

1 ENGROSSED SENATE
2 BILL NO. 2311

By: Coffee and Gumm of the
Senate

3 and

4 Benge of the House
5
6

7 An Act relating to the Commissioners of the Land
8 Office; amending 64 O.S. 2001, Sections 1, 1.1, 2, 3,
9 10, 41, 43, 51, Section 1, Chapter 190, O.S.L. 2007,
10 61, 64, 88, 90, 92, as amended by Section 1, Chapter
11 205, O.S.L. 2003, 92a, 92b, 101, 115, 123, 126, 130,
12 151, 153.1, 154, 155, 156, 158, 160, 181, 184, 192,
13 223, 224, 225.1, 226, 227, 228, 241, 244, 246, 249,
14 252, 259, 289, 290, 291, 293, 451, 454 and 459 (64
15 O.S. Supp. 2009, Sections 51.2 and 92), which relate
16 to the Department of Commissioners of the Land
17 Office, sales, leases, segregation and lease of oil
18 and gas lands and mineral leases and prospecting
19 permits; modifying authority, powers and duties of
20 Commissioners of the Land Office; specifying purpose
21 therefor; providing for administration of Land
22 Office; specifying duties, qualifications and term of
23 Secretary; providing procedures for appointment of
24 replacement; modifying procedures for selection and
duties of employees; deleting reference to Auditor;
modifying certain revolving fund; modifying purposes
for which revolving fund may be expended; creating
cash drawer change fund and specifying purpose;
limiting amount and providing procedures for
expenditures therefrom; prohibiting certain purchases
and transactions; specifying duties of Director of
Accounting for Land Office; providing procedures for
issuance of formal resolutions; modifying procedures
for investment of certain funds; limiting investment
in equity securities; specifying certain requirements
for out-of-state custodial banks; deleting definition
of fair market value; modifying duties and
prohibitions relating to appraisers for Commissioners
of Land Office; providing that certain communications
and information not records and not subject to
disclosure except under certain circumstances;

1 modifying prohibited acts and penalties; subjecting
2 certain persons to civil action and criminal
3 sanctions; providing for certain interest; modifying
4 property on which Commissioners of Land Office have
5 first lien; modifying procedures relating to sales of
6 oil and gas leases; deleting obsolete language;
7 modifying lands upon which Commissioners of Land
8 Office reserve oil, gas and other minerals; deleting
9 requirement for legislative approval of certain
10 sales; allowing Commissioners of Land Office to
11 refuse to accept certain bids, leases or contracts;
12 deleting authority to endorse certain instruments;
13 modifying certain civil liability; modifying form of
14 certain instruments; modifying procedures for
15 processing of mail and certain payments; allowing
16 Secretary to purchase certain services; allowing
17 Secretary to employ Internal Auditor; specifying
18 qualifications; deleting certain provisions relating
19 to county treasurer; deleting exception from certain
20 requirements for mortgages; modifying procedures
21 relating to meetings of Commissioners; specifying
22 duties of Accounting Division; requiring certain
23 financial statements; modifying procedures for audits
24 of accounts and records; allowing contracts therefor;
providing severability; providing for legal services;
modifying preference rights of lessee; subjecting
certain property to conditions of title; deleting
certain procedures relating to appeal of appraisal;
modifying procedures for auction and sale of certain
property; modifying procedures if lessee in default;
modifying certain fee; specifying procedures upon
termination of lease; providing exception; modifying
required rental; providing for distribution of
certain rental income; clarifying language and
statutory references; modifying procedures for
issuance of prospecting permits; amending 70 O.S.
2001, Section 614, which relates to apportionment of
certain funds; modifying procedure and time
requirements for certain apportionment; amending 74
O.S. 2001, Section 840-5.5, as last amended by
Section 1, Chapter 300, O.S.L. 2008 (74 O.S. Supp.
2009, Section 840-5.5), which relates to the Oklahoma
Personnel Act; unclassifying certain employees;
repealing 64 O.S. 2001, Sections 1.2, 1.3, as amended
by Section 1, Chapter 433, O.S.L. 2004, 9, 11, 12,
13, 14, 52, 56, 57, 58.1, 59, 63, 65, 66, 67, 68, 69,
70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80.1, 80.2,

1 80.3, 80.4, 81, 82, 82.1, 82.2, 83, 84, 86, 86.1,
2 87c, 89, 91, 93, 94, 95, 96, 97, 99, 100, 111, 112,
3 121, 124, 125, 127, 128, 129, 131, 132, 157, 159,
4 161, 162, 162.2, 163, 164, 165, 166, 187, 188, 189,
5 190, 191, 193, 195, 196, 214, 215, 216.1, 216.2,
6 216.3, 216.4, 216.5, 216.6, 216.7, 216.8, 229.1,
7 229.2, 229.3, 229.4, 229.5, 245, 248, 250, 251, 253,
8 254, 255, 256, 256.1, 260.1, 260.2, 294, 452, 453,
9 455 and 456 (64 O.S. Supp. 2009, Section 1.3), which
10 relate to the Department of Commissioners of the Land
11 Office, sales, leases, segregation and lease of oil
12 and gas lands and mineral leases and prospecting
13 permits; and declaring an emergency.

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

15 SECTION 1. AMENDATORY 64 O.S. 2001, Section 1, is
16 amended to read as follows:

17 Section 1. The Governor, Lieutenant Governor, State Auditor and
18 Inspector, Superintendent of Public Instruction, and the President
19 of the Board of Agriculture, shall constitute the Commissioners of
20 the Land Office, ~~who~~. The Commissioners of the Land Office shall
21 have charge of the sale, exchange, rental, disposal, and ~~managing~~
22 ~~management~~ of the school lands and other public lands of the state,
23 and of the funds and proceeds derived therefrom as a sacred trust
24 for the exclusive benefit of the beneficiaries, and for the return
of full value from the use and disposition of the trust property,
~~under the rules and regulations~~ as prescribed by the Legislature to
attain the trust goals by protection of assets coupled with maximum

1 return and adoption of standards to foster even-handed and proper
2 administration of the trust.

3 SECTION 2. AMENDATORY 64 O.S. 2001, Section 1.1, is
4 amended to read as follows:

5 Section 1.1. In order that the state school lands may be
6 administered in a manner to assure their preservation as well as the
7 appreciation of the trust estate and the maximum return from the use
8 of state school lands for the support and maintenance of the common
9 schools of the state, the Commissioners of the Land Office, as
10 trustees of the state school lands, possess and retain all powers
11 and duties irrevocably granted by the Oklahoma Constitution, the
12 Enabling Act, and the rules of law governing duties for the proper
13 administration of trusts and are hereby specifically authorized and
14 empowered to:

15 1. ~~To categorize~~ Categorize the state school lands as
16 agricultural or commercial according to the use which the
17 Commissioners of the Land Office determine from time to time to be
18 most beneficial to the interest of the present and future
19 beneficiaries of the state. ~~In making such a determination, the~~
20 ~~Commissioners of the Land Office may take into account the potential~~
21 ~~of such lands in creating job opportunities through development as~~
22 ~~economic development parks as set forth in Section 11 of this title;~~

23 2. ~~To sell~~ Sell, at public auction after appraisalment, the
24 surface interest in any state school land categorized by the

1 Commissioners of the Land Office to be excess or when in the best
2 interest of the trust; and

3 3. ~~To institute~~ Institute projects to develop and improve those
4 state school lands which are categorized as agricultural or
5 commercial lands. ~~Provided however, no funds under the control or~~
6 ~~jurisdiction of the Commissioners shall be spent on such projects~~
7 ~~unless approved by the Legislature;~~

8 4. Acquire by exchange, gift, or grant all property necessary
9 for the purposes of utilizing trust lands for the development of
10 commercial and agricultural leases to maximize trust income for
11 present and future beneficiaries; and

12 5. Exchange any real property of the trust for other real
13 property of equal or greater value to maximize income for present
14 and future beneficiaries, in accordance with and under the
15 safeguards of trust requirements.

16 SECTION 3. AMENDATORY 64 O.S. 2001, Section 2, is
17 amended to read as follows:

18 Section 2. ~~The Department of the Commissioners of the Land~~
19 Office shall be administered by the Secretary under the supervision
20 of the Commissioners of the Land Office ~~by the Secretary~~ who shall
21 be appointed by the Governor with the advice and consent of the
22 Commissioners of the Land Office. ~~It shall be the duty of the~~ The
23 Secretary ~~to~~ shall execute, under the supervision of the
24 Commissioners of the Land Office, the Enabling Act, the Oklahoma

1 Constitution, and all laws, rules and duties pertaining to the
2 ~~Department of the~~ Commissioners of the Land Office and to carry into
3 execution the will of the Commissioners of the Land Office not in
4 conflict with such laws. The Secretary shall possess an advanced
5 degree from an accredited college or university and shall have five
6 years experience in government, law, or finance, and shall meet the
7 specific requirements as required by the Commissioners. The
8 Secretary shall serve, during good behavior, a term of service
9 concurrent with the Governor. The Secretary may holdover until a
10 successor is appointed. If the Secretary resigns, is terminated,
11 becomes incapacitated, or is unable to perform the duties for
12 whatever reason, the Commissioners may appoint an acting Secretary
13 until such time as the Governor appoints a replacement to complete
14 the term.

15 SECTION 4. AMENDATORY 64 O.S. 2001, Section 3, is
16 amended to read as follows:

17 Section 3. ~~The Land Office shall be administered under the~~
18 ~~supervision of the Commissioners of the Land Office, by the~~
19 ~~Secretary of the Commission, who shall be appointed by the Governor.~~

20 ~~Providing that the~~ The Governor of the State of Oklahoma shall
21 be designated as ~~chairman~~ chair ex officio, ~~and the~~ of the
22 Commissioners of the Land Office. The Commissioners shall elect
23 from their body a ~~vice-chairman~~ vice-chair whose duty it shall be to
24 act as ~~chairman~~ chair in the absence of the ~~chairman~~ chair or in

1 case of ~~his~~ the failure, neglect, or refusal to act as ~~chairman~~
2 chair.

