Education, approve all plans and specifications for
10 technology center school buildings, additions, and major
11 modifications to school buildings that are designed to provide for
12 the offering of vocational-technical education programs and services
13 when the cost of the building project is to be paid with local
14 levies or state bond monies or both local levies and state bond
15 monies.

16 SECTION 86. REPEALER 70 O.S. 2001, Section 14-108, as
17 last amended by Section 1, Chapter 202, O.S.L. 2009 (70 O.S. Supp.
18 2009, Section 14-108), is hereby repealed.

19 SECTION 87. REPEALER 70 O.S. 2001, Section 24-101.3, as
20 last amended by Section 11, Chapter 98, O.S.L. 2009 (70 O.S. Supp.
21 2009, Section 24-101.3), is hereby repealed.

22 SECTION 88. AMENDATORY Section 1, Chapter 160, O.S.L.
23 2006, as amended by Section 1, Chapter 175, O.S.L. 2009 (70 O.S.
24 Supp. 2009, Section 1210.284), is amended to read as follows:

1 Section 1210.284. A. 1. The parent or guardian of each
2 student enrolled in kindergarten at a public school in this state
3 shall provide certification to school personnel that the student
4 passed a vision screening within the previous twelve (12) months or
5 during the school year. Such screening shall be conducted by
6 personnel listed on the statewide registry as maintained by the
7 State Department of Health.

8 2. The parent or guardian of each student enrolled in first or
9 third grade at a public school in this state shall provide within
10 thirty (30) days of the beginning of the school year certification
11 to school personnel that the student passed a vision screening
12 within the previous twelve (12) months. Such screening shall be
13 conducted by personnel listed on the statewide registry as
14 maintained by the State Department of Health.

15 3. The parent or guardian of each student who receives a vision
16 screening as required by this section shall receive notification
17 that a vision screening is not the equivalent of a comprehensive eye
18 exam.

19 B. 1. The State Department of Health shall form an advisory
20 committee comprised of:

- 21 a. one licensed Oklahoma optometrist,
- 22 b. one licensed Oklahoma ophthalmologist,
- 23 c. the State Commissioner of Health, or designee,

24

1 d. the State Superintendent of Public Instruction, or
2 designee, and

3 e. one representative of a statewide organization for the
4 prevention of blindness.

5 2. The advisory committee shall make recommendations to the
6 State Board of Health on:

7 a. standards for vision screening and referral,

8 b. qualifications for initial recognition and renewal of
9 recognition of vision screeners,

10 c. qualifications for initial recognition and renewal of
11 recognition of vision screener trainers,

12 d. qualifications for initial recognition and renewal of
13 recognition of trainers of vision screener trainers,
14 and

15 e. grounds for denial, refusal, suspension or revocation
16 of recognition of vision screeners, vision screener
17 trainers and trainers of vision screener trainers.

18 3. The advisory committee shall provide to the Department a
19 list of:

20 a. qualified vision screeners,

21 b. qualified vision screener trainers, and

22 c. qualified trainers of vision screener trainers which
23 are recognized by another state or national entity
24

1 involved with vision screening with substantially
2 similar published standards and qualifications.

3 4. The Department shall:

- 4 a. establish and thereafter maintain a statewide
5 registry, available via the Internet, which shall
6 contain a list of approved vision screeners,
- 7 b. maintain a list of approved vision screener trainers
8 and trainers of vision screener trainers, and
- 9 c. maintain the standards for vision screening and
10 referral.

11 5. After notice and hearing, the Department may deny, refuse,
12 suspend or revoke approval to an applicant which has a history of:

- 13 a. noncompliance or incomplete or partial compliance with
14 the provisions of this section or the rules adopted by
15 the Board to implement the provisions of this section,
- 16 b. referring persons to a business in which the applicant
17 has a financial interest or a business which is owned
18 or operated by someone within the third degree of
19 consanguinity or affinity of the applicant, or
- 20 c. conduct which demonstrates that the applicant is
21 providing services in a manner which does not warrant
22 public trust.

23 6. The advisory committee may make recommendations to the Board
24 for establishing a requirement for background checks and provide a

1 listing of offenses that disqualify a vision screener, vision
2 screener trainer or trainer of vision screener trainers for
3 recognition pursuant to this section.

4 7. The advisory committee may also serve as a sports eye-safety
5 resource for Oklahoma K-12 public school districts and nonprofit
6 community sports organizations by developing and providing
7 educational materials to the school districts and organizations
8 which detail the risk of eye injuries associated with different
9 types of sports and the availability of protective eyewear that
10 reduces the risk of eye injuries due to sports.

11 8. The Board shall promulgate rules to implement the provisions
12 of this section.

13 C. 1. The parent or guardian of each student who fails the
14 vision screening required in subsection A of this section shall
15 receive a recommendation to undergo a comprehensive eye examination
16 performed by an ophthalmologist or optometrist.

17 2. The ophthalmologist or optometrist shall forward a written
18 report of the results of the comprehensive eye examination to the
19 student's school, parent or guardian, and primary health care
20 provider designated by the parent or guardian. The report shall
21 include, but not be limited to:

- 22 a. date of report,
- 23 b. name, address and date of birth of the student,
- 24 c. name of the student's school,

- 1 d. type of examination,
- 2 e. a summary of significant findings, including
- 3 diagnoses, medication used, duration of action of
- 4 medication, treatment, prognosis, whether or not a
- 5 return visit is recommended and, if so when,
- 6 f. recommended educational adjustments for the child, if
- 7 any, which may include: preferential seating in the
- 8 classroom, eyeglasses for full-time use in school,
- 9 eyeglasses for part-time use in school, sight-saving
- 10 eyeglasses, and any other recommendations, and
- 11 g. name, address and signature of the examiner;

12 D. No student shall be prohibited from attending school for a

13 parent's or guardian's failure to furnish a report of the student's

14 vision screening or an examiner's failure to furnish the results of

15 a student's comprehensive eye examination required by this section.

16 E. School districts shall notify parents or guardians of

17 students who enroll in kindergarten, first, or third grade for the

18 2007-08 school year and each year thereafter of the requirements of

19 this section.

20 F. The State Board of Education shall adopt rules for the

21 implementation of this section except as provided in subsection B of

22 this section. The State Department of Education shall issue a

23 report annually on the impact and effectiveness of this section.

24

1 SECTION 89. REPEALER Section 1, Chapter 160, O.S.L.
2 2006, as amended by Section 1, Chapter 109, O.S.L. 2009 (70 O.S.
3 Supp. 2009, Section 1210.284), is hereby repealed.

4 SECTION 90. AMENDATORY 74 O.S. 2001, Section 78, as last
5 amended by Section 1, Chapter 371, O.S.L. 2009 (74 O.S. Supp. 2009,
6 Section 78), is amended to read as follows:

7 Section 78. A. There is hereby created and established within
8 the Department of Central Services, the Fleet Management Division.
9 The Division shall provide oversight of and advice to state agencies
10 that own, operate and utilize motor vehicles, except for the
11 Department of Public Safety, the Department of Transportation, the
12 Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the
13 Oklahoma State Bureau of Investigation, and The Oklahoma State
14 System of Higher Education.

15 B. The Director of Central Services shall:

- 16 1. Appoint and fix duties and compensation for a Fleet Manager
17 who shall serve as the administrative head of the division;
- 18 2. Hire personnel as necessary to provide fleet services;
- 19 3. Acquire facilities to maintain vehicles;
- 20 4. Construct, install, acquire, operate and provide alternative
21 fueling infrastructure for use by state agencies and political
22 subdivisions of the state or for leasing and transferring to
23 political subdivisions;

24

1 5. Promulgate rules for efficient and economical operations to
2 provide fleet services; and

3 6. Report to the Governor, Speaker of the House of
4 Representatives, and President Pro Tempore of the Senate those
5 agencies that fail to comply with the provisions of law and the
6 rules of the Fleet Management Division regarding submission of
7 reports, vehicle use, and vehicle maintenance.

