

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 SUBCOMMITTEE
4 RECOMMENDATION
5 FOR ENGROSSED
6 SENATE BILL NO. 233

By: Anderson and Ivester of the
Senate

7 and

8 Enns of the House

9
10 SUBCOMMITTEE RECOMMENDATION

11 [promotion of the practice of medicine in rural
12 Oklahoma - providing for referendum contingent upon
13 certain voting result - excise taxes on certain
14 tobacco products - moist snuff - tax credit for
15 donations to qualified nonprofit rural physician
16 practice development entity - Physician Manpower
17 Training Commission - codification - effective date
18 contingent upon method of enactment]
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22 ~~BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:~~

23 SECTION 1. If this measure receives at least a majority vote of
24 those elected to and constituting the Oklahoma House of

1 Representatives and the Oklahoma State Senate on final passage in
2 both chambers, but fails to receive three-fourths (3/4) approval in
3 both chambers on final passage as required by Article V, Section 33
4 of the Oklahoma Constitution, then pursuant to Article V, Section 33
5 of the Oklahoma Constitution, there is hereby ordered the following
6 legislative referendum which shall be filed with the Secretary of
7 State and addressed to the Governor of the state, who shall submit
8 the same to the people for their approval or rejection at the next
9 General Election. If this measure does receive at least three-
10 fourths (3/4) approval in both chambers of the Legislature upon its
11 final passage, then the measure shall be presented to the Governor
12 of the State of Oklahoma in the same manner as other measures
13 requiring presentment to the Governor and the measure shall not be
14 referred to a vote of the people pursuant to Article V, Section 33
15 of the Oklahoma Constitution.

16 SECTION 2. AMENDATORY 68 O.S. 2001, Section 401, is
17 amended to read as follows:

18 Section 401. For the purpose of this article:

19 (a) The word "person" shall mean any individual, company,
20 limited liability company, corporation, partnership, association,
21 joint adventure, estate, trust, or any other group, or combination
22 acting as a unit, and the plural as well as the singular, unless the
23 intention to give a more limited meaning is disclosed by the
24 context.

1 (b) The term "Tax Commission" shall mean the Oklahoma Tax
2 Commission.

3 (c) The word "wholesaler" shall include dealers whose principal
4 business is that of a wholesale dealer or jobber, and who is known
5 to the trade as such, who shall sell any cigars or tobacco products
6 to licensed retail dealers only for the purpose of resale, or giving
7 them away, or exposing the same where they may be taken or
8 purchased, or otherwise acquired by the retailer.

9 (d) The word "retailer" shall include every dealer, other than
10 a wholesale dealer as defined above, whose principal business is
11 that of selling merchandise at retail, who shall sell, or offer for
12 sale, cigars or tobacco products, irrespective of quantity, number
13 of sales, giving the same away or exposing the same where they may
14 be taken, or purchased, or otherwise acquired by the consumer.

15 (e) The word "consumer" shall mean a person who comes into
16 possession of tobacco for the purpose of consuming it, giving it
17 away, or disposing of it in any way by sale, barter or exchange.

18 (f) The words "first sale" shall mean and include the first
19 sale, or distribution, of cigars or tobacco products in intrastate
20 commerce, or the first use or consumption of cigars, or tobacco
21 products within this state.

22 (g) The words "tobacco products" shall mean any cigars,
23 cheroots, stogies, smoking tobacco (including granulated, plug cut,
24 crimp cut, ready rubbed and any other kinds and forms of tobacco

1 suitable for smoking in a pipe or cigarette), chewing tobacco
2 (including cavendish, twist, plug, scrap and any other kinds and
3 forms of tobacco suitable for chewing), however prepared; and shall
4 include any other articles or products made of tobacco or any
5 substitute therefor.