3 ~~The~~ Except for the General Counsel, who shall be selected by a
4 majority of the Commissioners, the Secretary shall select such
5 employees as may be deemed necessary and appropriate to properly to
6 operate the Land Office ~~under the terms of this act, except the~~
7 ~~attorneys and appraisers, who shall be selected by a majority of the~~
8 ~~Commission; provided further, that the Commissioners of the Land~~
9 ~~Office shall appoint not exceeding seven (7) appraisers to make~~
10 ~~appraisements for loans provided herein and assist in the collection~~
11 ~~of loans and interest thereon, and the rents from agricultural and~~
12 ~~grazing lands belonging to the Department, and such other duties as~~
13 ~~may be assigned to them by the Secretary of the Commission, who~~
14 ~~shall direct in each case their services; provided further that the~~
15 ~~Commissioners of the Land Office shall appoint one Title Examiner~~
16 ~~and not more than two Assistant Title Examiners to attend to any~~
17 ~~legal matters which the School Land Commission is charged to~~
18 ~~administer and enforce, and such other duties as may be assigned to~~
19 ~~them by the Secretary of the Commission, who shall direct in each~~
20 ~~case their services.~~

21 ~~The employees of the Land Office whose duties require them to~~
22 ~~handle funds, or securities, of the Department, shall be required to~~
23 ~~give bond in an amount sufficient to protect the Department against~~
24

1 ~~loss by reason of their negligence or willful misappropriation of~~
2 ~~such funds and securities.~~

3 The Commissioners, by a majority vote, may remove the Secretary
4 ~~or any appraiser, or any attorney, of the Land Office, and the~~
5 General Counsel and the Secretary may discharge and remove any
6 ~~employee, selected by him of the Land Office.~~

7 SECTION 5. AMENDATORY 64 O.S. 2001, Section 10, is
8 amended to read as follows:

9 Section 10. ~~It is hereby made the mandatory duty of the The~~
10 ~~Secretary and the Auditor for the Commissioners of the Land Office,~~
11 ~~to shall~~ install modern forms and equipment for a system of
12 accounting to properly protect, preserve and account for all
13 transactions made by the ~~Department of the Commissioners of the Land~~
14 ~~Office; the installation of all forms and equipment shall be under~~
15 ~~the supervision of the State Banking Department, which shall~~
16 ~~prescribe all records, forms and equipment to be installed and the~~
17 ~~Commissioners of the Land Office are hereby authorized and directed~~
18 ~~to approve such records, forms and equipment as may be prescribed by~~
19 ~~the State Banking Department. All books, forms and other necessary~~
20 ~~equipment and supplies for the installation and maintaining a proper~~
21 ~~system of accounting shall be paid for from the revolving fund for~~
22 ~~the Commissioners of the Land Office.~~

23 SECTION 6. AMENDATORY 64 O.S. 2001, Section 41, is
24 amended to read as follows:

1 Section 41. A. There is hereby created a revolving fund, which
2 shall be a continuing fund not subject to fiscal year limitations,
3 ~~for the Department of the Commissioners of the Land Office, into~~
4 ~~which fund shall be paid by the Secretary to the Commissioners of~~
5 ~~the Land Office~~ all fees that may be collected by the Commissioners
6 of the Land Office, including, but not limited to, attorney fees and
7 litigation or collection costs or expenses. Monies from which shall
8 the fund may be made the payment for used to pay:

9 1. For all books, forms, information technology, and other
10 necessary equipment and supplies for the installation and
11 maintenance of a modern system of accounting; ~~provided however, no~~
12 ~~patented accounting system wherein copyrighted or patented forms or~~
13 ~~books are used shall be bought, installed, or used, and from which~~
14 ~~fund shall also be paid the;~~

15 2. The expense of all necessary printing, ~~foreclosure~~
16 abstracts, refunds, and other expenses incidental to ~~foreclosure and~~
17 ~~the acceptance of warranty deeds, and from which fund shall also be~~
18 ~~paid necessary~~ the operation of the Land Office;

19 3. Necessary communication and traveling expenses incurred by
20 the employees of the ~~Department of the Commissioners of the Land~~
21 ~~Office.~~ ~~Provided further, that the Commissioners of the Land Office~~
22 ~~are also authorized to incur out of said revolving fund any; and~~

23 4. Any expenses of the Land Office for personal services,
24 ~~including old age and survivor insurance,~~ litigation and collection

1 expenses, operating expenses, and the purchase of equipment
2 necessary to carry out the ~~function~~ functions of the Land Office.
3 ~~The Commissioners of the Land Office are prohibited from expending~~
4 ~~any funds for rental, lease, or use of any building, office, or~~
5 ~~space.~~ All funds accruing to the fund are hereby appropriated.

6 B. 1. There is hereby created a cash drawer change fund for
7 the Commissioners of the Land Office. The fund shall be used as
8 cash for the Land Office to make change for customers.

9 2. The amount of the Land Office cash drawer change fund shall
10 not exceed One Thousand Dollars (\$1,000.00) and the initial amount
11 shall be drawn by warrant from the revolving fund established
12 pursuant to this section. All adjustments to the amount retained in
13 the cash drawer change fund shall be by withdrawal and deposit in
14 the revolving fund established in this section.

15 3. Purchases from the cash drawer change fund are prohibited.

16 4. Officers, employees or agents of the Land Office are
17 prohibited from receiving change from the cash drawer change fund.

18 5. The Director of Accounting for the Land Office with approval
19 of the Internal Auditor shall prescribe forms, systems, and
20 procedures for the administration of the cash drawer change fund.

21 SECTION 7. AMENDATORY 64 O.S. 2001, Section 43, is
22 amended to read as follows:

23 Section 43. The Commissioners of the Land Office, by formal
24 resolution adopted by a majority vote of the members of ~~said~~ the

1 Commission, shall fix a schedule of fees to be charged for services
2 rendered by the ~~Department~~ Land Office and except as otherwise
3 provided by law, ~~said~~ the fees shall be collected and deposited in
4 the revolving fund for the ~~Department of the~~ Commissioners of the
5 Land Office. ~~Transfer of all fees earned and collected each month~~
6 ~~shall be made on or before the tenth day of the succeeding month~~
7 Formal resolutions by the Commissioners of the Land Office shall be
8 issued under the authority of the Commissioners of the Land Office
9 by the Secretary.

10 SECTION 8. AMENDATORY 64 O.S. 2001, Section 51, is
11 amended to read as follows:

12 Section 51. ~~A. 1. The permanent school funds and other~~
13 ~~educational funds may be invested in first mortgages upon good and~~
14 ~~improved farm lands within the state (and in no case shall more than~~
15 ~~fifty percent (50%) of the reasonable value of the lands, without~~
16 ~~improvements, be loaned upon any tract).~~

17 ~~2. Sufficient monies shall be kept on hand at all times by the~~
18 ~~Commissioners of the Land Office to close all approved applications~~
19 ~~for first mortgage loans, as may be approved from time to time by~~
20 ~~the Commissioners of the Land Office.~~

21 ~~B. 1. The Commissioners of the Land Office shall be~~
22 ~~responsible for the investment of the permanent school funds, other~~
23 ~~educational funds and public building funds solely in the best~~
24

1 interests of the current and future beneficiaries. The
2 Commissioners of the Land Office shall make such investments:

- 3 a. for the exclusive purpose of:
 - 4 (1) providing maximum benefits to current and future
 - 5 beneficiaries, and
 - 6 (2) defraying reasonable expenses of administering
 - 7 the trust funds,
- 8 b. with the care, skill, prudence and diligence under the
- 9 circumstances then prevailing that a prudent person
- 10 acting in a like enterprise of a like character and
- 11 with like aims would use, and
- 12 c. by diversifying the investments of the trust funds so
- 13 as to minimize the risk of large losses.

14 2. The permanent school fund and other educational funds may
15 only be invested in bonds issued in the United States and United
16 States dollar denominated or other investments settled in United
17 States dollars or traded on the United States exchange markets.

18 ~~Until July 1, 2001, the Commissioners of the Land Office shall not~~
19 ~~invest more than fifty percent (50%) of the permanent common school~~
20 ~~fund, other educational funds and public building funds in equity~~
21 ~~securities. On and after July 1, 2001, the investment in equity~~
22 ~~securities may be increased by five percent (5%) each year until the~~
23 ~~investment in equity securities reaches a maximum of sixty percent~~
24 ~~(60%)~~ Equity securities shall not exceed sixty percent (60%) of the

1 investments in the trust funds invested by the Commissioners of the
2 Land Office.

3 3. The Commissioners shall establish an investment committee.
4 The investment committee shall be composed of not more than three
5 (3) members of the Commissioners of the Land Office or their
6 designee. The committee shall make recommendations to the
7 Commissioners of the Land Office on all matters related to the
8 choice of managers of the assets of the funds, on the establishment
9 of investment and fund management guidelines, and in planning future
10 investment policy. The committee shall have no authority to act on
11 behalf of the Commissioners of the Land Office in any circumstances
12 whatsoever. No recommendations of the committee shall have effect
13 as an action of the Commissioners of the Land Office or take effect
14 without the approval of the Commissioners as provided by law. The
15 Commissioners shall promulgate and adopt on an annual basis an
16 investment plan. The investment plan shall state the criteria for
17 selecting investment managers, the allocation of assets among
18 investment managers, and established standards of investment and
19 fund management.

20 4. The Commissioners shall retain qualified investment managers
21 to provide for investment of the fund monies pursuant to the
22 investment plan. Investment managers shall be chosen by a
23 solicitation of proposals on a competitive bid basis pursuant to
24 standards set by the Commissioners. Subject to the investment plan,

1 each investment manager shall have full discretion in the management
2 of the funds allocated to ~~said~~ the investment managers. The funds
3 allocated to investment managers shall be actively managed by them,
4 which may include selling investments and realizing losses if such
5 action is considered advantageous to longer term return
6 maximization. Because of the total return objective, no distinction
7 shall be made for management and performance evaluation purposes
8 between realized and unrealized capital gains and losses.

9 5. The Commissioners shall take such measures as they deem
10 appropriate to safeguard custody of securities and other assets of
11 the Trusts.

12 6. By August 1 of each year, the Commissioners shall develop a
13 written investment plan for the trust funds.

14 7. The Commissioners shall compile a quarterly financial report
15 showing the performance of all the combined funds under their
16 control on a fiscal year basis. The report shall contain a list of
17 all investments made by the Commissioners and a list of any
18 commissions, fees or payments made for services regarding ~~such~~ the
19 investments for that reporting period. The report shall be based on
20 market values and shall be compiled pursuant to uniform reporting
21 standards prescribed by the Oklahoma State Pension Commission for
22 all state retirement systems. The report shall be distributed to
23 the Oklahoma State Pension Commission, the Cash Management and
24 Investment Oversight Commission, and the Legislative Service Bureau.

1 8. Before October 1 of each year, the Commissioners shall
2 publish an annual report of all Trust operations, presented in a
3 simple and easily understood manner to the extent possible. The
4 report shall be submitted to the Governor, the Speaker of the House
5 of Representatives, the President Pro Tempore of the Senate, the
6 State Department of Education, and each higher education
7 beneficiary. The annual report shall cover the operation of the
8 Trusts during the past fiscal year, including income, disbursements
9 and the financial condition of the Trusts at the end of each fiscal
10 year on a cash basis. The annual report shall also contain a
11 summary of ~~each Trust's~~ the assets of each trust and current market
12 value as of the report date.

13 9. The Cash Management and Investment Oversight Commission
14 shall review reports prepared by the Commissioners of the Land
15 Office pursuant to this subsection and shall make such
16 recommendations regarding the investment strategies and practices,
17 the development of internal auditing procedures and practices and
18 ~~such~~ any other matters as determined necessary and applicable.

19 10. The Commissioners of the Land Office shall select one
20 custodial bank to settle transactions involving the investment of
21 the funds under the control of the Commissioners of the Land Office.
22 The Commissioners of the Land Office shall review the performance of
23 the custodial bank at least once every year. The Commissioners of
24 the Land Office shall require a written competitive bid every five

1 (5) years. The custodial bank shall have a minimum of Five Hundred
2 Million Dollars (\$500,000,000.00) in assets to be eligible for
3 selection. Any out-of-state custodial bank shall have a service
4 agent in ~~the State of Oklahoma~~ this state so that service of summons
5 or legal notice may be had on ~~such~~ the designated agent ~~as is now or~~
6 ~~may hereafter be provided by law~~ and the out-of-state bank shall
7 submit to the jurisdictions of Oklahoma state courts for resolution
8 of any and all disputes. In order to be eligible for selection, the
9 custodial bank shall allow electronic access to all transaction and
10 portfolio reports maintained by the custodial bank involving the
11 investment of state funds under control of the Commissioners of the
12 Land Office and to the Cash Management and Investment Oversight
13 Commission. The requirement for electronic access shall be
14 incorporated into any contract between the Commissioners of the Land
15 Office and the custodial bank. Neither the Commissioners of the
16 Land Office nor the custodial bank shall permit any of the funds
17 under the control of the Commissioners of the Land Office or any of
18 the documents, instruments, securities or other evidence of a right
19 to be paid money to be located in any place other than within a
20 jurisdiction or territory under the control or regulatory power of
21 the United States government.