8 C. The rules shall include provisions to:

9 1. Establish uniform written vehicle acquisition, leasing,
10 maintenance, repairs, and disposal standards for use by all state
11 agencies to justify actual need for vehicles;

12 2. Establish standards for routine vehicle inspection and
13 maintenance;

14 3. Provide standards and forms for recordkeeping of fleet
15 operation, maintenance, and repair costs for mandatory use by all
16 state agencies to report the data to the Fleet Management Division
17 on a monthly basis;

18 4. Provide standards and utilize methods for disposal of
19 vehicles pursuant to the Oklahoma Surplus Property Act and any other
20 applicable state laws;

21 5. Establish mandatory maintenance contracts throughout the
22 state for all agencies to access for vehicle repairs and service at
23 discounted rates and parts;

24

1 6. Require all agencies with in-house repair and service
2 facilities to assign a value to the preventive maintenance services,
3 track those services with a dollar value, and report costs to the
4 Fleet Manager for the prior month no later than the twentieth day
5 following the close of each month;

6 7. Promulgate rules requiring all state-owned motor vehicles to
7 be marked in a uniform, highly visible manner, except for certain
8 vehicles driven by law enforcement agencies or other agencies
9 requiring confidentiality;

10 8. Require agencies to produce and maintain written
11 justification for any vehicle that travels fewer than twelve
12 thousand (12,000) miles annually and report to the Fleet Manager
13 such information by October 1 of each year; and

14 9. Address any other matter or practice which relates to the
15 responsibilities of the Director of Central Services.

16 D. The Fleet Manager shall:

17 1. Develop specifications for contracts for vehicle maintenance
18 for state vehicles not serviced or maintained by state agencies;

19 2. Conduct on-site inspections to verify state agency or
20 supplier compliance with Division standards for inspections,
21 maintenance and recordkeeping;

22 3. Assess state agency needs for vehicles and types of
23 vehicles;

24

1 4. Assign, transfer or lease vehicles to a state agency to meet
2 the needs of the state agency;

3 5. Unless otherwise provided by law, determine whether a state
4 agency may use or operate a vehicle without state identifying
5 markings, bearing a license plate used by a privately owned vehicle
6 to perform the duties of the state agency without hindrance;

7 6. Report to the Director of Central Services occurrences of
8 agencies failing to comply with the provisions of law and the rules
9 of the Fleet Management Division regarding submission of reports,
10 vehicle use, and vehicle maintenance;

11 7. Offer guidelines to agencies to assist in determining the
12 most cost-effective and reasonable modes of travel for single trips
13 from the following options: state vehicle, private rental, or
14 mileage reimbursement; and

15 8. Provide, upon the request of the Governor, the President Pro
16 Tempore of the Senate or the Speaker of the House of
17 Representatives, reports from data the Fleet Manager collects.

18 E. The Director of Central Services may enter into agreements
19 with any political subdivision of this state for the purpose of
20 providing fleet services established by the Fleet Management
21 Division pursuant to this section and rules promulgated pursuant to
22 this section.

23 F. The Director of Central Services, through the Fleet
24 Management Division, may enter into partnership agreements with

1 political subdivisions and private entities for the purposes of
2 applying for, participating in, and administering federal grant
3 funds. The partnership agreements and activities authorized in this
4 subsection are hereby declared to be a public purpose.

5 G. The Department may offer public access to alternative
6 fueling infrastructure owned and operated by the Department in areas
7 of the state in which access to an alternative fueling
8 infrastructure is not readily available to the public. The
9 Department shall cease allowing public access to an alternative
10 fueling infrastructure operated by the Department if a privately
11 owned alternative fueling infrastructure locates within a five-mile
12 radius of the infrastructure operated by the Department.

13 H. When used in relation to the Fleet Management Division:

14 1. "Alternative fueling infrastructure" shall mean a fill
15 station or charge station used to deliver or provide alternative
16 fuels as defined in Section 130.2 of this title; and

17 2. "Alternative fuel vehicle" shall mean a motor vehicle
18 originally designed by the manufacturer to operate lawfully and
19 principally on streets and highways which is propelled by an
20 alternative fuel as defined in Section 130.2 of this title.

21 SECTION 91. REPEALER 74 O.S. 2001, Section 78, as
22 amended by Section 18, Chapter 442, O.S.L. 2009 (74 O.S. Supp. 2009,
23 Section 78), is hereby repealed.

24

1 SECTION 92. AMENDATORY 74 O.S. 2001, Section 78a, as
2 amended by Section 16, Chapter 454, O.S.L. 2009 (74 O.S. Supp. 2009,
3 Section 78a), is amended to read as follows:

4 Section 78a. A. State agencies with authority to own motor
5 vehicles shall submit a requisition to the Director of Central
6 Services prior to acquisition of a motor vehicle. The requisition
7 shall state the type of vehicle, the intended purpose of the
8 vehicle, a statement that the agency has actual need for the
9 vehicle, the supplier of the vehicle, that the state agency has
10 sufficient funds to acquire and maintain the vehicle and cite the
11 statutory authority of the state agency to acquire a vehicle.

12 B. The Director of Central Services shall review the
13 requisition and approve or deny the request of the state agency
14 within fifteen (15) days of receipt by the Director of Central
15 Services. The Director of State Finance shall not approve a
16 purchase order or claim for a motor vehicle unless the acquisition
17 of the motor vehicle was approved by the Director of Central
18 Services.

19 C. The provisions of subsections A and B of this section shall
20 not apply to the Department of Public Safety or the Oklahoma State
21 Bureau of Narcotics and Dangerous Drugs Control.

22 D. The provisions of subsections A and B of this section shall
23 not apply to CompSource Oklahoma if CompSource Oklahoma is operating
24

1 pursuant to a pilot program authorized by Sections 1 and 2 of this
2 act.

3 SECTION 93. REPEALER 74 O.S. 2001, Section 78a, as last
4 amended by Section 19, Chapter 442, O.S.L. 2009 (74 O.S. Supp. 2009,
5 Section 78a), is hereby repealed.

6 SECTION 94. AMENDATORY 74 O.S. 2001, Section 85.3A, as
7 last amended by Section 11, Chapter 433, O.S.L. 2009 (74 O.S. Supp.
8 2009, Section 85.3A), is amended to read as follows:

9 Section 85.3A. Compliance with the provisions of The Oklahoma
10 Central Purchasing Act shall not be required of:

- 11 1. County government;
- 12 2. The Oklahoma State Regents for Higher Education, the
13 institutions, centers, or other constituent agencies of The Oklahoma
14 State System of Higher Education;
- 15 3. The telecommunications network known as OneNet;
- 16 4. The Department of Public Safety gun range; ~~or~~
- 17 5. The State Treasurer for the following purchases:
 - 18 a. services, including, but not limited to, legal
19 services to assist in the administration of the
20 Uniform Unclaimed Property Act, as provided in Section
21 668 of Title 60 of the Oklahoma Statutes, and
 - 22 b. software, hardware and associated services to assist
23 in the administration of funds and securities held by
24 the state, as provided in Section 7 of this act; or

1 6. CompSource Oklahoma if CompSource Oklahoma is operating
2 pursuant to a pilot program authorized by Sections 3316 and 3317 of
3 this title.