6 (h) The term "distributing agent" shall mean and include every
7 person in this state who acts as an agent of any person outside the
8 state by receiving cigars and tobacco products in interstate
9 commerce and storing such items subject to distribution or delivery,
10 upon order from said person outside the state, to distributors,
11 wholesale dealers and retail dealers, or to consumers. The term
12 "distributing agent" shall also mean and include any person who
13 solicits or takes orders for cigars and tobacco products to be
14 shipped in interstate commerce to a person in this state by a person
15 residing outside of Oklahoma, the tax not having been paid on such
16 cigars and tobacco products.

17 (i) The term "stamp" shall mean the stamp or stamps by use of
18 which:

19 1. The tax levied pursuant to the provisions of Section 401 et
20 seq. of this title is paid;

21 2. The tax levied pursuant to the provisions of Section 426 of
22 this title is paid; or

23 3. The payment in lieu of taxes authorized pursuant to a
24 compact entered into by the State of Oklahoma and a federally

1 recognized Indian tribe or nation pursuant to the provisions of
2 subsection C of Section 346 of this title is paid.

3 (j) The term "drop shipment" shall mean and include any
4 delivery of cigars or tobacco products received by any person within
5 the state when payment for such cigars or tobacco products is made
6 to the shipper or seller by or through a person other than the
7 consignee.

8 (k) The term "cigars" shall include any roll of tobacco for
9 smoking, irrespective of size or shape and irrespective of the
10 tobacco being flavored, adulterated or mixed with any other
11 ingredients, where such roll has a wrapper made chiefly of tobacco.

12 (l) The word "dealer" shall include every person, firm,
13 corporation, or association of persons, who manufactures cigars or
14 tobacco products for distribution, sale, use or consumption in the
15 State of Oklahoma. The word "dealer" is also further defined to
16 mean any person, firm, corporation or association of persons, who
17 imports cigars or tobacco products from any state or foreign
18 country, for distribution, sale, use or consumption in the State of
19 Oklahoma.

20 (m) The term "moist snuff" shall mean and include any finely
21 cut, ground, or powdered tobacco that is not intended to be smoked
22 but shall not include any finely cut, ground, or powdered tobacco
23 that is intended to be placed in the nasal cavity.
24

1 SECTION 3. AMENDATORY 68 O.S. 2001, Section 402, is
2 amended to read as follows:

3 Section 402. There shall be levied, assessed, collected, and
4 paid in respect to the articles containing tobacco enumerated in
5 Section 401 et seq. of this title, a tax in the following amounts:

6 1. Little Cigars. Upon cigars of all descriptions made of
7 tobacco, or any substitute therefor, and weighing not more than
8 three (3) pounds per thousand, four (4) mills for each cigar.

9 Provided, that the tax levied on the products coming under this
10 paragraph shall not apply if the tax on such products is reported
11 and paid as cigarette tax under Sections 301 through 325 of this
12 title;

13 2. Cigars. Upon cigars of all descriptions made of tobacco, or
14 any substitute therefor, weighing more than three (3) pounds per
15 thousand and having a manufacturer's recommended retail selling
16 price, under the Federal Code, of not exceeding four cents (\$0.04)
17 per cigar, one cent (\$0.01) for each cigar;

18 3. Cigars. Upon all other cigars of all descriptions made of
19 tobacco, or any substitute therefor, and weighing more than three
20 (3) pounds per thousand, Twenty Dollars (\$20.00) per thousand. For
21 the purpose of computing the tax, cheroots, stogies, etc., are
22 hereby classed as cigars;

23 4. Smoking Tobacco. Upon all smoking tobacco including
24 granulated, plug cut, crimp cut, ready rubbed and other kinds and

1 forms of tobacco prepared in such manner as to be suitable for
2 smoking in a pipe or cigarette, the tax shall be twenty-five percent
3 (25%) of the factory list price exclusive of any trade discount,
4 special discount or deals; ~~and~~

5 5. Chewing Tobacco. Upon chewing tobacco, smokeless tobacco,
6 and snuff, other than moist snuff, the tax shall be twenty percent
7 (20%) of the factory list price exclusive of any trade discount,
8 special discount or deals; and

9 6. Moist Snuff. Upon moist snuff, the tax shall be at the rate
10 of One Dollar and twenty cents (\$1.20) per ounce of moist snuff and
11 a proportionate tax at the same rate on all fractional parts of an
12 ounce thereof.