22 SECTION 9. AMENDATORY Section 1, Chapter 190, O.S.L.
23 2007 (64 O.S. Supp. 2009, Section 51.2), is amended to read as
24 follows:

1 Section 51.2. The Commissioners of the Land Office shall
2 utilize the procedures set forth in Section 129.4 of Title 74 of the
3 Oklahoma Statutes that are applicable for purposes of obtaining
4 appraisals and determining fair market value whenever the
5 Commissioners acquire real property from any department, board,
6 commission, institution or agency of this state. ~~For purposes of~~
7 ~~this section, fair market value shall be either the average or the~~
8 ~~median of the appraisals, whichever is lower.~~

9 SECTION 10. AMENDATORY 64 O.S. 2001, Section 61, is
10 amended to read as follows:

11 Section 61. A. ~~The appraiser for the Commissioners of the Land~~
12 ~~Office shall not appraise any land for loan purposes until after the~~
13 ~~application for the loan, together with the required fees have been~~
14 ~~received and filed in the Land Office. It shall be his duty in~~
15 ~~appraising land to personally inspect and go over each and every~~
16 ~~subdivision of every tract offered as security for the loan. The~~
17 ~~appraiser shall not at any time disclose to the applicant his~~
18 ~~valuation placed upon the land until after his appraisal is filed~~
19 ~~with the Commissioners of the Land Office.~~

20 ~~B.~~ No appraiser for the Commissioners of the Land Office shall:

21 1. Directly or indirectly solicit or accept any compensation,
22 gift, loan, entertainment, favor or service given for the purpose of
23 influencing ~~such~~ the appraiser in the discharge of ~~his~~ the official
24 duties of the appraiser;

1 2. Use ~~his~~ the official position of the appraiser to solicit or
2 secure special privileges or exemptions for ~~himself~~ the appraiser or
3 others, except as may be provided by law;

4 3. Disclose or offer to disclose confidential information
5 acquired by reason of ~~his~~ the official position of the appraiser to
6 any person, group, or others not entitled to receive ~~such~~
7 confidential information, nor shall ~~he~~ the appraiser use such
8 information for ~~his~~ personal gain or benefit;

9 4. Receive or solicit any compensation that would impair ~~his~~
10 the independence of judgment of the appraiser for ~~his~~ the services
11 provided as an appraiser for the Commissioners of the Land Office,
12 from any source other than the Commissioners, unless otherwise
13 provided by law; or

14 5. Accept or solicit other employment which would impair ~~his~~
15 the efficiency or independence of judgment of the appraiser in the
16 performance of ~~his~~ public duties.

17 B. Any appraiser violating this section shall be deemed guilty
18 of a misdemeanor.

19 C. All confidential communications and information obtained by
20 an appraiser for the Commissioners of the Land Office shall not be
21 considered public records and shall not be disclosed, except when
22 disclosure is determined to be in the best interest of the trust by
23 a majority of the Commissioners of the Land Office.

1 SECTION 11. AMENDATORY 64 O.S. 2001, Section 64, is
2 amended to read as follows:

3 Section 64. Any person who shall execute or make any sworn
4 statement or affidavit containing false information in connection
5 with any ~~loan to be~~ transaction made from the funds held by the
6 Commissioners of the Land Office shall be guilty of the felony of
7 perjury and, upon conviction thereof, shall be punished by a fine
8 not to exceed Five Thousand Dollars (\$5,000.00) or imprisonment in
9 the State Penitentiary custody of the Department of Corrections for
10 a term not to exceed one (1) year, or both fine and imprisonment.

11 SECTION 12. AMENDATORY 64 O.S. 2001, Section 88, is
12 amended to read as follows:

13 Section 88. Any person, firm, business, or other entity who
14 ~~hereafter~~, without written authority from the Commissioners of the
15 Land Office, trespasses, uses, cuts timber, injures or destroys
16 surface or subsurface lands or improvements, removes anything of
17 value from the surface or subsurface, assumes possession without a
18 lease or other legal interest in the lands, or who refuses to
19 surrender possession at the expiration, rescission, or termination
20 of his a lease term, ~~or upon cancellation of a certificate of~~
21 ~~purchase on state-owned lands, shall be deemed guilty of a felony,~~
22 ~~and upon conviction thereof shall be punished by a fine of not less~~
23 ~~than One Hundred Dollars (\$100.00), nor more than One Thousand~~
24 ~~Dollars (\$1,000.00), or by imprisonment in the State Penitentiary~~

1 ~~for not less than one (1) year nor more than five (5) years, or by~~
2 ~~both such fine and imprisonment. The Commissioners of the Land~~
3 ~~Office are hereby given authority to issue a writ of ouster, after~~
4 ~~hearing upon ten (10) days' notice by registered mail to the~~
5 ~~occupant, over the signature of the Chairman or Vice Chairman and~~
6 ~~under the Seal of the Secretary, directed to the sheriff to oust and~~
7 ~~dispossess any such person or persons so unlawfully using or~~
8 ~~possessing any such state owned lands or easement shall be subject~~
9 ~~to a civil action for actual damages, possession of the land,~~
10 ~~injunction, civil penalties equal to the amount of actual damages,~~
11 ~~attorney fees, litigation expenses, sheriff fees, and court costs.~~
12 ~~Damage claims carry sixteen percent (16%) interest from the date of~~
13 ~~injury. The person, business, or other entity shall also be subject~~
14 ~~to criminal sanctions as may be provided by law.~~

15 SECTION 13. AMENDATORY 64 O.S. 2001, Section 90, is
16 amended to read as follows:

17 Section 90. The Commissioners of the Land Office shall have a
18 first lien upon all crops produced on ~~state owned~~ leased lands,
19 ~~either preference right or nonpreference right,~~ to secure rentals
20 payable for the use of ~~said~~ the lands.

21 SECTION 14. AMENDATORY 64 O.S. 2001, Section 92, as
22 amended by Section 1, Chapter 205, O.S.L. 2003 (64 O.S. Supp. 2009,
23 Section 92), is amended to read as follows:

24

1 Section 92. The Commissioners of the Land Office ~~are hereby~~
2 ~~authorized to~~ may sell oil and gas or other mineral leases on any of
3 the public lands under their control and supervision whether the
4 same was acquired by federal grant, donation, foreclosure or
5 otherwise. The Commissioners of the Land Office shall publish
6 notice of the lease sale one time not less than thirty (30) days
7 prior to the lease sale date in two newspapers authorized by law to
8 publish legal notices. One of the newspapers shall be published in
9 the county where the land is located or other newspaper as
10 authorized by Section 106 of Title 25 of the Oklahoma Statutes. The
11 other shall be a newspaper of general circulation in this state.
12 The leasing shall require and the advertisement shall specify in
13 each case a fixed royalty to be paid by the successful bidder, in
14 addition to any bonus offered for the lease, ~~and all proceeds from~~
15 ~~leases shall be covered into the fund to which that shall properly~~
16 ~~belong,~~ and no transfer or assignment of any lease shall be valid or
17 confer any right in the assignee without the prior consent of the
18 Commissioners of the Land Office in writing, ~~provided, however, that~~
19 agricultural. Agricultural lessees in possession of such lands
20 shall be reimbursed ~~by the mining lessees~~ for all damage done to
21 ~~said~~ the agricultural lessees' interest ~~therein by reason of such~~
22 ~~mining operations~~. The Commissioners of the Land Office have the
23 right to reject any and all bids for such leases. The Commissioners
24 of the Land Office shall provide any other notice of oil and gas

1 lease sales to all interested parties by any means it determines is
2 needed to attract the best competition.

3 SECTION 15. AMENDATORY 64 O.S. 2001, Section 92a, is
4 amended to read as follows:

5 Section 92a. The Commissioners of the Land Office ~~are hereby~~
6 ~~authorized to~~ may charge a fee on natural gas sold to the state or
7 political subdivisions ~~thereof~~ of the state. ~~Said~~ The fee shall be
8 for the purpose of funding the administrative costs of the
9 Commissioners of the Land Office for selling and marketing the gas.
10 ~~For the fiscal year 1990 the total amount charged pursuant to the~~
11 ~~provisions of this section shall not exceed One Hundred Forty nine~~
12 ~~Thousand Seven Hundred Fifty Dollars (\$149,750.00).~~

13 SECTION 16. AMENDATORY 64 O.S. 2001, Section 92b, is
14 amended to read as follows:

15 Section 92b. The Commissioners of the Land Office shall reserve
16 and retain one hundred percent (100%) of all oil, gas, and other
17 minerals under any school lands ~~designated as grazing lands pursuant~~
18 ~~to Section 99 of Title 64 of the Oklahoma Statutes, economic~~
19 ~~development parks pursuant to Section 13 of Title 64 of the Oklahoma~~
20 ~~Statutes, except as otherwise provided for in this section, lands~~
21 ~~acquired by deficiency judgements pursuant to Section 82 of Title 64~~
22 ~~of the Oklahoma Statutes, lands sold on sales contract denominated~~
23 ~~as Certificate of Purchase pursuant to Section 96 of Title 64 of the~~
24 ~~Oklahoma Statutes, or any other designated tracts of land under the~~

1 ~~jurisdiction or authority of the Commissioners of the Land Office.~~
2 ~~Except for school land sold for homesites or tracts of nonproducing~~
3 ~~foreclosed lands, the Commissioners of the Land Office shall reserve~~
4 ~~and retain one hundred percent (100%) of all oil, gas and other~~
5 ~~minerals under any designated tract of school land that is sold for~~
6 ~~any purpose. The Commissioners of the Land Office shall reserve and~~
7 ~~retain one hundred percent (100%) of all oil, gas and other mineral~~
8 ~~interest under the jurisdiction or authority of the Commissioners~~
9 ~~that is located beneath surface acreages not under the jurisdiction~~
10 ~~or authority of the Commissioners. Except as otherwise provided for~~
11 ~~in this section, the Commissioners of the Land Office and shall not~~
12 ~~sell any oil, gas, or other mineral interest under the authority or~~
13 ~~jurisdiction of the Commissioners without prior approval of the~~
14 ~~Oklahoma Legislature.~~

15 SECTION 17. AMENDATORY 64 O.S. 2001, Section 101, is
16 amended to read as follows:

17 Section 101. A. 1. The Commissioners of the Land Office are
18 ~~authorized to~~ may grant commercial leases and agricultural leases in
19 trust property.

20 2. Commercial leases shall not exceed fifty-five (55) years.
21 The granting of any commercial lease in excess of three (3) years
22 shall be by public bidding at not less than fair market value. All
23 commercial leases shall provide for fair market value throughout the
24 term of the lease.

1 3. Agricultural leases of trust property shall be limited to a
2 maximum of five (5) years and shall be by public bidding at not less
3 than fair market value.

4 4. The granting of any interest in trust property at less than
5 fair market value or not in compliance with this section is void.

6 5. Any permanent improvement made on commercial trust property
7 from and after ~~the passage of this act~~ July 1, 1989 shall revert to
8 the trust at the end of the lease.

9 B. In connection with ~~any such~~ the leases specified in
10 subsection A of this section, the Commissioners of the Land Office
11 ~~shall~~, unless otherwise exempted by the Constitution or laws of
12 Oklahoma, shall:

13 1. Require payment of ad valorem property taxes on any
14 improvements and structures on state school land, which would
15 otherwise be subject to ad valorem property taxation if constructed
16 on privately owned land; and

17 2. Indemnify and hold harmless the Commissioners of the Land
18 Office from any financial obligation related to land, financing, or
19 operation.