4 SECTION 95. REPEALER 74 O.S. 2001, Section 85.3A, as
5 last amended by Section 18, Chapter 454, O.S.L. 2009 (74 O.S. Supp.
6 2009, Section 85.3A), is hereby repealed.

7 SECTION 96. AMENDATORY 74 O.S. 2001, Section 85.5, as
8 last amended by Section 6, Chapter 322, O.S.L. 2009 (74 O.S. Supp.
9 2009, Section 85.5), is amended to read as follows:

10 Section 85.5. A. ~~Pursuant~~ Except as otherwise provided in this
11 section, pursuant to the provisions of Section 85.4 of this title,
12 the State Purchasing Director, under the supervision of the Director
13 of the Department of Central Services, shall have sole and exclusive
14 authority and responsibility for all acquisitions used or consumed
15 by state agencies. In order to carry out the powers and duties
16 established in Section 34.11.1 of Title 62 of the Oklahoma Statutes,
17 the Chief Information Officer shall have sole and exclusive
18 authority and responsibility for all acquisitions of information and
19 telecommunications technology, equipment, software, products and
20 related peripherals and services used or consumed by state agencies.

21 B. The State Purchasing Director, after consultation with the
22 requisitioning state agency, shall have authority to determine the
23 particular brand, model, or other specific classification of each
24 acquisition and to draft or invoke pursuant to The Oklahoma Central

1 Purchasing Act specifications establishing the requirements for all
2 necessary contracts or purchase orders.

3 C. The Director of the Department of Central Services shall
4 have authority and responsibility to promulgate rules pursuant to
5 provisions of The Oklahoma Central Purchasing Act governing,
6 providing for, prescribing, or authorizing any act, practice, or
7 requirement for which regulatory power is delegated for:

8 1. The time, manner, authentication, and form of making
9 requisitions for acquisitions;

10 2. Inspection, analysis, and testing of acquisitions or samples
11 suppliers submit prior to contract award;

12 3. The form and manner of submission for bids or proposals a
13 supplier submits and the manner of accepting and opening bids or
14 proposals;

15 4. The conditions under which the Department of Central
16 Services shall require written contracts for acquisitions, the
17 conditions under which acquisitions may be made on an open account
18 basis, and the conditions and manner of negotiating such contracts;

19 5. Obtaining acquisitions produced by state institutions;

20 6. Conditions under which any of the rules herein authorized
21 may be waived;

22 7. The amounts of and deposits on any bond or other surety
23 required to be submitted with a bid or contract for the furnishing
24

1 of acquisitions and the conditions under which such bond or other
2 surety shall be required;

3 8. Storage and storage facilities necessary to accomplish
4 responsibilities of the Director of the Department of Central
5 Services;

6 9. The manner and conditions of delivery, which shall include
7 the designation of the common carrier of property to be used to
8 transport acquisitions whenever a common carrier is used, and the
9 acceptance, or rejection, including check of quantities, of any
10 acquisitions;

11 10. The form of any estimate, order, or other document the
12 Director of the Department of Central Services requires;

13 11. State agency acquisitions not exceeding the acquisition
14 purchase amount requiring competitive bid pursuant to Section 85.7
15 of this title to ensure competitiveness, fairness, compliance with
16 provisions of all sections of The Oklahoma Central Purchasing Act,
17 and compliance with provisions of Section 3001 et seq. of this
18 title, which relate to the State Use Committee. The rules shall
19 include separate provisions based on acquisition purchase price as
20 follows:

21 a. state agencies shall make acquisitions not exceeding
22 Five Thousand Dollars (\$5,000.00), provided the
23 acquisition process is fair and reasonable and is
24

1 conducted pursuant to rules authorized pursuant to
2 this section, and

3 b. state agencies with certified procurement officers and
4 internal purchasing procedures found compliant by the
5 Director of the Department of Central Services
6 pursuant to this section may make acquisitions in
7 excess of Five Thousand Dollars (\$5,000.00) and not
8 exceeding One Hundred Thousand Dollars (\$100,000.00),
9 pursuant to rules authorized by this section;

10 12. Training by the State Purchasing Director of state agency
11 procurement officers;

12 13. Review and audit by the State Purchasing Director of state
13 agency acquisitions;

14 14. The conditions for increasing acquisition limits for state
15 agencies which have had a prior reduction in acquisition limit by
16 the Director of the Department of Central Services;

17 15. Use of a state purchase card to make acquisitions;

18 16. Any other matter or practice which relates to the
19 responsibilities of the Director of the Department of Central
20 Services;

21 17. Conditions for determination and authorization of
22 acquisition limits of state agencies pursuant to Section 85.7 of
23 this title; and
24

1 18. The form and manner of verification by suppliers that the
2 supplier is eligible to do business in the State of Oklahoma and has
3 obtained all necessary permits and licenses, pursuant to applicable
4 provisions of law.

5 D. The State Purchasing Director shall provide training for
6 state agency purchasing officials and other purchasing staff. The
7 training shall include principles of state procurement practices,
8 basic contracting, provisions of The Oklahoma Central Purchasing
9 Act, rules promulgated pursuant to The Oklahoma Central Purchasing
10 Act, provisions of Section 3001 et seq. of this title, which relate
11 to the State Use Committee, and any other matters related to state
12 procurement practices. State agency purchasing officials that
13 demonstrate proficiency shall be certified as "certified procurement
14 officers" or "certified procurement analysts" by the State
15 Purchasing Director and shall be authorized to make acquisitions
16 pursuant to provisions of The Oklahoma Central Purchasing Act and
17 rules authorized by this section. The State Purchasing Director
18 shall assess a fee to state agencies for the training that does not
19 exceed each state agency's pro rata share of the costs the State
20 Purchasing Director incurs to provide the training.

21 E. The State Purchasing Director shall review state agency
22 acquisitions for the purposes of:

23 1. Ensuring state agency compliance with provisions of The
24 Oklahoma Central Purchasing Act;

1 2. Ensuring state agency compliance with rules promulgated by
2 the Department of Central Services pursuant to The Oklahoma Central
3 Purchasing Act;

4 3. Ensuring state agency compliance with provisions of Section
5 3001 et seq. of this title pertaining to the State Use Committee;

6 4. Reporting any acquisition by any state agency found not to
7 be in compliance with those sections or rules to the Director of the
8 Department of Central Services; and

9 5. Recommending that the Director of the Department of Central
10 Services reduce the acquisition competitive bid limit amount for any
11 state agency found not to be in compliance with The Oklahoma Central
12 Purchasing Act or rules promulgated thereto.

13 F. When recommended by the State Purchasing Director, based on
14 written findings by the State Purchasing Director, the Director of
15 the Department of Central Services may:

16 1. Require retraining of state agency procurement officials and
17 other purchasing staff found not to be in compliance with provisions
18 of The Oklahoma Central Purchasing Act, or rules promulgated
19 pursuant to The Oklahoma Central Purchasing Act;

20 2. Reduce the acquisition competitive bid limit for any state
21 agency found not to be in compliance with provisions of The Oklahoma
22 Central Purchasing Act or rules promulgated pursuant to The Oklahoma
23 Central Purchasing Act;

1 3. Transmit written findings by the State Purchasing Director
2 to the State Auditor and Inspector for further investigation,
3 indicating purchasing procedures that do not conform to provisions
4 pursuant to The Oklahoma Central Purchasing Act or rules promulgated
5 pursuant to The Oklahoma Central Purchasing Act;

6 4. Transmit to the Attorney General or the State Auditor and
7 Inspector for further investigation a report made by the State
8 Purchasing Director that the Director of the Department of Central
9 Services reasonably believes indicates that an action that
10 constitutes a criminal violation pursuant to The Oklahoma Central
11 Purchasing Act or other laws has been taken by any state agency,
12 state agency official, bidder, or supplier; or

13 5. Increase the state agency acquisition purchase amount
14 requiring competitive bid, not to exceed the acquisition purchase
15 amount requiring competitive bid, pursuant to Section 85.7 of this
16 title.