13 It shall not be permissible for a retailer to advertise that the
14 retailer will absorb the tax due on the taxable merchandise
15 described herein. Such tax shall be paid by the consumer.

16 Notwithstanding any other provision of law, the tax levied
17 pursuant to the provisions of Section 401 et seq. of this title
18 shall be part of the gross proceeds or gross receipts from the sale
19 of cigars or tobacco products, or both, as those terms are defined
20 in paragraph 7 of Section 1352 of this title.

21 SECTION 4. AMENDATORY 68 O.S. 2001, Section 402-1, is
22 amended to read as follows:

23 Section 402-1. In addition to the tax levied by Section 402 of
24 this title, there is hereby levied upon the sale, use, exchange or

1 possession of articles containing tobacco as defined in said Section
2 402, a tax in the following amounts:

3 (a) Upon little cigars of all descriptions made of tobacco, or
4 any substitute therefor, and weighing not more than three (3) pounds
5 per thousand, two and one-half (2 1/2) mills for each cigar.

6 Provided, that the tax levied on the products coming under this
7 paragraph shall not apply if the tax on such products is reported
8 and paid as cigarette tax under Sections 301 through 325 of this
9 title.

10 (b) Upon cigars of all descriptions made of tobacco, or any
11 substitute therefor, and weighing more than three (3) pounds per
12 thousand, and having a manufacturer's recommended retail selling
13 price, under the Federal Code, of more than four cents (\$0.04) for
14 each cigar, Ten Dollars (\$10.00) per thousand. For the purpose of
15 computing the tax, cheroots, stogies, etc., are hereby classed as
16 cigars.

17 (c) Upon all smoking tobacco including granulated, plug cut,
18 crimp cut, ready rubbed and other kinds and forms of tobacco
19 prepared in such manner as to be suitable for smoking in a pipe or
20 cigarette, the tax shall be fifteen percent (15%) of the factory
21 list price exclusive of any trade discount, special discount or
22 deals.

23 (d) Upon chewing tobacco, smokeless tobacco, and snuff, other
24 than moist snuff, the tax shall be ten percent (10%) of the factory

1 list price exclusive of any trade discount, special discount or
2 deals.

3 This tax shall be paid by the consumer and no retailer may
4 advertise that he will pay or absorb this tax.

5 (e) The tax herein levied on tobacco products shall be
6 evidenced by stamps and collected on the same basis and in the same
7 manner and in all respects as the tax levied by the Tobacco Products
8 Tax Law. The revenue from this additional tax shall be apportioned
9 by the Oklahoma Tax Commission in the same manner as provided in
10 Section 404 of this title, for the apportionment of other tobacco
11 products tax revenue.

12 SECTION 5. AMENDATORY Section 10, Chapter 322, O.S.L.
13 2004, as amended by Section 10, Chapter 393, O.S.L. 2008 (68 O.S.
14 Supp. 2010, Section 402-3), is amended to read as follows:

15 Section 402-3. A. In addition to the tax levied in Sections
16 402, 402-1 and 402-2 of this title, ~~effective January 1, 2005,~~ there
17 shall be levied, assessed, collected, and paid in respect to the
18 articles containing tobacco enumerated in Section 401 et seq. of
19 this title, a tax in the following amounts:

20 1. Little Cigars. Upon cigars of all descriptions made of
21 tobacco, or any substitute therefor, and weighing not more than
22 three (3) pounds per thousand, twenty-seven (27) mills for each
23 cigar. Provided, that the tax levied on the products coming under
24 this paragraph shall not apply if the tax on such products is