20 C. The Commissioners of the Land Office ~~shall~~ may refuse to
21 accept any bid or lease on a commercial, agricultural, or mineral
22 lease where the party ~~placing the bid~~ is in default of any ~~annual~~
23 ~~installment~~ installments due or in violation of any provisions
24 contained in a prior or current lease contract.

1 D. The Commissioners of the Land Office may refuse to accept
2 any bid or lease contract where the interested party cannot show
3 adequate credit worthiness as determined by the Land Office.

4 SECTION 18. AMENDATORY 64 O.S. 2001, Section 115, is
5 amended to read as follows:

6 Section 115. Any employee of the Commissioners of the Land
7 Office who shall knowingly and without authority and in violation of
8 the Records Management Act destroy, forge, falsify, steal, mutilate,
9 hide, or intentionally misplace any of the records, files, computer
10 data, or any other property of the Commissioners of the Land Office,
11 or who knowingly permits or causes ~~such~~ the unlawful destruction,
12 forgery, falsifying, stealing, mutilating, hiding or intentional
13 misplacing of any of ~~such~~ the records of the Commissioners of the
14 Land Office, shall be deemed guilty of a felony, and upon conviction
15 shall be punished by imprisonment in the ~~State Penitentiary~~ custody
16 of the Department of Corrections not exceeding five (5) years and ~~in~~
17 ~~addition thereto~~ shall be immediately discharged by the
18 Commissioners of the Land Office upon ~~the~~ discovery of ~~such~~ the
19 acts.

20 SECTION 19. AMENDATORY 64 O.S. 2001, Section 123, is
21 amended to read as follows:

22 Section 123. A. The Cash Journal shall be balanced daily and
23 the total of ~~each day's~~ the receipts of each day shall be deposited
24 with the State Treasurer as now required by the State Depository

1 Law. It shall be the duty of the Commissioners of the Land Office
2 to notify each debtor to make their checks, drafts, or other
3 transfer of monies payable to the order of the Commissioners of the
4 Land Office. ~~No person shall have authority to endorse such checks,~~
5 ~~drafts or orders for monies unless specifically authorized by a~~
6 ~~resolution of a majority of the Commissioners.~~ The endorsements on
7 the checks, drafts or other evidence of transfers of monies shall be
8 in the following words:

9 "Pay to the order of the Treasury of the State of Oklahoma, for
10 credit only to the Commissioners of the Land Office", ~~and shall be~~
11 ~~signed by the person so designated by the Commissioners of the Land~~
12 ~~Office for such purpose.~~ No person, firm, or corporation shall cash
13 or pay out on any ~~such~~ check, voucher, draft, money order, or other
14 evidence of transfers of money, or its equivalent, without ~~said~~ the
15 endorsements, and the endorsement of the State Treasurer appearing
16 thereon.

17 B. Any person, firm, or corporation knowingly violating ~~this~~
18 ~~provision~~ subsection A of this section shall be guilty of a felony
19 and, upon conviction, shall be punished by a fine of not less than
20 One Hundred Dollars (\$100.00) nor more than One Thousand Dollars
21 (\$1,000.00), or by imprisonment in the ~~State Penitentiary~~ custody of
22 the Department of Corrections for a term of not more than three (3)
23 years or both such fine and imprisonment; and shall be civilly
24 liable to the ~~State of Oklahoma~~ Commissioners of the Land Office,

1 for the use and benefit of the fund which has sustained such loss in
2 double the amount of the check, voucher, money order, draft, or
3 other evidence of transfer of money, so cashed or paid.

4 C. All checks or vouchers drawn against any Special Agency
5 Account by the Commissioners of the Land Office shall be issued only
6 by the principal fiscal officer upon written application of the head
7 of the division of the School Land Department, ~~said.~~ The check or
8 voucher shall be signed in the name of the Commissioners of the Land
9 Office by the Secretary or in ~~his~~ the absence of the Secretary by
10 the Assistant Secretary and shall be countersigned by the principal
11 fiscal officer. The form of check or voucher shall be prescribed by
12 the State Treasurer and shall indicate on its face the purpose for
13 which drawn, the amount, and the account to which chargeable; ~~and,~~
14 ~~no.~~ No check shall leave the office until protected by ~~some~~
15 ~~suitable protectograph.~~ ~~The checks shall be issued in triplicate,~~
16 ~~the original to be given to the payee, the duplicate to be delivered~~
17 ~~to the head of the division who made application for said check, and~~
18 ~~the triplicate shall remain in the files in the office of the~~
19 ~~principal fiscal officer to become a part of the permanent records a~~
20 ~~machine for printing amounts on checks, as by perforations, so as to~~
21 prevent alterations.

22 SECTION 20. AMENDATORY 64 O.S. 2001, Section 126, is
23 amended to read as follows:

24

1 Section 126. The Secretary ~~to the School Land Commission~~ shall
2 cause all mail received by the ~~Department~~ Land Office to be opened
3 by some employee designated by the Secretary ~~in writing~~, assisted by
4 two other employees not connected with the cashier's office whose
5 duty shall be to examine all incoming mail and make a proper
6 duplicate record of all monies ~~therein received; the~~. The original
7 copy ~~to~~ shall be delivered to the Secretary and the duplicate
8 delivered to the cashier. The entries on ~~such~~ the reception record
9 shall be made at the time of the opening of the letters and when
10 completed shall be signed by the maker and witnessed by the
11 employees assisting, who must also sign. All ~~checks, drafts, money~~
12 ~~orders and monies or the equivalent thereof~~ cash and cash
13 equivalents, together with duplicate reception record, shall be
14 immediately ~~and forthwith~~ delivered to the cashier who shall give
15 ~~his~~ a receipt therefor by signing the original copy of the reception
16 record, and shall make proper entries on the record as provided
17 above. ~~No checks, drafts, or vouchers shall be cashed out of any~~
18 ~~funds held by the Commissioners of the Land Office~~ in this section.
19 The Secretary ~~to the Commissioners of the Land Office~~ and the
20 cashier are charged jointly and severally with the proper keeping
21 and it is hereby made their duty to see that the ~~above and foregoing~~
22 reception records are correctly kept. ~~The provisions of this~~
23 ~~section shall not apply to checks tendered as earnest money with~~
24 ~~sealed bids. Sealed bids shall not be opened until hour and date~~

1 ~~designated for such bid opening. Checks tendered as earnest money~~
2 ~~shall not be deposited unless accepted by the Commissioners~~
3 Alternatively, or in addition to the procedures specified in this
4 section, the Secretary may also purchase lock-box collection
5 services from an appropriate vendor for the handling, collection,
6 and processing of mail. Lock-box services include collecting Land
7 Office mail from a specified post office, sorting, totaling, and
8 recording payments, processing the items, and making deposits.

9 SECTION 21. AMENDATORY 64 O.S. 2001, Section 130, is
10 amended to read as follows:

11 Section 130. For the purpose of enabling the Commissioners of
12 the Land Office to keep a correct and accurate system of ~~accounting~~
13 accounts at all times, the ~~Commissioners of the Land Office~~
14 Secretary shall employ an Internal Auditor at ~~a salary not to exceed~~
15 ~~Three Thousand Six Hundred Dollars (\$3,600.00) per annum. Said The~~
16 Internal Auditor must be a competent, qualified, and experienced
17 certified public accountant, and must have had special training and
18 experience in either county or state auditing, or be thoroughly
19 familiar with the system of accounting established in state
20 ~~departments~~ agencies.

21 SECTION 22. AMENDATORY 64 O.S. 2001, Section 151, is
22 amended to read as follows:

23 Section 151. Upon the acquirement of the legal title of any
24 lands by the Commissioners of the Land Office, either by

1 cancellation of the certificate of purchase, foreclosure of
2 mortgage, warranty deeds, or otherwise, the Secretary ~~to the~~
3 ~~Commissioners of the Land Office~~ shall certify such fact to the
4 county treasurer of the county in which ~~such~~ the lands are situated,
5 and upon ~~such~~ certification ~~it shall be the mandatory duty of the~~
6 county treasurer of ~~such~~ the county ~~to~~ shall remove ~~said~~ the lands
7 from the taxable property list, and ~~to~~ strike from the record or
8 make proper notation upon the books and records of ~~such~~ the county
9 treasurer that all delinquent taxes assessed and charged against
10 ~~said~~ the lands, and all tax certificates and tax deeds based upon
11 ~~such~~ the delinquent taxes, are canceled and nullified. ~~Any county~~
12 ~~treasurer of this state who fails and refuses to comply with the~~
13 ~~requirements and provisions of such certification by the Secretary,~~
14 ~~and of this section, shall render himself subject to ouster from~~
15 ~~office and shall be liable upon his official bond for any damage~~
16 ~~that may be caused by the state by his neglect and omission.~~ The
17 recordation in the office of the proper county clerk of any
18 sheriff's deed to the State of Oklahoma as grantee or of any
19 warranty deed given to the State of Oklahoma in settlement of
20 mortgage indebtedness, or the cancellation of any certificate of
21 purchase, when certified by the Secretary ~~to the Commissioners of~~
22 ~~the Land Office~~ to the proper county treasurer, shall ipso facto
23 cancel all delinquent taxes on the real estate involved, and shall
24 likewise cancel all outstanding tax certificates or tax deeds based

1 upon taxes levied subsequent to the recordation of the mortgage to
2 the Commissioners of the Land Office, or subsequent to the issuance
3 of the canceled certificate of purchase by the Commissioners of the
4 Land Office.

5 SECTION 23. AMENDATORY 64 O.S. 2001, Section 153.1, is
6 amended to read as follows:

7 Section 153.1. All instruments, ~~except mortgages,~~ vesting any
8 right, title, or interest in lands or minerals and mineral rights,
9 in the Commissioners of the Land Office, and all instruments to
10 adjust any defect or irregularity in or to remove any cloud on the
11 title to such lands or minerals or mineral rights owned by the
12 state, and all notices and orders issued by the Commissioners of the
13 Land Office and proofs of publication thereof shall be filed and
14 recorded by the proper officers of all counties of ~~the State of~~
15 ~~Oklahoma~~ this state at the request of the Commissioners of the Land
16 Office without any filing or recording fee being charged ~~therefor~~.