17 G. 1. Pursuant to the requirements of The Oklahoma Central
18 Purchasing Act, the State Purchasing Director shall have authority
19 to enter into any statewide, multistate or multigovernmental
20 contract. The state entity designated by law, as specified in
21 Section 1010.3 of Title 56 of the Oklahoma Statutes, shall
22 participate in the purchase of pharmaceuticals available through
23 such multistate or multigovernmental contracts entered into by the
24 State Purchasing Director.

1 2. The State Purchasing Director may utilize contracts awarded
2 by other governmental agencies, including agencies of the United
3 States of America.

4 3. The State Purchasing Director may designate contracts
5 described in this subsection for use by state agencies.

6 4. Prior to exercising the authority to cancel a contract, the
7 State Purchasing Director may authorize renegotiation of an existing
8 contract with an incumbent supplier for the purposes of obtaining
9 more favorable terms for the state provided the State Purchasing
10 Director shall not renegotiate the term of the contract.

11 5. In order to carry out the powers and duties established in
12 Section 34.11.1 of Title 62 of the Oklahoma Statutes, the Chief
13 Information Officer shall have the authority to designate certain
14 information technology and telecommunication contracts for state
15 agencies as statewide contracts and mandatory statewide contracts.

16 H. The State Purchasing Director may develop and test new
17 contracting policies and procedures that hold potential for making
18 the Purchasing Division more effective and efficient.

19 I. The State Purchasing Director shall endeavor to satisfy
20 state agencies in terms of cost, quality, and timeliness of the
21 delivery of acquisitions by using bidders who have a record of
22 successful past performance, promoting competition, minimizing
23 administrative operating costs, and conducting business with
24 integrity, fairness, and openness.

1 J. The State Purchasing Director shall undertake the following:

2 1. The use of electronic commerce pursuant to the Oklahoma
3 Online Bidding Act for solicitation, notification, and other
4 purchasing processes;

5 2. Monitoring rules promulgated pursuant to The Oklahoma
6 Central Purchasing Act to ensure that the rules, satisfy the
7 interests of the state, are clear and succinct, and encourage
8 efficiency in purchasing processes;

9 3. A program to identify vendors with poor delivery and
10 performance records;

11 4. Development of criteria for the use of sealed bid
12 contracting procedures, negotiated contracting procedures, selection
13 of types of contracts, postaward administration of purchase orders
14 and contracts, contract modifications, termination of contracts, and
15 contract pricing;

16 5. Continual improvement in the quality of the performance of
17 the Purchasing Division through training programs, management
18 seminars, development of benchmarks and key management indicators,
19 and development of standard provisions, clauses and forms;

20 6. Development of electronic means of making state agencies
21 aware of office furniture, equipment, machinery, tools, and hardware
22 available for purchase from the surplus property programs;

1 7. Development of programs to improve customer relations
2 through training, improved communications, and appointment of
3 technical representatives; and

4 8. In cooperation with the Office of State Finance and the
5 State Treasurer, develop an electronic payment mechanism for use in
6 the settlement of accounts payable invoices, with no limit, to make
7 payment for products or services acquired in accordance with The
8 Oklahoma Central Purchasing Act and any rules promulgated pursuant
9 thereto.

10 K. The State Purchasing Director shall, in cooperation with the
11 Oklahoma Department of Agriculture, Food, and Forestry, identify the
12 needs of state agencies and institutions for agricultural products
13 grown and produced in Oklahoma.

14 L. The State Purchasing Director may authorize the use of a
15 state purchase card for acquisitions within the following
16 parameters:

- 17 1. No limit on the amount of the transaction for the following:
- 18 a. purchases from statewide contracts issued by the State
 - 19 Purchasing Director, and
 - 20 b. regulated utilities; and
- 21 2. For any other transaction with a state purchase card, the
22 transaction shall not exceed Five Thousand Dollars (\$5,000.00).

23 M. The State Purchasing Director may utilize and authorize
24 state agencies to utilize reverse auctions to obtain acquisitions.

1 N. Prior to the award of a contract to a supplier, the State
2 Purchasing Director shall verify, pursuant to applicable provisions
3 of law, that the supplier is eligible to do business in the State of
4 Oklahoma by confirming registration with the Secretary of State and
5 franchise tax payment status pursuant to Sections 1203 and 1204 of
6 Title 68 of the Oklahoma Statutes. The provisions of this
7 subsection shall be applicable only if the contract amount is
8 Twenty-five Thousand Dollars (\$25,000.00) or greater.

9 O. As a condition of awarding a contract pursuant to The
10 Oklahoma Central Purchasing Act, the State Purchasing Director shall
11 verify with the Oklahoma Tax Commission that the business entity to
12 which the state contract is to be awarded, whether subject to the
13 procedures required by Section 85.7 of this title or not, has
14 obtained a sales tax permit pursuant to the provisions of Section
15 1364 of Title 68 of the Oklahoma Statutes if such entity is required
16 to do so.

17 P. The State Purchasing Director is hereby authorized to
18 explore and investigate cost savings in energy, resource usage, and
19 maintenance contracts and to identify and negotiate contract
20 solutions including, but not limited to, pilot projects to achieve
21 cost savings for the State of Oklahoma.

22 Q. The Office of State Finance, with input from the State
23 Purchasing Director, shall promulgate payment procedure rules for
24

1 state agencies to adhere to regarding statewide contracts issued by
2 the State Purchasing Director.

3 R. The Office of State Finance along with the Department of
4 Central Services, Central Purchasing Division, shall promulgate
5 payment procedure rules for agencies to adhere to regarding
6 statewide contracts issued by the Division.

7 S. On an annual basis, the State Purchasing Director shall
8 transmit to the Governor, Speaker of the House of Representatives
9 and President Pro Tempore of the State Senate a report documenting
10 the savings realized by each agency through the application of best
11 spend practices including the collection and tracking of spend data,
12 strategic sourcing programs, and implementation of managed and
13 mandatory statewide contracts. The report shall document the
14 reasons for the failure to issue a mandatory statewide contract for
15 any items comprising total statewide spend in the amount of Five
16 Million Dollars (\$5,000,000.00) or greater.

17 T. The acquisition limitations provided for in subparagraph b
18 of paragraph 11 of subsection C of this section and paragraph 1 of
19 subsection A of Section 85.7 of this title shall not apply to agency
20 purchases provided the agency has subject matter experts on staff
21 having the specialized expertise to purchase said goods or services,
22 the agency possesses the necessary legal and procurement staff to
23 procure and monitor the contracts and provided the Director of
24

1 Central Services shall certify that the proposed purchase does not
2 conflict with consolidated statewide spend initiatives.

3 1. Nothing in this subsection shall give an agency authority to
4 issue statewide, multistate, or multigovernmental contracts.

5 2. Agencies making purchases pursuant to this subsection shall:

6 a. be responsible for contracts awarded pursuant to this
7 subsection, which includes, but may not be limited to,
8 contract management, all costs connected with or
9 incurred as a result of the contract, including legal
10 representation,

11 b. comply with rules and policies of the Department of
12 Central Services, and

13 c. report contracts issued pursuant to this subsection to
14 the Department of Central Services, Central Purchasing
15 Division, on a quarterly basis.