1 reported and paid as cigarette tax under Sections 301 through 325 of
2 this title;

3 2. Cigars. Upon all other cigars of all descriptions made of
4 tobacco, or any substitute therefor, and weighing more than three
5 (3) pounds per thousand, Ninety Dollars (\$90.00) per thousand. For
6 the purpose of computing the tax, cheroots, stogies, etc., are
7 hereby classed as cigars;

8 3. Smoking Tobacco. Upon all smoking tobacco including
9 granulated, plug cut, crimp cut, ready rubbed and other kinds and
10 forms of tobacco prepared in such manner as to be suitable for
11 smoking in a pipe or cigarette, the tax shall be forty percent (40%)
12 of the factory list price exclusive of any trade discount, special
13 discount or deals; and

14 4. Chewing Tobacco. Upon chewing tobacco, smokeless tobacco,
15 and snuff, other than moist snuff, the tax shall be thirty percent
16 (30%) of the factory list price exclusive of any trade discount,
17 special discount or deals.

18 B. Except as provided in subsection C of this section, the
19 revenue resulting from the additional tax levied in subsection A of
20 this section shall be apportioned by the Oklahoma Tax Commission and
21 transmitted to the State Treasurer as follows:

22 1. Twenty-two and six-hundredths percent (22.06%) shall be
23 placed to the credit of the Health Employee and Economy Improvement
24

1 Act Revolving Fund created in Section 1010.1 of Title 56 of the
2 Oklahoma Statutes;

3 2. Three and nine-hundredths percent (3.09%) shall be placed to
4 the credit of the Comprehensive Cancer Center Debt Service Revolving
5 Fund created in Section 160.1 of Title 62 of the Oklahoma Statutes;

6 3. Before July 1, 2008, seven and fifty-hundredths percent
7 (7.50%) shall be placed to the credit of the Trauma Care Assistance
8 Revolving Fund created in Section ~~1-2522~~ 1-2350.9 of Title 63 of the
9 Oklahoma Statutes. On and after July 1, 2008, seven and fifty-
10 hundredths percent (7.50%) shall be allocated as follows:

11 a. every month, an amount equal to the actual amount
12 placed to the credit of the Trauma Care Assistance
13 Revolving Fund pursuant to this paragraph for the same
14 month of the 2008 fiscal year shall be credited to the
15 Trauma Care Assistance Revolving Fund,

16 b. every month, any amount over and above the amount
17 placed to the credit of the Trauma Care Assistance
18 Revolving Fund pursuant to subparagraph a of this
19 paragraph shall be credited to the Oklahoma Emergency
20 Response Systems Stabilization and Improvement
21 Revolving Fund as created in Section ~~§~~ 1-2512.1 of
22 ~~this act~~ Title 63 of the Oklahoma Statutes until the
23 combined amount credited to the Oklahoma Emergency
24 Response Systems Stabilization and Improvement

1 Revolving Fund pursuant to this section and Section
2 302-5 of this title is equal to Two Million Five
3 Hundred Thousand Dollars (\$2,500,000.00) each year,
4 and

5 c. any additional revenue allocated pursuant to this
6 paragraph shall be placed to the credit of the Trauma
7 Care Assistance Revolving Fund;

8 4. Three and nine-hundredths percent (3.09%) shall be placed to
9 the credit of the Oklahoma State University College of Osteopathic
10 Medicine Revolving Fund created in Section 160.2 of Title 62 of the
11 Oklahoma Statutes;

12 5. Twenty-six and thirty-eight-hundredths percent (26.38%)
13 shall be placed to the credit of the Oklahoma Health Care Authority
14 Medicaid Program Fund created in Section 5020 of Title 63 of the
15 Oklahoma Statutes for the purposes of maintaining programs and
16 services funded under the federal "Jobs and Growth Tax Relief
17 Reconciliation Act of 2003", reimbursing city/county-owned
18 hospitals, increasing emergency room physician rates, and providing
19 TEFRA 134, also known as "Katie Beckett" services;