17 SECTION 24. AMENDATORY 64 O.S. 2001, Section 154, is
18 amended to read as follows:

19 Section 154. A permanent minute record shall be kept of all
20 proceedings ~~had by~~ of the Commissioners of the Land Office. No
21 action of the Commissioners of the Land Office shall be valid unless
22 voted by at least three members. No action heretofore taken, or
23 which may hereafter be taken by the Commissioners of the Land
24 Office, may be rescinded except by a three-fifths (3/5) vote of the

1 full membership of the Board of Commissioners of the Land Office.
2 The Commissioners of the Land Office shall approve the minutes of
3 each Board meeting at the next succeeding meeting, ~~and the attorney~~
4 ~~for the Department shall prior to each Board meeting certify to the~~
5 ~~validity of the proceedings taken by the Commissioners of the Land~~
6 ~~Office at their last preceding meeting.~~

7 SECTION 25. AMENDATORY 64 O.S. 2001, Section 155, is
8 amended to read as follows:

9 Section 155. ~~It is hereby made the mandatory duty of the~~
10 ~~Auditor of the Commissioners of the Land Office to~~ The Accounting
11 Division under the supervision of the Secretary, shall submit to the
12 Commissioners of the Land Office ~~at the close of each month, a~~
13 monthly statement of all assets and liabilities owned by the
14 ~~Department and at the close of each fiscal year ending June 30th,~~
15 ~~submit a detailed financial statement, together with a schedule of~~
16 ~~all assets owned and held by the Department~~ Land Office. The
17 Secretary ~~shall~~, not later than the fifth day of each regular
18 session of the Legislature, shall submit a detailed financial
19 statement to the Governor and to the Legislature for the ~~biennium~~
20 preceding fiscal year ending June 30th, ~~preceding such regular~~
21 ~~session of the Legislature, reflecting all assets and liabilities~~
22 ~~owned and held by the Department. The Secretary shall, not later~~
23 ~~than the fifth day of each regular session of the Legislature submit~~
24 ~~a detailed financial statement to the Governor and to the~~

1 ~~Legislature for the biennium ending June 30th, preceding each~~
2 ~~regular session of the Legislature, Land Office, reflecting all~~
3 ~~assets and liabilities owned and held by the Department at the close~~
4 ~~of ~~said~~ the period, profits made and losses sustained, together with~~
5 ~~a detailed schedule of all lands, loans, bonds, and coupons,~~
6 ~~contracts, and judgments owned and held by the Department Land~~
7 ~~Office.~~

8 SECTION 26. AMENDATORY 64 O.S. 2001, Section 156, is
9 amended to read as follows:

10 Section 156. The accounts and records of the ~~State School~~ Land
11 ~~Department~~ Office shall ~~be audited~~ annually have an audit conducted
12 in accordance with auditing standards generally accepted in the
13 United States of America and the standards applicable to financial
14 audits contained in Government Auditing Standards, issued by the
15 Comptroller General of the United States by an independent Oklahoma
16 certified public accountant. ~~The audit and the return thereof shall~~
17 ~~contain a statement of inventory of all property owned by the State~~
18 ~~School Land Department, together with the appraised value thereof.~~
19 ~~A commission consisting of the Governor, the President Pro Tempore~~
20 ~~of the Senate, and the Speaker of the House is hereby authorized to~~
21 ~~contract for such audits~~ The Secretary shall contract for the audits
22 required by this section. Copies of the audits shall be filed with
23 the Governor, the Commissioners of the Land Office, the State
24 Senate, ~~and~~ the House of Representatives, the State Auditor and

1 Inspector, and the Director of State Finance in accordance with the
2 requirements set forth for financial statement audits in Section
3 212A of Title 74 of the Oklahoma Statutes.

4 SECTION 27. AMENDATORY 64 O.S. 2001, Section 158, is
5 amended to read as follows:

6 Section 158. The provisions of this ~~act~~ title are severable,
7 and if any section, part, or portion ~~hereof~~ of a section shall be
8 held unconstitutional, void, invalid, or inoperative the invalidity
9 of ~~such~~ the section, part, or portion shall not affect or impair any
10 of the remaining sections, parts, or portions ~~thereof~~.

11 SECTION 28. AMENDATORY 64 O.S. 2001, Section 160, is
12 amended to read as follows:

13 Section 160. The Commissioners of the Land Office ~~are hereby~~
14 ~~authorized and empowered~~ may employ attorneys or to engage private
15 attorneys to bring or defend suits in the name of the Commissioners
16 of the Land Office and on behalf of the State of Oklahoma in all
17 matters affecting the public lands of the state, and in all matters
18 affecting the loaning, investing or collecting of school land and
19 state land monies, of, and belonging to the state, ~~and it shall be~~
20 ~~the duty of the~~. The Attorney General of the state ~~to,~~ when
21 requested by the Commissioners of the Land Office, shall represent
22 the Commissioners of the Land Office, and the state in the
23 prosecution or defense of any suit or action so instituted, brought,
24 or defended; ~~provided, this act shall not abolish the office of Law~~

1 ~~and Executive Clerk of the Commissioners of the Land Office, which~~
2 ~~was created by Chapter 211, of the Session Laws of 1919.~~

3 SECTION 29. AMENDATORY 64 O.S. 2001, Section 181, is
4 amended to read as follows:

5 Section 181. The Commissioners of the Land Office shall dispose
6 of, sell and convey, subject to the limitations, exceptions,
7 conditions, rules, regulations and instructions, provided by law,
8 except where same is embraced in any reservation specifically
9 reserved from sale for any special purpose, all the following
10 enumerated and described school and public lands of this state:

11 All lands owned by this state, reserved, granted, and taken in
12 lieu of sections numbered sixteen, thirty-six, thirteen and thirty-
13 three and known as indemnity lands: Provided, that when such lands
14 or any part thereof are sold and conveyed, the proceeds derived
15 therefrom shall be prorated among the several funds as their
16 interest may appear, and used as provided by law; also all lands
17 embraced in sections numbered thirty-three in that part of the state
18 formerly known as Oklahoma Territory, and granted to the state for
19 charitable and penal institutions and public buildings: Provided,
20 further, that all the money derived from the sale of any or all of
21 such lands, shall be apportioned and disposed of as may be provided
22 by law; also all lands granted to this state by the United States
23 under and by virtue of Section 12 of the Enabling Act for the
24 following purposes, namely: for the benefit of the Oklahoma

1 University, two hundred fifty thousand (250,000) acres; for the
2 benefit of Oklahoma State University, two hundred fifty thousand
3 (250,000) acres; for the benefit of the University Preparatory
4 School, one hundred fifty thousand (150,000) acres; for the benefit
5 of Langston University, one hundred thousand (100,000) acres; for
6 the benefit of the normal schools now established or hereafter to be
7 established, three hundred thousand (300,000) acres. Provided, that
8 all money derived from the sale of any of such lands shall be
9 invested for the state in trust, and interest thereon shall be used
10 exclusively and as above apportioned in the support and maintenance
11 of such schools. Provided, further, that if any tract, part or
12 parcel of any of the land enumerated and described in this section,
13 was or shall be returned to the Commissioners of the Land Office by
14 a board of appraisers thereof, including those tracts of land
15 embraced in sections numbered thirteen, sixteen and thirty-six, and
16 otherwise herein reserved from sale, that are now platted and
17 occupied and leased directly from the State of Oklahoma for townsite
18 purposes, as being more valuable for townsite than for agricultural
19 purposes, then such tract, part or parcel of such land shall be by
20 the Commissioners of the Land Office reserved from sale and disposed
21 of under the terms of this article: ~~Provided, further, that where~~
22 ~~any part of any of the above enumerated and described lands are~~
23 ~~known to be valuable for mineral, including gas or oil, such part of~~
24 ~~said lands shall not be sold prior to January 1, 1915.~~

1 SECTION 30. AMENDATORY 64 O.S. 2001, Section 184, is
2 amended to read as follows:

3 Section 184. Any lessee holding a preference right lease ~~on any~~
4 ~~of the lands described in the first section of this article, same~~
5 ~~being Section 33 and indemnity~~ shall have the preference right to
6 purchase all of the lands ~~so~~ leased by ~~him~~ the lessee at the highest
7 bid at the time of the public sale, or in case of no bid, then to
8 take the same at the appraised value.

9 SECTION 31. AMENDATORY 64 O.S. 2001, Section 192, is
10 amended to read as follows:

11 Section 192. All purchasers, lessees, or holders of any of the
12 public lands of this state, shall take the same subject to the
13 conditions of this ~~article; and all~~ title. All certificates,
14 contracts, or written evidence issued to any purchaser shall recite
15 that the same is taken and accepted subject to all the conditions of
16 this ~~article~~ title.

17 SECTION 32. AMENDATORY 64 O.S. 2001, Section 223, is
18 amended to read as follows:

19 Section 223. Any lessee holding a preference right lease shall
20 during the public bidding on sale of the leased lands have the
21 preference right to purchase the lands so leased by ~~him~~ the lessee
22 at the highest bid at the time of the sale.

23 SECTION 33. AMENDATORY 64 O.S. 2001, Section 224, is
24 amended to read as follows:

1 Section 224. ~~Upon the sale of such lands as provided herein, if~~
2 If any lessee having preference right to purchase fails or refuses
3 to pay the highest bona fide bid thereof, ~~said~~ the lessee shall be
4 entitled to be reimbursed for the improvements placed on the
5 preference right lease by ~~him~~ the lessee at their value fixed by the
6 appraisers selected by the Commissioners of the Land Office to
7 appraise the same and shall surrender possession of the ~~said~~ lease
8 immediately following the sale of the land and payment for
9 improvements.

10 SECTION 34. AMENDATORY 64 O.S. 2001, Section 225.1, is
11 amended to read as follows:

12 Section 225.1. Before any lands under the jurisdiction and
13 control of the Commissioners of the Land Office, covered by
14 preference right leases and the improvements located thereon owned
15 by the lessees, shall be offered for sale and sold, the
16 Commissioners of the Land Office shall cause the same to be
17 appraised by three disinterested appraisers, who are nonresidents of
18 the county in which the land is situated, to be selected by ~~said~~
19 ~~Commissioners, who,~~ the Secretary. The appraisers, before entering
20 upon their duties, shall take and subscribe the oath required of
21 state officers. ~~Said~~ The appraisers shall make a true appraisalment
22 of ~~said~~ the lands at the actual cash value thereof, exclusive of all
23 improvements, and shall separately appraise all improvements owned
24 by the lessee which can be removed without manifest injury to the

1 | ~~land, and all improvements to said land placed thereon by the lessee~~
2 | ~~at his expense which cannot be removed without manifest injury to~~
3 | ~~the land, including trees, terraces, water wells, ponds, and other~~
4 | ~~improvements of a similar nature, at their actual cash value. The~~
5 | ~~preference right lessee shall be entitled to appeal to the~~
6 | ~~Commissioners of the Land Office from the appraisal made by the~~
7 | ~~appraisers selected by the Commissioners and may present evidence to~~
8 | ~~the Commissioners of the Land Office tending to prove a different~~
9 | ~~value of the improvements than that fixed by the appraisers of the~~
10 | ~~Commissioners. Said appeal to the Commissioners shall be filed~~
11 | ~~within ten (10) days after receiving notice of the appraisal~~
12 | ~~fixed by the appraisers.~~

13 | SECTION 35. AMENDATORY 64 O.S. 2001, Section 226, is
14 | amended to read as follows:

15 | Section 226. The lands ~~herein~~ authorized to be sold shall be
16 | offered for sale to the highest bidder at public auction at the
17 | ~~Office~~ office of the Secretary ~~to the Commissioners of the Land~~
18 | ~~Office~~ or at any other auction site calculated to enhance public
19 | notice and interest in the sale. The sale shall be made within six
20 | (6) months from the date of the final approval of the appraisal
21 | by the Commissioners, unless for good cause shown, the Commissioners
22 | of the Land Office extend the time of offering the land for sale for
23 | a period not to exceed one (1) year from the date of the final
24 | ~~approval~~ approval of the appraisal.

1 SECTION 36. AMENDATORY 64 O.S. 2001, Section 227, is
2 amended to read as follows:

3 Section 227. Before selling the lands and improvements ~~herein~~
4 authorized to be sold, the Commissioners of the Land Office shall
5 advertise ~~such~~ the sale by publication calculated to bring the
6 highest and best bids. The advertisement shall be at a minimum
7 published in a newspaper of general circulation in the county in
8 which ~~such~~ the land is situate for fifteen (15) days prior to the
9 date of sale. ~~Such~~ The notice shall state the time and place of
10 sale and the quantity of land to be sold and the purposes of the
11 sale.