16 3. Purchases made in accordance with this subsection shall be
17 made pursuant to rules authorized by this section.

18 SECTION 97. REPEALER 74 O.S. 2001, Section 85.5, as last
19 amended by Section 23, Chapter 451, O.S.L. 2009 (74 O.S. Supp. 2009,
20 Section 85.5), is hereby repealed.

21 SECTION 98. AMENDATORY 74 O.S. 2001, Section 85.12, as
22 last amended by Section 3, Chapter 273, O.S.L. 2009 (74 O.S. Supp.
23 2009, Section 85.12), is amended to read as follows:

24

1 Section 85.12. A. The provisions of this section shall not be
2 construed to affect any law relating to fiscal or accounting
3 procedure except as they may be directly in conflict herewith; and
4 all claims, warrants, and bonds shall be examined, inspected, and
5 approved as now provided by law.

6 B. Except as otherwise provided by this section, the
7 acquisitions specified in this subsection shall be made in
8 compliance with Section 85.39 of this title but are not subject to
9 other provisions of The Oklahoma Central Purchasing Act:

10 1. Food and other products produced by state institutions and
11 agencies;

12 2. The printing or duplication of publications or forms of
13 whatsoever kind or character by state agencies if the work is
14 performed upon their own equipment by their own employees. Pursuant
15 to this paragraph, the state agency may only use equipment owned or
16 leased by the agency and may only utilize that equipment for
17 printing services required by the agency in performing duties
18 imposed upon the agency or functions authorized to be performed by
19 the agency. Any use of the equipment by the agency pursuant to an
20 agreement or contract with any other entity resulting in delivery of
21 intermediate or finished products to the entity purchasing or using
22 the products shall be subject to the provisions of The Oklahoma
23 Central Purchasing Act;

24

1 3. Department of Transportation and Transportation Commission
2 contractual services or right-of-way purchases; contracts awarded
3 pursuant to bids let by the Transportation Commission for the
4 maintenance or construction of streets, roads, highways, bridges,
5 underpasses, or any other transportation facilities under the
6 control of the Department of Transportation, the acquisitions of
7 equipment or materials accruing to the Department of Transportation
8 required in Federal-Aid contracts; and contracts for public service
9 type announcements initiated by the Department of Transportation;
10 but not contractual services for advertising or public relations or
11 employment services;

12 4. Utility services where rates therefor are regulated by a
13 state or federal regulatory commission, or by municipal ordinance,
14 or by an Indian Tribal Council for use by the Department of
15 Corrections only;

16 5. Acquisitions by the University Hospitals Authority. The
17 Authority shall develop standards for the acquisition of products
18 and services and may elect to utilize the Purchasing Division. The
19 standards shall foster economy and short response time and shall
20 include appropriate safeguards and record-keeping requirements to
21 ensure appropriate competition and economical and efficient
22 purchasing;

23 6. Contracts for custom harvesting by the Department of
24 Corrections for the Department or its institutions;

- 1 7. Contracts with private prison contractors which are subject
2 to the contracting procedures of Section 561 of Title 57 of the
3 Oklahoma Statutes;
- 4 8. Acquisitions by the Oklahoma Municipal Power Authority;
- 5 9. Acquisitions by the Grand River Dam Authority;
- 6 10. Acquisitions by rural water, sewer, gas, or solid waste
7 management districts created pursuant to the Rural Water, Sewer, Gas
8 and Solid Waste Management Districts Act;
- 9 11. Acquisitions by the Oklahoma Ordnance Works Authority, the
10 Northeast Oklahoma Public Facilities Authority, or the Midwestern
11 Oklahoma Development Authority;
- 12 12. Contracts entered into by the Oklahoma Industrial Finance
13 Authority for the services of an appraiser or for acquisition of
14 insurance when the Authority's Board of Directors determines that an
15 emergency exists, and contracts for the services of legal counsel
16 when approved by the Attorney General;
- 17 13. Expenditure of monies appropriated to the State Board of
18 Education for Local and State Supported Financial Support of Public
19 Schools, except monies allocated therefrom for the Administrative
20 and Support Functions of the State Department of Education;
- 21 14. Expenditure of monies appropriated to the State Department
22 of Rehabilitation Services for educational programs or educational
23 materials for the Oklahoma School for the Blind and the Oklahoma
24 School for the Deaf;

1 15. Contracts entered into by the Oklahoma Department of Career
2 and Technology Education for the development, revision, or updating
3 of vocational curriculum materials, and contracts entered into by
4 the Oklahoma Department of Career and Technology Education for
5 training and supportive services that address the needs of new or
6 expanding industries;

7 16. Contracts entered into by the Oklahoma Center for the
8 Advancement of Science and Technology for professional services;

9 17. Contracts entered into by the Oklahoma Department of
10 Commerce pursuant to the provisions of Section 5066.4 of this title;

11 18. Acquisitions made by the Oklahoma Historical Society from
12 monies used to administer the White Hair Memorial;

13 19. Acquisitions available to an agency through a General
14 Services Administration (GSA) contract or other federal contract if
15 the acquisition is on current statewide contract and the terms of
16 the GSA or other federal contract, as determined by the State
17 Purchasing Director, are more favorable to the agency than the terms
18 of a statewide contract for the same products;

19 20. Purchases of pharmaceuticals available through a multistate
20 or multigovernmental contract if such pharmaceuticals are or have
21 been on state contract within the last fiscal year, and the terms of
22 such contract are more favorable to the state or agency than the
23 terms of a state contract for the same products, as determined by
24 the State Purchasing Director. The state entity designated by law,

1 as specified in Section 1010.3 of Title 56 of the Oklahoma Statutes,
2 shall participate in the purchase of pharmaceuticals available
3 through such contracts;

4 21. Contracts for managed health care services entered into by
5 the state entity designated by law or the Department of Human
6 Services, as specified in paragraph 1 of subsection A of Section
7 1010.3 of Title 56 of the Oklahoma Statutes;

8 22. Acquisitions by the Forestry Service of the Oklahoma
9 Department of Agriculture, Food, and Forestry as authorized by the
10 federal General Services Administration through a General Services
11 Administration contract or other federal contract if the
12 acquisitions are not on current statewide contract or the terms of
13 the federal contract are more favorable to the agency than the terms
14 of a statewide contract for the same products;

15 23. Acquisitions of clothing for clients of the Department of
16 Human Services and acquisitions of food for group homes operated by
17 the Department of Human Services;

18 24. Acquisitions by the Oklahoma Energy Resources Board;

19 25. Acquisitions of clothing for juveniles in the custody of
20 the Office of Juvenile Affairs and acquisitions of food for group
21 homes operated by the Office of Juvenile Affairs;

22 26. State contracts for flexible benefits plans pursuant to the
23 Oklahoma State Employees Benefits Act, Section 1361 et seq. of this
24 title;

1 27. Acquisitions by the Department of Securities to
2 investigate, initiate, or pursue administrative, civil, or criminal
3 proceedings involving potential violations of the acts under the
4 Department's jurisdiction;

5 28. Acquisitions by the Native America Cultural and Educational
6 Authority and acquisitions by the Oklahoma Department of Commerce to
7 assist the Native American Cultural and Educational Authority
8 pursuant to Section 5017 of this title;

9 29. Acquisitions for resale in and through canteens operated
10 pursuant to Section 537 of Title 57 of the Oklahoma Statutes;

11 30. Acquisitions by the Oklahoma Boll Weevil Eradication
12 Organization for employment and personnel services, and for
13 acquiring sprayers, blowers, traps, and attractants related to the
14 eradication of boll weevils in this state or as part of a national
15 or regional boll weevil eradication program;