20 6. Two and sixty-five-hundredths percent (2.65%) shall be
21 placed to the credit of the Department of Mental Health and
22 Substance Abuse Services Revolving Fund created in Section 2-303 of
23 Title 43A of the Oklahoma Statutes;

1 7. Forty-four-hundredths of one percent (0.44%) shall be placed
2 to the credit of the Belle Maxine Hilliard Breast and Cervical
3 Cancer Treatment Revolving Fund created in Section 1-559 of Title 63
4 of the Oklahoma Statutes;

5 8. One percent (1%) shall be placed to the credit of the
6 Teachers' Retirement System Revolving Fund created in Section 158 of
7 Title 62 of the Oklahoma Statutes;

8 9. Two and seven-hundredths percent (2.07%) shall be placed to
9 the credit of the Education Reform Revolving Fund created in Section
10 ~~41.29b~~ 34.89 of Title 62 of the Oklahoma Statutes;

11 10. Sixty-six-hundredths percent (.66%) shall be placed to the
12 credit of the Tobacco Prevention and Cessation Revolving Fund
13 created in Section 1-105d of Title 63 of the Oklahoma Statutes;

14 11. Sixteen and eighty-three-hundredths percent (16.83%) shall
15 be placed to the credit of the General Revenue Fund; and

16 12. For fiscal years beginning July 1, 2004, and ending June
17 30, 2006, fourteen and twenty-three-hundredths percent (14.23%)
18 shall be apportioned to municipalities and counties that levy a
19 sales tax, in the proportions which total municipal and county sales
20 tax revenue was apportioned by the Tax Commission in the preceding
21 month.

22 For fiscal years beginning July 1, 2006, and thereafter, the
23 apportionment percentage specified in paragraph 12 of this
24 subsection will be adjusted by dividing the total municipal and

1 county sales tax revenue collected in the calendar year immediately
2 preceding the commencement of the fiscal year by the sum of the
3 state sales tax revenue and total municipal and county sales tax
4 revenue collected in the same year. This ratio shall be divided by
5 the ratio of the total municipal and county sales tax revenue
6 collected in the calendar year beginning January 1, 2004, and ending
7 December 31, 2004, divided by the sum of the state sales tax revenue
8 and total municipal and county sales tax revenue collected in the
9 same year. The resulting quotient shall be multiplied by fourteen
10 and twenty-three-hundredths percent (14.23%) to determine the
11 apportionment percentage for the fiscal year.

12 For fiscal years beginning July 1, 2006, and thereafter, any
13 adjustment to the percentage of revenues apportioned to
14 municipalities and counties shall be reflected in the percent of
15 revenues apportioned to the General Revenue Fund.

16 C. The net amount of any revenue resulting from a payment in
17 lieu of excise taxes on little cigars, cigars, smoking tobacco and
18 chewing tobacco levied by this section, pursuant to a compact with a
19 federally recognized Indian tribe or nation after deductions for
20 deposits into trust accounts pursuant to such compacts, shall be
21 apportioned by the Tax Commission and transmitted to the State
22 Treasurer as follows:

23 1. Thirty-three and forty-nine-hundredths percent (33.49%)
24 shall be placed to the credit of the Health Employee and Economy

1 Improvement Act Revolving Fund created in Section 1010.1 of Title 56
2 of the Oklahoma Statutes;

3 2. Four and sixty-nine-hundredths percent (4.69%) shall be
4 placed to the credit of the Comprehensive Cancer Center Debt Service
5 Revolving Fund created in Section 160.1 of Title 62 of the Oklahoma
6 Statutes;

7 3. Before July 1, 2008, eleven and thirty-nine-hundredths
8 percent (11.39%) shall be placed to the credit of the Trauma Care
9 Assistance Revolving Fund created in Section ~~1-2522~~ 1-2350.9 of
10 Title 63 of the Oklahoma Statutes. On and after July 1, 2008,
11 eleven and thirty-nine-hundredths percent (11.39%) shall be
12 allocated as follows:

13 a. every month, an amount equal to the actual amount
14 placed to the credit of the Trauma Care Assistance
15 Revolving Fund pursuant to this paragraph for the same
16 month of the 2008 fiscal year shall be credited to the
17 Trauma Care Assistance Revolving Fund,

18 b. every month, any amount over and above the amount
19 placed to the credit of the Trauma Care Assistance
20 Revolving Fund pursuant to subparagraph a of this
21 paragraph shall be credited to the Oklahoma Emergency
22 Response Systems Stabilization and Improvement
23 Revolving Fund as created in Section ~~&~~ 1-2512.1 of
24 ~~this act~~ Title 63 of the Oklahoma Statutes until the

1 combined amount credited to the Oklahoma Emergency
2 Response Systems Stabilization and Improvement
3 Revolving Fund pursuant to this section and Section
4 302-5 of this title is equal to Two Million Five
5 Hundred Thousand Dollars (\$2,500,000.00) each year,
6 and

7 c. any additional revenue allocated pursuant to this
8 paragraph shall be placed to the credit of the Trauma
9 Care Assistance Revolving Fund;

10 4. Four and sixty-nine-hundredths percent (4.69%) shall be
11 placed to the credit of the Oklahoma State University College of
12 Osteopathic Medicine Revolving Fund created in Section 160.2 of
13 Title 62 of the Oklahoma Statutes;

14 5. Forty and six-hundredths percent (40.06%) shall be placed to
15 the credit of the Oklahoma Health Care Authority Medicaid Program
16 Fund created in Section 5020 of Title 63 of the Oklahoma Statutes
17 for the purposes of maintaining programs and services funded under
18 the federal "Jobs and Growth Tax Relief Reconciliation Act of 2003",
19 reimbursing city/county-owned hospitals, increasing emergency room
20 physician rates, and providing TEFRA 134, also known as "Katie
21 Beckett" services;

22 6. Four and one-hundredths percent (4.01%) shall be placed to
23 the credit of the Department of Mental Health and Substance Abuse
24

1 Services Revolving Fund created in Section 2-303 of Title 43A of the
2 Oklahoma Statutes;

3 7. Sixty-seven-hundredths percent (0.67%) shall be placed to
4 the credit of the Belle Maxine Hilliard Breast and Cervical Cancer
5 Treatment Revolving Fund created in Section 1-559 of Title 63 of the
6 Oklahoma Statutes; and

7 8. One percent (1%) shall be placed to the credit of the
8 Tobacco Prevention and Cessation Revolving Fund created in Section
9 1-105d of Title 63 of the Oklahoma Statutes.

10 D. It shall not be permissible for a retailer to advertise that
11 the retailer will absorb the tax due on the taxable merchandise
12 described herein. Such tax shall be paid by the consumer.

13 SECTION 6. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 2357.701 of Title 68, unless
15 there is created a duplication in numbering, reads as follows:

16 A. As used in this section:

17 1. "Qualified nonprofit rural physician practice development
18 entity" means an entity:

19 a. organized as a nonprofit entity pursuant to the
20 Oklahoma General Corporation Act, the Oklahoma Limited
21 Liability Company Act or other laws of the State of
22 Oklahoma allowing the formation of a nonprofit entity,
23
24

- 1 b. organized as described by subparagraph a of this
2 paragraph on or after the effective date of this act,
3 but not later than December 31, 2011,
- 4 c. having bylaws which describe the primary purpose of
5 the entity as the encouragement of recently licensed
6 physicians to engage in the practice of medicine in a
7 rural area of the State of Oklahoma,
- 8 d. authorized pursuant to its instrument of organization
9 or bylaws or similar document to receive cash
10 donations for use in promoting recently licensed
11 physicians to engage in the practice of medicine in a
12 rural area of the State of Oklahoma, including but not
13 limited to direct payments to such physicians for use
14 in offsetting the cost of having obtained a medical
15 degree and medical licensure,
- 16 e. designated by the Oklahoma Physician Manpower Training
17 Commission to act as the authorized program
18 administrator for the purposes described by Section 7
19 of this act,
- 20 f. engaged in activities which are conducive to the
21 promotion of programs for encouraging recently
22 licensed physicians to engage in the practice of
23 medicine in a rural area of the State of Oklahoma,
24 including but not limited to the accumulation of