12 SECTION 37. AMENDATORY 64 O.S. 2001, Section 228, is
13 amended to read as follows:

14 Section 228. The Commissioners of the Land Office upon
15 completion of the sale of land and improvements and receipt of the
16 purchase price shall issue a deed to the purchaser ~~thereof~~ which
17 shall contain a provision ~~therein~~ reserving the oil, gas, and other
18 minerals ~~as herein provided.~~

19 SECTION 38. AMENDATORY 64 O.S. 2001, Section 241, is
20 amended to read as follows:

21 Section 241. Except as otherwise provided by law, all the
22 public lands of this state shall be subject to lease in the manner
23 provided ~~herein~~ by law. The Commissioners of the Land Office shall
24 have charge of the leasing of ~~such~~ the lands. The Secretary may

1 require compliance with local regulations, ordinances, or law where
2 compliance is not contrary to trust obligations.

3 SECTION 39. AMENDATORY 64 O.S. 2001, Section 244, is
4 amended to read as follows:

5 Section 244. If the lessee of any of the lands ~~enumerated~~
6 ~~herein~~ or mineral interests owned by the state shall be in default
7 of ~~the annual~~ rental payments due the state ~~for a period of six (6)~~
8 ~~months~~, the Commissioners of the Land Office shall ~~within ninety~~
9 ~~(90) days after such delinquency, cause notice to be given such~~
10 ~~delinquent lessee, and person in possession of the lands, that if~~
11 ~~such delinquency is not paid within thirty (30) days from the~~
12 ~~service of such notice, his lease will be declared forfeited to the~~
13 ~~state by the Commissioners of the Land Office. If the amounts due~~
14 ~~are not paid within thirty (30) days from the date of the service of~~
15 ~~such notice, the said lease shall be declared forfeited and the~~
16 ~~possession of the land therein described shall revert to the state,~~
17 ~~the same as though such lease had never been made. The order making~~
18 ~~such forfeiture shall be spread upon the records of the~~
19 ~~Commissioners of the Land Office. The service of the notice herein~~
20 ~~provided shall be made by registered mail; in case the post office~~
21 ~~address of the owner of such lease be unknown, the notice herein~~
22 ~~provided shall be served upon the person in possession and shall be~~
23 ~~published in two consecutive issues of some weekly newspaper~~
24 ~~published in or of general circulation in the county where the land~~

1 ~~is situated. The forfeiture shall be entered by said board after~~
2 ~~thirty (30) days from the date of the first publication or~~
3 ~~registered notice; provided, the lessee of any land so forfeited may~~
4 ~~redeem the same within thirty (30) days after the first notice to~~
5 ~~him, his agent or sublessee, by paying all delinquencies, fees and~~
6 ~~costs of forfeiture at any time before the expiration of thirty (30)~~
7 ~~days, as aforesaid, and as provided by this article; provided,~~
8 ~~further, the Commissioners of the Land Office are required to serve~~
9 ~~notice of delinquencies and proceed with forfeiture as stated~~
10 ~~herein, at least once each year.~~

11 ~~The improvements on lands so reverting to the state shall be~~
12 ~~sold under the direction of the Commissioners of the Land Office, at~~
13 ~~public sale, after appraisement, upon due notice to the lessee, and~~
14 ~~sublessee, and the proceeds received therefrom shall inure to the~~
15 ~~holder of the delinquent lease after paying to the state all~~
16 ~~delinquencies and rents and expenses incurred in making such sale;~~
17 ~~provided, further, the Secretary to the Commissioners of the Land~~
18 ~~Office is hereby authorized at all such sales of the improvements on~~
19 ~~lands so reverting to the state, in case there are no other bidders~~
20 ~~to bid off such improvements offered at said sale at a reasonable~~
21 ~~figure, in the name of the state for the benefit of the fund to~~
22 ~~which said lands so reverting to the state belong, the state~~
23 ~~acquiring all the rights, both legal and equitable, that any other~~
24 ~~purchaser could acquire by reason of said purchase.~~

1 ~~If the lessee of any tract, block or parcel of state school or~~
2 ~~other public lands shall fail, neglect or refuse, for a period of~~
3 ~~fifteen (15) days, to enter into a renewal lease and execute the~~
4 ~~notes for the annual rentals as provided by law, at the expiration~~
5 ~~of any agricultural lease after any appraisement for rental purposes~~
6 ~~has been approved by the Commissioners of the Land Office, the~~
7 ~~Commissioners of the Land Office shall cause notice to be given to~~
8 ~~such agricultural lessee that if such agricultural lease and notes~~
9 ~~for the annual rentals are not executed and delivered within ten~~
10 ~~(10) days from the service of such notice, his preference right to~~
11 ~~re-lease will be declared forfeited to the state by the~~
12 ~~Commissioners of the Land Office. If said agricultural lessee shall~~
13 ~~fail, neglect or refuse to enter into a renewal lease and execute~~
14 ~~the rental notes as provided by law, within ten (10) days of the~~
15 ~~date of service of such notice, the said agricultural lessee's~~
16 ~~preference right to re-lease shall be declared forfeited and the~~
17 ~~land therein described shall revert to the state, the same as though~~
18 ~~no such lease had ever been made. Provided, however, the lessee may~~
19 ~~appeal to the district court of the county within ten (10) days, by~~
20 ~~making bond in double the amount of the appraised value of the~~
21 ~~lease, and provided, however, that if the agricultural lessee shall~~
22 ~~appeal from the order of the Commissioners of the Land Office~~
23 ~~approving the appraisement for rental purposes, to the district~~
24 ~~court of the county in which the land is so located, then no action~~

1 ~~shall be taken by the Commissioners of the Land Office pending a~~
2 ~~review of the appraisal made by the Commissioners of the Land~~
3 ~~Office in the said district court, until after ten (10) days from~~
4 ~~the date the order of the district court fixing the amount of said~~
5 ~~appraisal shall become final. The order making such forfeiture~~
6 ~~shall be spread upon the records of the Commissioners of the Land~~
7 ~~Office. The improvements on land so reverting to the state shall be~~
8 ~~sold under the direction of the Commissioners of the Land Office, at~~
9 ~~public sale, upon ten (10) days notice to the lessee; and the~~
10 ~~proceeds received therefrom shall inure to the owner of said~~
11 ~~improvements after payment shall have been made to the state for all~~
12 ~~rentals at the rental fixed by law, and all costs for the time said~~
13 ~~lands are withheld from the state, together with the expenses~~
14 ~~incurred in the making of such sale. The service of the notice~~
15 ~~herein provided, the time of entering said order of forfeiture, and~~
16 ~~the right of the preference right lessee to redeem, shall be as~~
17 ~~provided herein.~~

18 ~~That in all cases where improvements on lands reverting to the~~
19 ~~state under Sections 1 and 2, of this act, and are bid off by the~~
20 ~~Secretary of the Commissioners of the Land Office for the amount of~~
21 ~~delinquent rentals, interest and costs of forfeiture due and payable~~
22 ~~thereon, shall revert to the proper funds and the Commissioners of~~
23 ~~the Land Office may sell the improvements, on any tract of such~~
24 ~~lands at public auction. Provided, however, that before any such~~

1 ~~sale be made, the Commissioners of the Land Office shall cause legal~~
2 ~~notice to be published for two (2) consecutive weeks prior to the~~
3 ~~date of said sale, in the county in which said lands are located.~~
4 ~~The proceeds from such sales shall be credited to the earnings of~~
5 ~~the fund to which said lands belonged~~ institute collection
6 proceedings, including any and all commercial or governmental
7 procedures and proceedings permitted to the full extent of the law.
8 Any and all notices, summonses, subpoenas, or other official
9 documents may be served by any employee of the Commissioners of the
10 Land Office, who may serve without special designation for service
11 of process in any court within this state.

12 SECTION 40. AMENDATORY 64 O.S. 2001, Section 246, is
13 amended to read as follows:

14 Section 246. No assignment of a school land lease as security
15 shall be valid unless filed for record in the office of the
16 Commissioners of the Land Office within thirty (30) days after ~~the~~
17 ~~execution thereof, and the Commissioners of the~~ assignment. The
18 Land Office shall charge a fee ~~of One Dollar (\$1.00)~~ set by the
19 Commissioners of the Land Office for entering and recording each
20 ~~assignment; provided, that no.~~ No assignments of the lease which is
21 the home of the family shall be valid unless executed by both
22 husband and wife.

23 SECTION 41. AMENDATORY 64 O.S. 2001, Section 249, is
24 amended to read as follows:

1 Section 249. ~~Any~~ A. Except as otherwise provided in this
2 section, any lessee may, at the termination of his the lease, may
3 remove any or all of his the improvements of the lessee, and he the
4 lessee shall have the right to harvest or remove any growing crop
5 thereon: Provided, however, that in case on or before the date
6 specified by the Land Office.

7 B. If the lessee is in default for nonpayment for any rental or
8 assessment of any nature, he of any terms of the lease, the lessee
9 shall not be allowed to remove such improvement or make such entry
10 to secure crops until all arrearage is arrearages, including, but
11 not limited to, interest, costs and attorney fees, are fully
12 satisfied, said. The improvements, that are movable, shall then be
13 moved immediately within sixty (60) days from termination before
14 expiration of his the lease.

15 SECTION 42. AMENDATORY 64 O.S. 2001, Section 252, is
16 amended to read as follows:

17 Section 252. ~~All~~ Except as otherwise provided by law, all of
18 the records in possession, control, care, and custody of the
19 Commissioners of the Land Office are hereby declared to be public
20 records, and certified copies thereof are admissible in evidence in
21 the courts of this state. Any person shall be entitled to receive a
22 certified copy of any instrument on record with the Commissioners of
23 the Land Office on the payment of a fee as prescribed by the
24 Commission Commissioners.

1 SECTION 43. AMENDATORY 64 O.S. 2001, Section 259, is
2 amended to read as follows:

3 Section 259. Any lands leased by the Commissioners of the Land
4 Office for agricultural ~~and/or~~ grazing purposes shall be leased for
5 a period not to exceed five (5) years under such terms and
6 conditions and at ~~such~~ an annual rental as may be fixed by the
7 Commissioners of the Land Office after appraisement and public
8 auction.

9 SECTION 44. AMENDATORY 64 O.S. 2001, Section 289, is
10 amended to read as follows:

11 Section 289. The proceeds derived in bonuses and royalties and
12 from other inducements and considerations for the execution and
13 operation of the oil and gas leases as authorized in ~~this article~~
14 ~~provided~~ Sections 281 through 293 of this title, except oil and gas
15 leases on state-owned lands set apart and designated for the use,
16 benefit, and occupancy of state educational institutions, shall be
17 ~~carried into the several funds,~~ for the use and benefit of which
18 ~~such~~ the lands were granted by the United States to the State of
19 Oklahoma, and to the territory now comprising the area embraced
20 within the ~~said~~ state, under the provisions of the Enabling Act, and
21 any and all other Acts of Congress. ~~For the uses and purposes, and~~
22 ~~upon the conditions, and under the limitations for which the same~~
23 ~~were granted, and the money resulting from such lease and from the~~
24 ~~operation thereof shall be handled, disposed of and used in like~~

1 ~~manner as the other monies belonging to said several funds under the~~
2 ~~laws of this state. The proceeds derived in bonuses, royalties, and~~
3 ~~from other inducements and considerations for the execution and~~
4 ~~operation of the oil and gas leases on state owned lands set apart~~
5 ~~and designated for the use, benefit, and occupancy of state~~
6 ~~educational institutions shall be paid to the State Treasurer, and~~
7 ~~by him deposited to the credit of the General Revenue Fund of the~~
8 ~~State of Oklahoma, which shall at the next session of the~~
9 ~~Legislature be appropriated for the use and benefit of such~~
10 institutions Bonus and delay rental income received by the Land
11 Office shall be distributed to current beneficiaries in like manner
12 as lease income received from surface leases, except that if
13 determined to be in the best interests of the trust, the
14 distributions may be made upon a schedule determined by a five-year
15 rolling average of bonus and delay rental income.