16 31. Contracts entered into by the Oklahoma Indigent Defense
17 System for expert services pursuant to the provisions of subsection
18 D of Section 1355.4 of Title 22 of the Oklahoma Statutes;

19 32. Acquisitions by the Oklahoma Correctional Industries and
20 the Agri-Services programs of the Department of Corrections of raw
21 materials, component parts and other products, any equipment
22 excluding vehicles, and any services excluding computer consultant
23 services used to produce goods or services for resale and for the
24 production of agricultural products;

1 33. Contracts entered into by the Department of Human Services
2 for provision of supported living services to members of the
3 plaintiff class in Homeward Bound, Inc., et. al., v. The Hisson
4 Memorial Center, et. al., Case Number 85-C-437-E, United States
5 District Court for the Northern District of Oklahoma;

6 34. Contracts negotiated by the Office of Juvenile Affairs with
7 designated Youth Services Agencies and the Oklahoma Association of
8 Youth Services, or another Oklahoma nonprofit corporation whose
9 membership consists solely of Youth Services Agencies and of whom at
10 least a majority of Youth Services Agencies are members, pursuant to
11 the provisions of Section ~~7302-3.6a~~ 2-7-306 of Title ~~10~~ 10A of the
12 Oklahoma Statutes; and

13 35. Contracts not to exceed One Hundred Thousand Dollars
14 (\$100,000.00) entered into by the Department of Environmental
15 Quality for engineering services to assist qualifying small
16 municipalities or rural water or sewer districts with engineering
17 reports or plans and specifications needed for construction or
18 repairs to achieve compliance with federal and state public water
19 supply or wastewater laws and regulations.

20 C. Pursuant to the terms of a contract the State Purchasing
21 Director enters into or awards, a state agency, common school,
22 municipality, rural fire protection district, county officer, or any
23 program contract, purchase, acquisition or expenditure that is not
24 subject to the provisions of The Oklahoma Central Purchasing Act,

1 may, unless acting pursuant to a contract with the state that
2 specifies otherwise, make use of statewide contracts and the
3 services of the Purchasing Division and the State Purchasing
4 Director. Any political subdivision or rural fire protection
5 district may designate the State Purchasing Director as its agent
6 for any acquisition from a statewide contract or otherwise available
7 to the state.

8 D. The State Purchasing Director shall make periodic audits of
9 the purchasing procedures of the Oklahoma Ordnance Works Authority,
10 the Northeast Oklahoma Public Facilities Authority, the University
11 Hospitals Authority, and the Midwestern Oklahoma Development
12 Authority to ensure that the procedures are being followed.

13 SECTION 99. REPEALER 74 O.S. 2001, Section 85.12, as
14 last amended by Section 160, Chapter 234, O.S.L. 2009 (74 O.S. Supp.
15 2009, Section 85.12), is hereby repealed.

16 SECTION 100. REPEALER 74 O.S. 2001, Section 324.8, as
17 last amended by Section 2, Chapter 80, O.S.L. 2009 (74 O.S. Supp.
18 2009, Section 324.8), is hereby repealed.

19 SECTION 101. AMENDATORY 74 O.S. 2001, Section 840-2.27C,
20 as last amended by Section 1, Chapter 38, O.S.L. 2009 (74 O.S. Supp.
21 2009, Section 840-2.27C), is amended to read as follows:

22 Section 840-2.27C. A. At least sixty (60) days before the
23 scheduled beginning of reduction-in-force separations or as
24 otherwise provided by law, the appointing authority shall post in

1 each office of executive branch agencies affected by the proposed
2 reduction-in-force notice that a reduction-in-force will be
3 conducted in accordance with the Oklahoma Personnel Act and Merit
4 rules. The reduction-in-force implementation plan shall be provided
5 to the Director of State Finance and any state employee association
6 representing state employees at such time. The notice shall not be
7 posted unless approved by the cabinet secretary for the agency
8 conducting the reduction-in-force. If there is no incumbent cabinet
9 secretary for the agency, the cabinet-secretary-notice-approval
10 requirement shall not be applicable. If the appointing authority is
11 governed by an elected official, the cabinet-secretary-notice-
12 approval requirement shall not be applicable. The approved notice
13 shall be posted in each office affected by the proposed plan for
14 five (5) days. The appointing authority shall provide a copy of the
15 notice to the Administrator. A reduction-in-force shall not be used
16 as a disciplinary action.

17 B. The reduction-in-force implementation plan and subsequent
18 personnel transactions directly related to the reduction-in-force in
19 executive branch agencies shall be in compliance with rules adopted
20 by the Administrator. The reduction-in-force implementation plan,
21 including the description of and reasons for displacement limits and
22 protections from displacement actions, and severance benefits that
23 will be offered pursuant to Section 840-2.27D of this title shall be
24 posted in each office affected by the plan within five (5) business

1 days after posting of the reduction-in-force notice. The reduction-
2 in-force implementation plan shall:

3 1. Provide for the appointing authority to determine the
4 specific position or positions to be abolished within specified
5 units, divisions, facilities, agency-wide or any parts thereof;

6 2. Provide for retention of affected employees based on type of
7 appointment;

8 3. Require the separation of probationary classified affected
9 employees in affected job family levels, except those affected
10 employees on probationary status after reinstatement from permanent
11 classified status without a break in service, prior to the
12 separation or displacement of any permanent classified affected
13 employee in an affected job family level;

14 4. Provide for retention of permanent classified affected
15 employees in affected job family levels and those affected employees
16 on probationary status after reinstatement from permanent classified
17 status without a break in service based upon consideration of years
18 of service;

19 5. Provide for exercise of displacement opportunities by
20 permanent classified affected employees and those affected employees
21 on probationary status after reinstatement from permanent classified
22 status without a break in service if any displacement opportunities
23 exist; and
24

1 6. Provide outplacement assistance and employment counseling
2 from the Oklahoma Employment Security Commission and any other
3 outplacement assistance and employment counseling made available by
4 the agency to affected employees regarding the options available
5 pursuant to the State Government Reduction-in-Force and Severance
6 Benefits Act prior to the date that a reduction-in-force is
7 implemented.

8 C. If an agency implements a reduction-in-force then it shall
9 give a veteran's preference over affected nonveterans who have equal
10 retention points to the affected veteran.

11 D. The Director of the Office of State Finance shall review the
12 fiscal components of the reduction-in-force implementation plan and
13 within five (5) business days of receipt reject any plan that does
14 not:

15 1. Demonstrate that funds are available to cover projected
16 costs;

17 2. Contain an estimate of the number of affected employees
18 likely to participate in the education voucher program established
19 in Section 840-2.27D of this title; and

20 3. Contain an estimate of the cost savings or reduced
21 expenditures likely to be achieved by the agency.

22 If the reduction-in-force is conducted pursuant to a
23 reorganization, the fiscal components of the reduction-in-force
24 implementation plan shall contain reasons for the reorganization,

1 which may include, but not be limited to, increased efficiency,
2 improved service delivery, or enhanced quality of service.

3 E. The appointing authority may limit displacement of affected
4 employees at the time of a reduction-in-force. Displacement limits
5 shall not be subject to the approval of the Administrator. Any
6 limitation shall be based upon reasonable, written, articulated
7 criteria as certified by the appointing authority. If displacement
8 is limited, the appointing authority shall take action to avoid or
9 minimize any adverse impact on minorities or women.

10 1. The appointing authority may protect from displacement
11 action up to twenty percent (20%) of projected post-reduction-in-
12 force employees in affected positions within displacement limits;
13 provided, that any fractional number resulting from the final
14 mathematical calculation of the number of those positions shall be
15 rounded to the next higher whole number. The appointing authority
16 must explain why affected employees are being protected.