1 monies from cash contributions to the entity which are
2 used in the manner prescribed by Section 7 of this
3 act, and

4 g. that transfers at least eighty percent (80%) of the
5 monies accumulated by the nonprofit entity to recently
6 licensed physicians who commit to engage in the
7 practice of medicine in a rural area of the State of
8 Oklahoma according to the requirements imposed by the
9 nonprofit entity and for such period of time as the
10 physician and the nonprofit entity may mutually agree;
11 and

12 2. "Taxpayer" means any individual or any lawfully recognized
13 entity having an Oklahoma income tax liability.

14 B. For taxable years beginning after December 31, 2011, if the
15 provisions of this act are not referred to a vote of the people
16 pursuant to Section 1 of this act, or for taxable years beginning
17 after December 31, 2012, if the provisions of this act are referred
18 to a vote of the people pursuant to Section 1 of this act, there
19 shall be allowed a credit against the tax imposed pursuant to
20 Section 2355 of Title 68 of the Oklahoma Statutes equal to one
21 hundred percent (100%) of the cash amount donated by any person or
22 lawfully recognized business entity to a qualified nonprofit rural
23 physician practice development entity.

1 C. The tax credit authorized pursuant to the provisions of this
2 section shall not be used to reduce the tax liability of the
3 taxpayer to less than zero (0).

4 D. To the extent not used, any credit authorized pursuant to
5 the provisions of this section may be carried over, in order, to
6 each of the succeeding ten (10) taxable years.

7 E. The total amount of tax credits that may be claimed during
8 any fiscal year that are otherwise authorized by this section shall
9 not exceed Eight Million Dollars (\$8,000,000.00). Any amount of
10 such total authorization which is not utilized through the use of
11 tax credits shall not carry over to any succeeding fiscal year.

12 F. The credit authorized by this section shall only be claimed
13 against the portion of the tax imposed by Section 2355 of Title 68
14 of the Oklahoma Statutes which is apportioned to the General Revenue
15 Fund of the State Treasury.

16 SECTION 7. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 697.41 of Title 70, unless there
18 is created a duplication in numbering, reads as follows:

19 A. The Physician Manpower Training Commission shall designate a
20 qualified nonprofit rural physician practice development entity as
21 the primary point of contact for all programs administered by the
22 Commission in order to promote recently licensed physicians to
23 engage in the practice of medicine in rural areas of the State of
24 Oklahoma.

1 B. The entity designated by the Physician Manpower Training
2 Commission pursuant to subsection A of this section shall have the
3 same characteristics as prescribed pursuant to paragraph 1 of
4 subsection A of Section 6 of this act.

5 C. The designation required by the provisions of subsection A
6 of this section shall be made not later than thirty (30) days after
7 the effective date of this act.

8 D. The Physician Manpower Training Commission shall work
9 cooperatively with the qualified nonprofit rural physician practice
10 development entity in order to promote and encourage recently
11 licensed physicians to engage in the practice of medicine in rural
12 areas of the State of Oklahoma.

13 SECTION 8. This act shall become effective November 1, 2011, if
14 the act becomes law without being referred to a vote of the people
15 pursuant to Section 33 of Article V of the Oklahoma Constitution and
16 shall become effective December 1, 2012, if the act becomes law as a
17 result of being referred to a vote of the people pursuant to Section
18 33 of Article V of the Oklahoma Constitution and approved.

19

20 53-1-7409 CJB 04/04/11

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