16 SECTION 45. AMENDATORY 64 O.S. 2001, Section 290, is
17 amended to read as follows:

18 Section 290. The Commissioners of the Land Office ~~are hereby~~
19 ~~authorized to~~ may lease for oil and gas purposes all lands between
20 mean high water mark in all streams or rivers of two chains or over
21 ~~all such.~~ All the streams are declared the property of the State of
22 Oklahoma.

23 SECTION 46. AMENDATORY 64 O.S. 2001, Section 291, is
24 amended to read as follows:

1 Section 291. ~~Said~~ The lands specified in Section 290 of this
2 title are to be leased under the same provisions as the school and
3 other lands of the State of Oklahoma.

4 SECTION 47. AMENDATORY 64 O.S. 2001, Section 293, is
5 amended to read as follows:

6 Section 293. The royalty proceeds derived from the sale of oil
7 or gas production under any oil and gas lease granted by the
8 Commissioners of the Land Office shall be paid to the Commissioners
9 pursuant to the terms of the Production Revenue Standards Act,
10 ~~Sections 1 through 15 of this act.~~

11 SECTION 48. AMENDATORY 64 O.S. 2001, Section 451, is
12 amended to read as follows:

13 Section 451. To further the development of mineral resources in
14 ~~the State of Oklahoma~~ this state, particularly with regard to
15 valuable minerals, including uranium, the Commissioners of the Land
16 Office ~~are hereby authorized to~~ may issue prospecting permits ~~to~~
17 ~~citizens of the United States,~~ under procedures, fees, and rules as
18 may be promulgated by the Commissioners granting an exclusive right
19 to prospect for any minerals owned by the state, under the
20 jurisdiction and control of the Commissioners of the Land Office,
21 ~~provided, that all such permits shall be for a period of not to~~
22 ~~exceed one (1) year and no permit shall cover more than one hundred~~
23 ~~sixty (160) acres of land.~~

1 SECTION 49. AMENDATORY 64 O.S. 2001, Section 454, is
2 amended to read as follows:

3 Section 454. ~~Should~~ If the Commissioners of the Land Office
4 find that the state owns a valuable mineral, ~~they~~ the Commissioners
5 shall offer the necessary mineral lease for sale on competitive
6 bids, and notice of ~~such~~ the sale shall be published in at least one
7 newspaper, authorized by law to publish legal notices, in the county
8 in which the land is located. The notice shall state the terms and
9 conditions under which sale will be made, ~~+~~ the annual rental and/or
10 royalty which will be acceptable to the Commissioners, and that the
11 Commissioners have the right to reject any and all bids.

12 SECTION 50. AMENDATORY 64 O.S. 2001, Section 459, is
13 amended to read as follows:

14 Section 459. Any person who prospects for minerals owned by ~~the~~
15 ~~State of Oklahoma~~ this state, under the jurisdiction and control of
16 the Commissioners of the Land Office, without a prospecting permit,
17 or who removes any such minerals without a lease contract, contrary
18 to the provisions of ~~this act~~ Sections 451 through 460 of this
19 title, or who violates any other terms or provisions of ~~this act~~
20 Sections 451 through 460 of this title, shall be guilty of a felony
21 and upon conviction shall be punished by a fine of not less than
22 Fifty Dollars (\$50.00) and not to exceed Fifty Thousand Dollars
23 (\$50,000.00), or by imprisonment for not less than thirty (30) days
24

1 and not to exceed ten (10) years, or by both such fine and
2 imprisonment.

3 SECTION 51. AMENDATORY 70 O.S. 2001, Section 614, is
4 amended to read as follows:

5 Section 614. The Commissioners of the Land Office shall
6 apportion the ~~income~~ distribution accruing from the Permanent School
7 Fund ~~and the ad valorem taxes collected by the state from which~~
8 ~~proper reports have been received by the Superintendent of Public~~
9 ~~Instruction.~~ All such monies remaining in the hands of the
10 Commissioners of the Land Office and in the State Treasury at the
11 close of each calendar month shall be apportioned and paid over to
12 the schools ~~within fifteen (15) days following the close of each~~
13 ~~such month~~ by the last business day of the following month.

14 SECTION 52. AMENDATORY 74 O.S. 2001, Section 840-5.5, as
15 last amended by Section 1, Chapter 300, O.S.L. 2008 (74 O.S. Supp.
16 2009, Section 840-5.5), is amended to read as follows:

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

20 1. Persons chosen by popular vote or appointment to fill an
21 elective office, and their employees, except the employees of the
22 Corporation Commission, the State Department of Education and the
23 Department of Labor;

24

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

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

5 4. Persons employed with one-time, limited duration, federal or
6 other grant funding that is not continuing or indefinitely
7 renewable. The length of the unclassified employment shall not
8 exceed the period of time for which that specific federal funding is
9 provided;

10 5. All officers and employees of The Oklahoma State System of
11 Higher Education, State Board of Education and Oklahoma Department
12 of Career and Technology Education;

13 6. Persons employed in a professional or scientific capacity to
14 make or conduct a temporary and special inquiry, investigation, or
15 examination on behalf of the Legislature or a committee thereof or
16 by authority of the Governor. These appointments and authorizations
17 shall terminate on the first day of the regular legislative session
18 immediately following the appointment, if not terminated earlier.
19 However, nothing in this paragraph shall prevent the reauthorization
20 and reappointment of any such person. Any such appointment shall be
21 funded from the budget of the appointing authority;

22 7. Election officials and employees;

23 8. Temporary employees employed to work less than one thousand
24 (1,000) hours in any twelve-month period, and seasonal employees

1 employed by the Oklahoma Tourism and Recreation Department pursuant
2 to Section 2241 of this title who work less than one thousand six
3 hundred (1,600) hours in any twelve-month period;

4 9. Department of Public Safety employees occupying the
5 following offices or positions:

- 6 a. administrative aides to the Commissioner,
- 7 b. executive secretaries to the Commissioner,
- 8 c. the Governor's representative of the Oklahoma Highway
9 Safety Office who shall be appointed by the Governor,
- 10 d. Highway Patrol Colonel,
- 11 e. Highway Patrol Lieutenant Colonel,
- 12 f. Director of Finance,
- 13 g. noncommissioned pilots,
- 14 h. Information Systems Administrator,
- 15 i. Law Enforcement Telecommunications System Specialist,
- 16 j. Director of Driver Compliance,
- 17 k. Director of Transportation Division,
- 18 l. Director of the Oklahoma Highway Safety Office,
- 19 m. Civil Rights Administrator,
- 20 n. Budget Analyst,
- 21 o. Comptroller,
- 22 p. Chaplain,
- 23 q. Helicopter Mechanic,
- 24 r. Director of Safety Compliance,

- s. Human Resources Director,
- t. Administrator of Department Services, and
- u. a maximum of seven (7) positions for the purpose of administering programs in the Oklahoma Highway Safety Office, within full-time employee limitations of the Department, employed with federal funding that is continuing or indefinitely renewable. The authorization for such positions shall be terminated if the federal funding for positions is discontinued;

provided, any person appointed to a position prescribed in subparagraph d or e of this paragraph shall have a right of return to the classified commissioned position without any loss of rights, privileges or benefits immediately upon completion of the duties in the unclassified commissioned position;

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

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

- 1 a. an institution of higher learning within The Oklahoma
2 State System of Higher Education,
- 3 b. an institution of higher learning qualified to become
4 coordinated with The Oklahoma State System of Higher
5 Education. For purposes of this section, a student
6 shall be considered a regularly enrolled student if
7 the student is enrolled in a minimum of five (5) hours
8 of accredited graduate courses or a minimum of ten
9 (10) hours of accredited undergraduate courses,
10 provided, however, the student shall only be required
11 to be enrolled in a minimum of six (6) hours of
12 accredited undergraduate courses during the summer, or
- 13 c. high school students regularly enrolled in a high
14 school in Oklahoma and regularly attending classes
15 during such time of enrollment;

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

19 13. Service substitute attendants who are needed to replace
20 museum and site attendants who are unavoidably absent. Service
21 substitutes may work as part-time or full-time relief for absentees
22 for a period of not more than four (4) weeks per year in the
23 Oklahoma Historical Society sites and museums; such substitutes will
24

1 not count towards the agency's full-time-equivalent (FTE) employee
2 limit;

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

5 15. Corporation Commission personnel occupying the following
6 offices and positions:

- 7 a. Administrative aides, and executive secretaries to the
8 Commissioners,
- 9 b. Directors of all the divisions, personnel managers and
10 comptrollers,
- 11 c. General Counsel,
- 12 d. Public Utility Division Chief Engineer,
- 13 e. Public Utility Division Chief Accountant,
- 14 f. Public Utility Division Chief Economist,
- 15 g. Public Utility Division Deputy Director,
- 16 h. Secretary of the Commission,
- 17 i. Deputy Conservation Director,
- 18 j. Manager of Pollution Abatement,
- 19 k. Manager of Field Operations,
- 20 l. Manager of Technical Services,
- 21 m. Public Utility Division Chief of Telecommunications,
- 22 n. Director of Information Services,
- 23 o. All Data Processing employees hired on or after
24 September 1, 2005,

- 1 p. All Public Utilities employees hired on or after
2 September 1, 2007,
3 q. All Regulatory Program Managers hired on or after
4 September 1, 2007, and
5 r. All Pipeline Safety Department employees hired on or
6 after September 1, 2008;

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

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

- 14 a. Director of Facility,
15 b. Deputy Director for Administration,
16 c. Clinical Services Director,
17 d. Executive Secretary to Director, and
18 e. Directors or Heads of Departments or Services;

19 18. Office of State Finance personnel occupying the following
20 offices and positions:

- 21 a. State Comptroller,
22 b. Administrative Officers,
23 c. Alternator Claims Auditor,
24

- 1 d. Employees hired to fulfill state compliance agency
2 requirements under Model Tribal Gaming Compacts,
3 e. Employees of the Budget Division,
4 f. Employees of the Fiscal and Research Division,
5 g. Employees hired to work on the CORE Systems Project;
6 and
7 h. The following employees of the Information Services
8 Division:
- 9 (1) Information Services Division Manager,
 - 10 (2) Network Manager,
 - 11 (3) Network Technicians,
 - 12 (4) Security Manager,
 - 13 (5) Contracts/Purchasing Manager,
 - 14 (6) Operating and Applications Manager,
 - 15 (7) Project Manager,
 - 16 (8) Help Desk Manager,
 - 17 (9) Help Desk Technicians,
 - 18 (10) Quality Assurance Manager,
 - 19 (11) ISD Analysts,
 - 20 (12) CORE Manager,
 - 21 (13) Enterprise System/Database Software Manager,
 - 22 (14) Data Center Operations and Production Manager,
 - 23 (15) Voice Communications Manager,
 - 24 (16) Applications Development Manager,

- 1 (17) Projects Manager,
- 2 (18) PC's Manager,
- 3 (19) Servers Manager,
- 4 (20) Portal Manager,
- 5 (21) Procurement Specialists,
- 6 (22) Security Technicians,
- 7 (23) Enterprise Communications and Network
- 8 Administrator,
- 9 (24) Server Support Specialists,
- 10 (25) Senior Server Support Specialists,
- 11 (26) Systems Support Specialists, and
- 12 (27) Senior Systems Support Specialists;