17 2. If the affected employee has not held within the last five
18 (5) years a position in the job family level or predecessor class in
19 which the affected employee is otherwise eligible for a displacement
20 opportunity, the appointing authority may determine that the
21 affected employee does not possess the recent relevant experience
22 for the position and deny in writing the displacement opportunity.

23 3. An affected permanent classified employee may exercise a
24 displacement privilege, if one exists, if the affected employee has

1 received an overall rating of at least "meets standards", or its
2 equivalent, on the most recent annual service rating. If an
3 affected employee has not been rated in accordance with the time
4 limits established in Section 840-4.17 of this title, the employee
5 shall be deemed to have received an overall rating of at least
6 "meets standards" or its equivalent on the most recent service
7 rating.

8 4. An affected employee who exercises a displacement privilege
9 pursuant to this section shall:

- 10 a. be required, as a condition of continued employment by
11 the agency, to sign an agreement, in a form to be
12 prescribed by the Administrator of the Office of
13 Personnel Management, acknowledging that the employee
14 had an opportunity to receive severance benefits and
15 affirmatively elected to exercise a displacement
16 privilege and to forego such benefits. An affected
17 employee who signs the agreement required by this
18 subparagraph waives any privilege which might
19 otherwise have been available to the affected employee
20 pursuant to the agreement for the provision of
21 severance benefits, and
- 22 b. not have the right to exercise any subsequent right to
23 receive severance benefits from the agency for which
24 the affected employee performs services on the date

1 that the employee exercises a displacement privilege.
2 The provisions of this section shall not prohibit any
3 person from exercising a displacement privilege in, or
4 accepting severance benefits from, more than one
5 agency during employment with the State of Oklahoma or
6 from the agency which the affected employee exercised
7 a displacement privilege in any future reduction-in-
8 force.

9 F. An affected employee who does not agree pursuant to Section
10 840-2.27E of this title to accept severance benefits and who does
11 not have a displacement opportunity or does not accept a
12 displacement opportunity shall be separated by the reduction-in-
13 force and shall not receive any severance benefits that would have
14 otherwise been provided pursuant to Section 840-2.27D of this title.

15 G. Permanent classified affected employees and those affected
16 employees on probationary status after reinstatement from permanent
17 classified status without a break in service who were removed from a
18 job family level by taking a position in another job family level
19 through displacement or separated after foregoing severance benefits
20 shall be recalled by the agency to the job family level from which
21 they were removed in inverse order of removal before the agency may
22 appoint other persons to the job family level, from the employment
23 register, by internal action or from Priority Reemployment
24 Consideration Rosters as provided by this section. Upon declination

1 of an offer of reappointment to the job family level from which the
2 employee was removed or eighteen (18) months after the date of
3 removal from the job family level, whichever is first, this right to
4 be recalled shall expire.

5 H. The names of permanent classified affected employees and
6 those affected employees on probationary status after reinstatement
7 from permanent classified status without a break in service who have
8 been separated pursuant to the State Government Reduction-in-Force
9 and Severance Benefits Act, who apply and meet all requirements for
10 state jobs in the classified service shall be placed on Priority
11 Reemployment Consideration Rosters ~~in accordance with their~~
12 ~~individual final earned ratings~~ for a maximum of eighteen (18)
13 months after the date of separation. Before any vacant position is
14 filled by any individual eligible for initial appointment from the
15 employment register, individuals on the Priority Reemployment
16 Consideration Rosters shall be given priority consideration for
17 reemployment by any state agency within eighteen (18) months after
18 the date of the reduction-in-force. Upon declination of an offer of
19 reemployment to a job family level having the same or higher pay
20 band than the job family level from which the employee was removed,
21 or eighteen (18) months after the date of separation, whichever is
22 first, this priority consideration for reemployment shall expire.
23 If an agency has posted a reduction-in-force plan and implementation
24 schedule, all affected employees in positions covered by the plan

1 and any within the displacement limits established by the appointing
2 authority of the agency who have been separated shall be eligible
3 for priority reemployment consideration.

4 I. If an agency or any part thereof is scheduled to be closed
5 or abolished as a result of legislation or a court order, the
6 affected employees, who would be eligible for Priority Reemployment
7 Consideration after their separation in accordance with subsection H
8 of this section, may apply and, if qualified and eligible, shall be
9 accorded Priority Reemployment Consideration not to exceed twelve
10 (12) months before the scheduled date of separation. If an agency
11 has posted a reduction-in-force plan and implementation schedule,
12 all affected employees in positions covered by the plan and any
13 within the displacement limits established by the appointing
14 authority of the agency shall be eligible for Priority Reemployment
15 Consideration beginning with the date the schedule is posted, not to
16 exceed twelve (12) months before the scheduled date of separation.

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

23 K. 1. When the Legislature is not in session, the Contingency
24 Review Board may, upon the request of the Governor, direct and

1 require mandatory furloughs for all state employees whenever it is
2 deemed necessary and proper. The Contingency Review Board shall
3 specify the effective dates for furloughs and shall note any
4 exceptions to state employees affected by same. All classified,
5 unclassified, exempt or nonmerit employees, including those
6 employees of agencies or offices established by statute or the
7 Constitution, shall be affected by such actions.

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

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

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

7 M. The appointing authority of an agency which has an approved
8 reduction-in-force plan pursuant to the State Government Reduction-
9 in-Force and Severance Benefits Act may request the Administrator of
10 the Office of Personnel Management to appoint an interagency
11 advisory task force for the purpose of assisting the agency and its
12 employees with the implementation of the reduction-in-force. The
13 appointing authority of state agencies requested by the
14 Administrator to participate on a task force shall assign
15 appropriate administrative personnel necessary to facilitate the
16 necessary assistance required for the efficient implementation of
17 the approved reduction-in-force.

18 SECTION 102. REPEALER 74 O.S. 2001, Section 840-2.27C,
19 as last amended by Section 5, Chapter 12, O.S.L. 2009 (74 O.S. Supp.
20 2009, Section 840-2.27C), is hereby repealed.

21 SECTION 103. AMENDATORY Section 34, Chapter 368, O.S.L.
22 2004, as last amended by Section 2, Chapter 255, O.S.L. 2009 (76
23 O.S. Supp. 2009, Section 32), is amended to read as follows:

24

1 Section 32. A. This section shall be known and may be cited as
2 the "Volunteer Professional Services Immunity Act".

3 B. Any volunteer professional or volunteer health practitioner
4 and any organization that arranges for the care given by the
5 volunteer professional shall be immune from liability in a civil
6 action on the basis of any act or omission of the volunteer
7 professional or volunteer health practitioner resulting in damage or
8 injury if:

9 1. The volunteer professional or volunteer health practitioner
10 services were provided at a free clinic where neither the
11 professional or practitioner nor the clinic receives any kind of
12 compensation for any treatment provided at the clinic;

13 2. The volunteer professional or volunteer health practitioner
14 was acting in good faith and, if licensed, the services provided
15 were within the scope of the license of the volunteer professional
16 or volunteer health practitioner;

17 3. The volunteer professional or volunteer health practitioner
18 commits the act or omission in the course of providing services; and

19 4. The damage or injury was not caused by gross negligence or
20 willful and wanton misconduct by the volunteer professional or
21 volunteer health practitioner; ~~and~~

22 ~~5. Before the volunteer professional or volunteer health~~
23 ~~practitioner provides services, the volunteer professional and the~~
24 ~~person receiving the services or, if that person is a minor or~~

1 ~~otherwise legally incapacitated, the person's parent, conservator,~~
2 ~~legal guardian, or other person with legal responsibility for the~~
3 ~~care of the person signs a written statement that acknowledges:~~

4 a. ~~that the volunteer professional or volunteer health~~
5 ~~practitioner providing services has no expectation of~~
6 ~~and will receive no compensation of any kind for~~
7 ~~providing the services, and~~

8 b. ~~an understanding of the limitations on the recovery of~~
9 ~~damages from the volunteer professional or volunteer~~
10 ~~health practitioner in exchange for receiving free~~
11 ~~services.~~

12 C. In the event the volunteer professional or volunteer health
13 practitioner refers the patient covered by this section to another
14 volunteer professional or volunteer health practitioner for
15 additional treatment, the referred volunteer professional or
16 volunteer health practitioner shall be subject to the provisions of
17 this section if:

18 1. The referred volunteer professional or volunteer health
19 practitioner provides services without receiving any compensation
20 for the treatment;

21 2. The referred volunteer professional or volunteer health
22 practitioner was acting in good faith and, if licensed, the services
23 provided were within the scope of the license of the referred
24 volunteer professional or volunteer health practitioner;

1 3. The referred volunteer professional or volunteer health
2 practitioner commits the act or omission in the course of providing
3 services; and

4 4. The damage or injury was not caused by gross negligence or
5 willful and wanton misconduct by the referred volunteer professional
6 or volunteer health practitioner; ~~and~~

7 ~~5. Before the referred volunteer professional or volunteer~~
8 ~~health practitioner provides services, the referred volunteer~~
9 ~~professional or volunteer health practitioner and the person~~
10 ~~receiving the services or, if that person is a minor or otherwise~~
11 ~~legally incapacitated, the person's parent, conservator, legal~~
12 ~~guardian, or other person with legal responsibility for the care of~~
13 ~~the person signs a written statement that acknowledges:~~

14 ~~a. that the referred volunteer professional or volunteer~~
15 ~~health practitioner providing services has no~~
16 ~~expectation of and will receive no compensation of any~~
17 ~~kind for providing the services, and~~

18 ~~b. an understanding of the limitations on the recovery of~~
19 ~~damages from the volunteer professional or volunteer~~
20 ~~health practitioner in exchange for receiving free~~
21 ~~services.~~

22 D. The provisions of this section shall not affect the
23 liability that any person may have which arises from the operation
24 of a motor vehicle, watercraft, or aircraft in rendering the

1 service, care, assistance, advice or other benefit as a volunteer
2 professional or volunteer health practitioner.

3 E. The immunity from civil liability provided by this section
4 shall extend only to the actions taken by a person rendering the
5 service, care, assistance, advice or other benefit as a volunteer
6 professional or volunteer health practitioner, and does not confer
7 any immunity to any person for actions taken by the volunteer
8 professional or volunteer health practitioner prior to or after the
9 rendering of the service, care, assistance, advice or other benefit
10 as a volunteer professional or volunteer health practitioner.

11 F. For the purpose of this section, the term "volunteer
12 professional" and "referred volunteer professional" means a person
13 who voluntarily provides professional medically related services
14 without compensation or expectation of compensation of any kind. A
15 volunteer professional or a referred volunteer professional shall
16 include the following licensed professionals, including those
17 persons licensed in accordance with Section 493.5 of Title 59 of the
18 Oklahoma Statutes:

- 19 1. Physician;
- 20 2. Physician assistant;
- 21 3. Registered nurse;
- 22 4. Advanced practice nurse or vocational nurse;
- 23 5. Pharmacist;
- 24 6. Podiatrist;

1 7. Dentist or dental hygienist; or

2 8. Optometrist.

3 A volunteer professional shall be engaged in the active practice of
4 a medical professional or retired from a medically related
5 profession, if still eligible to provide medically related
6 professional services within this state.

7 G. For the purposes of this section, the term "volunteer health
8 practitioner" and "referred volunteer health practitioner" means a
9 person who voluntarily provides health-related services without
10 compensation or expectation of compensation of any kind. A
11 volunteer health practitioner or referred volunteer health
12 practitioner shall include the following:

13 1. Certified nurse aide;

14 2. Chiropractor;

15 3. Dental assistant;

16 4. Dental technician;

17 5. Dietitian/nutritionist;

18 6. Emergency medical technician;

19 7. Licensed alcohol and drug counselor;

20 8. Licensed behavioral practitioner;

21 9. Licensed clinical social worker;

22 10. Licensed practical nurse;

23 11. Licensed professional counselor;

24 12. Marital/family therapist;

- 1 13. Medical assistant;
- 2 14. Medical laboratory technologist;
- 3 15. Medical technician;
- 4 16. Nuclear medicine technologist;
- 5 17. Occupational therapist;
- 6 18. Orthopedic technologist;
- 7 19. Paramedic;
- 8 20. Pharmacy technician;
- 9 21. Physical therapist;
- 10 22. Psychologist;
- 11 23. Radiology technician/technologist;
- 12 24. Respiratory therapist;
- 13 25. Sonographer;
- 14 26. Speech/language pathologist;
- 15 27. Veterinarian; and
- 16 28. Veterinary technician.

17 A volunteer health practitioner shall be engaged as an active health
18 practitioner or retired from a health-related practice if still
19 eligible to provide health-related services within this state.

20 H. Any person or entity participating in the Oklahoma Medical
21 Reserve Corps and assisting with emergency management, emergency
22 operations, or hazard mitigation in response to any emergency, man-
23 made disaster, or natural disaster, or participating as authorized
24 in public health initiatives, disaster drills, or other activities

1 designed to strengthen emergency response that are endorsed by a
2 city-county health department, county health department or the state
3 health department in the State of Oklahoma, shall not be liable for
4 civil damages on the basis of any act or omission, if:

5 1. The person was acting in good faith and within the scope of
6 the official duties and functions of the Oklahoma Medical Reserve
7 Corps; and

8 2. The acts or omissions were not caused from gross, willful,
9 or wanton acts of negligence.

10 I. This section shall apply to all civil actions filed on or
11 after:

12 1. November 1, 2004, for those persons listed in subsection F
13 of this section; and

14 2. November 1, 2009, for all other persons listed in subsection
15 G of this section.

16 SECTION 104. REPEALER Section 34, Chapter 368, O.S.L.
17 2004, as last amended by Section 2, Chapter 247, O.S.L. 2009 (76
18 O.S. Supp. 2009, Section 32), is hereby repealed.

19 SECTION 105. REPEALER Section 34, Chapter 368, O.S.L.
20 2004, as last amended by Section 2, Chapter 313, O.S.L. 2009 (76
21 O.S. Supp. 2009, Section 32), is hereby repealed.

22 SECTION 106. The provisions of Sections 32 through 43 and
23 Sections 96 and 97 of this act shall be effective and shall become
24 operative on the effective date of the appointment of the first

1 Chief Information Officer by the Governor as provided in Section
2 34.11.1 of Title 62 of the Oklahoma Statutes.

3 SECTION 107. Sections 66 and 67 of this act shall become
4 effective July 1, 2010.

5 SECTION 108. It being immediately necessary for the
6 preservation of the public peace, health and safety, an emergency is
7 hereby declared to exist, by reason whereof this act shall take
8 effect and be in full force from and after its passage and approval.

9 Passed the Senate the 15th day of February, 2010.

10
11 _____
12 Presiding Officer of the Senate

13 Passed the House of Representatives the ____ day of _____,
14 2010.

15
16 _____
17 Presiding Officer of the House
18 of Representatives
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