13 19. Employees of the Oklahoma Industrial Finance Authority;

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

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

18 22. The following positions and employees of the Oklahoma
19 School of Science and Mathematics:

- 20 a. positions for which the annual salary is Twenty-four
- 21 Thousand One Hundred Ninety-three Dollars (\$24,193.00)
- 22 or more, as determined by the Office of Personnel
- 23 Management, provided no position shall become
- 24

- 1 unclassified because of any change in salary or grade
2 while it is occupied by a classified employee,
3 b. positions requiring certification by the State
4 Department of Education, and
5 c. positions and employees authorized to be in the
6 unclassified service of the state elsewhere in this
7 section or in subsection B of this section;

8 23. Office of Personnel Management employees occupying the
9 following positions:

- 10 a. the Carl Albert Internship Program Coordinator,
11 b. one Administrative Assistant,
12 c. one Workforce Planning Manager,
13 d. Assistant Administrators,
14 e. one Associate Administrator, and
15 f. Division Directors;

16 24. Department of Labor personnel occupying the following
17 offices and positions:

- 18 a. two Deputy Commissioners,
19 b. two Executive Secretaries to the Commissioner,
20 c. Chief of Staff,
21 d. two Administrative Assistants,
22 e. Information Systems Administrator,
23 f. three Safety and Health Directors,
24 g. Research Director,

- 1 h. Employment Standards Director,
- 2 i. Asbestos Director,
- 3 j. General Counsel,
- 4 k. one Legal Secretary,
- 5 l. one Docket Clerk, and
- 6 m. two Information Systems Application Specialists;
- 7 25. The State Bond Advisor and his or her employees;
- 8 26. The Oklahoma Employment Security Commission employees

9 occupying the following positions:

- 10 a. Associate Director,
- 11 b. Secretary to the Associate Director, and
- 12 c. Assistant to the Executive Director;
- 13 27. Oklahoma Human Rights Commission personnel occupying the
- 14 position of Administrative Assistant;
- 15 28. Officers and employees of the State Banking Department;
- 16 29. Officers and employees of the University Hospitals

17 Authority except personnel in the state classified service pursuant
18 to Section 3211 of Title 63 of the Oklahoma Statutes and members of
19 the University Hospitals Authority Model Personnel System created
20 pursuant to subsection E of Section 3211 of Title 63 of the Oklahoma
21 Statutes or as otherwise provided for in Section 3213.2 of Title 63
22 of the Oklahoma Statutes;

- 23 30. Alcoholic Beverage Laws Enforcement Commission employees
- 24 occupying the following positions:

- 1 a. three Administrative Service Assistant positions,
2 however, employees in such positions who are in the
3 unclassified service on June 4, 2003, may make an
4 election to be in the classified service without a
5 loss in salary by September 1, 2003, and
6 b. the Deputy Director position in addition to the one
7 authorized by paragraph 2 of this subsection;

8 31. The Oklahoma State Bureau of Investigation employees
9 occupying the following positions:

- 10 a. five assistant directors,
11 b. six special investigators,
12 c. one information representative,
13 d. one federally funded physical evidence technician,
14 e. four federally funded laboratory analysts,
15 f. a maximum of fourteen positions employed for the
16 purpose of managing the automated information systems
17 of the agency,
18 g. one executive secretary in addition to the one
19 authorized pursuant to paragraph 2 of this subsection,
20 h. Child Abuse Response Team (CART) investigator, and
21 i. Child Abuse Response Team (CART) forensic interviewer;

22 32. The Department of Transportation, the following positions:

- 23 a. Director of the Oklahoma Aeronautics Commission,
24

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

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

- a. Director of the Investments Division,
- b. Assistant Director of the Investments Division,
- c. one Administrative Assistant,
- d. one Audit Tech position,
- e. one Auditor I position,
- f. two Accounting Tech I positions,
- g. two Administrative Assistant I positions,
- h. two Imaging Specialist positions, ~~and~~
- i. one Information Systems Specialist position,
- j. Director of Communications,
- k. Director of Royalty Compliance,
- l. Director of Mineral Management,
- m. Director of Accounting,
- n. Chief of Staff,
- o. First Assistant Secretary,
- p. Director of Real Estate Management,

1 q. one executive secretary,

2 r. one legal secretary, and

3 s. one legal assistant;

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

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

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

14 c. one fiscal officer,

15 d. one full-time Programmer, and

16 e. one full-time Network Engineer;

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

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

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

12 37. The following positions and employees of the Department of
13 Central Services:

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

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

19 38. Oklahoma Water Resources Board personnel occupying the
20 following offices and positions:

- 21 a. four Water Quality Assistant Division Chiefs,
- 22 b. four Water Resources Division Chiefs, and
- 23 c. Director of Water Planning;

1 39. J.D. McCarty Center for Children with Developmental
2 Disabilities personnel occupying the following offices and
3 positions:

- 4 a. Physical Therapists,
- 5 b. Physical Therapist Assistants,
- 6 c. Occupational Therapists,
- 7 d. Certified Occupational Therapist Aides, and
- 8 e. Speech Pathologists;

9 40. The Development Officer, the Director of the State Museum
10 of History and the Cherokee Strip Regional Heritage Center Director
11 within the Oklahoma Historical Society;

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

- 14 a. one Executive Secretary in addition to the Executive
15 Secretary authorized by paragraph 2 of this subsection
16 and one Executive Assistant,
- 17 b. nineteen Agricultural Marketing Coordinator III
18 positions,
- 19 c. temporary fire suppression personnel, regardless of
20 the number of hours worked, who are employed by the
21 Oklahoma Department of Agriculture, Food, and
22 Forestry; provided, however, notwithstanding the
23 provisions of any other section of law, the hours
24 worked by such employees shall not entitle such

1 employees to any benefits received by full-time
2 employees,

- 3 d. one Information Technology Specialist,
- 4 e. one Director of Administrative Services,
- 5 f. one Water Quality Consumer Complaint Coordinator,
- 6 g. one hydrologist position,
- 7 h. Public Information Office Director,
- 8 i. one Information Technology Technician,
- 9 j. Legal Services Director,
- 10 k. Animal Industry Services Director,
- 11 l. Agricultural Environmental Management Services
12 Director,
- 13 m. Forestry Services Director,
- 14 n. Plant Industry and Consumer Services Director,
- 15 o. one Grants Administrator position,
- 16 p. Director of Laboratory Services,
- 17 q. Chief of Communications,
- 18 r. Public Information Manager,
- 19 s. Inventory/Supply Officer,
- 20 t. five Agriculture Field Inspector positions assigned
21 the responsibility for conducting inspections and
22 audits of agricultural grain storage warehouses. All
23 other Agriculture Field Inspector positions and
24 employees of the Oklahoma Department of Agriculture,

1 Food, and Forestry shall be classified and subject to
2 the provisions of the Merit System of Personnel
3 Administration. On November 1, 2002, all other
4 unclassified Agriculture Field Inspectors shall be
5 given status in the classified service as provided in
6 Section 840-4.2 of this title,

- 7 u. Rural Fire Coordinator,
- 8 v. one Agricultural Marketing Coordinator I,
- 9 w. Food Safety Division Director,
- 10 x. two Environmental Program Specialists,
- 11 y. two Scale Technicians, and
- 12 z. two Plant Protection Specialists;

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

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

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

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

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

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

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

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

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

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

1 upon termination of an unclassified appointment pursuant to this
2 paragraph, an employee on assignment from the classified service
3 shall have a right to be restored to the classified service and
4 reinstated to the former job family level and compensation plus any
5 adjustments and increases in salary or benefits which the employee
6 would have received but for the leave of absence;

7 51. The Oklahoma Homeland Security Director and all other
8 positions assigned the responsibilities of working in the Oklahoma
9 Office of Homeland Security;

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

- 12 a. one surveillance supervisor,
- 13 b. one surveillance project monitor,
- 14 c. two bilingual interviewers,
- 15 d. eight senior interviewers, and
- 16 e. six interviewers;

17 53. State Board of Registration for Professional Engineers and
18 Land Surveyors personnel occupying the following offices and
19 positions:

- 20 a. one Director of Enforcement, and
- 21 b. two Board Investigators;

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

24

1 55. Two Management Information Systems positions of the Office
2 of Juvenile Affairs.

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

6 1. Licensed medical doctors, osteopathic physicians, dentists,
7 psychologists, and nurses;

8 2. Certified public accountants;

9 3. Licensed attorneys;

10 4. Licensed veterinarians; and

11 5. Licensed pharmacists.

12 C. Effective July 1, 1996, authorization for unclassified
13 offices, positions, or personnel contained in a bill or joint
14 resolution shall terminate June 30 of the ensuing fiscal year after
15 the authorization unless the authorization is codified in the
16 Oklahoma Statutes or the termination is otherwise provided in the
17 legislation.

18 D. The appointing authority of agencies participating in the
19 statewide information systems project may establish unclassified
20 positions and appoint unclassified employees to the project as
21 needed. Additional unclassified positions may be established, if
22 required, to appoint an unclassified employee to perform the duties
23 of a permanent classified employee who is temporarily absent from a
24 classified position as a result of assignment to this project. All

1 unclassified appointments under this authority shall expire no later
2 than December 31, 2007, and all unclassified positions established
3 to support the project shall be abolished. Both the positions and
4 appointments resulting from this authority shall be exempt from any
5 agency FTE limitations and any limits imposed on the number of
6 unclassified positions authorized. Permanent classified employees
7 may request a leave of absence from classified status and accept an
8 unclassified appointment and compensation with the same agency under
9 the provisions of this subsection; provided, the leave shall expire
10 no later than December 31, 2007. Employees accepting the
11 appointment and compensation shall be entitled to participate
12 without interruption in any benefit programs available to classified
13 employees, including retirement and insurance programs. Immediately
14 upon termination of an unclassified appointment pursuant to this
15 subsection, an employee on assignment from the classified service
16 shall have a right to be restored to the classified service and
17 reinstated to the former job family level and compensation plus any
18 adjustments and increases in salary or benefits which the employee
19 would have received but for the leave of absence.

20 SECTION 53. REPEALER 64 O.S. 2001, Sections 1.2, 1.3, as
21 amended by Section 1, Chapter 433, O.S.L. 2004, 9, 11, 12, 13, 14,
22 52, 56, 57, 58.1, 59, 63, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74,
23 75, 76, 77, 78, 79, 80.1, 80.2, 80.3, 80.4, 81, 82, 82.1, 82.2, 83,
24 84, 86, 86.1, 87c, 89, 91, 93, 94, 95, 96, 97, 99, 100, 111, 112,

1 121, 124, 125, 127, 128, 129, 131, 132, 157, 159, 161, 162, 162.2,
2 163, 164, 165, 166, 187, 188, 189, 190, 191, 193, 195, 196, 214,
3 215, 216.1, 216.2, 216.3, 216.4, 216.5, 216.6, 216.7, 216.8, 229.1,
4 229.2, 229.3, 229.4, 229.5, 245, 248, 250, 251, 253, 254, 255, 256,
5 256.1, 260.1, 260.2, 294, 452, 453, 455 and 456 (64 O.S. Supp. 2009,
6 Section 1.3), are hereby repealed.

7 SECTION 54. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

11 Passed the Senate the 3rd day of March, 2010.

12

13

Presiding Officer of the Senate

14

15 Passed the House of Representatives the ____ day of _____,
16 2010.

17

18

Presiding Officer of the House
of Representatives

19

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